

Frequently Asked Questions (FAQ's) for Hanover County Delinquent Real Estate Auctions

Q: When is a delinquent parcel eligible for auction?

A: VA Code § 58.1-3965 currently authorizes Virginia localities to initiate the sale of tax delinquent property on December 31 following the second anniversary of the date on which such taxes have become due. For example, a parcel with delinquent 2006 real estate taxes is eligible for auction on January 1, 2009.

Q. If I pay the delinquent taxes on a property, do I have legal ownership of that property?

A. No, there is no such provision under Virginia law.

Q: Does Hanover County sell real estate tax lien certificates?

A. No, Virginia law does not allow this. This process is used in many other states, but is not authorized in Virginia.

Q: How can I obtain a listing of properties?

A. Lists of tax sale properties to be auctioned are posted on our web site. Lists are usually not available until three weeks prior to the auction. Lists are published in legal section of Herald-Progress in advance of the auction date. You may also sign up for a free e-mail notification by emailing the Hanover County Treasurer's Collection Division at collections@co.hanover.va.us. As soon as the list of properties is finalized and an auction date is determined, the information is posted on this website and e-mails will be sent to those on our auction notification list.

Q. Who can purchase property at a tax sale?

A. The auctions are open to the general public. Anyone can bid on a property.

You must be present at the auction to participate. Bids via mail, telephone, or the internet will not be accepted.

Q. Do I need to be a Virginia resident to purchase real estate?

A. No.

Q: How often are auctions held?

A. Auctions are held as soon as enough properties are ready through the legal process for auction. Usually auctions are scheduled when the legal process for tax sale has been completed on 10 to 25 properties. Dates vary, so check this web-site for notice of upcoming auctions.

Q. Where are the auctions held?

A. The auctions are held on the steps of Hanover County's Circuit Court in the Hanover County Government Complex. Any change of venue will be noted on the tax sale announcements.

Q. What types of properties are sold at auction?

A. All types of properties are sold at a tax sale. This includes vacant lots, vacant buildings, residential parcels, commercial parcels, and manufacturing parcels as well as occupied buildings.

Q. What happens on the day of the auction (procedures, etc.)?

A. The sale works like a typical auction – highest bidder wins the property. The highest bidder normally must pay 25% of the bid price on the day of the auction.

Q. What are the starting bid prices of properties?

A. There are no requirements for starting bids nor are there any set amounts for opening bids. The beginning bidding is determined by the auctioneer and is "not" based on any outstanding amount owed against the property such as taxes or liens. The starting bid generally reflects the assessed value of the property. Buyers often find good deals at these auctions, but the final sales price must be high enough that the judge will approve the sale.

Q: How do I pay for my public auction properties and when is the payment due?

A: All payments for tax sale properties must be made in the form of cash or certified bank funds. Specific times and arrangements for payment can be made directly with the appropriate attorney who is handling the tax sale case.

Payment must be received in full prior to court confirmation in order to allow the sale to be finalized and the new deed recorded.

Q. Are there other expenses involved in addition to the purchase price?

A. At the closing, you will pay the remaining 75% due for the property purchased. Purchaser is responsible for all costs associated with any title insurance purchased for the property. Purchaser is also responsible for all costs required for recording the deed for the property and all future real estate taxes on the property, however, all delinquent taxes are paid in full. In addition, the buyer may be charged a 10% buyer's premium that is added to the total bid price for each parcel to cover fees associated with the auction.

Q: If I purchase property through the tax sale, am I required to pay the delinquent taxes?

A. No, the property sells for the amount of the highest bid. The court orders the property sold *free of liens and encumbrances*. The purchaser gets a special warranty deed.

Q: If I purchase a property at a tax sale, can the owner come back later and reclaim the property?

A. No, property owners have until 5:00 p.m. of the day before the auction to redeem the property by paying delinquent taxes, legal fees, and assessments. Successful bidders at the auction obtain title to the property and the prior owner has no legal claim on the property.

The Property is sold in gross and not by the acre and is sold free of all claims of any creditor, person, or entity, including those claims of beneficiaries under any deed of trust or mortgage, as provided by Va. Code Ann. § 58.1-3967 (1950, as amended), but subject to all objections, rights, reservations, leases, covenants, conditions, restrictions, easements, encroachments, overlaps, overhangs, deficiency in quantity, all questions of boundaries, location and acreage which a current and accurate survey would disclose, roadways, unrecorded easements, and any other matter, recorded or unrecorded, as may lawfully affect the property or which would be disclosed by an inspection and accurate survey of the premises. No warranty is made as to the insurability of title.

It is strongly recommended that tax sale purchasers hire an attorney or title agency to check the title of the property and obtain title insurance. The purchaser has 30 days from the date of the sale to review the title and report any title defects.

Q. How quickly can a new deed be recorded?

A. Once all payments have been received and sale is confirmed by the court, your new deed will be recorded by Hanover County. Buyers are required to pay the recordation cost and recording taxes. Each bidder will receive a letter prior to closing stating the exact cost of all fees. A copy of the new deed will be mailed to the buyer after it has been recorded.

Q. If I purchase a property at a tax sale, when will I receive title to the property?

A. The sale of each parcel of property is subject to county and court approval. It is possible that a purchase could be denied based on the bid price being substantially lower than the value of the property. Usually bidders receive title within 6 to 8 weeks after the tax sale.

Q. Can the property be deeded to my spouse/partner/family member?

A. Yes, the deed can be written to an individual, husband and wife, or corporation. Purchaser must indicate to the Special Commissioner who will be the owner of the property.

Q. I want to know if a parcel has delinquent real estate taxes. How can I find out?

A. Real estate taxes are public record and can be researched by using the Treasurer's Office e-Gov services on the County's website:
<https://www.hanovercounty.org/default.htm>.

Real estate accounts can be searched by street name or Parcel ID.

