

MICHIGAN UNIFORM ASSIGNMENT OF RENTS ACT (EXCERPT)
Act 115 of 2022

554.1065 Perfection of security interests; priority rules in article 9.

Sec. 15. (1) As used in this section:

(a) "Article 9" means article 9 of the uniform commercial code, 1962 PA 174, MCL 440.9101 to 440.9809, or, to the extent applicable to any particular issue, article 9 of the uniform commercial code as adopted by the state whose laws govern that issue under the choice-of-laws rules contained in article 9 as adopted by this state.

(b) "Conflicting interest" means an interest in proceeds, held by a person other than an assignee, that is either of the following:

(i) A security interest arising under article 9.

(ii) Any other interest if article 9 resolves the priority conflict between that person and a secured party with a conflicting security interest in the proceeds.

(2) An assignee's security interest in identifiable cash proceeds is perfected if its security interest in rents is perfected. An assignee's security interest in identifiable noncash proceeds is perfected only if the assignee perfects that interest in accordance with article 9.

(3) Except as otherwise provided in subsection (4), priority between an assignee's security interest in identifiable proceeds and a conflicting interest is governed by the priority rules in article 9.

(4) An assignee's perfected security interest in identifiable cash proceeds is subordinate to a conflicting interest that is perfected by control under article 9 but has priority over a conflicting interest that is perfected other than by control.

History: 2022, Act 115, Eff. Sept. 22, 2022.