

HOUSE BILL No. 5247

October 9, 1991, Introduced by Reps. Murphy, Harrison, Bennane, DeMars, Jondahl, Kilpatrick, Dobronski, Bennett, Emerson, Scott, Yonker, Clack, Stallworth, Joe Young, Jr., Byrum, Joe Young, Sr., Yokich, Wallace, Hunter and Leland and referred to the Committee on Housing and Urban Affairs.

A bill to amend sections 1, 125, 126, 134, 135, 139, 140, and 143 of Act No. 167 of the Public Acts of 1917, entitled as amended

"Housing law of Michigan,"

being sections 125.401, 125.525, 125.526, 125.534, 125.535, 125.539, 125.540, and 125.543 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1, 125, 126, 134, 135, 139, 140, and
2 143 of Act No. 167 of the Public Acts of 1917, being sections
3 125.401, 125.525, 125.526, 125.534, 125.535, 125.539, 125.540,
4 and 125.543 of the Michigan Compiled Laws, are amended to read as
5 follows:

6 Sec. 1. ~~This act shall be known as the housing law of~~
7 ~~Michigan and all provisions thereof shall apply to every city and~~
8 ~~organized village in the state which, by the last regular or~~

~~1 special federal census, had a population of 100,000 or more, and
2 to every city or village as its population shall reach 100,000
3 thereafter and also to that territory immediately adjacent and
4 contiguous to the boundaries of such a city or village and
5 extending for a radial distance of 2 1/2 miles beyond their
6 boundaries in all directions. This act shall also apply to any
7 city and organized village in this state which, as determined by
8 the last regular or special federal census, has or shall hereaf-
9 ter attain a population of 10,000 or more. However, the provi-
10 sions of this act relating to private dwellings and 2 family
11 dwellings as hereinafter defined shall not apply to any city or
12 organized village lying outside the 2 1/2 mile radius and having
13 a population of less than 100,000 unless the legislative body of
14 the city or village by resolution, passed by a majority vote of
15 the members elect of the legislative body, adopt the provisions.
16 In the case of charter townships and townships the provisions of
17 this act relating to private dwellings and 2 family dwellings may
18 be applied to those areas by ordinance of the respective township
19 board adopting the provisions. This act shall apply to all
20 dwellings within the classes defined in the following sections,
21 except that in sections where specific reference is made to 1 or
22 more specific classes of dwellings, those provisions shall apply
23 only to those classes to which specific reference is made. All
24 other provisions which relate to dwellings shall apply to all
25 classes of dwellings.~~

26 (1) THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE "HOUSING
27 LAW OF MICHIGAN".

1 (2) THIS ACT APPLIES TO ALL OF THE FOLLOWING:

2 (A) A CITY OR VILLAGE THAT HAS A POPULATION OF 100,000 OR
3 MORE.

4 (B) TERRITORY CONTIGUOUS TO, AND LOCATED WITHIN A DISTANCE
5 OF 2-1/2 MILES BEYOND, THE BOUNDARIES OF A CITY OR VILLAGE
6 DESCRIBED IN SUBDIVISION (A).

7 (C) EXCEPT FOR PROVISIONS RELATING TO PRIVATE DWELLINGS AND
8 2-FAMILY DWELLINGS, A CITY OR VILLAGE THAT HAS A POPULATION OF
9 10,000 OR MORE.

10 (3) A CITY, VILLAGE, OR TOWNSHIP THAT IS NOT DESCRIBED IN
11 SUBSECTION (2)(A) OR (B) MAY ADOPT THIS ACT, OR THE PORTIONS OF
12 THE ACT THAT DO NOT APPLY TO THE CITY, VILLAGE, OR TOWNSHIP, BY
13 MAJORITY VOTE OF ITS LEGISLATIVE BODY.

14 (4) THIS ACT APPLIES TO ALL CLASSES OF DWELLINGS, EXCEPT
15 THAT IF A SECTION OF THIS ACT REFERS TO 1 OR MORE SPECIFIC CLAS-
16 SES OF DWELLINGS, THAT SECTION APPLIES ONLY TO THOSE CLASSES TO
17 WHICH SPECIFIC REFERENCE IS MADE.

18 Sec. 125. (1) ~~A~~ THE ENFORCING AGENCY SHALL MAINTAIN A
19 registry of owners, AGENTS, and premises. ~~shall be maintained~~
20 ~~by the enforcing agency.~~

21 (2) ~~The owners~~ AN OWNER of a multiple dwelling or rooming
22 house containing units ~~which~~ THAT will be offered to let ~~, or~~
23 ~~to hire,~~ for more than 6 months of a calendar year ~~, shall~~
24 register ~~their names and places~~ WITH THE ENFORCING AGENCY HIS
25 OR HER NAME AND PLACE of residence or usual ~~places~~ PLACE of
26 business and the location of the premises regulated by this act.
27 ~~with the enforcing agency.~~ The ~~owners~~ OWNER shall register

1 within 60 days following the day on which any part of the
2 ~~premises~~ DWELLING is offered for occupancy. ~~Owners of multi-~~
3 ~~ple dwellings or rooming houses containing units which are occu-~~
4 ~~pied or offered for occupancy at the time this act becomes effec-~~
5 ~~tive shall register within 90 days after the effective date of~~
6 ~~this article.~~

7 (3) If ~~the premises are~~ A DWELLING IS managed or operated
8 by an agent, THE OWNER SHALL INCLUDE the agent's name and place
9 of business ~~shall be placed with the name of the owner in the~~
10 ~~registry~~ ON THE REGISTRATION.

11 (4) AN OWNER WHO FAILS TO REGISTER UNDER THIS SECTION IS
12 GUILTY OF A MISDEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE
13 THAN 90 DAYS, OR A FINE OF NOT MORE THAN \$200.00, OR BOTH.

14 Sec. 126. (1) The enforcing agency shall inspect, on a
15 periodic basis, multiple dwellings and rooming houses regulated
16 by this act. In no event shall the period between inspections be
17 longer than 2 years. THE ENFORCING AGENCY SHALL INSPECT DANGER-
18 OUS BUILDINGS AS DEFINED IN SECTION 139(J) AS PROVIDED IN SUBSEC-
19 TION (3). All other dwellings regulated by this act may be
20 inspected at reasonable intervals.

21 (2) An inspection shall be conducted in the manner best cal-
22 culated to secure compliance with the act and appropriate to the
23 needs of the community. ~~Inspections~~ EXCEPT AS OTHERWISE PRO-
24 VIDED IN SUBSECTION (3), INSPECTIONS may be on 1 of the following
25 bases:

1 (a) An area basis, ~~such that~~ IN WHICH all the regulated
2 premises in a predetermined geographical area ~~will be~~ ARE
3 inspected simultaneously, or within a short period of time.

4 (b) A complaint basis, ~~such that~~ IN WHICH complaints of
5 violations ~~will be~~ ARE inspected within a reasonable time.

6 (c) A recurrent violation basis, ~~such that~~ IN WHICH those
7 premises ~~which~~ THAT are found to have a high incidence of
8 recurrent or uncorrected violations ~~will be~~ ARE inspected more
9 frequently.

10 (3) THE ENFORCING AGENCY MAY INSPECT A DANGEROUS BUILDING AS
11 DEFINED IN SECTION 139(J) AT ANY TIME. IT SHALL INSPECT A DAN-
12 GEROUS BUILDING AS DEFINED IN SECTION 139(J) WITHIN 30 DAYS AFTER
13 A COMPLAINT IS FILED WITH THE AGENCY BY A PERSON DESCRIBED IN
14 SECTION 134(2). THE COMPLAINT SHALL STATE THE ADDRESS OF THE
15 DWELLING, THE OWNER'S NAME AND ADDRESS IF KNOWN, THE LENGTH OF
16 TIME THE BUILDING HAS BEEN UNOCCUPIED, AND THE CONDITION OF THE
17 OUTSIDE OF THE BUILDING AND OF THE GROUNDS. IF UPON INSPECTION
18 THE ENFORCING AGENCY FINDS A VIOLATION OF THIS ACT, IT SHALL
19 ISSUE A NOTICE OF THE VIOLATION AND AN ORDER TO CORRECT PURSUANT
20 TO SECTION 132.

21 (4) ~~(3)~~ An inspection shall be carried out by the enforc-
22 ing agency, or by the enforcing agency and such representatives
23 of other agencies as may form a team to undertake an inspection
24 under this and other applicable acts.

25 (5) ~~(4)~~ An inspector, or team of inspectors, may request
26 permission to enter ~~all premises~~ A BUILDING regulated by this
27 act at reasonable hours to undertake an inspection. ~~Upon~~ IN an

1 emergency ~~as defined under rules promulgated by~~ OF the
2 enforcing agency, OR AS PROVIDED IN SUBSECTION (3), the inspector
3 or team of inspectors ~~shall have the right to~~ MAY enter at any
4 time.

5 (6) ~~(5)~~ The enforcing agency may establish and charge a
6 reasonable fee for inspections conducted under this act.

7 Sec. 134. (1) If the owner or occupant fails to comply with
8 the order contained in the notice of violation, the enforcing
9 agency may bring an action to enforce the provisions of this act
10 and to abate or enjoin the violation.

11 (2) An owner or occupant of the premises upon which any vio-
12 lation exists may bring an action to enforce ~~the provisions of~~
13 this act in his OR HER own name. IN ADDITION, IF THE BUILDING IS
14 A 1- TO 8-FAMILY DWELLING AND IT IS A DANGEROUS BUILDING AS
15 DEFINED IN SECTION 139(J), A NONPROFIT CORPORATION OR OTHER NON-
16 PROFIT ORGANIZATION THAT HAS AS 1 OF ITS PRIMARY PURPOSES THE
17 IMPROVEMENT OF HOUSING CONDITIONS IN THE COUNTY, CITY, VILLAGE,
18 OR TOWNSHIP WHERE THE DWELLING IS LOCATED, OR AN OWNER OR LESSOR
19 OF REAL PROPERTY THAT IS LOCATED WITHIN 500 FEET OF THE DWELLING
20 UPON WHICH THE VIOLATION EXISTS, INCLUDING, BUT NOT LIMITED TO, A
21 PERSON WHO IS PURCHASING THE REAL PROPERTY BY LAND INSTALLMENT
22 CONTRACT OR UNDER A DULY EXECUTED PURCHASE CONTRACT, MAY BRING AN
23 ACTION IN ITS, HIS, OR HER OWN NAME TO ENFORCE THIS ACT. Upon
24 application by the enforcing agency, or upon motion of the party
25 filing the complaint, the local enforcing agency may be substi-
26 tuted for, or joined with, the complainant in the discretion of
27 the court. AS USED IN THIS SECTION AND SECTION 135, A "1- TO

1 8-FAMILY DWELLING" MEANS A DWELLING THAT IS A PRIVATE DWELLING, A
2 2-FAMILY DWELLING, OR A MULTIPLE DWELLING OF CLASS A THAT IS
3 OCCUPIED BY 8 OR FEWER FAMILIES.

4 (3) ~~When~~ IF the violation is uncorrected and creates an
5 imminent danger to the health and safety of the occupants of the
6 premises, or if there are not any occupants and the violation
7 creates ~~in~~ AN imminent danger to the health and safety of the
8 public, the enforcing agency shall file a motion for a prelimi-
9 nary injunction or other temporary relief appropriate to remove
10 the danger during the pendency of the action.

11 (4) Owners and lienholders WHO ARE of record or who are
12 found by the complainant upon the exercise of reasonable dili-
13 gence shall be served with ~~a copy~~ A SUMMONS AND COPIES of the
14 complaint ~~and a summons~~ AND ANY RECEIVERSHIP ORDER ISSUED PUR-
15 SUANT TO SECTION 135. SERVICE MAY BE MADE EITHER BY PERSONAL
16 SERVICE OR BY POSTING A COPY OF EACH DOCUMENT AT THE DWELLING ON
17 WHICH THE VIOLATION EXISTS AND MAILING COPIES OF THE DOCUMENTS BY
18 REGISTERED MAIL TO EACH OWNER AND LIENHOLDER AT ITS, HIS, OR HER
19 ADDRESS OF RECORD OR LAST KNOWN ADDRESS. The complainant shall
20 also file a notice of the pendency of the action in the office of
21 the register of deeds for the county in which the ~~premises are~~
22 DWELLING IS located.

23 (5) The court, having obtained jurisdiction, shall make
24 ~~such~~ orders and determinations ~~as are~~ consistent with the
25 objectives of this act. The court may enjoin the maintenance of
26 ~~any~~ AN unsafe, unhealthy, or unsanitary condition, or ~~any~~
27 ~~violations~~ A VIOLATION of this act, and may order the defendant

1 to make repairs or corrections necessary to abate the
2 conditions. The court may authorize the enforcing agency, OR, IF
3 THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A DANGEROUS
4 BUILDING AS DEFINED IN SECTION 139(J), A FINANCIAL INSTITUTION
5 THAT POSSESSES AN INTEREST OF RECORD IN THE DWELLING, to make
6 repairs or to remove the structure. THE COURT MAY AWARD A JUDG-
7 MENT AGAINST THE OWNER FOR THE FULL COST OF REPAIRS OR
8 DEMOLITION. A JUDGMENT AGAINST THE OWNER UNDER THIS SUBSECTION
9 MAY BE ENFORCED AGAINST ASSETS OF THE OWNER OTHER THAN THE
10 BUILDING. When an occupant is not the cause of ~~any~~ AN unsafe,
11 unhealthy, or unsanitary condition, or ~~any~~ A violation of this
12 act, and is the complainant, the court may authorize the occupant
13 to correct the violation and deduct the cost ~~thereof~~ OF COR-
14 RECTING THE VIOLATION from the rent upon ~~such~~ terms ~~as~~ the
15 court determines to be just. IF THE BUILDING IS A 1- TO 8-FAMILY
16 DWELLING THAT IS A DANGEROUS BUILDING AS DEFINED IN SECTION
17 139(J), THE COURT MAY AWARD THE PREVAILING PARTY REASONABLE
18 ATTORNEY FEES AND COURT COSTS. ATTORNEY FEES AWARDED TO THE
19 PLAINTIFF MAY BECOME A LIEN ON THE REAL PROPERTY UNDER
20 SUBSECTION (7). ~~Whenever~~ IF the court ~~shall find~~ FINDS that
21 the occupant is the cause of any unsafe, unhealthy, or unsanitary
22 condition, or any violation of this act, ~~then~~ the court may
23 authorize the owner to correct the violation and assess the cost
24 ~~thereof~~ against the occupant or his OR HER security deposit.

25 (6) ~~No building~~ A COURT shall NOT ORDER A BUILDING TO be
26 removed unless the cost of repair of the building ~~will be~~ IS
27 greater than the state equalized value of the building.

1 (7) ~~When~~ IF the expenses of repair or removal are not
2 otherwise provided for, the court ~~may~~ SHALL enter an order
3 approving the expenses and providing that there shall be a lien
4 on the real property for the payment ~~thereof. The order may~~
5 ~~establish the priority of the lien and may~~ OF THE EXPENSES. IF
6 THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A DANGEROUS
7 BUILDING AS DEFINED IN SECTION 139(J), THE ORDER SHALL provide
8 that ~~it shall be a lien~~ THE LIEN HAS PRIORITY senior to all
9 other PRIOR AND SUBSEQUENT liens, EXCEPT AS PROVIDED IN SECTION
10 135(3), OR IN 135(6)(F), AND except FOR taxes, ~~and~~ assessments,
11 ~~, except that~~ AND a mortgage of record having a recording date
12 prior to all other liens of record ~~shall retain its first~~
13 ~~priority~~ if, at the time ~~of recording of~~ that mortgage IS
14 RECORDED or at any time subsequent ~~thereto~~ TO THE TIME THE
15 MORTGAGE IS RECORDED, a certificate of compliance as provided for
16 in this article is in effect on the subject property. IN ALL
17 OTHER CASES, THE COURT MAY ESTABLISH THE PRIORITY OF THE LIEN.
18 The order may also specify the time and manner for foreclosure of
19 the lien if THE LIEN IS not satisfied. A true copy of the order
20 shall be filed in the office of the register of deeds for the
21 county ~~where~~ IN WHICH the real property is located within 10
22 days after entry ~~thereof~~ in order to perfect the lien granted
23 in the order.

24 (8) This act does not preempt, preclude, or interfere with
25 the authority of a municipality to protect the health, safety,
26 and general welfare of the public through ordinance, charter, or
27 other means.

1 Sec. 135. (1) When a suit has been brought to enforce this
2 act against the owner, the court ~~may~~ SHALL DETERMINE WHETHER
3 THERE ARE ADEQUATE GROUNDS TO appoint a receiver of the
4 premises. IN MAKING ITS DETERMINATION, THE COURT SHALL CONSIDER,
5 WITHOUT LIMITATION, ALL OF THE FOLLOWING:

6 (A) AN OWNER'S FAILURE TO APPEAR AT COURT PROCEEDINGS
7 RELATED TO THE BUILDING VIOLATION.

8 (B) AN OWNER'S FAILURE TO COOPERATE WITH THE ENFORCING
9 AGENCY.

10 (C) THE STATUS OF A BUILDING AS A DANGEROUS BUILDING AS
11 DEFINED IN SECTION 139(J).

12 (2) ~~When~~ EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3),
13 IF the court finds that there are adequate grounds, ~~for the~~
14 ~~appointment of a receiver,~~ it shall appoint A RECEIVER. THE
15 RECEIVER MAY BE the municipality or ~~a proper~~ AN APPROPRIATE
16 local agency or officer ~~—~~ or any competent person. ~~as~~
17 ~~receiver.~~ IN ADDITION, IF THE BUILDING IS A 1- TO 8-FAMILY
18 DWELLING THAT IS A DANGEROUS BUILDING UNDER SECTION 139(J), THE
19 RECEIVER MAY BE A NONPROFIT CORPORATION OR OTHER NONPROFIT ORGA-
20 NIZATION THAT HAS AS 1 OF ITS PRIMARY PURPOSES THE IMPROVEMENT OF
21 HOUSING CONDITIONS IN THE COUNTY, CITY, VILLAGE, OR TOWNSHIP
22 WHERE THE PREMISES ARE LOCATED; A FOR-PROFIT CORPORATION, PART-
23 NERSHIP, SOLE PROPRIETORSHIP, OR OTHER ASSOCIATION WHOSE GOALS
24 AND PRACTICES ARE CONSISTENT WITH THE PURPOSES OF THIS ACT. IF
25 MORE THAN 1 PERSON OR ORGANIZATION IS PROPOSED TO THE COURT AS A
26 POTENTIAL RECEIVER, THE COURT SHALL APPOINT AS RECEIVER THE
27 PERSON OR ORGANIZATION THAT IS MOST LIKELY TO CREATE OR PRESERVE

1 SAFE AND SANITARY HOUSING, AND THAT IS COMPETENT TO PERFORM THE
2 DUTIES OF RECEIVER. In the discretion of the court, no bond need
3 be required. ~~The~~ EXCEPT AS PROVIDED OTHERWISE IN SUBSECTION
4 (9) OR (10), THE receivership shall terminate at the discretion
5 of the court.

6 (3) IF THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A
7 DANGEROUS BUILDING AS DEFINED IN SECTION 139(J), BEFORE APPOINT-
8 ING A RECEIVER, THE COURT SHALL NOTIFY EACH PARTY THAT HAS AN
9 INTEREST OF RECORD IN THE PROPERTY OF ITS RIGHT TO REPAIR, RENO-
10 VATE, AND REHABILITATE THE BUILDING IN ORDER TO CORRECT THE
11 VIOLATIONS. A PARTY NOTIFIED UNDER THIS SUBSECTION SHALL HAVE 30
12 DAYS FROM RECEIPT OF THE NOTICE TO PRESENT TO THE COURT A PLAN
13 FOR REHABILITATION OF THE PROPERTY, INCLUDING AN ESTIMATE OF THE
14 COMPLETION DATE OF THE REPAIRS. IF THE PLAN IS ACCEPTED, THE
15 COURT SHALL ORDER THE PARTY TO UNDERTAKE THE REHABILITATION.
16 UPON A FINDING BY THE COURT THAT THE VIOLATIONS HAVE BEEN COR-
17 RECTED, THE COST OF REHABILITATION SHALL BE ADDED TO THE PARTY'S
18 LIEN AND THE ADDITIONAL AMOUNT SHALL HAVE THE SAME PRIORITY
19 STATUS AS THE ORIGINAL LIEN.

20 (4) ~~(3)~~ The purpose of a receivership ~~shall be~~ IS to
21 repair, renovate, and rehabilitate ~~the premises~~ A BUILDING as
22 needed to make the building comply with the provisions of this
23 act, ~~and where~~ OR, IF ordered by the court, to remove a
24 building. The receiver shall promptly ~~comply with the charge~~
25 ~~upon him in his official capacity and~~ restore the premises to a
26 safe, decent, and sanitary condition, or remove the building.

1 (5) TO ACCOMPLISH THE PURPOSES OF THIS SECTION, THE COURT
2 MAY, IN ITS SUPERVISION OF THE RECEIVERSHIP, RESOLVE ANY
3 CONFLICTING CLAIMS OF TITLE TO THE REAL PROPERTY SUBJECT TO THE
4 RECEIVERSHIP. HOWEVER, THE COURT SHALL NOT TERMINATE A LIEN ON
5 THE PROPERTY PURSUANT TO THIS SUBSECTION.

6 (6) ~~-(4)-~~ Subject to the control of the court, the receiver
7 shall have full and complete powers necessary to make the build-
8 ing comply with the provisions of this act. ~~-He-~~ THE RECEIVER
9 may ~~-collect-~~ DO ALL OF THE FOLLOWING:

10 (A) COLLECT rents ~~-,~~ and other revenue, hold them against
11 the claim of prior assignees, ~~-of such rents, and other revenue,-~~
12 and apply them to the expenses of making the building comply with
13 the provisions of this act. ~~-He may manage-~~

14 (B) IF THE BUILDING IS A 1- TO 8-FAMILY DWELLING, GRANT RENT
15 ABATEMENTS TO TENANTS FOR DEPRIVATION OF RENTAL AGREEMENT RIGHTS
16 THAT WOULD GIVE RISE TO AN ACTION FOR CONSTRUCTIVE EVICTION UNDER
17 THE COMMON LAW. A RENT ABATEMENT GRANTED UNDER THIS SUBDIVISION
18 IS AN EXPENSE OF THE RECEIVERSHIP.

19 (C) MANAGE and let rental units. ~~-, issue-~~

20 (D) ISSUE receivership certificates. ~~-, contract-~~

21 (E) CONTRACT for all construction and rehabilitation as
22 needed to make the building comply with the provisions of this
23 act. ~~-, and exercise-~~

24 (F) IF THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A
25 DANGEROUS BUILDING AS DEFINED IN SECTION 139(J), ISSUE NOTES
26 SECURED BY A MORTGAGE WITH INTEREST AND TERMS AS APPROVED BY THE
27 COURT. WHEN SOLD OR TRANSFERRED BY THE RECEIVER IN RETURN FOR

1 VALUABLE CONSIDERATION IN MONEY, MATERIAL, LABOR, OR SERVICES,
 2 THE NOTES AND CERTIFICATES SHALL BE FREELY TRANSFERABLE. IF,
 3 WITHIN 60 DAYS AFTER THE ISSUANCE OF A SECURED NOTE, THE MORTGAGE
 4 IS FILED FOR RECORD WITH THE COUNTY REGISTER OF DEEDS IN THE
 5 COUNTY IN WHICH THE REAL PROPERTY IS LOCATED, THE MORTGAGE SHALL
 6 BE A LIEN UPON THE PROPERTY AND SHALL BE SUPERIOR TO ANY CLAIMS
 7 OF THE RECEIVER AND TO ALL PRIOR AND SUBSEQUENT LIENS AND ENCUM-
 8 BRANCES EXCEPT TAXES, ASSESSMENTS, AND A MORTGAGE OF RECORD
 9 HAVING A RECORDING DATE PRIOR TO ALL OTHER LIENS OF RECORD IF, AT
 10 THE TIME OF RECORDING OF THAT MORTGAGE OR AT ANY TIME SUBSEQUENT
 11 THERETO, A CERTIFICATE OF COMPLIANCE AS PROVIDED FOR IN THIS
 12 ARTICLE IS IN EFFECT ON THE SUBJECT PROPERTY. PRIORITY AMONG
 13 RECEIVERS' MORTGAGES SHALL BE DETERMINED IN THE ORDER IN WHICH
 14 THEY ARE RECORDED. RECEIVERS' MORTGAGES MAY BE FORECLOSED IN THE
 15 SAME MANNER AS PROVIDED BY LAW FOR THE FORECLOSURE IN THE CIRCUIT
 16 COURT OF MORTGAGE LIENS UPON REAL PROPERTY.

17 (G) OBTAIN MORTGAGE INSURANCE FROM AN AGENCY OF THE FEDERAL
 18 GOVERNMENT ON THE RECEIVER'S MORTGAGE, NOTES, OR CERTIFICATES.

19 (H) EXERCISE other powers the court ~~deems~~ CONSIDERS proper
 20 to the effective administration of the receivership.

21 (7) ~~(5) When~~ IF expenses of the receivership, INCLUDING A
 22 REASONABLE FEE TO BE DETERMINED BY THE COURT, are not otherwise
 23 provided for, the court ~~may~~ SHALL enter an order approving the
 24 expenses and providing that there ~~shall be~~ IS a lien on the
 25 real property for the payment ~~thereof~~ OF THE EXPENSES. The pro-
 26 visions of ~~subsection (7) of section 134 as to the contents and~~

1 ~~filing of an order~~ SECTION 134(7) are applicable to the order
2 ~~herein~~ provided for UNDER THIS SUBSECTION.

3 (8) IF THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A
4 DANGEROUS BUILDING AS DEFINED IN SECTION 139(J), THE COURT SHALL
5 REVIEW THE RECEIVERSHIP AFTER 90 DAYS AND MAY REPLACE THE
6 RECEIVER UPON A FINDING THAT THE RECEIVER IS NOT COMPLYING WITH
7 HIS OR HER DUTIES IN GOOD FAITH AND IN A TIMELY MANNER.

8 (9) EXCEPT AS PROVIDED IN SUBSECTION (10), IF THE BUILDING
9 IS A 1- TO 8-FAMILY DWELLING THAT IS A DANGEROUS BUILDING AS
10 DEFINED IN SECTION 139(J), THE COURT SHALL DISCHARGE THE RECEIVER
11 WHEN ALL OF THE FOLLOWING OCCUR:

12 (A) THE BUILDING IS IN COMPLIANCE WITH THIS ACT OR IS
13 REMOVED.

14 (B) ALL EXPENSES OF THE RECEIVERSHIP ARE PAID.

15 (C) EITHER ALL OF THE RECEIVER'S NOTES AND MORTGAGES ISSUED
16 PURSUANT TO THIS SECTION ARE PAID, OR ALL OF THE HOLDERS OF THE
17 NOTES AND MORTGAGES REQUEST THAT THE RECEIVER BE DISCHARGED.

18 (10) IF THE BUILDING IS A 1- TO 8-FAMILY DWELLING THAT IS A
19 DANGEROUS BUILDING AS DEFINED IN SECTION 139(J), THE COURT MAY
20 DISCHARGE THE RECEIVER, EVEN IF THE CONDITIONS PRESCRIBED IN
21 SUBSECTION (9) ARE NOT MET, UPON MOTION OF ANY PERSON WHO HAS AN
22 INTEREST OF RECORD IN THE DWELLING, IF ALL OF THE FOLLOWING
23 REQUIREMENTS ARE MET:

24 (A) THE MOVING PARTY PROVIDES THE COURT WITH PROOF THAT ALL
25 PARTIES SERVED PURSUANT TO SECTION 134(4) HAVE BEEN SERVED WITH
26 NOTICE THAT THE MOVING PARTY HAS SUBMITTED A PLAN TO REHABILITATE
27 THE DWELLING.

1 (B) THE MOVING PARTY PROVIDES THE COURT WITH A VIABLE
 2 FINANCIAL AND CONSTRUCTION PLAN FOR THE REHABILITATION OF THE
 3 DWELLING. THE PLAN SHALL PROVIDE FOR REHABILITATION WITHIN 90
 4 DAYS UNLESS A LONGER PERIOD IS AGREED TO BY THE COURT.

5 (C) THE MOVING PARTY DEMONSTRATES THE CAPACITY TO PERFORM
 6 THE REQUIRED WORK IN A SATISFACTORY MANNER.

7 (D) THE MOVING PARTY PAYS THE EXPENSES OF THE RECEIVERSHIP.

8 (E) NO PARTY WITH AN INTEREST OF RECORD IN THE DWELLING
 9 OBJECTS TO THE DISCHARGE.

10 (11) IF THE RECEIVER IS DISCHARGED UNDER SUBSECTION (10),
 11 THE COURT SHALL HOLD A HEARING WITHIN 90 DAYS, OR WITHIN SUCH
 12 PERIOD AS THE COURT MAY PROVIDE, TO REVIEW THE PROGRESS OF THE
 13 REHABILITATION OF THE PREMISES. THE COURT MAY TAKE SUCH FURTHER
 14 ACTION AS IS NECESSARY TO BRING THE BUILDING INTO COMPLIANCE WITH
 15 THIS ACT, INCLUDING THE APPOINTMENT OF ANOTHER RECEIVER.

16 Sec. 139. As used in sections 138 to 142, "dangerous
 17 building" means ~~any building~~ A BUILDING or structure ~~which has~~
 18 ~~any~~ THAT HAS 1 OR MORE of the following defects or is in ~~any~~ 1
 19 OR MORE of the following conditions AS DETERMINED BY THE LOCAL
 20 BUILDING INSPECTOR OR LOCAL HEALTH OFFICER, AS APPROPRIATE:

21 (a) ~~Whenever any~~ A door, aisle, passageway, stairway or
 22 other means of exit does not conform to the approved fire code of
 23 the ~~community wherein the property lies, it shall be considered~~
 24 ~~that such dwelling does not meet the requirements of this act~~
 25 CITY, VILLAGE, OR TOWNSHIP IN WHICH THE BUILDING IS LOCATED.

26 (b) ~~Whenever any portion has been~~ A PART OF THE BUILDING
 27 IS damaged by fire, wind, flood, or ~~by any~~ other cause ~~in such~~

1 ~~a manner~~ SO that the structural strength or stability OF THE
2 BUILDING is ~~appreciably~~ MATERIALLY less than it was before
3 ~~such~~ THE catastrophe and ~~is less than~~ THE BUILDING DOES NOT
4 MEET the minimum requirements of this act or ~~any~~ A building
5 code of the city, village, or township ~~wherein~~ IN WHICH the
6 building is located. ~~for a new building or similar structure,~~
7 ~~purpose or location.~~

8 (c) ~~Whenever any portion or member or appurtenance~~ A PART
9 OF THE BUILDING is likely to fall, ~~or to~~ become detached or
10 dislodged, or ~~to~~ collapse and ~~thereby~~ injure persons or
11 damage property.

12 (d) ~~Whenever any portion~~ A PART OF THE BUILDING has set-
13 tled to such an extent that walls or other structural portions OF
14 THE BUILDING have materially less resistance to winds than is
15 required in the case of new construction by this act or ~~the~~ A
16 building code of the city, village, or township ~~where~~ IN WHICH
17 the building is located.

18 (e) ~~Whenever the~~ THE building, ~~or structure~~ or ~~any~~ A
19 part OF THE BUILDING, because of dilapidation, deterioration,
20 decay, faulty construction, ~~or because of~~ the removal or move-
21 ment of some portion of the ground necessary for ~~the purpose of~~
22 ~~supporting such building or portion thereof~~ SUPPORT, or for
23 other reason, is likely to ~~partially or completely~~ collapse
24 PARTIALLY OR COMPLETELY, or some portion of the foundation or
25 underpinning OF THE BUILDING is likely to fall or give way.

1 (f) ~~Whenever for any reason whatsoever the~~ THE building
2 ~~or structure~~ or any portion OF THE BUILDING is manifestly
3 unsafe for the purpose for which it is used.

4 (g) ~~Whenever the~~ THE building ~~or structure has been so~~
5 IS damaged by fire, wind, or flood, or ~~has become so~~ IS dilapi-
6 dated or deteriorated ~~as to~~ AND MAY become an attractive nui-
7 sance to children who might play ~~therein~~ IN THE BUILDING to
8 their danger, or ~~as to afford~~ MAY BECOME a harbor for vagrants,
9 criminals, or immoral persons, or ~~as to~~ MAY enable persons to
10 resort ~~thereto~~ TO THE BUILDING for ~~the purpose of~~ committing
11 a nuisance or AN unlawful or immoral ~~acts~~ ACT.

12 (h) ~~Whenever a building or structure used or intended to be~~
13 ~~used for dwelling purposes,~~ A DWELLING, because of dilapidation,
14 decay, damage, ~~or~~ faulty construction or arrangement, or other-
15 wise, is unsanitary or unfit for human habitation, ~~or~~ is in a
16 condition ~~that is~~ DETERMINED BY THE HEALTH OFFICER TO BE likely
17 to cause sickness or disease, ~~when so determined by the health~~
18 ~~officer,~~ or is likely to ~~work injury to~~ INJURE the health,
19 safety, or general welfare of ~~those~~ PEOPLE living ~~within~~ IN
20 THE BUILDING.

21 (i) ~~Whenever any~~ A building ~~becomes~~ IS vacant,
22 dilapidated, and open, ~~at door or window,~~ leaving the interior
23 of the building exposed to the elements or accessible to entrance
24 by trespassers.

25 (J) A DWELLING REMAINS UNOCCUPIED FOR A PERIOD OF
26 180 CONSECUTIVE DAYS OR LONGER, AND IS NOT LISTED AS BEING
27 AVAILABLE FOR SALE, LEASE, OR RENT WITH A REAL ESTATE BROKER

1 LICENSED UNDER ARTICLE 25 OF THE OCCUPATIONAL CODE, ACT NO. 299
2 OF THE PUBLIC ACTS OF 1980, BEING SECTIONS 339.2501 TO 339.2515
3 OF THE MICHIGAN COMPILED LAWS. THIS SUBDIVISION DOES NOT APPLY
4 TO OWNERS AND AGENTS WHO ARE REGISTERED WITH THE ENFORCING AGENCY
5 UNDER SECTION 125 AND WHO COMPLY WITH ALL OF THE FOLLOWING
6 REQUIREMENTS:

7 (i) THE OWNER OR AGENT NOTIFIES A LOCAL LAW ENFORCEMENT
8 AGENCY IN WHOSE JURISDICTION THE DWELLING IS LOCATED THAT THE
9 DWELLING WILL REMAIN UNOCCUPIED FOR A PERIOD OF MORE THAN 180
10 CONSECUTIVE DAYS. THE NOTICE SHALL BE GIVEN TO THE LOCAL LAW
11 ENFORCEMENT AGENCY BY THE OWNER OR AGENT NOT MORE THAN 30 DAYS
12 AFTER THE DWELLING BECOMES UNOCCUPIED.

13 (ii) THE OWNER OR AGENT MAINTAINS THE EXTERIOR OF THE DWELL-
14 ING AND ADJOINING GROUNDS OWNED BY THE OWNER OF THE DWELLING IN
15 ACCORDANCE WITH THIS ACT OR A BUILDING CODE OF THE CITY, VILLAGE,
16 OR TOWNSHIP IN WHICH THE DWELLING IS LOCATED.

17 Sec. 140. (1) ~~Notwithstanding any other provision of this~~
18 ~~act when the whole or any part of any building or structure~~
19 UNLESS AN ACTION HAS BEEN BROUGHT PURSUANT TO SECTION 134, IF A
20 BUILDING is found to be ~~in a dangerous or unsafe condition~~
21 BUILDING, the enforcing agency shall issue a notice ~~of the dan-~~
22 ~~gerous and unsafe condition~~ THAT COMPLIES WITH THIS SECTION.

23 (2) ~~Such~~ THE notice shall be ~~directed to~~ SERVED ON the
24 owner, agent, or lessee registered with the enforcing agency ~~in~~
25 ~~accordance with~~ UNDER section 125. If ~~no~~ AN owner, agent, or
26 lessee ~~has been~~ IS NOT registered UNDER SECTION 125, ~~then~~ the
27 notice shall be ~~directed to~~ SERVED ON each owner of or party in

1 interest in the building in whose name the property appears on
2 the last local tax assessment records.

3 (3) The notice shall specify the time and place of a hearing
4 on ~~the condition of~~ WHETHER the building ~~or structure at which~~
5 ~~time and place the~~ IS A DANGEROUS BUILDING. THE person to whom
6 the notice is directed shall have the opportunity to show cause
7 AT THE HEARING why the ~~building or structure~~ HEARING OFFICER
8 should not ~~be ordered~~ ORDER THE BUILDING to be demolished or
9 otherwise made safe.

10 (4) The hearing officer shall be appointed by the mayor,
11 village president, or township supervisor to serve at his OR HER
12 pleasure. The enforcing agency shall file WITH THE HEARING
13 OFFICER a copy of the notice ~~of the~~ THAT THE BUILDING IS A dan-
14 gerous ~~and unsafe condition with the hearing officer~~ BUILDING.

15 (5) ~~All notices~~ THE NOTICE shall be in writing and shall
16 be served upon the person to whom ~~they are~~ THE NOTICE IS
17 directed personally ~~, or in lieu of personal service may be~~
18 ~~mailed~~ by certified mail, ~~—~~ return receipt requested,
19 addressed to ~~such~~ EACH owner or party in interest at the
20 address shown on the tax records. ~~, at least 10 days before the~~
21 ~~date of the hearing described in the notice. If any person to~~
22 ~~whom a notice is directed is not personally served, in addition~~
23 ~~to mailing the notice, a copy thereof~~ IF A NOTICE IS SERVED ON A
24 PERSON BY CERTIFIED MAIL, A COPY OF THE NOTICE shall ALSO be
25 posted upon a conspicuous part of the building. ~~or structure.~~
26 THE NOTICE SHALL BE SERVED UPON EACH OWNER OR PARTY IN INTEREST

1 AT LEAST 10 DAYS BEFORE THE DATE OF THE HEARING INCLUDED IN THE
2 NOTICE.

3 Sec. 143. ~~Nothing herein contained shall require any city,~~
4 ~~village or township to adopt Act No. 167 of the Public Acts of~~
5 ~~1917, as amended, being the housing law of Michigan.~~ A CITY,
6 VILLAGE, OR TOWNSHIP TO WHICH THIS ACT DOES NOT APPLY PURSUANT TO
7 SECTION 1(2) IS NOT REQUIRED TO ADOPT THIS ACT.