

HOUSE BILL No. 4257

February 13, 1991, Introduced by Rep. Niederstadt and referred to the Committee on Towns and Counties.

A bill to allow the use and recording of certain documents regarding trusts in the case of real property that is conveyed or otherwise affected by a trust; and to prescribe their effect.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. An instrument conveying, encumbering, or otherwise
2 affecting an interest in real property, executed pursuant to an
3 express trust, may be accompanied either by a copy of the trust
4 agreement or by a certificate of trust existence and authority,
5 as described in sections 2 and 3.

6 Sec. 2. A certificate of trust existence and authority
7 shall contain all of the following information:

8 (a) The title of the trust.

9 (b) The date of the trust agreement.

10 (c) The name of the settlor or grantor and the settlor's or
11 grantor's address.

1 (d) The names and addresses of all of the trustees and
2 successor trustees.

3 (e) Exact copies of sections of the trust agreement regard-
4 ing all of the following:

5 (i) Establishment of the trust.

6 (ii) The powers of the trustee or trustees relating to real
7 property or any interest in real property and restrictions on the
8 powers of the trustee or trustees relating to real property or
9 any interest in real property.

10 (iii) The governing law.

11 (iv) Revocation of the trust.

12 (v) Appointment of a successor trustee or trustees.

13 (vi) Amendment of the trust relating to the trust provisions
14 described in subdivision (a) to (e)(v).

15 (f) Certification that the trust agreement remains in full
16 force and effect.

17 Sec. 3. A certificate of trust existence and authority
18 shall be executed by the settlor, the grantor, an attorney, or an
19 officer of a banking institution. The certificate shall be in
20 the form of an affidavit.

21 Sec. 4. The trust agreement or certificate of trust exis-
22 tence and authority, and any amendments to or revocations of the
23 trust agreement or the certificate of trust existence and author-
24 ity, may be recorded in the office of the register of deeds of
25 each county where the lands that are the subject of or affected
26 by the trust agreement are located.

1 Sec. 5. A purchaser or other party relying upon the
2 information contained in a recorded certificate of trust
3 existence and authority shall be afforded the same protection as
4 is provided to a subsequent purchaser in good faith under
5 section 29 of chapter 65 of the Revised Statutes of 1846, being
6 section 565.29 of the Michigan Compiled Laws, and shall not be
7 required to further examine the trust agreement, unless an
8 instrument amending or revoking the trust agreement or certifi-
9 cate of trust existence and authority is recorded in the same
10 office in which the trust agreement or certificate of trust exis-
11 tence and authority was recorded.