

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

***** 554.1052.new THIS NEW SECTION IS EFFECTIVE SEPTEMBER 22, 2022 *****

554.1052.new Definitions.

Sec. 2. As used in this act:

(a) "Assignee" means a person entitled to enforce an assignment of rents. Assignee includes the purchaser at a foreclosure sale by operation of law.

(b) "Assignment of rents" means a transfer of an interest in rents in connection with an obligation secured by real property located in this state and from which the rents arise.

(c) "Assignor" means a person that makes an assignment of rents or the successor owner of the real property from which the rents arise.

(d) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.

(e) "Day" means calendar day.

(f) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank, savings bank, savings and loan association, credit union, or trust company.

(g) "Document" means information that is inscribed on a tangible medium or that is stored on an electronic or other medium and is retrievable in perceivable form.

(h) "Notification" means a document containing information that this act requires a person to provide to another, signed by the person required to provide the information.

(i) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government, or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(j) "Proceeds" means personal property that is received or collected on account of a tenant's obligation to pay rents.

(k) "Purchase" means to take by sale, lease, discount, negotiation, mortgage, pledge, lien, security interest, issue or reissue, gift, or any other voluntary transaction creating an interest in property.

(l) "Rental agreement" means an agreement by which a person is obligated to pay rents to the assignor.

(m) "Rents" means any of the following:

(i) Sums payable for the right to possess or occupy, or for the actual possession or occupation of, real property of another person.

(ii) Sums payable to an assignor under a policy of rental interruption insurance covering real property.

(iii) Claims arising out of a default in the payment of sums payable for the right to possess or occupy real property of another person.

(iv) Sums payable to terminate an agreement to possess or occupy real property of another person.

(v) Sums payable to an assignor for payment or reimbursement of expenses incurred in owning, operating, and maintaining, or constructing or installing improvements on, real property.

(vi) Fees, charges, accounts, or other payments for the use or occupancy of rooms and other facilities in hotels, motels, or other lodging properties.

(vii) Any other sums payable under an agreement relating to the real property of another person that constitute rents under law of this state other than this act.

(n) "Secured obligation" means an obligation the performance of which is secured by an assignment of rents.

(o) "Security instrument" means a document, however denominated, that creates or provides for a security interest in real property, including a land contract, whether or not it also creates or provides for a security interest in personal property.

(p) "Security interest" means an interest in property that arises by agreement and secures performance of an obligation.

(q) "Sign" means, with present intent to authenticate or adopt a document, to do either of the following:

(i) Execute or adopt a tangible symbol.

(ii) Attach to or logically associate with the document an electronic sound, symbol, or process.

(r) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(s) "Submit for recording" means to submit a document complying with applicable legal standards, with required fees and taxes, to the register of deeds for the county in which the real property is located.

(t) "Tenant" means a person that has an obligation to pay sums for the right to possess or occupy, or for possessing or occupying, the real property of another person.

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