

CAMPGROUNDS (EXCERPT)
Act 162 of 1990

554.658 Enforcement of lien; sale of personal property; notice; advertisement; time and place of sale; redemption; inventory; lien searches; payment by prior lienholder; rights of purchaser in good faith; responsibility for procuring title; distribution of proceeds; records; donations to charity or other disposition of property; damages for noncompliance.

Sec. 8. (1) An operator's lien under section 7 shall be enforced only as provided in this section.

(2) An operator whose claim for rent or other lawful charges described in section 7 has not been satisfied may sell the personal property subject to the lien at a public sale, if the public sale conforms to this section.

(3) The occupant, and any person who is a titleholder in the personal property, shall be notified of the proposed sale of personal property to satisfy the claim of the operator by notice personally delivered or sent by first-class mail and by certified mail to the last known address of the occupant, if the occupant provided his or her address to the operator. Any person who has a lien on the personal property shall be notified of the proposed sale of the personal property to satisfy the claim of the operator by notice personally delivered or by first-class mail and by certified mail to the address of the lienholder. The notice shall include:

(a) An itemized statement of the operator's claim showing the amount due at the time of the notice and the date on which the amount became due.

(b) A demand for payment within a period of 30 days after delivery of the notice.

(c) A conspicuous statement, printed in not less than 10-point type, indicating that unless the claim is paid within the time stated in the notice, the personal property will be advertised for sale and sold. The statement shall specify the time, place, and manner of the proposed sale.

(d) A description of the personal property. If the property is a motor vehicle, watercraft, snowmobile, ORV, pickup camper, mobile home, or other titled personal property, the description shall include the vehicle identification number or other appropriate identification number.

(e) The name, address, and telephone number of the operator.

(f) If the personal property is a vehicle, watercraft, snowmobile, ORV, pickup camper, mobile home, or other titled personal property, the name and address of the titleholder and any lienholders of record.

(4) After the expiration of the 30-day period in subsection (3)(b), an advertisement of the proposed sale shall be published once a week for 2 consecutive weeks in a newspaper of general circulation in the city, village, or township in which the campground is located. If there is no newspaper of general circulation in the city, village, or township in which the campground is located, the advertisement shall be posted at least 10 days before the date of the sale in not less than 6 conspicuous places in the city, village, or township in which the campground is located. The advertisement shall include all of the following:

(a) A brief, general description of the personal property subject to the lien. The description shall reasonably identify the property, except that any container, including but not limited to a suitcase, trunk, valise, or box, that is locked, fastened, sealed, or tied in a manner which deters immediate access to its contents may be described as such without describing its contents.

(b) The address of the campground and, if known to the operator, the name of the occupant and the name of the titleholder of the personal property.

(c) The time, place, and manner of the proposed sale.

(5) The sale shall take place not sooner than 30 days after the first publication or posting. A sale of the personal property shall be held at the campground or at the nearest suitable place.

(6) Before a sale of personal property pursuant to this section, the occupant, the titleholder, or a lienholder may pay the amount necessary to satisfy the lien, including the reasonable expenses incurred by the operator under this section, and redeem the personal property. Upon receipt of this payment, the operator shall return the personal property to the occupant, titleholder, or lienholder who made the payment, in the same condition, or substantially the same condition, as it was in when it was left at the campground by the occupant.

(7) Before a sale of personal property pursuant to this section, the operator shall complete an inventory of the personal property.

(8) Before a sale of a motor vehicle or other titled personal property pursuant to this section, the operator shall contact the appropriate agency of the federal, state, or local government where liens are recorded on that type of personal property to determine the name and address of any registered owners, titleholders, and lienholders, and the operator shall notify every such registered owner, titleholder, and lienholder of the time and place of the proposed sale. Failure to make the lien searches required by this subsection shall result in liability only to valid lienholders injured by that failure.

(9) Before a sale of personal property pursuant to this section, a holder of a prior lien on any of the

property to be sold may pay the operator the amount of the operator's lien attributable to storage of the property, including the reasonable expenses incurred by the operator under this section. A payment made to the operator shall be added to the amount of the lien of the prior lienholder who made the payment, and shall be subtracted from the amount of the operator's lien.

(10) A purchaser in good faith of the personal property sold under this section takes the property free of any rights of persons against whom the lien was valid, despite noncompliance by the operator with the requirements of this section.

(11) A person who acquires a motor vehicle, boat, or recreational vehicle pursuant to this section is responsible for procuring a title to the motor vehicle, boat, or recreational vehicle from the secretary of state. The operator who conducts the sale shall provide to the purchaser, titleholder, and lienholder a signed written statement that the operator has complied with the provisions of this act regarding sales of personal property.

(12) In a sale under this section, the party conducting the sale shall distribute the proceeds in the following sequence:

(a) First, to satisfy the operator's lien pursuant to section 7, minus any amount already paid to the operator pursuant to subsection (9).

(b) Second, to satisfy outstanding balances owed to prior perfected lienholders.

(c) Third, in the case of the sale of a motor vehicle, boat, or recreational vehicle, the title to which is held by a person other than the occupant, any proceeds remaining after the distribution is made under subdivision (a) or (b) shall be returned to the titleholder of the motor vehicle, boat, or recreational vehicle.

(d) Fourth, any proceeds of the sale remaining after the distribution is made under subdivision (a), (b), or (c) shall be returned to the occupant by mailing the proceeds to the occupant's last known address by certified mail and by notifying the occupant by first-class mail. If the occupant does not claim the remaining proceeds within 2 years after the date of sale, the remaining proceeds shall escheat to the state.

(13) The operator shall maintain proper records of money received in any sale held under this section, and the records shall be subject to audit by the state.

(14) The operator shall dispose of any property offered for sale but not purchased by donating it to a charitable organization or, if the property is not accepted by a charitable organization, by any other means.

(15) An occupant who suffers damages because of an operator's failure to comply with this act may bring an action in a court of appropriate jurisdiction for the actual amount of the damages or \$250.00, whichever is greater, together with reasonable attorney's fees.

History: 1990, Act 162, Eff. Mar. 28, 1991.