

As a knowledgeable investor, Bud wanted to actively manage his retirement funds. Working closely with Security Trust, Bud was able to invest his IRA funds in tax liens and other time-sensitive investments because Security Trust sends the funds he needs within hours of Bud's request.



Tax Liens

Raw land, Building lots, Single-family homes, Multi-family homes, Vacation properties

While some investments require a large amount of cash, tax liens can provide investment options for small accounts. Here's how it works: When a property owner does not pay his property taxes, the taxing entity will place the property up for a "tax sale." An investor will pay the amount of past due taxes, and the homeowner has a pre-defined period of time to pay their taxes (and thus repay the investor) before they lose their rights to the property. The investor typically receives a pre-determined interest rate on the investment he made.

If the property owner does not pay the past due taxes, then the investor can proceed with foreclosure to recoup his investment. While the likelihood of acquiring a property through this process is very low, investors use this investment to earn a good pre-determined rate of return. Rules governing tax liens vary among local, county and state governments so be sure to research the municipality before investing.