

## CLAYTON COUNTY LAND BANK

### Frequently Asked Questions

#### 1) What is a Land Bank?

A Land Bank is a public entity created by member local governments to hold, manage, and develop tax delinquent, vacant, abandoned, dilapidated, and other properties.

#### 2) Is the Land Bank a financial institution?

No, the Land Bank is not a bank in the traditional sense. It does not provide funding.

#### 3) What does the Land Bank do?

The Land Bank acquires vacant, dilapidated, and abandoned properties, primarily through the delinquent tax enforcement process, and works to convey those properties into productive use with local government, non-profit, for-profit and individual partners. Example end uses for Land Bank parcels may include, but are not limited to, turning a vacant lot into a public park, transferring a vacant side-lot to a neighbor for on-going maintenance and lot consolidation, selling a vacant residential parcel to a neighborhood resident or small developer for the construction of a single-family home, or conveying a commercial lot to a large developer in accordance with local plans.

#### 4) How is property acquired by the Land Bank?

Property may be acquired by the Land Bank in the following ways:

- A. Property may be acquired at tax sales;
- B. Property may be acquired through transfer to the Land Bank by Clayton County or any of the Land Bank Member local governments;
- C. Property may be donated by or purchased from a property owner.

#### 5) What proposed end-uses are appropriate for Land Bank properties?

The Land Bank must identify responsible owners and developers for the vacant, abandoned, and dilapidated properties in its inventory, and dispose of properties in accordance with the Land Bank [Policies and Procedures](#) in a manner that benefits the citizens of Clayton County.

Applications that reflect the following proposed end-uses are appropriate:

- A. Conveyance to local governments for local government use
- B. Conveyance in a manner that returns the property to tax-generating status while maximizing the value of the property
- C. Conveyance that supports neighborhood revitalization
- D. Conveyance that supports the production or rehabilitation of housing, including market rate housing and housing for persons with low or moderate incomes

- E. Conveyance that supports conservation efforts in order to mitigate the potential effects of climate change, and
- F. Other community improvement and economic development purposes.

### **6) Where do I find out what properties are in the Land Bank inventory?**

Properties in the Land Bank inventory are listed in the inventory published on the Land Bank [website](#). Please note that this inventory list is updated regularly, but the Land Bank cannot warrant that any particular parcel remains in the inventory at any given time as properties are redeemed or disposed of in the regular course of business. Applicants are advised to inquire with the CCLBA as to the availability of any particular parcel in advance of submitting a property application.

### **7) Does the Land Bank accept property donations?**

The Board of Directors may consider property donations on a case-by-case basis. If you are interested in donating real property to the Land Bank, please send an email describing the property you seek to donate, including address, parcel ID, whether the property is a vacant lot or includes a structure, and listing any liens or encumbrances attached to the property, to [patrick@jettlawgroup.com](mailto:patrick@jettlawgroup.com).

The Land Bank does not accept donations of occupied property, unless it is with the consent of the occupants.

### **8) How can I acquire property held by the Land Bank?**

In order to acquire property held by the Land Bank, you will be required to have a plan for the property's use and demonstrate that you have the financial capability to carry out that plan and to ensure that the property does not fall into delinquency/disrepair in the future. Completing and submitting a [Property Application](#) is your first step to working with the Land Bank to acquire property.

### **9) May I inspect Land Bank property before making an offer to purchase through a Property Application?**

Generally, no. Always request permission before entering a property that you do not own. It is trespassing to encroach on any property without express permission of the owner. TRESPASS AT YOUR OWN PERSONAL AND LEGAL RISK\*\*\*\*

Applications to acquire Land Bank properties that are approved by the Land Bank Board of Directors are generally followed by the execution of a valid Purchase and Sale Agreement, which agreement may include reasonable time and access to the Land Bank property for purposes of inspection and other due diligence.

**10) Is there a fee to submit a Property Application to the Land Bank?**

There is currently no fee to submit a Property Application to the Land Bank. Incomplete Applications will not be considered.

**11) What is the purchase price for properties in the Land Bank inventory?**

Individuals seeking to acquire a side-lot from the Land Bank, a vacant lot located next to the Applicant’s property, may submit an offer in accordance with the [Side-Lot Policies and Procedures](#) for parcels that are not capable of independent development or parcels capable of independent development (see section 10: Side-Lot Disposition Program).

Applicants seeking to acquire properties from the Land Bank that are not side-lots should consider the Land Bank [Policies and Procedures](#) including the pricing policies which require consideration in an amount not more than the fair market value of the property or the Property Costs which are the aggregate costs and expense of the Land Bank attributable to the specific property in question (see section 6: Conveyances from the CCLB).

The Land Bank Board of Directors and the Clayton County School District will consider extinguishment of delinquent taxes on Land Bank parcels where an Applicant demonstrates capacity and commitment to achieve an end-use that provides a public benefit for the Clayton County community.

**12) What is the typical process and timeline from Successful Application to Property Conveyance?**

After a multi-year period of dormancy, the Clayton County Land Bank began moving forward with applications at their September 2021 Board meeting. The Board anticipates moving through a significant backlog of applications by the first quarter of 2022, at which point applications are expected to be reviewed and processed in accordance with the timeline below.

Complete applications are generally processed by Clayton County Land Bank’s counsel’s office within 30 days and presented to the Board of Directors for review at the next scheduled board meeting. If an application is complete and recommended for review by the Board of Directors, applicants will be contacted in advance of the next Board of Directors’ meeting at which the application will be reviewed. The Board of Directors will vote to determine whether or not to approve an application, whether to continue negotiations or otherwise, and as appropriate will direct Land Bank legal counsel to negotiate a Purchase and Sale Agreement with successful Applicants. Upon execution of a valid Purchase and Sale Agreement, a closing will be scheduled and completed accordingly.

### **13) What is the quality of title conveyed by the Land Bank to a Successful Applicant?**

The current inventory of the Clayton County Land Bank consists primarily of tax deed interests in real property throughout Clayton County. Successful Applicants who acquire such tax deeds from the Clayton County Land Bank pursuant to a purchase and sale agreement and valid closing must elect whether they wish to receive a quitclaim deed or a warranty deed from the Land Bank. If the Successful Applicant desires to receive a quit claim deed from the Land Bank, the Applicant will generally need to retain legal counsel to bar any applicable rights of redemption, file a quiet title action and obtain a court-ordered judgement clarifying clear title to the property. Such legal steps are generally required to obtain marketable and insurable title to the property, and typically require at least 6 months to complete. Applicant's obligation to complete this process must be completed in a timely manner and will survive closing. The Applicant would also be required to allow any lawful redemption attempt by an interested party and is therefore not guaranteed that it will ultimately end up with the property.

If the Applicant requests to receive the property from the Land Bank by warranty deed, the Applicant will have to deposit with the Land Bank a \$5,000 title clearance fee. In the event that the property is redeemed from the Land Bank during the title clearance process, the deposit will be refunded to the Applicant.

Buyers agree to accept the property "as is" without any warranties or representations by the Land Bank including, without limitation, the property's suitability, habitability, fitness of buyers' intended purpose of the property, environmental site conditions, zoning, adequacy of utility services, warranties of merchantability, or defects in the property's title. Buyer agrees to hold harmless and release the Land Bank for all conditions known and unknown to the property.

Buyers agree to indemnify, protect, hold harmless, defend, and release the Land Bank from any claims, losses, damages, costs, or expenses including, without limitation, all reasonable attorney's fees asserted against, incurred, or suffered by the Land Bank resulting from any contract breaches, personal injuries, or property damages occurring in, on, about, or related to the property resulting from any causes, except resulting from the acts or omissions of the Land Bank or its agents, employees, or contractors. Nothing in this article restricts the Land Bank's rights and remedies available at law or in equity.

The Land Bank reserves the right to condition the sale on the buyer's acceptance of deed restrictions and/or other agreements. The Land Bank reserves the right to accept or reject all land use/development proposals and offers for purchase.

### **14) Does the Land Bank extinguish delinquent property taxes on properties in its inventory before conveyance to a Successful Applicant?**

The Land Bank Board of Directors has the authority to extinguish property taxes on properties in its inventory, subject to the Clayton County School District's right to object to the extinguishment of taxes attributable to the School District. When the financial circumstances of

a particular development call for it, the Clayton County Land Bank and the Clayton County School District will consider extinguishment of delinquent taxes on Land Bank parcels where an Applicant demonstrates capacity and commitment to achieve an end-use that provides a valuable public benefit for the Clayton County community that justifies the extinguishment of the debt owed to Clayton County and any other taxing entity.

**15) What happens if there are multiple Applications submitted for the same property?**

The Board of Directors will review all complete Applications submitted for the same properties and, in their discretion in accordance with the Land Bank [Policies and Procedures](#), approve the application that is most competitive and appropriate in furtherance of the mission of the Land Bank in its service to the residents of Clayton County.

**16) I am an interest holder in a tax deed held by the Land Bank. How do I redeem a property in the Land Bank inventory?**

If you have an appropriate title interest in a property currently in the Land Bank tax deed inventory and are interested in redeeming your property, please email [patrick@jettlawgroup.com](mailto:patrick@jettlawgroup.com) and indicate the address and parcel ID of the property, your legal interest in the property, and contact information where you can be reached.