

Land Contract Buyer Guide

A guide for housing advocates and residents
at any stage of purchasing a home on land contract in Detroit



This guide includes information, do-it-yourself checklists, and guidance on risks for whichever part of the land contract process a buyer is in. This guide is not a replacement for real estate guidance, legal advice, or housing counseling.

Created through a partnership of the City of Detroit, Enterprise Community Partners, and University of Michigan Poverty Solutions

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This Buyer Guide was born out of the City of Detroit's participation in the Cities for Financial Empowerment Fund's Local Consumer Financial Protection Initiative. This effort works to improve resident financial empowerment by protecting consumer assets through licensing, regulation, enforcement, mediation, outreach, and education. Land contracts were identified as a topic that would benefit from consumer awareness because of their widespread use, their ability to aid in homeownership, and their potential for abuse and exploitation.

The City of Detroit invited Poverty Solutions and Enterprise Community Partners, authors of [“In Good Faith: Reimagining the Use of Land Contracts,”](#) to create this tool to equip prospective buyers with information to protect and advocate for themselves throughout the contracting process. This guide was shaped by input from legal experts, housing advocates, communication experts, and residents via meetings, focus groups, and listening sessions. We are grateful for the insight and guidance from all who participated in the process.

For digital copies of this guide and other information, visit detroitlandcontracthelp.com.

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Table of Contents

Stage 1: Before Signing	2
What is a Land Contract?	2
Features of a Land Contract Document	2
Key Contract Terms	5
Important Questions	6
Terms that Might Make Success Difficult	6
Stage 2: At Signing	8
What to Bring	8
Documents to Sign/Fill Out	9
Stage 3: After Signing: Immediate Tasks	11
Finalize Paperwork	11
Stage 4: After Signing: During The Agreement	13
Tax Exemptions	13
Potential Problems	14
Stage 5: After Paying in Full	16
Finalize Paperwork	16
Resources	18
Housing Counseling Resources	18
Government Resources	19
Legal Services	20
Step-By-Step Guides	21
Stage 1 Step-by-Step Guide: Before Signing	22
Stage 2 Step-by-Step Guide: At Signing	24
Stages 3 and 4 Step-by-Step Guide: After Signing	25
Stage 5 Step-by-Step Guide: After Paying In Full	26
Paperwork Summary Chart	27

1



Stage 1: Before Signing

Before signing a land contract, a potential buyer has an opportunity to research the terms of the agreement, the condition of the home, and the ownership status of the property.

A Land Contract is NOT a “Rent-to-Own” Agreement

A rent-to-own agreement is a form of a lease agreement where the resident is a renter/tenant and has no form of ownership interest in the property, is not guaranteed a path to ownership, and is subject to eviction. In a rent-to-own or lease agreement, the owner is a landlord and must comply with rental compliance guidelines.

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. This is a form of “seller financing.” A land contract buyer 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. A land contract is a legally binding agreement.

Land contracts are most often used by people who want to buy a home but cannot qualify for a mortgage or pay in cash all at once. Land contracts are also used for homes that a bank might not approve a mortgage for due to low value or repair issues.

Land contracts can be risky because buyers have many of the costs and responsibilities of ownership while the seller still holds the deed. Compared to home buyers with a mortgage, land contract buyers have a greater burden to educate themselves, because most do not have the benefit of a bank, title company, or real estate agent to review or regulate the purchase. It is important that buyers understand their contract, verify that it is fair, and know how to fulfill the requirements of the contract. With good information, research, and resources, land contract buyers can succeed in becoming homeowners.



Features of a Land Contract Document

A clear and fair land contract should include the following information:

Purchase Details

Land contracts will outline what is being sold, from whom, and to whom.

- **Address and legal description:** A legal description gives the exact location of the property and often includes the property's lot and block number. The land contract must have the correct legal description followed by "also known as" with a property address and/or Parcel ID. *Tip: to make sure the legal description is correct on a land contract, compare it to the last recorded deed on the property.*
- **Seller name:** The land contract will list the name of the seller, which may be a person or a company. If the seller is a company, the person who signs the contract should have the authority to sign.
- **Buyer/purchaser name:** The land contract will list the name or names of the buyer or buyers. If there are multiple buyers, the order of the names does not matter; all listed buyers on the land contract have equal rights and will each be listed as owners on the deed at the completion of the purchase.
- **Transfer of title:** The land contract should confirm that the seller will transfer ownership/title to the buyer once all terms of the land contract are satisfied and the type of deed the buyer will receive (Warranty Deed, Quitclaim Deed, etc). The contract may also confirm that the seller has ownership in the property that allows them to do so.
- **Down payment:** A large payment that is paid at the beginning of the purchase. Usually the down payment will be paid at the same time the contract is signed. Down payments are common but are not required for all land contracts.
- **Monthly payments:** Payments made every month toward the balance owed on the home. Also known as installment payments, monthly payments go toward the purchase price on the home and may also pay for interest or other fees.
- **Length of the land contract:*** The land contract should show the amount of time that the land contract will be in place before the buyer pays in full and/or the number of monthly payments a buyer will make to pay off the land contract.
- **"Balloon payments" or other payments:** Some land contracts include a balloon payment, which is a large extra payment that must be paid at the end of a land contract. A balloon payment may be mentioned directly or it may be implied based on the difference between the total purchase price, typical monthly payment amount, and number of monthly payments.
- **Interest rate:** The interest rate is charged against the balance on the home, usually on a monthly basis. A lower interest rate will result in lower costs to the buyer. Not all land contract purchases have an interest rate.
- **Total amount that will be paid over the term of the land contract:*** The total amount paid will be greater than the purchase price if there is interest or other direct costs. For example, a buyer buying a \$30,000 home over five years at 5% interest may have a total of \$33,968.22 paid over the life of the loan.

Direct Costs: What Buyer Pays to Seller

Land contracts should be clear about what the buyer must pay to the seller.

- **Total purchase price:*** The full price of the home that the buyer must pay before they have legal title.

*Many land contracts must adhere to The Truth in Lending Act (TILA). All costs marked with an asterisk * are required to be disclosed under TILA.



- **Penalties/late fees:*** A seller may charge fees if the buyer pays the monthly payment a certain number of days late. The contract should clearly explain the late payment penalty, if any, at what point it is triggered, and if it continues to grow over time (e.g. \$50 per week after 15 days).
- **How to pay:** The land contract should include details of how the buyer can make payments to the seller, including forms of payment (e.g. check, money order, ACH), who to make payments out to (e.g. company or seller's name), and where (e.g. mailing address or drop-off location).
- **Utilities:** Buyers are almost always responsible for utility charges for water and energy usage. Beware of unpaid past due utility bills, because the land contract may make the buyer responsible for them. Buyers should put bills they are responsible for in their name.
- **Home repairs:** Buyers are almost always responsible for maintenance and repairs. Buyers can and should have an inspection done and research the estimated costs of necessary repairs before signing to get an idea of how much they may have to pay.
- **Home insurance:** Most land contracts require the home to be protected by home insurance over the course of the agreement. There are three common scenarios for who would be responsible for home insurance:

Additional Costs

The buyer will likely be responsible for other costs that are not paid directly to the seller. The land contract should explain who is responsible for these expenses: See "Important Questions" on [page 6](#) for details about how to research these costs.

- **Property taxes:** Buyers are almost always responsible for property taxes, which will include future taxes that come due over the course of the contract and may also include unpaid taxes from previous years. The City of Detroit charges homeowners property taxes each year. Many Detroit properties have delinquent property taxes, which can lead to foreclosure if not paid. There are two common scenarios for how delinquent taxes may be paid:
 1. Buyer is responsible to pay delinquent property taxes directly to the Wayne County Treasurer.
 2. Seller is responsible to pay delinquent property taxes directly to the Wayne County Treasurer. (In this case, it is recommended the Seller pay in full all delinquent taxes at the time the land contract is entered).

1. Buyer is required to have a home insurance policy that lists the seller as co-insured for the duration of the contract.
2. Seller is required to have a home insurance policy. Buyers can purchase a home insurance plan to protect themselves but don't have to.
3. Seller uses a portion of the buyer's monthly payment to pay for home insurance. In this case, the buyer should be listed with the seller on the home insurance policy since their money is paying for the policy.

*Many land contracts must adhere to The Truth in Lending Act (TILA). All costs marked with an asterisk * are required to be disclosed under TILA.



Key Contract Terms

The land contract is about a lot more than just the costs. It will go into detail about the rights and responsibilities of both the buyer and the seller. The contract should explain:

Default

- **Triggers of default:** The land contract should explain the circumstances that could cause a buyer to default on, or fail, the land contract. These may include a certain amount of time with missing payments, allowing property taxes to accumulate, failing to maintain home insurance, allowing the home to be abandoned, and so on.
- **Seller's remedy in case of default:** A proper land contract should explain what type of proceedings the buyer will be subject to if they default. Land contracts should specify that the buyer is subject to either forfeiture or foreclosure, not automatic eviction proceedings, if they default. Forfeiture and foreclosure are legal actions that a seller may use to take back ownership from the buyer if the buyer fails the agreement.
- **Acceleration clause:** Some contracts have an "acceleration clause" that allows the seller to demand full payment of the balance on the home immediately if the buyer defaults on the agreement.

Seller's Rights

- **Seller's right to pay expenses:** If the buyer falls behind on certain payments that they are responsible for (e.g. property taxes), some contracts allow the seller to make those payments and then charge the buyer for them. The contract should outline if and when this can happen, and what options the seller has to get reimbursed for their payment.

- **Seller's right to sell or assign their ownership interest in the property:**

While the land contract is in place and the seller has ownership rights, they may want to sell the property or assign their ownership interest to someone else. The land contract should mention if the seller has this option and explain what would happen to the buyer if the seller transferred their interest to someone else.

- **Seller's rights to attorney fees and costs:**

A land contract may specifically mention that the seller can charge the buyer for costs/fees associated with bringing a legal action if the buyer defaults.

Buyer's Rights

- **Buyer's right to prepay without penalty:**

To get ownership faster, some buyers may want to pay more than the monthly payment amount or pay more often. Most contracts should allow this with no penalty, but some do have penalties for early payment.

- **Buyer's right to record:**

Recording the land contract (or a Memorandum of Land Contract) with the Register of Deeds is extremely important to protect the buyer's rights. It establishes, as public information, the key details of the contract and when it became effective. Land contracts are not required by law to be recordable, but recordation is extremely important to protect the buyer's rights and equity. Buyers should ensure their land contract is recordable and beware of language that prevents them from recording their land contract.

Title companies: Pay a title company to conduct a "title search" to identify the current owner and any other liens or claims on the title. Search online or visit: michigan.gov/documents/cis_ofis_ip218_25000_7.pdf

Wayne County Register of Deeds:

400 Monroe St., 9th Fl

Detroit, MI 48226

313-224-5850

Open 8:30 am–4 pm

Appointments recommended.

In person: Work with a clerk to search for the current owner of record.

Online: Go to

waynecountylandrecords.com/recorder/web and search the name of the seller under "grantee." There should be a deed in the name of the seller at this address. Also search the seller's name as a "grantor" to make sure they have not sold to someone else.

**Wayne County Treasurer:**pta.waynecounty.com

313-224-5990

400 Monroe St, 5th Fl
Detroit, MI 48226**Detroit Water and Sewerage Dept:**

313-267-8000

mydwsd@detroitmi.gov**DTE:** 800-477-4747newlook.dteenergy.com**Home inspection:** homeadvisor.com

(Search home inspector)

Free home budgeting tools[vertex42.com/ExcelTemplates/
home-expense-calculator.html](http://vertex42.com/ExcelTemplates/home-expense-calculator.html)[zillow.com/mortgage-calculator/
house-affordability/](http://zillow.com/mortgage-calculator/house-affordability/)

Important Questions

Is the seller the owner? Is the title clear?

A buyer can work with a title agency or check the Register of Deeds to make sure the seller is the owner and to find if there are liens or other claims on the property. If the seller is not the owner, then they are not legally capable of making you the owner; someone cannot pass on what they do not have. Even if the seller is the owner, it is also important to understand if they have “clear title,” meaning that there are no other liens or claims of ownership on the property. A “lien” is a creditor’s claim against a property, such as a mortgage. Other claims may include past land contract sales, co-owners, or heirs after a probate case. Researching the title can tell a potential buyer if there is a path to ownership for them, based on the title history of the property.

Are there delinquent taxes?

Delinquent property taxes are unpaid property taxes with the Wayne County Treasurer that can lead to tax foreclosure. Find out if there are delinquent taxes on the property and how many years they are in arrears, if any. These taxes may become a risk to the buyer if they are not paid, and some buyers may become responsible for delinquent taxes, even if they are from prior to when the land contract began.

Are there past-due utility bills?

If there are unpaid utility bills, a new owner may have to pay them. Buyers can ask the seller to pay any outstanding utility bills or reduce the purchase price of the home to reflect the additional cost.

What is the condition of the home?

Land contract buyers are often responsible for repairs. Home inspections can reveal repair issues with the home that may not be visible to an untrained eye and can also

provide cost estimates for addressing those repairs. A buyer can hire a professional home inspector prior to entering a land contract to make sure they are fully informed of the conditions of the home.

Is the price reasonable?

Sellers may sell a home for more than it is worth. Buyers can research the estimated value of their home to be sure they are getting a fair price. Some resources can give a buyer insight on a home’s value for free. Buyers can also pay for an appraisal to get a professional assessment.

Is it affordable?

A home may be a “good price,” but that does not mean that the buyer has the funds to pay for it. Buyers can use free budgeting tools to find out if they have enough income to keep up with the expense of buying a home. In some situations, buying is cheaper than renting; in other cases, the cost of purchasing, repairs, taxes, etc. can make purchasing unaffordable.

Does the person signing the land contract for the seller have authority to sign?

If the seller is a company, the person who signs the land contract should have authority to represent the company. Check if the person is the “registered agent” of the company with the State of Michigan.

Terms that Might Make Success Difficult

Some land contracts have language that can make it very hard for a buyer to be successful. There is no formula for finding all possible pitfalls, so it is best to seek the advice of a lawyer, realtor, and/or housing counselor before signing (resources starting on [page 18](#)). However, here are some common issues that buyers may be wary of and negotiate to change in the contract.

Financial Concerns

High interest: A very high interest rate can make it difficult to pay off a home, even if the price is reasonable. The higher the interest rate, the less of the monthly payments go toward paying the balance owed. Interest rates for land contracts vary, and some do not charge interest at all. Interest rates cannot exceed 11% for most Michigan land contracts.

Excessive late fees: High late fees can make it difficult for a buyer who is behind on payments to catch up. Late fees should not exceed 4% of the payment past due (e.g. no more than a \$20 late fee on a \$500 payment), and buyers should be entitled to a 10-15 day grace period following the day the payment is due.

Balloon payment: A balloon payment is a large one-time payment due at the end of the land contract, usually to pay off the balance. Because it is much larger than any single regular monthly payment, it can be difficult for buyers to pay. Even if a buyer has made all their monthly payments, they may not complete the land contract if they cannot pay the balloon payment. Not all land contracts have a balloon payment. Buyers may negotiate before signing to remove a balloon payment clause.

Red-flag Language

Some documents are called land contracts by name, but have terms that make them more like leases or that weaken the buyer's rights. If a "land contract" has any of these terms, it may not actually be a land contract, and/or, could put the buyer in a vulnerable position:

- **Tenant:** There is no tenant in a land contract agreement. There is a purchaser or buyer. If the buyer is referred to as "tenant," that is a red flag.
- **Landlord:** There is no landlord in a land contract agreement. There is an owner or seller. If the seller is referred to as "landlord," that is a red flag.

- **Eviction:** Even if a buyer fails the land contract, they should not be subject to automatic eviction proceedings. Land contract buyers would first be subject to forfeiture or foreclosure. If the land contract has language implying a buyer is subject to eviction without first going through forfeiture or foreclosure, that is a red flag.
- **Rent-to-own/lease-to-own:** Rent-to-own or lease-to-own agreements are leases where a tenant has the option to buy the home after a certain period. During the term of the lease, they are a renter. By contrast, a land contract buyer already has ownership interest while they are on their land contract. They do not get the "option" to buy, they are actively buying. If a land contract mentions an "option" to buy, that is a red flag.
- **No ability to record:** If the agreement prohibits the buyer from recording the land contract or from filing a Property Transfer Affidavit with the City Assessor, that is a red flag. Buyers should have some recorded proof of their ownership interest while they are on the contract.
- **Aggressive triggers to default:** Some land contracts are very aggressive and can put a buyer at risk of default with as little as a single missed payment or a lapse in home insurance. Buyers should review the agreement to understand what types of things can trigger a default or forfeiture action.

Other

Buyers should not sign a deed when they sign a land contract. The only party who signs a deed is the "grantor" or seller. So if a buyer is signing a deed, that would mean they are giving away their ownership. In rare cases, land contract buyers may be asked to sign a deed where they give away their equity. The seller may keep this deed and record it at a future date, stripping the land contract buyer of all the investment they have made. The buyer should not sign a deed at any time unless they are selling.

1

Free estimate:

Many websites offer free estimates of home values. [zillow.com](https://www.zillow.com)

Official appraisal:

Pay for a home appraisal if you want a professional estimate. [homeadvisor.com](https://www.homeadvisor.com) (Search home inspector)

Previous purchase price:

Review public records to see details of the last sale.

Wayne County Register of Deeds

waynecountylandrecords.com/recorder/web

400 Monroe St, 9th Fl, Detroit, MI 48226
313-224-5850

Property tax assessment:

bsaonline.com/Home/WelcomePage

Search the address to find the property assessment of the home in the last year (multiply by two to get the estimated market value). Cost \$2 per address.

Michigan Licensing and Regulatory Affairs (LARA)

Look up company name in "business entity search" for the name of the registered agent

cofs.lara.state.mi.us/SearchApi/Search/Search

Please see [page 22](#) for Stage 1 Step-by-Step Guide: Before Signing – Research and [page 23](#) for Stage 1 Step-by-Step Guide: Before Signing – Reviewing the Contract.



Stage 2: At Signing

If a buyer is prepared to enter a land contract, the following should be part of the signing.

What to Bring

There are some required and some optional items that a prepared buyer will bring to the land contract signing.

Required

- **All buyers:** If there is more than one listed buyer, both or all buyers should attend the signing.
- **ID:** Government-issued ID will be required by the notary to notarize the document at signing.
- **Payment/down payment:** It is common that a down payment and/or first month's payment will be paid by the buyer to the seller at the moment the land contract is signed.

Optional

- **Last recorded deed:** A land contract buyer may want to bring the last recorded deed on the property to make sure the land contract they are signing "matches" that deed in the following ways:
 1. Grantee on last recorded deed should match the listed seller on the land contract, and
 2. Legal description, address, and parcel on last recorded deed should match the land contract.
- **Delinquent property tax statement:** A land contract buyer can look up the delinquent tax balance with the Wayne County Treasurer to show the seller and make sure there is a plan for those taxes to be paid while at the land contract signing.



Registered agent information: If the seller is a company, the person signing the land contract must have authority to do so. A buyer may want to bring a printout of the “business entity search” from the State of Michigan LARA website showing the name of the registered agent.

Documents to Sign/Fill Out

A land contract buyer will receive and sign many documents when the land contract is entered.

- **Land contract:** The land contract will be many pages long and should include details described in “Stage 1: Before Signing” section. The buyer and seller may initial every page and sign the last page.

- **Memorandum of Land Contract:** A Memorandum of Land Contract (“Memo”) is an additional page that can be added to a land contract; it is like a “cover page” or a summary contract. A Memo is useful in almost every land contract, because it is easier to carry around than the full land contract and is easier to record. All buyers are recommended to get a Memo in addition to their land contract. However, if there are delinquent taxes on the home, buyers should treat a Memo as mandatory, because a Memo can be recorded even if there are delinquent taxes.

- **For buyers who are responsible for property taxes:**

1. **Property Transfer Affidavit (PTA):** This form updates the name and address of the taxpayer to make sure all property tax bills come to the correct place. Buyers should file the PTA within 45 days of signing the land contract to avoid late fees, and keep a stamped copy of the PTA for their records. The land contract or deed should be shown when the PTA is filed, even if it is not yet recorded. Once a buyer has a PTA and is the official taxpayer, they can qualify for tax exemptions.

2. Principal Residence Exemption

(PRE): This is a property tax discount for taxpayers who live in the home they are buying. Buyers should update their state ID to the home address, show the ID when filing the PRE, and keep a stamped copy of the PRE for their records. With the PRE filed, tax documents will show “PRE 100%.” This tax reduction will stay in place as long as the buyer owns the home and lives there.

Additional Documents/Take Home Items

In addition to the signed documents, these documents should also be part of the land contract signing.

Required

- **Lead Disclosure:** In Michigan, whenever there is a sale of a residential property built before 1978, the seller must provide the buyer with a completed Lead Disclosure Form informing the buyer that the home was built before 1978 and listing any known information on lead paint hazards in the home. This should be accompanied by a “Protect Your Family from Lead in Your Home” pamphlet and any records of reports about lead hazards that the seller may have. The buyer can get a risk-assessment to identify lead-based hazards or waive that right. These measures are in place because exposure to lead can have serious health consequences for children, and most properties built before 1978 are assumed to contain lead paint.



Property Transfer Affidavit:

michigan.gov/documents/l4260f_2688_7.pdf

Principal Residence Exemption:

michigan.gov/documents/2368f_2605_7.pdf

State of Michigan Lead-Based Paint Disclosure Form:

michigan.gov/documents/landbank/lead_base_paint_disclosure_423990_7.pdf

State of Michigan Seller's Disclosure Statement

eforms.com/images/2018/07/Michigan-Sellers-Disclosure-Statement.pdf

Sample Amortization Schedule

calculator.net/amortization-calculator.html

- **Seller's Disclosure Statement:** The seller of a property must provide a "Seller's Disclosure Statement" to a prospective buyer before a purchase agreement or transfer of title, according to the Michigan Seller Disclosure Act. The Seller's Disclosure Statement is a way for the current owner to tell a future owner about the condition of the property. Buyers should review this before signing a land contract. Note that on the disclosure statement, a seller is allowed to state that they are unaware of various structural defects.
- **Receipt for any payment:** Buyers should always receive a receipt for payment. Receiving a receipt for down payment is important to establishing this expectation.

Optional

Amortization schedule: An amortization schedule is a table that shows each payment, what it is paying for, and how it affects the balance owed on the house. An amortization table shows how long it will take to pay for the home and the total cost. Buyers can put the terms of a land contract into an online amortization table themselves. The schedule shows by year or by month how much of each payment is going toward the price of the home and to interest and the remaining balance after each payment. A housing counselor can help a land contract buyer to create an amortization schedule if they do not already have one.

Please see [page 24](#) for Stage 2 Step-by-Step Guide: At Signing.



Stage 3: After Signing: Immediate Tasks

Finalize Paperwork

Record the Land Contract

Recording a document puts it in the official government record. Recording is very important to protect the buyer's rights. Buyers can record their land contract (or a Memorandum of Land Contract) with the Wayne County Register of Deeds.

The recording cost is approximately \$15 - \$20. Sales tax must be paid for the property transfer, either when the land contract is recorded or when the final deed is recorded. Buyers should keep the original copy of the recorded land contract with the "sticker" for their records.

File Property Tax Documents

Whoever is responsible for property taxes should be the listed taxpayer with the City of Detroit by filing a Property Transfer Affidavit (PTA) form. If the seller retains responsibility for

property taxes, the buyer does NOT need to file these forms; instead they should check regularly to ensure the seller is paying taxes.

If the buyer is responsible for property taxes, they should complete and file their documents immediately. These forms can be completed at the land contract signing or after.

- **Property Transfer Affidavit (PTA):**

This form puts future property tax bills in the buyer's name. Fill this out by copying details from the land contract itself, including seller, buyer, purchase price, and land contract purchase date. There is no cost to file a PTA if filed within 45 days, but filing late can result in fees and other problems. Buyers should bring the land contract or Memo when they file, and ask for a stamped copy for their records.

Register of Deeds

waynecountylandrecords.com/recorder/web

400 Monroe St, 7th Fl, Detroit, MI 48226
313-224-5850

Detroit Taxpayer Service Center

PTA and PRE forms are available for pick-up in person at this office or online.

Coleman A. Young Municipal Center
2 Woodward Ave, #130, Detroit, MI 48226

PTA: michigan.gov/documents/14260f_2688_7.pdf

PRE: michigan.gov/documents/2368f_2605_7.pdf



Wayne County Treasurer
pta.waynecounty.com

400 Monroe St, 5th Fl, Detroit, MI 48226
313-224-5990

City of Detroit Office of the Treasury

Coleman A. Young Municipal Center, 2
Woodward Ave, #154
Detroit, MI 48226

DivDat Kiosk service:
divdatkiosk.com/

Online search at:
bsaonline.com/?uid=155

Please see [page 25](#) for Stages 3 and 4
Step-by-Step Guide: After Signing

- **Principal Residence Exemption (PRE):** This form gives an exemption, or discount, on future property taxes if the taxpayer lives in the property as their home. Land contract buyers who are responsible for property taxes and who live in the home should file a PRE to receive this discount as soon as their driver's license or ID is updated with the home as their address. Buyers should bring their ID when they file the PRE and ask for a stamped copy for their records.

Property Taxes

Property taxes are taxes that property owners must pay each year. Property tax bills come from the City of Detroit twice a year: a large summer bill in July, and a small winter bill in December. If property taxes are not paid to the city on time, they become delinquent and are transferred to the Wayne County Treasurer for collections.

1. Delinquent property taxes

If the home has delinquent property taxes, the buyer must make a plan to deal with them immediately.

Find out if the home is at risk of tax foreclosure by contacting Wayne County Treasurer. A property is at risk of tax foreclosure if there are delinquent property taxes from three or more years. In 2022, property taxes from 2019 and earlier can cause tax foreclosure. See "Potential Problems" on [page 14](#) for more on tax foreclosure.

2. Current-year property taxes

Keeping current on property taxes is important to keep bills as low as possible and avoid foreclosure. Pay current-year property taxes to the City of Detroit at any DivDat kiosk, in person at Coleman A Young Building, or online at the BS&A City of Detroit website.



Stage 4: After Signing: During The Agreement

Tax Exemptions

If the seller is responsible for the property taxes, the buyer should regularly check with the City of Detroit to ensure the taxes are being paid. If the buyer is responsible for the taxes, they may be eligible for tax exemptions. Buyers can check property tax balance or pay taxes online or in-person with the City of Detroit.

HOPE: Homeowner Property Exemption

HOPE is a tax exemption, or discount, for homeowners with low incomes. It can reduce current-year as well as delinquent property taxes owed to the Wayne County Treasurer. Buyers should apply for HOPE if they have low incomes, have a recorded land contract, and have filed a Property Transfer Affidavit (PTA) and Principal Residence Exemption (PRE). Income ranges vary by city and by year.

After a HOPE exemption is approved, applicants can call the Detroit Tax Relief Fund (DTRF) for assistance

paying all delinquent taxes.

Homeowners are not eligible for HOPE in the calendar year they become the owner, so they should apply for HOPE in the first calendar year after they enter the land contract. Most applicants need to apply for HOPE every year to get this exemption.

Homestead Property Tax Credit

Land contract buyers can receive the homestead property tax credit in their annual State of Michigan income tax filing. Show the current-year property tax bills to the tax preparer.

HOPE Application [DetroitMi.gov/HOPE](https://detroitmi.gov/HOPE)

*Applications available at City of Detroit
Taxpayer Assistance Center
Coleman A. Young Municipal Center, 2
Woodward Ave, #130
Detroit, MI 48226*

Detroit Tax Relief Fund: 313-224-0274

Accounting Aid Society
Free income tax filing
accountingaidsociety.org
313-556-1920



**Michigan Legal Services/United
Community Housing Coalition**
uchcdetroit.org

2727 2nd Ave, #313
Detroit, MI 48202
313-963-3310

help@uchcdetroit.org

36th District Court
36thdistrictcourt.org

MSHDA

Michigan Homeowner Assistance Fund (MIHAF) can help buyers catch up on unpaid land contract payments.
mihaf.michigan.gov/p/home

Potential Problems

Buyers can encounter problems on their way to paying their land contract in full.

Land Contract Forfeiture

A seller may bring a land contract forfeiture or foreclosure case against a buyer if the buyer fails the agreement. Sellers cannot force the buyer out or simply declare that the land contract is terminated; instead, they must give notice of the default to begin the legal process. Forfeiture and foreclosure are legal actions that a seller may use to take back full ownership and possession of a property. Buyers are strongly recommended to seek legal counsel if they face forfeiture or foreclosure.

The land contract outlines what remedies are available to the seller if the buyer defaults. Most often, when a buyer defaults on a land contract, they are subject to forfeiture. However, forfeiture is not an allowable remedy for the seller unless specifically stated as such in the contract. Otherwise, the seller's remedy is foreclosure.

Foreclosure vs. forfeiture:

There are key differences between forfeiture and foreclosure. Foreclosure usually allows the buyer six months to redeem the property, but redemption requires the buyer to pay the past due and remaining balance to purchase the home. Forfeiture typically moves more quickly than foreclosure. With forfeiture, the buyer may have less time to redeem the property, but they will only be required to catch up on missing monthly payments.

How forfeiture works:

If a buyer defaults on a land contract, the seller's first step is to give notice of the default to the buyer. If the buyer cures the default within the stated period (typically 15 days) then the land contract proceeds as normal. "Curing" may mean catching up on missing payments or resolving the issue that caused the default. If the buyer does not cure the default within the

stated period, the seller may bring a forfeiture action.

When a seller wants to bring a land contract forfeiture action, they will file a case with the 36th District Court. A court hearing will take place where the seller and buyer (and legal counsel) can make their case before a judge. A judge will issue a judgment that outlines what the buyer must do to get back in good standing and how much time they have to do it. If the buyer fulfills the agreement, the forfeiture case can be resolved and the buyer can continue on with their land contract. If the buyer does not fulfill all of the requirements of the judgment by the deadline, the seller can get an order of eviction from the court. The seller would then take back possession and full ownership of the property. The buyer would lose all rights and ownership that they had in the property.

What to do:

Any buyer facing forfeiture, foreclosure, or eviction should seek legal representation and attend all court hearings, even if they have made recent payments. Legal representatives may be available in the courtroom but should ideally be secured well in advance. See resources starting on [page 18](#) for information about legal assistance. Buyers should also seek financial assistance to catch up on land contract payments, such as the Michigan Homeowner Assistance Fund (MIHAF) program with the Michigan State Housing Development Authority (MSHDA).

Tax Foreclosure

If a property falls behind in property taxes, it may be subject to tax foreclosure. The result of tax foreclosure is that anyone who has ownership of the property loses their ownership to the Wayne County Treasurer. This means that even if a buyer was not responsible for the taxes, they can lose their home.

Even if the seller claims responsibility for delinquent property taxes, if those



taxes are not paid, it could lead to the buyer losing the home. Buyers should check the property tax status with the Wayne County Treasurer to see if there are any unpaid taxes. Land contract buyers who plan to pay delinquent property taxes are recommended to contact housing counselors first, such as the United Community Housing Coalition (UCHC). Contact Wayne County Treasurer to make a payment arrangement and find out the foreclosure status.

How tax foreclosure works:

If a property is nearly three years behind in property taxes, the Wayne County Treasurer will give notice that a home is at risk of tax foreclosure with a “yellow bag” on the front door. Notice comes in October or November for foreclosures that would take place March 31 the following year. For example, a home with delinquent taxes from 2020 or prior may get notice in November 2022 that it could be foreclosed in March of 2023. After the foreclosure deadline, anyone who had ownership interest in the property loses their ownership, including the land contract buyer and seller. The property will be offered to the City of Detroit in the “Right of Refusal.” If the City does not purchase it, the property will be placed up for public sale in the Wayne County Tax Foreclosure Auction, where it will be sold to the highest bidder.

What to do:

A land contract buyer may have a few options: they could pay the taxes in full, they could enter a payment plan that gives them time to pay the debt in installments, or they may choose another route. Land contract buyers are recommended to meet with a housing counselor before taking any action, because the status of their land contract may affect the right course of action.

In most cases, if a home is facing tax foreclosure, the buyer must get on a payment plan with Wayne County Treasurer or pay delinquent taxes in full. Even if the home is not in foreclosure,

a buyer should get on a payment plan or deal with any delinquent property taxes as soon as possible. Land contract holders qualify for the “IRSPA” (Interest-Reduced Stipulate Payment Arrangement) payment plan with the Wayne County Treasurer if they have a Principal Residence Exemption (PRE) with the City Assessor (show stamped PRE to Wayne County Treasurer). IRSPA will stop the foreclosure and will also lower the tax debt by reducing the interest. The MIHAF program with MSHDA can assist with paying delinquent property taxes as well.

Land contract and tax foreclosure specialists at United Community Housing Coalition (UCHC) can advise on a specific path. In rare cases, a land contract purchaser may be advised not to pay the taxes and to allow the home to enter foreclosure. This may occur if the buyer is in a “dead end” agreement with no path to ownership, such as a fraudulent agreement or other title issues. In most cases, a purchaser will be advised to enter a payment plan that maximizes protection and minimizes interest and fees to the buyer.

Repair Issues

If a property has a major repair issue, it can be a major burden for a buyer. Paying for a large expense like a new roof, new furnace, main drain replacement, or electrical or plumbing upgrades might make it difficult to afford the monthly payments toward the purchase of the home. Buyers must balance these needs so that they do not fix up a home only to lose it and so they do not buy a home that is uninhabitable. Buyers should maintain home insurance, consider appliance protection plans with DTE, and work with counseling agencies to learn what repair programs are available to assist.

United Community Housing Coalition

Property tax counseling and Make it Home program
uchcdetroit.org

Tax Foreclosure Hotline:
313-405-7726
help@uchcdetroit.org

Wayne County Treasurer

Property tax payment plans, information on balance and foreclosure status
pta.waynecounty.com
400 Monroe St., 5th Fl. Detroit, MI 48226
313-224-5990

MSHDA

Michigan Homeowner Assistance Fund (MIHAF) can help buyers catch up on unpaid property taxes.
mihaf.michigan.gov/p/home

Home Insurance

Search online for local home insurance providers in your area.

Home Repair Resources

Detroit Home Repair Resource Guide:
myumi.ch/6Nwb8

DTE

Appliance Protection Plan
hppservices.com

Please see **page 25** for Stages 3 and 4
Step-by-Step Guide: After Signing



Stage 5: After Paying in Full

Congratulations, homeowner! Once the buyer makes the final payment on the home, the seller should issue a deed to transfer full ownership of the home to the buyer.

Wayne County Register of Deeds
waynecountylandrecords.com/recorder/web

400 Monroe St, 7th Fl
 Detroit, MI 48226
 313-224-5850

Detroit Taxpayer Service Center
PTA and PRE forms are available for pick-up in person at this office, or online.
 Coleman A. Young Municipal Center
 2 Woodward Ave, #130
 Detroit, MI 48226

PTA: michigan.gov/documents/14260f_2688_7.pdf

PRE: michigan.gov/documents/2368f_2605_7.pdf

Final Paperwork

Record Deed

Recording a deed puts it in the official government record. Recording is important to protect the buyer's rights. Once a buyer gets the deed to their property, they should record it with the Wayne County Register of Deeds.

Total cost is approximately \$15 - \$20 to record, plus sales tax based on the home sale price.

File Taxpayer Documents

If the buyer was not responsible for taxes during the land contract, or did not file a PTA or PRE for another reason, they should do so once the deed is in their name.

- **Property Transfer Affidavit (PTA):** This form puts future property tax bills in the buyer's name. Fill out this form by copying details from the land contract itself, including the seller, buyer, purchase price, and purchase date. There is no cost for a PTA if filed within 45 days, but filing late can lead to penalties and other problems. The buyer should bring the land contract or Memo when they file, and ask for a stamped copy for their records.
- **Principal Residence Exemption (PRE):** This form gives an exemption, or discount, on future property taxes if the taxpayer lives in the property as their home. Land contract buyers who are responsible for property taxes and who live in the home should file a PRE to receive this discount as soon as their driver's

license or ID is updated with the home as their address. Buyers should bring their ID when they file the PRE and ask for a stamped copy for their records.

Additional Options

Title insurance and quiet title

Authorized title companies can assist homeowners to purchase “title insurance” to protect their ownership. Title insurance is helpful even if there are no known issues.

A title company can also assist in a process known as quiet title that will allow owners to “upgrade” their deed. Buyers who have a quitclaim deed may be able to get more protections for their ownership, such as a warranty deed, through this process. Contact a licensed title company for title insurance and quiet title services.

Home insurance

Once a buyer has paid in full on their home, there is no mortgage or seller to require the buyer to have home insurance. However, many homeowners prefer to protect their assets by having home insurance coverage. Search for a local provider, and consider bundling a home insurance package with car insurance for savings.

Side lot

Detroit homeowners who live adjacent to land owned by the Detroit Land Bank Authority (DLBA) may be able to buy a “side lot” for just \$100. Search online to see if there are any side lots available to you.



Detroit Land Bank Authority
buildingdetroit.org/sidelots

Please see [page 26](#) for Stage 5 Step-by-Step Guide: After Paying in Full



Resources

Counseling, legal, and government resources that are useful to land contract buyers are listed here. This guide is available online at detroitlandcontracthelp.com with additional resources and information.

Housing Counseling Services

Agency networks: Resources to find housing counseling or supportive services.

Detroit Housing Network (DHN)
Community-based nonprofits across Detroit offering free housing counseling services
detroithousingnetwork.org

Michigan State Housing Education Agency Locator
Searchable experienced financial counselors and loan officers near you.
housing.state.mi.us/webportal/default.aspx?page=counseling_start

Individual agencies within the Detroit Housing Network: Resources for free housing counseling and assistance.

Bridging Communities
6900 McGraw Ave Detroit, MI 48210
313-361-6377
bridgingcommunities.org

Jefferson East Inc.
14300 E. Jefferson Ave. Detroit, MI 48215
313-314-6414
jeffersoneast.org

Central Detroit Christian (CDC)
1550 Taylor St Detroit, MI 48206
313-873-0064
centraldetroitchristian.org

Matrix Human Services

13560 E McNichols Detroit, MI 48205
313-526-4000

matrixhumanservices.org

U-SNAP-BAC

14901 E Warren Ave Detroit, MI 48224
313-640-1100

usnapbac.org

Wayne Metro Community Action Agency

7310 Woodward Ave Detroit, MI 48202
313-388-9799

waynemetro.org

Government Resources

Government offices that may be necessary for land contract buyers to visit throughout the purchase process.

36th District Court

See status of land contract forfeiture case and attend in-person or virtual hearings

421 Madison St, Detroit, MI 48226
(313) 965-8700

36thdistrictcourt.org

City of Detroit Office of the Treasury

Check property tax balance and pay current-year property taxes

Coleman A. Young Municipal Center
2 Woodward Ave, #154
Detroit, MI 48226
313-224-3560

detroitmi.gov/departments/office-chief-financial-officer/ocfo-divisions/office-treasury

Detroit Taxpayer Service Center

File PTA/PRE documents, check taxpayer information and tax assessment

Coleman A. Young Municipal Center
2 Woodward Ave, #130
Detroit, MI 48226
313-224-3560

detroitmi.gov/departments/office-chief-financial-officer/ocfo-divisions/office-assessor

Michigan State Housing Development Authority

Apply for Michigan Homeowner Assistance Fund (MiHAF) for help with unpaid land contract payments.

mihaf.michigan.gov/p/home

Wayne County Register of Deeds

Record documents, search public records of previously recorded documents, report fraud

400 Monroe St, 9th Fl
Detroit, MI 48226
313-224-5850

waynecountylandrecords.com/recorder/web

Wayne County Treasurer

Check delinquent property taxes and tax foreclosure status. Pay delinquent taxes, enter payment plans.

400 Monroe St, 9th Fl
Detroit, MI 48226
313-224-5850

pta.waynecounty.com/Home
taxinfo@waynecounty.com

Legal Services

The following offer free or low-cost counseling and services for housing-related legal issues. Potential buyers of land contracts with legal issues are strongly recommended to work with legal representation.

Detroit Justice Center

1420 Washington Blvd #220, Detroit,
MI 48226
313-736-5957
detroitjustice.org

Lakeshore Legal Aid

*Legal representation for land contract
forfeiture*
2727 2nd Ave, #301, Detroit, MI 48202
888-783-8190
lakeshorelegalaid.org

Michigan Legal Help

*Self-help, online resources and
information about all stages of land
contracts*
michiganlegalhelp.org

Michigan Legal Services/United Community Housing Coalition

*Housing counseling for all stages
of land contract including legal
representation*
2727 2nd Ave, #313
Detroit, MI 48202
313-963-3310
uchcdetroit.org
help@uchcdetroit.org

An aerial photograph of a city neighborhood. In the foreground, there is a large, multi-story brick building complex with a flat roof and several air conditioning units. To the left of the building is a parking lot with several cars. A road with traffic runs along the bottom and right sides of the image. In the background, there are more residential buildings, a large green field, and a body of water on the left side. The sky is overcast and hazy.

Step-By-Step Guides

The following pages contain step-by-step guides that buyers can use for each stage of the land contract process.

For digital copies of these step-by-step guides, visit detroitlandcontracthelp.com



Stage 1 Step-by-Step Guide: Before Signing – Research

Buyers: use these questions to research the home before signing. Fields with a red “stop sign” indicate possible red flags and risks that may be a problem to the buyer.

Research Questions	Answer		Source
1 Current owner’s name(s)			Wayne County Register of Deeds 400 Monroe 7th Fl
2 Are there liens on the property? <i>ex: Mortgage, Foreclosure, Forfeiture</i>	<input type="checkbox"/> No	<input type="radio"/> Yes	
3 Are any delinquent property taxes owed? <i>3 years of unpaid taxes put home in foreclosure risk.</i>	<input type="checkbox"/> No	<input type="radio"/> Yes	Wayne County Treasurer 400 Monroe 5th Fl
4 Are any current-year property taxes owed?	<input type="checkbox"/> No	<input type="radio"/> Yes	Detroit Treasury 2 Woodward Ave. #154
5 Is there an outstanding water bill owed?	<input type="checkbox"/> No	<input type="radio"/> Yes	Detroit Water & Sewerage Dept.
6 What is the home’s estimated value?	\$		Appraisal, Online Research
What is the overall condition of the home?	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	Home Inspection
- Roof	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
- Foundation	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
7 - Plumbing	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
- Electrical	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
- Furnace/Boiler	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
- Hot water tank	<input type="checkbox"/> Good	<input type="radio"/> Needs Repair	
8 Does the basement flood/back up?	<input type="checkbox"/> No	<input type="radio"/> Yes	
9 Is there lead paint in the home? <i>Likely “yes” if the home was built before 1978.</i>	<input type="checkbox"/> No	<input type="radio"/> Yes	
10 Any other major repair issues? <i>E.g. Main drain, mold, termites, etc.</i>	<input type="checkbox"/> No	<input type="radio"/> Yes	

Notes:



Stage 1 Step-by-Step Guide: Before Signing – Reviewing the Contract

Buyers: use these questions to review the land contract document before signing. Fields with a red “stop sign” indicate possible red flags and risks that may be a problem to the buyer.

Land Contract Review	Answer	
11 Name of seller on land contract:		
Is the name of the seller listed on land contract (#11) and name of owner at Wayne County Register of Deeds (#1) the same?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No
12 Full purchase price of home:	\$	
Does the price on land contract (#12) seem reasonable compared to estimated value (#6)?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No
13 Monthly payment amount:	\$	
14 Down payment (if any)	\$	
15 Balloon payment at the end of contract (if any)	<input checked="" type="radio"/> \$	
16 Interest rate (if any):	%	
17 What is the length/term of the contract?	years	
18 Who is responsible for home insurance?	<input type="checkbox"/> Buyer	<input type="checkbox"/> Seller
19 Who is responsible for property taxes?	<input type="checkbox"/> Buyer	<input type="checkbox"/> Seller
If you are responsible for property taxes (#19), are you required to make immediate payment on delinquent property taxes to avoid foreclosure (#3)?	<input type="checkbox"/> No	<input checked="" type="radio"/> Yes
20 Does the contract have any of the following red-flag words: “TENANT,” “LEASE,” “EVICTION,” “OPTION TO BUY,” “REPOSSESSION”?	<input type="checkbox"/> No	<input checked="" type="radio"/> Yes
21 At the end of the land contract, what type of deed will you get?	<input type="checkbox"/> Warranty	<input checked="" type="radio"/> Quitclaim

Notes:



Stage 2 Step-by-Step Guide: At Signing

Buyers: use these steps if you are ready to sign a land contract. Fields with a red “stop sign” indicate possible red flags and risks that may be a problem to the buyer.

Items to Bring	Answer	
1 ID for notary	<input type="checkbox"/> Yes	<input type="radio"/> No
2 Down payment (if applicable)	<input type="checkbox"/> Yes	<input type="radio"/> No

Forms to Sign/Fill Out	Answer	
3 Land contract	<input type="checkbox"/> Yes	<input type="radio"/> No
4 Memorandum “Memo” of Land Contract <i>Recommended, but not required for recordation unless there are delinquent taxes (Pre-Signing Research #3).</i>	<input type="checkbox"/> Yes	<input type="radio"/> No
5 Property Transfer Affidavit (PTA)	<input type="checkbox"/> Yes	<input type="radio"/> No
6 Principal Residence Exemption (PRE)	<input type="checkbox"/> Yes	<input type="radio"/> No

Questions	Answer	
7 Will the land contract be recorded for you? <i>If No, keep the original signed Land Contract and/or Memorandum for recording.</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8 Will the PTA and PRE be filed for you? <i>If No, you can do this yourself. See “Stages 3 and 4: After Signing”</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Take Home Items	Answer	
9 Lead disclosure and lead safe handbook	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive
10 Seller's Disclosure Statement	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive
11 Original copy of the land contract	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive
12 Original copy of the Memorandum of Land Contract (if applicable)	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive
13 Signed PTA and PRE	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive
14 Receipt for payment	<input type="checkbox"/> Received	<input type="radio"/> Didn't Receive



Stages 3 and 4 Step-by-Step Guide: After Signing

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

Immediate Tasks	Status	Source
1 File PTA and PRE <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

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> www.36thdistrictcourt.org
3 Apply for financial assistance	<input type="checkbox"/> Complete	MSHDA MIHAF program mihaf.michigan.gov/p/home

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

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



Stage 5 Step-by-Step Guide: After Paying In Full

Buyers: use these steps to guide you after you pay off your land contract.

Immediate Tasks	Status	Source
1 Record original deed <i>Payment is \$15 +\$3/page, not including sales tax.</i>	<input type="checkbox"/> Complete	Wayne County Register of Deeds 400 Monroe, 7th Floor
2 File PTA and PRE <i>Only required if not filed during the land contract. Bring ID and copy of deed. Keep a stamped copy for your records.</i>	<input type="checkbox"/> Complete	City of Detroit Taxpayer Assistance 2 Woodward Ave., #130
3 Continue paying property taxes	<input type="checkbox"/> Complete	City of Detroit Office of the Treasury 2 Woodward Ave., #154
4 Enjoy!	<input type="checkbox"/> Complete	Your Home

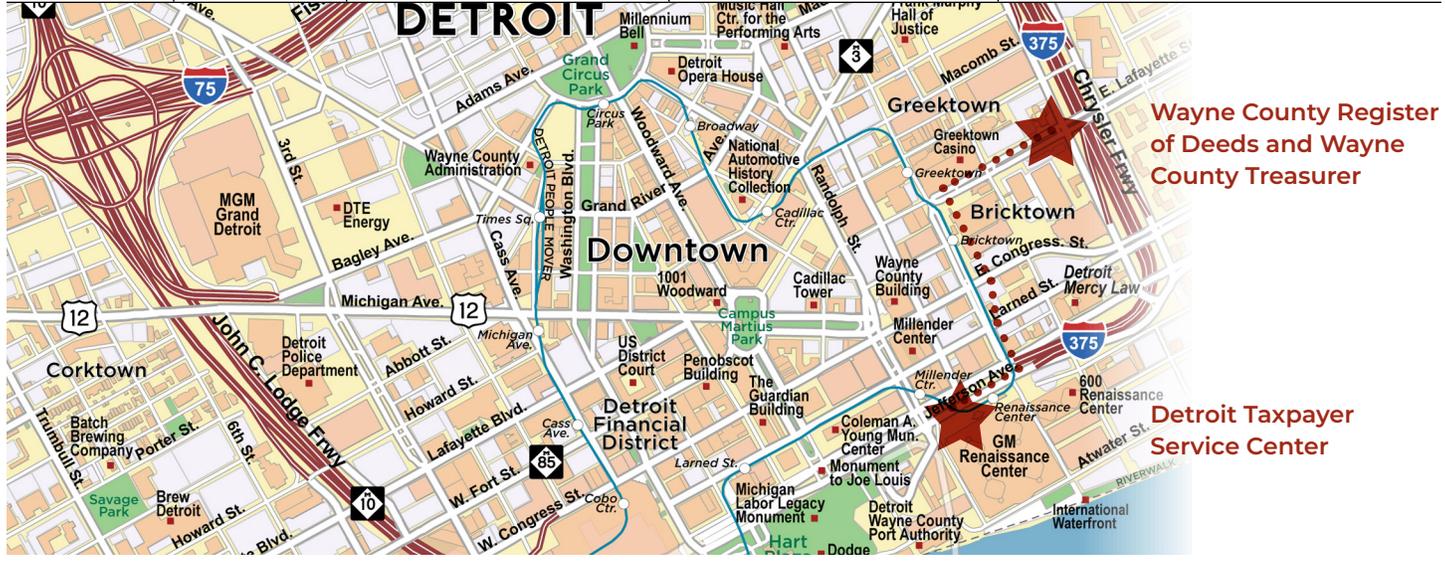
Optional Additional Steps

5 Quiet title	<input type="checkbox"/> Complete	Legal or Title Service Provider
6 Home insurance	<input type="checkbox"/> Complete	Home Insurance Provider
7 Purchase a side lot	<input type="checkbox"/> Complete	Detroit Land Bank Authority buildingdetroit.org/sidelots

Notes:

Paperwork Summary Chart

When	Action	Item	Note	Where
At Signing	Bring	Down payment		Closing location with seller
	Bring	ID to show notary		
	Sign	Land contract		
	Sign	Memorandum of land contract	<i>If there are delinquent taxes</i>	
	Sign	PTA		
	Sign	PRE	<i>If you live in the home</i>	
	Receive	Lead Disclosure		
	Receive	Seller's Disclosure		
	Receive	Receipt for any payment		
After You Sign	File	PTA	<i>Bring land contract</i>	City of Detroit Taxpayer Assistance Center, 2 Woodward Ave. #130 48226
	File	PRE	<i>Bring ID with you</i>	
	Record	Land Contract or Memorandum of LC		Wayne County Register of Deeds, 400 Monroe, 7th Floor
	Check & Pay	Property taxes	<i>Bring PRE with you</i>	Wayne County Treasurer, 400 Monroe, 5th Floor
After You Pay In Full	Bring	Final payment		Closing location with seller
	Receive	Receipt for any payment		
	Receive	Deed		
	Record	Deed		Wayne County Register of Deeds, 400 Monroe, 7th Floor



For digital and printable versions of the Detroit Land Contract Buyer Guide and related resources, visit detroitlandcontracthelp.com

