

URBAN HOMESTEADING IN SINGLE-FAMILY PUBLIC HOUSING ACT (EXCERPT)
Act 128 of 1999

125.2765 Acquisition of single-family public housing; application; conviction of felony as automatic termination; transfer of legal ownership; maintenance of escrow account.

Sec. 5. (1) A qualified buyer may apply to the administrator to acquire the single-family public housing property. The application shall be in a form and in a manner provided by the administrator. If the application is approved, the qualified buyer and the administrator shall enter into a homestead agreement for the single-family public housing property. Except as provided in subsection (2), the administrator shall determine the terms and conditions to the homestead agreement.

(2) The homestead agreement shall provide that if the qualified buyer is convicted of a felony during the term of the homestead agreement, then the homestead agreement is automatically terminated 60 days after the conviction.

(3) If the qualified buyer is in substantial compliance with the terms of the homestead agreement for not less than 5 years or if the qualified buyer has resided in the single-family public housing property before the administrator adopts the urban homesteading program under this act, resides in that property for not less than 5 years, meets the criteria in the homestead agreement, continues to meet the criteria in section 4(1)(a), (b), (c), (e), (f), and (g), and has otherwise substantially met his or her financial obligations with the housing commission, the administrator shall transfer legal ownership of that single-family public housing property to the qualified buyer for \$1.00. However, if the housing commission received federal funds for which bonds or notes were issued and those bonds or notes are outstanding for that housing project, the housing commission shall transfer legal ownership to the qualified buyer within 60 days of payment of the pro rata share of the bonded debt on that specific property by the qualified buyer. The housing commission shall obtain the appropriate releases from the holders of the bonds or notes.

(4) As a condition of receiving ownership of the property under this section, the qualified buyer shall maintain and regularly fund an escrow account with the administrator for the payment of property taxes and insurance on the property.

History: 1999, Act 128, Imd. Eff. July 23, 1999.