

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

PROPERTIES

- The properties for sale in the auction were foreclosed for delinquent real property taxes and are offered for sale as required by State law and Order of the Washtenaw County Circuit Court.
- The State of Michigan, Local Governmental Unit, or Washtenaw County may purchase any property prior to the beginning of the auction. Any such purchased property will be removed from the auction. Go to www.washtenaw.org/AUCTION for updated information.
- By Orders of the Washtenaw County Circuit Court on February 19, 2021 (also referred to as "Foreclosure Order"), case number 20-537-CZ, and pursuant to the Michigan General Property Tax Act ("GPTA"):
 - Redemption rights to the properties have expired;
 - All prior recorded and unrecorded interests in the properties were extinguished by court order, except visible or recorded easements or right-of-way, private deed restrictions, or certain other restrictions or governmental interests in the properties imposed by the State of Michigan;
 - All liens against the properties under Michigan law, except for future installments of special assessments and certain liens recorded by the State of Michigan, were cancelled;
 - Subject to these exceptions, fee simple title to the properties has vested in the Treasurer.
- Any legal descriptions of properties and street addresses provided are based upon information provided to the Treasurer by local tax collecting units and may not reflect an actual description of the property or actual street address.
- The sale of these properties is mandated by Michigan law and should not, in any way, be equated to real estate sales by licensed salespersons, brokers, or real estate agents.

CONDITIONS AND DISCLOSURES

- These properties are offered for sale **as-is** and **where is**.
- **Purchasers will be responsible for all property taxes for 2021**, which include, but are not limited to, state education taxes, summer, winter, and/or village taxes billed in 2021, including interest and fees that may have been accrued, and/or special assessments due. **The initial minimum bid for properties will also include the 2021 summer tax amount. If purchased for at least the initial minimum bid, the Treasurer will forward payment of the 2021 summer taxes to the local Treasurer, after receiving payment of the winning bid. For properties purchased for less than the initial minimum bid, proof of payment of 2021 property taxes owed at the time of sale is required before a parcel will be conveyed to purchasers.**

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

- Purchasers, along with the Purchasers' agents and assigns, release the Treasurer and Washtenaw County from all liability whatsoever arising from any conditions of the properties, whether now known or subsequently discovered, including, but not limited to, all claims based on environmental contamination of the property, if any.
- The Treasurer makes no representations or claims as to fitness for purpose, ingress/egress, conditions, covenants, or restrictions. There are no warranties, express or implied, regarding properties offered.
- The Treasurer assumes no liability for any other possible liens, encumbrances, or easements, recorded or not recorded, which were not cancelled by the foreclosure of the property under MCL 211.78k.
- These properties are subject to any applicable state, county or local zoning or building ordinances.
- The Treasurer does not guarantee the usability or access to any of these properties. It is the responsibility of prospective purchasers to do their own research as to the use of the properties for their intended purposes and to inspect properties personally to determine if they will be suitable for the purposes for which they are being purchased.
- The properties offered may or may not be occupied. Occupied structures may not be entered without the occupant's permission. Secured vacant structures may not be entered.
- The properties offered may also be subject to flooding. Any new construction or reconstruction should conform to local, county, and state regulations. Also, any filling, dredging, or other permanent construction below the ordinary high-water mark of the water body involved, or earth change may be subject to restrictions under state law. The properties may also be subject to wetlands protections under Part 303 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.
- Purchasers of property through prior auctions have found it useful to quiet title to property they purchased after receiving a quit-claim deed from the Treasurer.
- Parties with previous ownership interests in the property may later seek to set aside the foreclosure and sale in Circuit Court on due process or other grounds, or seek alternative forms of relief, including seeking the surplus proceeds, if any, relating to the foreclosed properties, as set forth in the GPTA, including but not limited to MCL 211.78m and MCL 211.78t.

INTERNET AUCTION

- The auction will be conducted on the Internet by Auction.com, LLC. at <http://www.auction.com>. Except through <http://www.auction.com>, bids will not be accepted by the Treasurer.
- A series of auctions are being held, opening on the following dates: July 20, August 24, and September 28, 2021. Each auction opens at 10:00 am EDT (7:00 am PDT) and closes at the time listed for each property at <http://www.auction.com>.

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

- The asset information for each property may be updated at any time and will not be finalized until the day of the sale of the property. Please read all due diligence materials and check <http://www.auction.com> and washtenaw.org/auction for updates.
- The Treasurer reserves the right to extend the length of the auction under special circumstances at the discretion of the Treasurer.
- The Treasurer reserves the right to cancel the sale of a property at any time.
- The Treasurer may withdraw a property from the auction for any reason, including but not limited to, if no bid on that property meets the minimum or opening bid price.
- The Treasurer may change a minimum bid any time until the opening of an auction to reflect new costs and expenses that may have been incurred.

BIDDING FOR INTERNET AUCTION

- Each bidder must register with Auction.com, LLC at <http://www.auction.com> prior to the auction date.
- DEPOSIT REQUIREMENT: As part of the registration process with Auction.com, you will be required to authorize that a hold be placed on a major credit card in the amount of \$2,000 for each asset you register to bid on. In the event a winning bidder fails to perform and/or doesn't complete the transaction with acceptable funds, the deposit will be forfeited.
- Bidders must conduct any research or due diligence they wish to conduct prior to submitting a bid.
- A bid is an irrevocable offer to purchase a property.
- A bid that is accepted is a binding contract.
- By placing a bid, a bidder agrees not to sue the Treasurer, the County of Washtenaw, or any of its departments, boards, commissions, officers, employees, or agents for any claim, whether legal or equitable, arising under, or in any manner related to the conducting of this auction.
- A bidder is legally and financially responsible for all properties on which he or she bids whether that bidder represents himself, herself or itself or acts as an agent.

WINNING BIDS FOR INTERNET AUCTION

- Notification of a winning bid will be made by e-mail to the winning bidder from Auction.com, LLC. That notification will include the purchase price of the property and instructions regarding acceptable payment methods.
- Winning bidders will be asked to complete a deed information form showing how they want title to property they are purchasing to be held. The deed information form will be provided to winning bidders and must be completed within 24 hours after the close of the auction for that property.
- Winning bidders must sign an affidavit indicating that bidders do not directly or indirectly hold an interest in a property with delinquent property taxes in Washtenaw

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

County, and are not directly or indirectly responsible for any unpaid civil fines for a violation of an ordinance authorized by Section 4I of the Home Rule City Act, 1909 PA 279, MCL 117.4L in the local unit in which the property is located.

- A winning bidder must make payment in full to the Treasurer within 48 hours of the successfully bid upon property using a payment method acceptable to the Treasurer. Acceptable payment methods include cash, check, and electronic transfer. Debit or credit cards are not accepted.
- **If the winning bidder does not adhere to the payment policy, that person may be banned from future sales and all available legal remedies may be pursued. Furthermore, the winning bidder will forfeit the \$2,000 deposit referenced above.** If the winning bidder defaults, the Treasurer reserves the right to offer the property to the next highest bidder. If the next highest bidder agrees to purchase the property, the terms of sale will apply to the next highest bidder.
- **If a winning bidder fails to provide proper payment for a property purchased, the Treasurer reserves the right to pursue all available legal and equitable remedies against a non-paying bidder, including but not limited to, for specific performance and injunctive relief, along with reimbursement for any related attorney fees and legal costs.**

QUITCLAIM DEEDS

- Pursuant to the GPTA, before issuing a deed to a person purchasing property, the Treasurer requires the person to execute and submit to the Treasurer an affidavit under penalty of perjury. If the person purchasing the property fails to execute and submit the affidavit required by the GPTA — by the date payment for the property is required — the Treasurer may be obligated to cancel the sale. An affidavit will indicate that the purchaser of the property meets all of the following conditions:
 - (a) The purchaser does not directly or indirectly hold more than a de minimis legal interest in any property with delinquent property taxes located within Washtenaw County.
 - (b) The purchaser is not directly or indirectly responsible for any unpaid civil fines for a violation of an ordinance authorized by section 4 of the Home Rule City Act, 1909 PA 279, MCL 117.4, in the local tax collection unit in which the property is located.
- Pursuant to the GPTA, any person purchasing property, who held an interest in that same property at the time of the Foreclosure Order, must pay the minimum bid amount before receiving a deed to the property, or the Treasurer will cancel the sale of the property.
- Quitclaim deeds will be issued upon receipt of payment and receipt of the deed information form. The quitclaim deed will convey only such title as vested in the Treasurer under the tax foreclosure process under state law.
- A Property Transfer Affidavit will also be mailed to the purchaser with the recorded deed. This affidavit must be completed by the purchaser and filed with the local assessor where the property is located.

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

- Quitclaim deeds issued by the Treasurer will include the following covenants, in which the purchaser agrees:
 1. Not to sue the Treasurer, the County of Washtenaw, or any of its departments, boards, commissions, officers, employees, or agents for any claim, whether legal or equitable, arising under, or in any manner related to this Deed. To release, waive, and discharge the Treasurer, the County of Washtenaw, and all its departments, boards, commissions, officers, employees, and agents, and its successors and assigns from any and all liability to Grantees and their successors and assigns, for all losses, injury, or damage to person or property, or death, and any claims or demands therefore arising under, or in any manner related to this Deed whether caused by the Treasurer, the County of Washtenaw, or any of its departments, agencies, boards, commissions, officers, employees, or agents
 2. To indemnify and hold harmless the Treasurer, the County of Washtenaw, and all of its departments, agencies, boards, commissions, officers, employees, and agents from any and all claims, demands, judgments, and expenses, including attorney fees, for any and all loss damage, death, or injury to person or property arising under, or in any manner related to the performance of, this Deed. This indemnification and hold harmless agreement is intended to and shall extend to all loss, damage, death, or injury to person or property, proximately caused in whole or in part by the negligence or other tortious conduct of the Treasurer, the County of Washtenaw, its departments, boards, commissions, agencies, officers, employees, or agents.
 3. To the conditions subsequent to the sale of the Property by imposition of the following restrictions on the sale to the Property:
 - A. That Grantee or any subsequent Purchaser/Assignee shall pay all tax obligations due on the date the Deed is issued and shall keep current payment on all tax obligations for the two years following the date the deed was issued.
 - B. That Grantee or subsequent Purchaser/Assignee shall either demolish the property within six months following the date of the deed or maintain and secure the Property for two years following the date of the deed from Grantor/Treasurer in accordance with local building, health and public safety ordinances.
 - C. That failure of the Grantee or subsequent Purchaser/Assignee to comply with above clauses A and/or B or to cure the default within 30 days of written notice may result in a reversion of the title of the Property to the Grantor/Treasurer or assigned to the State of Michigan, County of Washtenaw, City, or Township where the property is located, at the discretion of the Grantor/Treasurer. The right of reversion of title shall reinstate fee simple absolute title to the Grantor/Treasurer or to Treasurer's assignee within 30 days of failure to cure default, unless extended at the Treasurer's sole discretion. Written notice of default and failure to cure default addressed to

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

the Grantee and mailed to the Grantee's address as written on the deed shall be notice to any subsequent Purchaser/Assignee, unless a copy of the Property Transfer Affidavit (PTA) that was filed with the local Assessor and which includes any change of mailing address is hand delivered to and signed as received by said Grantor/Treasurer, or designated representative. DURING THE TAX YEARS THAT THE CONDITIONS SUBSEQUENT APPLY, THIS PROPERTY SHALL NOT BE SOLD, CONVEYED OR TRANSFERRED UNLESS ALL TAXES ARE PAID IN FULL. VIOLATORS SHALL BE PERSONALLY LIABLE TO PURCHASER AND/OR GRANTOR/TREASURER FOR DAMAGES AND AGREE TO SUBMIT TO THE JURISDICTION OF THE COURTS IN THE STATE OF MICHIGAN.

TITLE INSURANCE

- Title insurance companies may or may not issue title insurance on properties sold.
- The Treasurer makes no representations regarding the availability of title insurance policies for any of the properties. Unavailability of title insurance is not grounds for reconveyance to the Treasurer.
- After purchase, a purchaser may incur legal costs for a quiet title action, to assert rights of possession, or to satisfy the requirements of a title company in order to obtain title insurance. The Treasurer is not responsible for such costs.
- After purchase, a purchaser may want to obtain copies of documents relating to the foreclosure order entered by the Court. To the extent possible, such documents should be obtained from the Court's file relating to the foreclosure order and judgment. To the extent that such documents are unable to be obtained from the Court and the purchaser wishes to obtain foreclosure documents from the Treasurer, copies of documents responsive to a reasonable request will be subject to a fee of \$75.00 per parcel.

PROPERTY TAXES AND ASSESSMENTS

- **As noted above, purchasers will be responsible for all property taxes for 2021**, which include, but are not limited to, state education taxes, summer, winter, and/or village taxes billed in 2021, including interest and fees that may have been accrued, and/or special assessments due.
- Purchasers must contact the city, village, or township treasurer for amounts due.
- Summer 2021 property taxes will be included in the initial minimum bid. If property is purchased for at least the initial minimum bid, the Treasurer will send payment of the 2021 summer taxes to the local Treasurer after receiving payment of the winning bid amount.
- **For properties not purchased for the initial minimum bid, purchasers must show proof of payment of 2021 taxes owed at time of sale before property can be conveyed within two weeks of the conclusion of the auction. Failure**

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

to pay the 2021 taxes within the specified time frame will result in the forfeiture of up to \$2,000 of the purchase amount.

- The purchaser of a property must contact the local city, village, or township assessor in which the property is located to ensure a correct mailing address for future tax bills.
- Deferred assessments reported to the Treasurer before the Treasurer acquired title to tax-reverted properties are included in the minimum bid amounts.
- Purchasers may be responsible for deferred assessments not reported timely to the Treasurer.

ENVIRONMENTAL DISCLOSURES

A person who acquires property that is contaminated (a "facility" pursuant to Section 20101(1)(I) of the Natural Resources and Environmental Protection Act (NREPA), 1994, P.A. 451, as amended) as a result of release(s) of a hazardous substance(s) may become liable for all costs of cleaning up the property and any other properties impacted by the release(s). Liability may be imposed upon the person acquiring the property even in the absence of any personal responsibility for, or knowledge of, the release. Protection from such liability may be obtained by conducting a Baseline Environmental Assessment (BEA) as provided for under Section 20126(1)(c) of NREPA. However, the BEA must be conducted prior to or within 45 days of the earliest date of purchase or occupancy of the property. Persons who acquire contaminated property may also have "due care" obligations under Section 20107a of NREPA even if they conduct a BEA and are not liable for the contamination.

Pursuant to Part 201 of the NREPA, the person(s) responsible for an activity causing a release at the property is obligated to pursue response activities at the property. Consequently, the non-labile purchaser may be required to provide access to a liable party to conduct response activities at the property in the future.

Section 20116 of the NREPA requires that a person who has knowledge that their property is contaminated provide a written notice to the purchaser or other person to whom the property is transferred which discloses the general nature and extent of the release. Additional disclosure obligations may also apply at the time the property, or an interest in the property, is transferred.

Accordingly, the Treasurer recommends that a person who is interested in acquiring property foreclosed for delinquent taxes contact an attorney or an environmental consultant for advice prior to the acquisition of any property foreclosed for delinquent taxes that may be contaminated.

ALL SALES ARE AS-IS, WHERE-IS, AND FINAL. THERE ARE ABSOLUTELY NO REFUNDS.

Washtenaw County Treasurer
Terms and Conditions of Sale
July 20, August 24, September 28, 2021

**TERMS AND CONDITIONS OF SALES ARE SUBJECT TO MODIFICATION PRIOR
TO THE COMMENCEMENT OF THE SALE.**

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