

**CONDOMINIUM ACT (EXCERPT)**  
**Act 59 of 1978**

**559.273 Applicability of amendatory act; applicability of certain subsections.**

Sec. 173. (1) This act applies to a condominium project or condominium unit as follows:

(a) For a condominium project for which a permit to sell has been issued on or before March 18, 1983, the developer may elect to comply with 1 or more of the following requirements in lieu of the specified provisions:

(i) In lieu of section 31, 32, 33, 52, or 66, or any combination of these sections, the developer may elect to comply with the terms of the master deed in effect as of March 18, 1983.

(ii) In lieu of sections 66(2)(j), 66(4), 84(3), 84(4)(a), (c), and (e), and 103b, the developer may elect to deposit all funds paid by a purchaser on or after January 17, 1983 into an escrow account pursuant to an escrow agreement the terms of which were approved by the administrator on or before March 18, 1983. The funds escrowed under this subdivision in excess of any amount or percentage of the escrowed funds that had been required to be escrowed by the administrator or a condominium document pursuant to former section 103 to cover the cost of construction of recreational facilities and other common elements, shall be released only upon conveyance of the condominium unit to that purchaser and issuance of a certificate of occupancy if required by local ordinance. Appropriate funds retained in escrow to cover the cost of construction of recreational facilities and other common elements shall be released to the developer upon completion of each recreational facility or other common element. The escrow agent shall be a bank, savings and loan association, or title insurance company, or person designated to act as the agent of a title insurance company, licensed or authorized to do business in this state.

(b) For a condominium project for which a permit to sell has been issued on or before March 18, 1983, the developer may elect to exempt the project from the application of sections 84(4)(d), 144, and 145(b).

(c) For promotional material filed with the administrator on or before March 18, 1983, the developer may elect to exempt the promotional material from the application of section 81a. For promotional material that has not been filed with the administrator on or before March 18, 1983 and that relates to a condominium project to which section 66 does not apply, the developer shall comply with section 81a as if section 66 was applicable to the condominium project.

(2) Sections 104a, 104b, and 104d and former section 104c apply to all condominium projects that on October 10, 1980 complied with the definition of qualified conversion condominium project provided in section 104b.

(3) Subsection (1)(a)(ii) and (b) does not apply to any phase or convertible area of a condominium project if the phase is established or the convertibility option is exercised after March 18, 1983 and that establishment or exercise results in the addition of units to the condominium project or the creation of a facility intended for common use.

**History:** Add. 1982, Act 538, Imd. Eff. Jan. 17, 1983;—Am. 1983, Act 113, Imd. Eff. July 12, 1983;—Am. 2002, Act 283, Imd. Eff. May 9, 2002.