

INFORMATION FOR LAND CONTRACT PURCHASERS

You have executed a land contract for the purchase of property from the Michigan Department of Transportation (MDOT). The following information is provided to assist you in maintaining your land contract obligations. Please keep this information sheet for future reference.

LAND CONTRACT PAYMENTS

Within a short time, you will receive a letter from the Financial Operations Division regarding future land contract payments. Financial Operations will assign you a land contract number to be used for payments and all correspondence addressed to MDOT. The letter will inform you where to send your payments and the date future payments will be due. Your first payment will be due one month from the day you executed the contract. Payments will be due on the same date each subsequent month throughout the life of the contract, unless otherwise stated in the contract.

MDOT does not send monthly statements, but you can request one from the Financial Operations Division. In January, you will receive a statement covering the previous calendar year. This statement will show the total interest paid on the land contract for the calendar year as well as the remaining unpaid balance.

PAYMENT OF TAXES

You will find two Michigan Departments of Treasury forms in your closing packet which have been enclosed for your convenience. **Please read the introduction on the front of each form as you, the purchaser, are required by law to submit the Property Transfer Affidavit to your local assessing officer.** You may also be eligible to claim an exemption from some operation taxes by submitting an Affidavit for Homestead Exemption. Instructions for submitting the forms are on the back of each form.

You are responsible for all future taxes. Bills will be mailed directly to you. You must pay all taxes as they become due in accordance with condition number 6 of your land contract. You must also furnish MDOT with a copy of your paid receipt. Failure to comply with this requirement will result in default of the contract and action will be taken in accordance with conditions 11 and 12 of the land contract.

MAINTENANCE OF INSURANCE

At closing you were required to provide evidence of liability insurance for the property naming MDOT as additional or co-insured. If the property contains improvements, you may also have been requested to furnish fire and windstorm insurance insuring the Department as land contract vendor. It is your responsibility to maintain current insurance throughout the life of the contract in accordance with conditions 4 and 5 of the land contract. On or before the expiration date of your current insurance, you must furnish MDOT with a copy of any new policy, or in the event of a policy renewal, a certificate of insurance, naming MDOT as additional or co-insured. The insurance is to be in the amount previously specified. The policy or certificate must identify the property by control section, parcel, and land contract numbers.

LAND CONTRACT ASSIGNMENTS

If you should decide to assign (sell) your interest in the land contract, please forward an original assignment (no copies accepted) properly executed by both you and the assignee (buyer) to MDOT.

Although you may assign your interest in the land contract, you are not relieved from liability for the terms and conditions of the contract. Therefore, you should be certain that the assignment contains provisions requiring that the assignee assume all liability for the performance of all the terms and conditions of the contract.

Upon request, MDOT will furnish you with land contract assignment forms or you may use other forms which are available for this purpose.

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LAND CONTRACT QUESTIONS

If you have any questions regarding your land contract, please contact:

Michigan Department of Transportation
Real Estate Support Area
Project Development Section
P.O. Box 30050
Lansing, MI 48909

(517) 373-4141

NOTE: Please be sure to reference Control Section, Parcel, and Tract Number on all correspondence.

LAND CONTRACT PAYMENT QUESTIONS

If you have any questions regarding payments on your land contract, please contact:

Michigan Department of Transportation
Financial Services Division - CASHIER
P.O. Box 30648
Lansing, MI 48909

(517) 335-2383

NOTE: When contacting the Financial Operations Division or making payments, please reference the land contract number which was assigned to you. Please make checks payable to the "State of Michigan" and write your land contract number on the check.