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**TOPIC: QUIET TITLE**

**FROM: SCOTT B. UMSTEAD, P.A.**

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On occasion, we are asked to close a transaction in which the seller purchased the real property at a tax sale and, therefore, holds only a “tax deed.” A tax deed is issued by the Horry County Delinquent Tax Office roughly 1-year after the tax sale (unless the property is redeemed) to the high bidder at the tax sale. Significantly, a tax deed does not come with a warranty of any kind. Therefore, in order to convey the property to a third-party for fair market value, the holder of the tax deed will probably have to quiet title. A quiet title action (yes, we handle them) is an action to bar the claims of all parties who may otherwise have an interest in the property. The cost of a quiet title action will vary depending on the number of parties required to be named and depending, as well, upon the need to appoint a guardian ad litem on behalf of any particular interested persons. In any event, if you purchase property at a tax sale, it would be wise to factor in the cost of a quiet title action because it will, as said, be necessary in order to sell the property for fair market value. Similarly, only a quieted title can be mortgaged to a bank (a bank will not accept a mortgage on a mere tax deed) and/or gain issuance of title insurance.

If you hold a tax deed or are thinking of bidding at the next tax sale, feel free to contact us about quiet title actions.