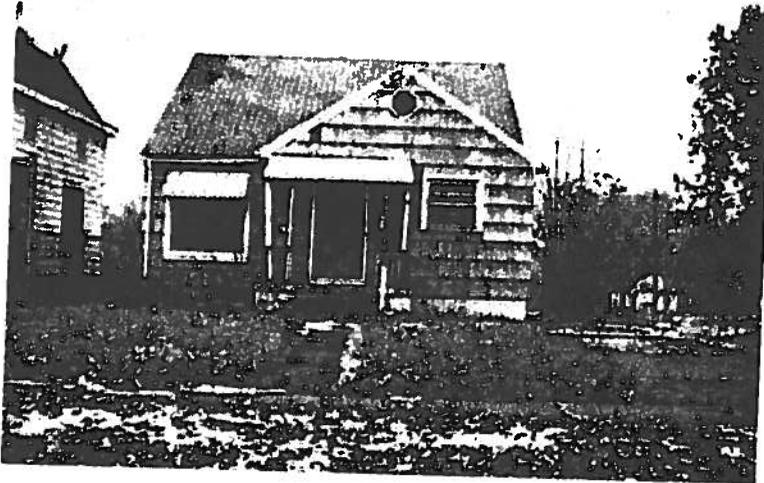




Package of 58 Flint houses for sale on eBay

Published: Thursday, January 06, 2011, 7:00 AM Updated: Thursday, January 06, 2011, 10:45 AM

By **Kristin Longley | klongley1@mlive.com**



Joseph Toblanski | The Flint Journal

The house at 161 E. Eldridge Ave. in Flint is one of 58 houses for sale on eBay.

FLINT, Michigan — Looking for a house in Flint? How about 58 of them?

Anyone with an Internet connection could snatch them all for a cool \$92,800.

An Illinois-based investment company is trying to unload dozens of houses in a **package deal on eBay** for more than three times what it paid for them at a Michigan public land auction.

But buyers beware: The houses could be in poor condition, and at least a few of the previous owners likely abandoned them

knowing the houses were worth less than the taxes owed, local officials said.

It's a scenario officials said is hard to avoid in today's depressed housing market: An out-of-state speculator grabbing up homes for pennies on the dollar and then trying to flip them online for a quick profit to someone who may not be familiar with Flint real estate.

The situation is made even more unusual because buyers have to bid on a 58-house package, instead of individual properties, said Doug Weiland, executive director of the Genesee County Land Bank. The houses are scattered all over the city, with a few in Mt. Morris.

"These are people who could have no idea what they're buying," Weiland said of potential bidders. "It's a very, very tough market. It's a tough situation."

The company, Payne Investments out of La Grange, Ill., purchased the tax-foreclosed properties individually **at an auction** for a total of \$25,350 in November, according to auction records.

The company bought the houses for as little as \$100 each, and none for more than \$850 — much less than the

\$1,600 apiece that the eBay listing is selling them for.

Attempts to reach officials with Payne Investments were unsuccessful this week.

The November auction was held by the Genesee County treasurer's office as **required by state law**, said county Treasurer Deborah Cherry. The county has to accept the highest bid no matter what, she said.

As of Wednesday afternoon, the eBay listing had one bid of \$92,800.

The listing's description makes it clear the houses are sold "as is" and the current conditions of the properties are unknown, but it also markets the homes as ideal rental properties.

The listing also reports the average home sale price in the Flint/Grand Blanc area as \$229,933, which appears to be from a 2005 CNNmoney.com article.

"These homes have tremendous value as an investment," the listing says.

Weiland said that's "ridiculous." He also said the houses' combined value of \$1,461,200 could be misleading to someone browsing the listing who has no knowledge of the Flint housing market, he said.

"It may look like it has \$20,000 or \$30,000 in value when it's really a bombed out mess," Weiland said.

Weiland said the market has changed drastically from just a few years ago.

The average home in Flint sold for \$59,000 in 2005. Last year, the average sale price was just \$15,000, he said.

The Genesee County Land Bank was created in 2004, in large part to prevent tax-foreclosed properties from ending up in the hands of speculators.

In this case, however, the investment company purchased the homes in person at the state auction, before the homes would have reverted to the Land Bank's control.

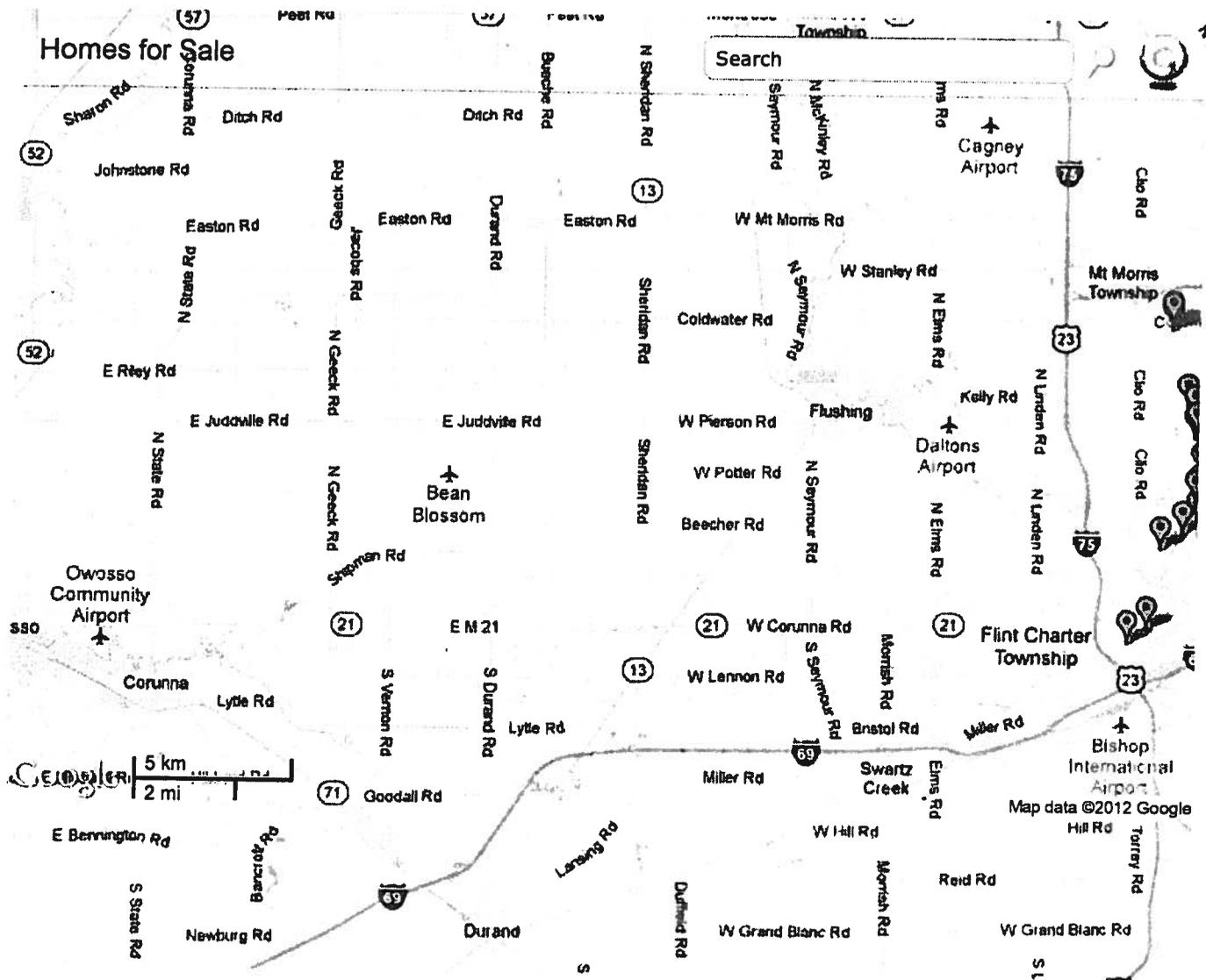
Cherry said the county will watch the eBay auction to see what happens.

"If I were buying them, I would do as much due diligence as possible ... to see what kind of work they may need," she said. "I hope they're purchased by someone who's going to use them in a positive way."

But the statistics don't look good.

Weiland said that of all the properties in previous years that have been sold at auction, one-third of them have come back to the county because of foreclosure for unpaid taxes one or more times.

"The problem is as long as people are able to buy these cheap at auction, they're going to continue to sell them like this," he said. "It continues to leave the community in flux."



[View Homes for Sale in a full screen map](#)

© 2012 MLive.com. All rights reserved.

**Genesee County
Analysis of 2008 - 2011 foreclosures**

Year of Foreclosure	Total Foreclosures	September Sold	September Proceeds	November Sold	November Proceeds	Transferred to Land Bank	Transferred to Local Unit
2011	2919	66	\$ 316,700	340	\$ 271,000	2266	204
2010	2360	37	\$ 261,550	262	\$ 234,400	1822	196
2009	1559	23	\$ 90,700	249	\$ 71,450	1244	41
2008	1205	40	\$ 106,523	316	\$ 202,410	777	26