



Land Contract Buyer Guide: After Signing

What is a land contract? A land contract is a real estate transaction in which the buyer pays the seller for the purchase of a property over time. A land contract purchaser is not a renter, but has partial ownership while they are making payments. The seller holds the deed until the purchase is fully paid, and the buyer has most of the other rights and responsibilities of ownership throughout the payment period. It is a legally binding agreement.

After a buyer signs a land contract, they are on the path to homeownership. In addition to their monthly payments, buyers must file documents, put bills in their name, and respond to problems as they arise.

Immediate Tasks

- **File documents:** Record land contract or Memorandum with Register of Deeds. File property tax documents with Assessor. Pay and keep property taxes current each year.
- **Utilities:** Put utility accounts in buyer's name with DTE and Detroit Water and Sewerage Depart (DWSD). Pay and keep utilities current.
- **Home insurance:** Create a home insurance policy according to the land contract agreement requirements.

Potential Problems

- **Land contract forfeiture:** This may arise if buyer fails to make payments or otherwise breaches the land contract.
- **Tax foreclosure:** This may arise if delinquent property taxes accumulate for three years.
- **Repair issues:** This may arise if certain building systems are neglected or in the event of outside forces such as flooding, storms, etc.

See the back of this page for a step-by-step guide that will take you through these steps that should be followed at the signing of the land contract. Additional information is also available at detroitlandcontracthelp.com.

Housing Counseling Services

The following offer free or low-cost counseling and services for housing, financial, legal, and other issues. Buyers are recommended to reach out to counseling services before signing a land contract.

- **Detroit Housing Network**
detroithousingnetwork.org
- **Detroit Justice Center**
1420 Washington Blvd #220
Detroit, MI 48226
313-736-5957
detroitjustice.org
- **Lakeshore Legal Aid**
2727 2nd Ave, #301
Detroit, MI 48202
888-783-8190
lakeshorelegalaid.org
- **Michigan Legal Help**
michiganlegalhelp.org
- **Michigan Legal Services/United Community Housing Coalition**
2727 2nd Ave, #313
Detroit, MI 48202
313-963-3310
uchcdetroit.org
help@uchcdetroit.org

Government Resources

- **Detroit Taxpayer Service Center**
Coleman A. Young Municipal Center, 2 Woodward Ave, Suite 130
Detroit, MI 48226
- **Wayne County Register of Deeds**
400 Monroe St, 7th Fl
Detroit, MI 48226
313-224-5850
waynecountylandrecords.com/recorder/web
- **Wayne County Treasurer**
400 Monroe St, 5th Fl
Detroit, MI 48226
313-224-5990
pta.waynecounty.com





Stage 3 Step-by-Step Guide: After Signing: Immediate Tasks

Buyers: Use these steps immediately after signing a land contract.

Immediate Tasks	Status	Source
1 File Property Transfer Affidavit and Principal Residence Exemption <i>Bring land contract/Memorandum of Land Contract and ID with you. Keep a stamped copy for your records.</i>	<input type="checkbox"/> Complete	City of Detroit Taxpayer Assistance 2 Woodward Ave., #130
2 Record land contract or Memorandum of Land Contract <i>Payment is \$15 +\$3/page, not including sales tax.</i>	<input type="checkbox"/> Complete	Wayne County Register of Deeds 400 Monroe, 7th Fl
3 Handle delinquent property taxes, if any <i>Bring stamped PRE to show taxpayer services representative.</i>	<input type="checkbox"/> Complete	Wayne County Treasurer 400 Monroe, 5th Fl
4 Put utilities in your name with DTE	<input type="checkbox"/> Complete	DTE
5 Put water bill in your name with Detroit Water and Sewerage Department	<input type="checkbox"/> Complete	DWSD
6 Get a home insurance policy as required by your land contract agreement	<input type="checkbox"/> Complete	Home insurance provider



Stage 4 Step-by-Step Guide: After Signing: During the Agreement

Buyers: Use these steps immediately after signing a land contract or as-needed if problems arise.

Immediate Tasks	Status	Source
1 Land Contract Payments <i>Pay monthly to seller as agreed in Land Contract</i>	<input type="checkbox"/> Monthly	Seller
2 Home Insurance	<input type="checkbox"/> Every 6 months	Home insurance provider
3 Pay Property Taxes	<input type="checkbox"/> Summer and Winter	City of Detroit Treasury 2 Woodward Ave., #154

Potential Problem: Land Contract Forfeiture

1 Seek legal assistance	<input type="checkbox"/> Complete	MLS/UHC 2727 2nd Ave, #313, Detroit, MI 4820
2 Attend all court hearings	<input type="checkbox"/> Complete	36th District Court (<i>Court may be in-person or online</i>) 36thdistrictcourt.org
3 Apply for financial assistance	<input type="checkbox"/> Complete	MSHDA MIHAF program mihaf.michigan.gov/p/home

Potential Problem: Tax Foreclosure

1 Seek housing counseling assistance	<input type="checkbox"/> Complete	UHC Tax Hotline: 313-405-7726
2 Make arrangements with Wayne County Treasurer	<input type="checkbox"/> Complete	Wayne County Treasurer 400 Monroe, 5th Fl
3 Apply for financial assistance	<input type="checkbox"/> Complete	MSHDA MIHAF program mihaf.michigan.gov/p/home

Potential Problem: Repair Issues

1 Contact your home insurance provider	<input type="checkbox"/> Complete	Your Insurer
2 Seek home repair resources	<input type="checkbox"/> Complete	Detroit Home Repair Resource Guide: myumi.ch/6Nwb8