

**REVISED JUDICATURE ACT OF 1961 (EXCERPT)**  
**Act 236 of 1961**

**600.3406 Heirs property; determination of fair market value; method of evaluation; notice; hearing.**

Sec. 3406.

(1) Except as otherwise provided in subsections (2) and (3), if the court determines that the property that is the subject of an action to partition real property is heirs property, the court shall determine the fair market value of the property by ordering an appraisal under subsection (4).

(2) If all cotenants have agreed to the value of the property or to another method of valuation, the court shall adopt that value or the value produced by the agreed method of valuation.

(3) If the court determines that the evidentiary value of an appraisal is outweighed by the cost of the appraisal, the court, after an evidentiary hearing, shall determine the fair market value of the property and send notice to the parties of the value.

(4) If the court orders an appraisal, the court shall appoint a disinterested real estate appraiser licensed in this state to determine the fair market value of the property assuming sole ownership of the fee simple estate. On completion of the appraisal, the appraiser shall file a sworn or verified appraisal with the court.

(5) If an appraisal is conducted under subsection (4), the court shall, not later than 10 days after the appraisal is filed, send notice to each party with a known address. The notice must state all of the following:

(a) The appraised fair market value of the property.

(b) A statement that the appraisal is available at the clerk's office.

(c) A statement that a party may file with the court an objection to the appraisal not later than 30 days after the notice is sent, stating the grounds for the objection.

(6) If an appraisal is filed with the court under subsection (4), the court shall conduct a hearing to determine the fair market value of the property not sooner than 30 days after a copy of the notice of the appraisal is sent to each party under subsection (5), whether or not an objection to the appraisal is filed under subsection (5)(c). In addition to the court-ordered appraisal, the court may consider any other evidence of fair market value assuming sole ownership of the fee simple estate offered by a party.

(7) After a hearing under subsection (6), but before considering the merits of the action to partition real property, the court shall determine the fair market value of the property and send notice to the parties of the value.

**History:** Add. 2024, Act 215, Eff. Apr. 2, 2025