



After major spike, Jackson County starting to see fewer property tax foreclosures

By Lisa Satayut | Lsatayut@mlive.com March 20, 2014 at 8:30 AM

JACKSON, MI – After seeing a **drastic increase** in the number of homes foreclosed on since 2008, the trend is beginning to turn the other way. About 628 homeowners in the county have until March 31 to pay back taxes before the county takes ownership of their property. Last year at this time, there were 753 properties county-wide that were in the foreclosure process. That's a marked improvement from 2012, when there were 2,397 at this same time.

2013 POTENTIAL FORECLOSURES

The numbers inside each township on this map are for owners who did not pay property taxes for 2011, 2012, 2013 and 2014. They are already in the forfeiture process with the county and have until March 31 to pay or it will go to auction this year. There are 628.

Springport 9	Tompkins 6	Rives 8	Henrietta 18	Waterloo 13
Parma 11	Sandstone 11	Blackman 65	Leoni 49	Grass Lake 11
Concord 4	Spring Arbor 10	Summit 43	Napoleon 18	Norvell 14
Pulaski 3	Hanover 3	Liberty 6	Columbia 20	

Source: Jackson County treasurer

(Edward Riojas/MLive.com)

About half of the properties headed for foreclosure are in the city, which is typically the case. "The city again has a significant number of foreclosures. We will continue to collect until March 31," said Karen Coffman, the county treasurer. Jackson County continues to see a slight decline in the number of homeowners who have not paid property taxes and subsequently have their homes sold at a twice yearly county auction. Properties that do not sell in the first auction are sold at the second auction, referred to as a "scavenger sale." Some of those properties could already be on the city's demolition list, also referred to as a "hit list," as the city is aggressive when it comes to demolishing vacant structures under its Neighborhood Stabilization Program. This has become an issue of contention in the past between those who purchased the property at the auction and the city.

Forfeitures -- the step that comes before foreclosure -- also are in decline in the county, and Coffman believes that is a result of residents taking advantage of a state program, which was opened last year to those facing a county tax foreclosure. In the past, it was geared toward those facing a mortgage foreclosure.

"I'm not sure what it is indicative of other than the **Step Forward program**," Coffman said.

2014 NEW FORFEITURES

The numbers inside each township on this map are for owners who did not pay property taxes for 2012, 2013 and 2014. They had until March 1, 2014. As of March 1, they are now in the forfeiture process with the county. There are 2,509 in forfeiture (county-wide) with the county. If they do not pay by March 31, the county will foreclose on the property and sell it at auction.

Springport 37	Tompkins 37	Rives 45	Henrietta 60	Waterloo 43
Parma 57	Sandstone 52	Blackman 171	Leoni 206	Grass Lake 48
Concord 32	Spring Arbor 62	Summit 261	City of Jackson 1,062	Napoleon 84
Pulaski 36	Hanover 37	Liberty 35	Columbia 92	Norvell 52

Source: Jackson County treasurer

(Edward Riojas/MLive.com)

There are still funds available in the Step Forward program. The state and federal government provide funds to areas identified as “hardest hit.”

The **Community Action Agency** has certified counselors who can help homeowners who are behind on property taxes under the program. The CAA acts as a liaison between the Michigan State Housing Development Authority, which is the agency that administrates the program, and the county treasurer. The foreclosure process starts March 1 of any given year when taxpayers are delinquent. It’s a **three-year process** that starts with delinquent taxes, then forfeiture and ends when the county forecloses, if taxes are not paid. Coffman was able to recoup more than \$177,000 in delinquent taxes through the program. Funds are put back into the county’s delinquent revolving tax fund.

Every March 1, the county uses its delinquent revolving tax fund to basically pay local units of governments like townships, villages and the city for property taxes these entities levied but were unable to collect. This also includes other taxes associated with the foreclosed properties, which could include school district taxes and mileages. The county replenishes its delinquent revolving tax fund with proceeds made at the two annual foreclosure auctions.

For more information on the Step Forward program, call 866-946-7432. To speak with a certified foreclosure counselor at the Community Action Agency, call 517-784-4800.