Sealed Bid Land Auctions

Frequently Asked Questions (FAQ's)

Q. How can I buy land from the DNR?

A. Land available for purchase can be found through the DNR web page www.michigan.gov/landforsale. Properties are made available to governments and conservancies before being offered for sale to the public. Applications may be printed for purchase of land that is immediately available for sale or exchange.

Q. Can I buy DNR land that is not listed for sale on the website?

A. The Department auctions land that is surplus to its resource and recreation needs, has been reviewed, posted for public notice, and approved for disposal. Due to the lengthy process, the Department reviews potentially surplus land county by county in its Land Consolidation process. Land that is not offered by auction may be eligible for sale to governments and conservancies.

Q. When is the next auction?

A. Currently, the Department holds two auctions a year, one in May/June, and one in October/November. The auction dates are posted on the <u>Sale of State-owned Land</u> web page a few months prior to the auction.

Q. What about land that is not sold in the auction?

A. If no bids are received, most parcels are relisted within a few days for immediate sale at the minimum bid price. Generally, the first offer received is accepted. Unsold parcels may also be acquired by exchange.

Q. Will the Department auction a parcel more than once?

- A. We may re-auction if a property did not receive adequate market exposure.
- Q. How is the price set?
- A. The price is based on an independent appraisal value.
- Q. Will we accept any offer?
- A. No. Offers must at least meet the minimum bid price.
- Q. Will we reduce the price, and when?
- A. The price may be re-examined 12 months after auction if market conditions warrant.

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Q. How can I see the results of a previous auction?

A. On the Sale of State-owned Land web page, if an auction is not in progress, click on View Auction to see the most recent auction results. Results from earlier auctions can be seen by clicking the links at the bottom of the <u>Sale of State-owned Land</u> web page. Winning bid amounts become available after the sale deed has been issued.

Q. What is a DNR Parcel Number?

A. The DNR parcel number is automatically assigned when the State acquires land. The number remains the same for that property description. Local government tax parcel numbers are assigned by the local property tax authority. Since the tax parcel numbers can change over time, the DNR may not have available the local government tax parcel number.

Q. What is an undivided interest?

A. An undivided interest is the real estate owned by two or more tenants in common or joint tenants whether their rights are equal or unequal. The undivided interest is a fractional interest in which each owner co-owns all rights in the same property. A real estate attorney can advise on the implications of a particular undivided interest ownership.

Q. What can an owner of undivided interests do on the land?

A. An undivided interest holder owns a part interest in the whole property and may make use of the whole property. For example, all undivided interest owners may hunt on any part of the whole property in which they share ownership.

Q. What does "No apparent road access" mean?

A. It means that based on Department records, road access does not appear to exist.

Q. What does "Road Access" mean?

A. It means that based on DNR records it appears that a parcel can be accessed via a public road. DNR does not guarantee road access. It is the responsibility of prospective purchasers to do their own research as to the use of the land for their intended purpose and to make a personal inspection of the property to determine if it will be suitable for the purposes for which it is being purchased.

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Q. How can I obtain legal access to a landlocked parcel?

A. When there is no existing deeded access to a landlocked parcel, access would have to be acquired across adjoining land. The usual means of acquiring access is by purchase from an adjoining owner or by formalization of an easement of necessity. A prospective purchaser should seek the advice of an attorney experienced in real estate law.

Q. When will parcels in a particular county be auctioned?

A. Preparation of parcels by county begins about a year before the auction. Counties are usually grouped for efficiency. Unless a county is currently being prepared for auction there is not an expected auction date.

Q. When will the parcel I saw listed on the website become available for auction?

A. Land becomes identified as surplus through the Department's Land Consolidation review. Currently all of Michigan's 83 counties have been through this process. Parcels become eligible for auction after having first been offered for sale to local unit's of government, land conservancies, or for land exchange by the public. These parcels have undergone additional review and selection. The remaining properties are examined for special recommendations, mineral, environmental and title issues, etc., and are then appraised to set a minimum bid for auction.

Throughout the process, properties remain available for exchange or for acquisition by partner agencies. A primary objective in the Land Consolidation process is management of natural resources by appropriate agencies.

Q. Why is a parcel available to a governmental unit or alternate conservation owner and not to a private individual?

A. Some parcels are approved for sale only for public recreation purposes and are offered to governments and then to conservancies. The goal is for the properties to remain open for public use. Governmental requests for all parcels take priority over other requests to purchase land. Exchanges proposed by any applicant at any time may be considered if the benefit to the State is significant.

Q. Can I offer my land in exchange?

A. Yes. Land located within DNR boundaries can be offered in an exchange. Land outside boundaries with high resource value could be considered for exchange. To locate State-owned parcels that have been approved for exchange click Exchange Land with the DNR on the Sale of State-owned Land web page.

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Q. How can I be notified of upcoming auctions?

A. The Department has an automated email notification service. Anyone can subscribe to the service to receive notice when a new auction has begun.

To subscribe, send mail to LISTSERV@LISTSERV.MICHIGAN.GOV leaving the subject line blank, and in the text portion copy and paste the following line:

SUBSCRIBE DNR_LAND_FOR_SALE

Hint: If your email is set up for automatic signature or V-card, you must inactivate that first for your request to be accepted.

Q. Why doesn't the State provide a land survey?

A. It is widely recommended that buyers survey land when they take ownership. A survey identifies the boundaries. The majority of properties held by the Department were acquired by tax reversion. The State does not have a funded program to survey tax-reverted land.

Q. Does the State insure title?

A. No. Conveyance is by Quit Claim deed. It is always prudent for a buyer to consider obtaining title insurance on a property.