

## What is a land auction?

In the state of Michigan, there are certain situations where a county treasurer or the Michigan Department of Treasury (in either case, referred to as the "Foreclosing Governmental Unit" or "FGU") will take possession of a piece of property. In the case of our auctions, the FGUs have foreclosed on vacant lots, houses, commercial buildings, or other real property due to non-payment of real property taxes. Michigan law provides that after real property taxes remain unpaid for a sufficient period of time, the FGU must begin the process of foreclosure. All parties with legal interest are contacted and given the opportunity to rectify the situation and redeem the property. If the taxes remain unpaid and the foreclosure becomes final, the FGU becomes the sole owner and is required to offer the property at auction. Throughout the state, we hold auctions (first and second round) on behalf of the individual Foreclosing Governmental Units. The goal of these auctions is to recoup the revenue that was lost through non-payment of taxes.

## Who is eligible to purchase property?

We work hard to make sure these auctions are open and accessible to everyone. However, there are several reasons that an individual may not be permitted to purchase land at our auctions. We cannot, by law, sell to anyone who currently has delinquent property taxes or civil fines in the county in which they are attempting to purchase property. State law requires winning bidders to execute a sworn affidavit affirming that they do not owe any relevant delinquent taxes. Providing a false affirmation on a sworn affidavit could result in felony perjury charges. In addition, many treasurers will choose not to accept bids from individuals that are delinquent in other counties at the auction. We also keep a list of individuals who have been banned from auctions either by the auctioneer or the county treasurer. This would include past participants who did not pay for property they bid on or caused a sale to be cancelled for other reasons. These restrictions extend not only to bidders, but also the payor, any party listed on the sale deed, and an assisting bidder.

## How Does it Work?

**Minimum Bid Auctions:** All Minimum Bid auctions will be conducted online.

You can find a [detailed overview of our minimum bid auctions procedures here!](#)

- You will need to create an account and provide a \$1000 pre-authorization on a major credit card in order to bid. This pre-authorization is not a charge, but rather a hold which serves as a deposit and will only be collected against if you fail to pay for property that you win.
- Starting 30 days before the stated auction date, you can begin placing bids. These bids can be modified up to the stated start time for the auction.
- Auctions will open at 10:00 a.m. on the scheduled date. Once the auction is open, bidders can see the current high bids for each lot. Bidders can place new bids or increase existing bids but cannot delete their bids once the auction opens. Bidding will close at 7:00 p.m. on the scheduled date and each lot will be awarded to the high bidder.
- Winning bidders will receive an email shortly after bidding closes with additional information about payment and necessary paperwork.

## How do I register for the auction?

In order to participate in our online auctions, you must first create a free online user account. You can sign up at [Michigan Public Land Auction | Tax-Sale.info](#) . It's fast, easy, and free.

## Where does the money go?

Sale proceeds go to the Foreclosing Governmental Unit to cover all delinquent taxes, interest penalties, fees, and other expenses owed on the property. If there are remaining proceeds available after these items are paid, parties that held an interest in the property prior to foreclosure then have a right to reclaim such proceeds as provided by MCL 211.78t.

## What do I do if this property has people living in it?

Any occupants of the property at the time of sale must be treated as "tenants-holding-over" (like a tenant whose lease has expired). You must pursue formal eviction proceeds in the District Court. Removing occupants by force, threat, or coercion (shutting off the utilities or changing locks) can create major legal issues. Generally, the buyer can begin the eviction process as soon as they have paid for the property and completed all necessary sale paperwork. You should contact a licensed attorney if you need further assistance regarding the eviction process.

## What do I do with items the previous occupants left behind?

Personal property located on tax foreclosed land or within structures situated on foreclosed land does not belong to the seller and is not included with any property sold at our auctions. Successful purchasers should investigate personal property ownership, and attempt to notify personal property owners of their rights to reclaim such property. We recommend identifying the previous occupant and attempting to reach out to them via certified mail.