

## Tax Lien Resolution & Litigation

# Protecting your real estate investment portfolio from tax liens



### Whether you are seeking to

- track and monitor tax liens on real property
- implement policies and procedures to avoid mortgaged property being sold at tax sales
- negotiate with tax assessment officials
- redeem properties administratively with local government officials
- bring suit to protect your investment and avoid consumer liability

our team can help you across the country.

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### We help clients manage

- Loss and recovery of mortgaged property at tax sales
- Increases in tax assessments
- Subordination of mortgage interests to tax liens
- Potential liability under consumer protection laws
- Indemnification demands under servicing and pooling agreements

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### Clients we can help include

- National, state, and community banks
- Mortgage servicers and sub-servicers
- Mortgage originators and closing attorneys
- Title insurance companies
- Judgment creditors and other lienholders
- Tax Lien Investors

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### Navigate a patchwork of state, county, and local laws

#### Related Practice Areas

[Alternative Lending & Other Non-Bank Financial Services](#)

[Consumer Financial Services](#)

[Corporate & Securities](#)

[Corporate Leveraged Finance](#)

[Cybersecurity & Data Privacy](#)

[E-Discovery - Encompass](#)

[E-Discovery & Information Governance](#)

[Emerging Companies](#)

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[Intellectual Property](#)

[Investment Management](#)

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[Private Equity](#)

[Real Estate Capital Markets](#)

[Securities Offerings](#)

[Tax](#)

#### Related Industries

Our team has experience in over 30 states helping clients avoid liability exposure and investment loss, forcing redemption of properties lost at tax sale, and positioning client businesses to help avoid future tax lien issues that could undermine their collateral.

Banking & Financial  
Services

Real Estate

### Our Tax Lien Resolution & Litigation Team helps clients

- **Develop early warning detection** – Implement processes to track and monitor tax liens on properties within your portfolio to avoid problems before they arise
- **Complete an early loss analysis** – Analyze the loss of your property at a tax sale to preserve your rights as an interested party
- **Administratively redeem property** – We help clients act quickly to pursue the redemption process- including providing assistance after the statutory period has expired—to help minimize costs and avoid losing their investment completely where possible
- **Negotiate with the investor** – We will negotiate with the investor who purchased your property to help implement measures to recover the property where a redemption is no longer permitted
- **Recover the property in court** – We will file suit seeking to overturn the tax sale on statutory, procedural, constitutional, or other relevant grounds, and have experience with matters where the redemption period has passed or the statute of limitations has expired
- **Mitigate losses** – Even where your lien is subordinated or fully extinguished, we can help avoid a total loss of investment by claiming excess funds or negotiating a settlement of consumer or contract claims with your borrower or umbrella-servicer
- **Implement preventative policies** – We can help you learn from your loss by helping to identify the root cause of the loss before developing policies to help avoid future issues with that same property or other properties within the portfolio
- **Cure title problems in connection with tax sales** – We help clients — including banks, servicers, or tax lien investors — clear title issues that led to or resulted from tax sales to ensure that your investment is fully marketable to your borrower or a potential buyer
- **Defend against lienholder collection actions** – We can help tax lien investors defend against suits brought by homeowners' associations or other lienholders holding an interest in properties purchased at tax sale

## Why Nelson Mullins?

- Knowledge and efficiency – because of our familiarity with the state tax sale procedures in states throughout the country, our clients receive timely, actionable advice
- Consistency and geographic reach – with Nelson Mullins, your company has one point of contact for nearly each state in which you have investment properties
- Balanced perspectives – through our work for banks, servicers, and tax lien investors, we bring practical business sense to help clients protect properties and advance business objectives

## **Experience**

Following is a selected sampling of matters and is provided for informational purposes only. Past success does not indicate the likelihood of success in any future matter.

### **Representation of Banking and Servicing Clients**

- Developing and executing proactive tax sale monitoring program that has recovered tens of millions of dollars worth of real property before redemption rights are extinguished
- Litigation forcing redemption of real property after expiration of limitations period in South Carolina because of due process violation
- Successful litigation of the validity of a fire dues sale in Alabama to avoid total loss of mortgaged property
- Successfully claimed millions of dollars in excess funds for mortgage servicers and investors in Alabama, Connecticut, Georgia, Pennsylvania, Rhode Island, and Tennessee
- Successfully claimed nearly \$100,000 in excess proceeds for national bank in North Carolina
- Judicial redemption in Alabama after termination of administrative redemption period
- Successful defense of quiet title action brought by tax deed holder in South Carolina for nationwide mortgage holder
- Claiming excess funds in Tennessee over objections from borrower
- Negotiation of administrative redemption with tax collector after termination of redemption period in South Carolina
- Return of excess proceeds obtained by borrower's bankruptcy trustee in Alabama
- Setting aside lien foreclosure of mortgaged property in Maryland
- Negotiate value of preservation improvements with investor under Alabama's new arbitration statutory scheme
- Successful defense of North Carolina tax lien foreclosure on behalf of a nationwide mortgage servicer