

SENATE BILL No. 931

January 28, 2004, Introduced by Senator HAMMERSTROM and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1966 PA 346, entitled "State housing development authority act of 1966," by amending sections 48i and 49j (MCL 125.1448i and 125.1449j), section 48i as added by 1981 PA 173 and section 49j as amended by 1993 PA 221.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 48i. (1) The mortgagor, ~~, his or her~~ **the mortgagor's**
 2 heirs, executors, ~~or~~ administrators, ~~,~~ or any person lawfully
 3 claiming ~~from or~~ under the mortgagor or the mortgagor's heirs,
 4 executors, or administrators may redeem the entire premises sold
 5 by paying, within 6 months from the ~~time~~ **date** of the sale, to
 6 the purchaser ~~, to~~ **or** the purchaser's executors,
 7 administrators, or assigns, ~~, or to the register of deeds in~~
 8 ~~whose office the deed of sale is deposited as provided in the~~
 9 ~~court rules, for the benefit of the purchaser,~~ the sum which was

SENATE BILL No. 931

1 bid with interest from the ~~time~~ **date** of the sale at the
 2 **interest** rate ~~percent borne~~ **provided for** by the mortgage.

3 (2) The vendee of a land contract, ~~his or her~~ **the**
 4 **vendee's** heirs, executors, ~~or~~ administrators, ~~or~~ or any person
 5 lawfully claiming ~~from or~~ under the vendee of a land contract
 6 or the **vendee's** heirs, executors, or administrators ~~of the~~
 7 ~~vendee~~ of a land contract may redeem the entire premises sold
 8 within 6 months from the ~~time~~ **date** of the sale by paying to the
 9 purchaser ~~to~~ **or** the purchaser's executors, administrators, or
 10 assigns, ~~or to the register of deeds in whose office the deed~~
 11 ~~of sale is deposited as provided in the court rules, for the~~
 12 ~~benefit of the purchaser,~~ the sum which was bid with interest
 13 from the ~~time~~ **date** of the sale at the **interest** rate ~~percent~~
 14 ~~borne~~ **provided for** by the land contract. ~~In case the sum is~~
 15 ~~paid to the register of deeds the sum of \$5.00 shall be paid to~~
 16 ~~the register of deeds as a fee for the care and custody of the~~
 17 ~~redemption money. After these sums have been paid~~

18 (3) **Upon the payment of sums required under this section,**
 19 the deed of sale is void. ~~and of no effect, but in case any~~ **If**
 20 **a** distinct lot or parcel separately sold is redeemed, leaving a
 21 portion of the premises unredeemed, then the deed of sale is
 22 ~~inoperative merely~~ **void only** as to the portion or portions of
 23 the premises which are redeemed. ~~and to the portions not~~
 24 ~~redeemed it remains valid and of full effect.~~

25 Sec. 49j. (1) If the mortgagor, ~~his or her~~ **the**
 26 **mortgagor's** heirs, executors, ~~or~~ administrators, ~~or~~ or any
 27 person lawfully claiming ~~from, or~~ under the mortgagor or the

1 mortgagor's heirs, executors, or administrators, redeems the
 2 entire premises sold within the ~~applicable time limit~~ **time**
 3 prescribed in this section by paying to the purchaser ~~;~~ ~~to~~ **or**
 4 the purchaser's executors, administrators, or assigns, ~~;~~ ~~or~~ **to**
 5 ~~the register of deeds in whose office the deed is deposited for~~
 6 ~~the benefit of the purchaser,~~ the sum which was bid for the
 7 premises, with interest from the ~~time~~ **date** of the sale at the
 8 **interest** rate ~~percent,~~ ~~borne~~ **provided for** by the mortgage, ~~and~~
 9 ~~in case the payment is made to the register of deeds, the sum of~~
 10 ~~\$5.00 as a fee for the care and custody of the redemption money,~~
 11 then the deed ~~shall be~~ **is** void. ~~and of no effect.~~ If a
 12 distinct lot or parcel separately sold is redeemed, leaving a
 13 portion of the premises unredeemed, then the deed ~~shall be~~
 14 ~~inoperative merely~~ **is void only as** to the parcel or parcels ~~so~~
 15 redeemed. ~~;~~ ~~and to those portions not so redeemed shall remain~~
 16 ~~valid and of full effect.~~

17 (2) If, following the sale, the purchaser pays ~~a sum as~~
 18 **any** taxes assessed against the property or **insurance** premiums
 19 ~~upon an insurance policy~~ covering any buildings located on the
 20 property which under the terms of the mortgage ~~it would have~~
 21 ~~been~~ **were** the duty of the mortgagor ~~to have paid, had the~~
 22 ~~mortgage not been foreclosed,~~ and ~~which premiums~~ are necessary
 23 to keep the policy in force until the expiration of the period of
 24 redemption, and the purchaser or ~~someone in his or her behalf~~ **a**
 25 **representative of the purchaser** having knowledge of the facts
 26 ~~makes~~ **may make** an affidavit of the payment showing the amount
 27 and items paid, together with the receipt ~~evidencing the~~ **of**

1 payment of the taxes or insurance premiums, ~~as the case may be,~~
2 together with an affidavit of an insurance agent of the insurance
3 company stating the making of the payment and also what portion
4 of the policy covers the premium for the period ~~prior to~~ **before**
5 the expiration of the period of redemption, the affidavits and
6 the receipt shall be filed with the register of deeds with whom
7 the deed is deposited, who shall endorse on the deed the time the
8 affidavits and receipt were received. The register of deeds
9 shall record ~~at length~~ the affidavit of the purchaser only and
10 ~~shall preserve in his or her files~~ **file** the recorded affidavit,
11 together with the tax and insurance receipts and insurance
12 agent's affidavit, until expiration of the period of redemption.

13 (3) After the purchaser's affidavit is recorded **under this**
14 **section**, redemption shall only be made upon payment of the sum
15 specified in ~~this subsection plus the amount shown by the~~
16 ~~affidavits and receipts to have been so paid~~ **subsections (1) and**
17 **(2)**, with interest on the amount, from the date of the payment to
18 the date of redemption, at the **interest** rate specified in the
19 mortgage.

20 (4) ~~(2)~~ In the case of a mortgage executed on commercial or
21 industrial property, or multifamily residential property in
22 excess of 4 units, the redemption period is 6 months from the
23 time of the sale.

24 (5) ~~(3)~~ In the case of a mortgage executed on residential
25 property not exceeding 4 units and not more than 3 acres in size,
26 if the amount claimed to be due on the mortgage at the date of
27 the notice of foreclosure is more than 66-2/3% of the original

1 indebtedness secured by the mortgage, the redemption period is 6
2 months.

3 (6) ~~—(4)—~~ In the case of a mortgage on residential property
4 not exceeding 4 units and not more than 3 acres in size, if the
5 property is abandoned as determined ~~pursuant to~~ **under**
6 section 49k, the redemption period is 3 months.

7 (7) ~~—(5)—~~ In the case of any mortgage on residential property
8 not exceeding 4 units and not more than 3 acres in size, if the
9 amount claimed to be due on the mortgage at the date of the
10 notice of foreclosure is more than 66-2/3% of the original
11 indebtedness secured by the mortgage and the property is
12 abandoned as determined ~~pursuant to~~ **under** section 49k, the
13 redemption period is 1 month.

14 (8) ~~—(6)—~~ If the property is abandoned as determined
15 ~~pursuant to~~ **under** section 49v, the redemption period is 30
16 days.

17 (9) ~~—(7)—~~ In any other case not otherwise described in this
18 section, the redemption period is 1 year from the date of the
19 sale.