

ANNUAL STATEMENTS TO MORTGAGORS (EXCERPT)
Act 125 of 1966

565.163 Failure of mortgagee or agent to pay property taxes; liability for penalties or fees.

Sec. 3. If, pursuant to an agreement, a mortgagor has paid sufficient funds into an escrow account for the purpose of paying taxes on mortgaged real property, and if the mortgagee or his agent has not paid those property taxes, then the person to whom the mortgagor paid the funds shall be liable to the mortgagor for any penalties or fees incurred by the mortgagor as a result of that failure to pay taxes.

History: Add. 1976, Act 112, Imd. Eff. May 14, 1976.