



STRATEGY

3

Profiting FROM Tax Sales

THE SECRET (AND BEST) STRATEGY



The Insider Pro's Guide to Profiting at Tax Sales

Overages Method of Profiting at Tax Sale

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You can make money three ways at tax sales. Buying real estate, buying from owners before the tax sale, and in a third, little-known method called "Overages."

Overages is the best of all the tax sale strategies. Overages are the best because:

- You can make money quickly;
- You can make money without ever buying a property;
- You never put up cash or take out a loan to buy a property;
- You never have to compete with other bidders;
- If other bidders win the bid at the tax sale auction you can make money from their bid;
- No risk of acquiring a property in bad condition;
- No running around to do due diligence on properties;
- Overages is a much simpler business model than buying real estate; and
- Overages is a "win-win" because you are helping people recover money owed to them that they will never get back unless you get involved.

Overages is a hidden strategy that very few know about. The insiders that do know the Overages strategy are making a killing. In our office we handle up to 300 overages claims a year. Our office is busy. There are approximately 3,000 properties sold at tax sale every day and many of them produce overages. So out of 3,000 potential claims a day we are doing 300 claims a year! So, there is plenty of room for you.

Overages is where your opportunity is – **learn the Overages business and you can have a profitable, predictable, low-risk business.**

What Are Overages?

Overages is a system to recover monies that are left over after a property is sold at tax foreclosure auction.

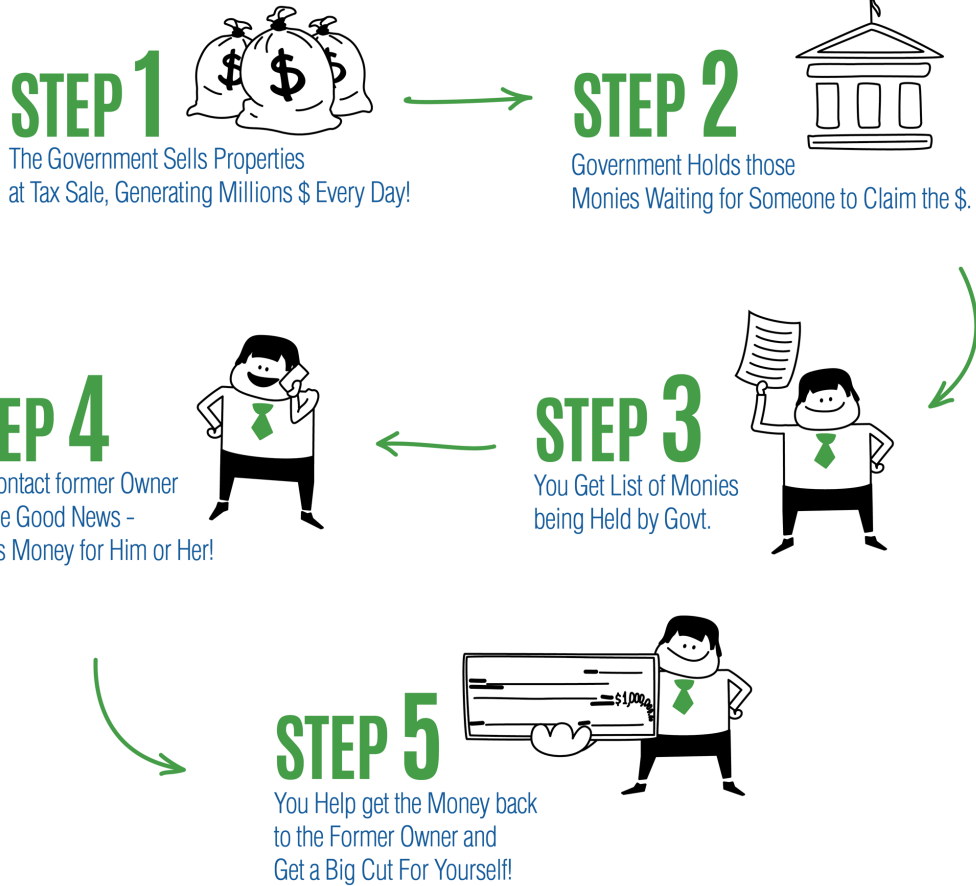
Let me explain.

First, lets take a look at a pictorial overview of Overages and how they work.

TAX SALE BLUEPRINT

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GOAL: Make Money
After the Tax Sale



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Here is how it works:

When properties are sold at tax sale they will often sell for more than the taxes due. This is especially true when the property is “improved” meaning there is a structure on the property. Since the taxes are probably only three to four years behind and taxes are two to three percent of the property value per year, those taxes add up to only a fraction of the value of the property.

When the property is auctioned off at tax sale it will sell for 70% - 80% of its retail value which is far more than the tax bill. The government will force the property to tax sale auction when the taxes go unpaid for three or four years. Given that property taxes average around 1.7% of the property value per year even when the property taxes are three or four years behind the total taxes do not add up to much as a percentage of the property value.

When the property sells for more than the taxes owed, there is money leftover. That money is called “Overages.” **In most states the overages money can be claimed by the former owner.**

For example, let’s say we have a “typical” value house in America worth \$200,000 with four years of unpaid taxes. If the unpaid taxes were \$3,400 per year the tax bill would be \$13,600 in principal plus penalties and interest. Let’s say the penalties and interest double the tax bill to \$27,200.

When the property is auctioned off at tax sale it will sell for 70% - 80% of its retail value, which would be \$140,000 to \$160,000. If the auction bid price were at the low end – meaning \$140,000, and the taxes owed were only \$27,200 there would be \$112,800 leftover after the taxes, penalties and interest were paid!

Here is the math:

Retail value of property	\$200,000
Sale Price at Tax Sale (70% of retail)	\$140,000
Taxes and penalties due	<u>(\$ 27,200)</u>
“Overages” to claim	\$112,800

The former owner can usually claim those monies. The problem is that most of the owners have no idea that any money is available to them, so the owners don’t claim the funds.

Instead the money sits in the government holding account, waiting for the property owner to come and claim it.

If the money goes unclaimed for too long, the money is forfeited to the government. Once the money is forfeited it can't be claimed and the money is gone forever.

I am often asked why owners do not claim the monies. Owners don't come to claim the funds **because they don't have any idea that there is money out there for them.** Simply said they cannot claim funds they don't know about!

There are Hundreds of Millions Sitting in Government Holding Accounts waiting to be claimed. And every day new money comes in from tax sales and money goes out as it forfeits to the government.

On an average day 3,000 properties are sold at tax sale. And each tax sale represents a potential opportunity to make money from the leftover funds.

That is the business of Overages that we teach. We show you how to find the lists of monies being held, how to find the people and how to set up a business to get you a finder's fee for reuniting the people with the leftover moneys.

Using an Overages Strategy, we can make money at almost any tax sale. We can even make money when another bidder outbids us at auction. We don't need to attend the auction, we don't need to put up money to buy a property, and we never need to get our hands dirty with a rehab or deal with contractors.

Overages is such a good business that many investors skip the tax sale and simply pursue overages Instead.

Overages deals have very little competition and very high profits making overages the biggest and best opportunity at Tax Sale

I know you have questions about overages. It is going to take more than just a few minutes to explain the entire overages opportunity to you, so **I've prepared a presentation you can watch where I explain Overages. It's about 90 minutes long, and you can attend via computer from home or wherever you are.**

Be on the look-out for an email to register for the webinar