

SENATE BILL No. 33

January 27, 2009, Introduced by Senator CLARKE and referred to the Committee on Judiciary.

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 3130, 3208, and 3236 (MCL 600.3130, 600.3208, and 600.3236) and by adding section 3108.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 3108. ON COMMENCING AN ACTION UNDER THIS CHAPTER TO**
2 **FORECLOSE A MORTGAGE OF RESIDENTIAL RENTAL PROPERTY, THE PLAINTIFF**
3 **SHALL GIVE NOTICE OF THE ACTION TO THE TENANTS OF THE PROPERTY BY**
4 **ORDINARY MAIL.**

5 Sec. 3130. (1) The person making the sale **UNDER SECTION 3125**
6 shall execute deeds specifying the names of the parties in the
7 action, the date of the land contract or mortgage, when and where
8 it was recorded, a description of the premises sold, and the amount
9 for which each parcel of land described in the deed was sold. ~~and~~

1 ~~he~~ **THE PERSON** shall indorse upon each deed the time it becomes
 2 operative if the premises are not redeemed according to law. Unless
 3 the premises or any parcel of ~~them~~ **THE PREMISES** are redeemed within
 4 the time limited for redemption, the deed ~~shall become~~ **BECOMES**
 5 operative as to all parcels not redeemed ~~, and, shall vest~~ **SUBJECT**
 6 **TO SUBSECTION (3), VESTS** in the grantee named in the deed ~~, his~~ **AND**
 7 **THE GRANTEE'S** heirs ~~, or assigns~~ all the right, title, and interest
 8 ~~which~~ the mortgagor had at the time of the execution of the
 9 mortgage or at any time thereafter.

10 (2) ~~The deed of sale as~~ **AS** soon as practicable and within 20
 11 days after the sale, **A DEED OF SALE EXECUTED UNDER THIS SECTION**
 12 shall be deposited with the register of deeds of the county in
 13 which the land ~~therein~~ described **IN THE DEED** is situated. ~~, and the~~
 14 **THE** register shall indorse upon the deed the time it was received,
 15 ~~and shall record~~ the deed at length in a book ~~to be provided~~ **KEPT**
 16 in ~~his~~ **THE REGISTER'S** office for that purpose, and ~~shall~~ index the
 17 deed in the regular index of deeds. ~~, and the~~ **THE** fee for recording
 18 the deed shall be included among the other costs and expenses
 19 allowed by law. If the premises or any parcel of ~~them~~ **THE PREMISES**
 20 ~~are~~ **IS** redeemed, the register of deeds shall write **"REDEEMED"** on
 21 the face of the record ~~the word "Redeemed" and he shall write at~~
 22 ~~what~~ **THE** date the entry is made and **SHALL** sign the entry. ~~with his~~
 23 ~~official signature.~~

24 (3) **IF THE SALE UNDER SECTION 3115 IS PURSUANT TO THE**
 25 **FORECLOSURE OF A MORTGAGE AND IF THE PROPERTY DESCRIBED IN A DEED**
 26 **EXECUTED UNDER THIS SECTION IS RESIDENTIAL RENTAL PROPERTY, THE**
 27 **GRANTEE NAMED IN THE DEED HAS THE RIGHTS AND OBLIGATIONS OF THE**

1 MORTGAGOR UNDER ANY LEASE OF THE PROPERTY THAT IS IN EFFECT AT THE
2 TIME THE DEED BECOMES OPERATIVE.

3 Sec. 3208. (1) Notice that ~~the~~A mortgage will be foreclosed
4 UNDER THIS CHAPTER by a sale of the mortgaged premises, or some
5 part of them, shall be given by publishing the ~~same~~NOTICE for 4
6 successive weeks at least once in each week ~~—~~in a newspaper
7 published in the county where the premises included in the mortgage
8 and intended to be sold, or some part of them, are situated. If no
9 newspaper is published in the county, the notice shall be published
10 in a newspaper published in an adjacent county. ~~In every case~~
11 ~~within~~WITHIN 15 days after the first publication of the notice, a
12 true copy shall be posted in a conspicuous place upon any part of
13 the premises described in the notice.

14 (2) IF THE MORTGAGED PREMISES INCLUDES RESIDENTIAL RENTAL
15 PROPERTY, A TRUE COPY OF THE NOTICE PUBLISHED UNDER THIS SECTION
16 SHALL BE PROVIDED TO THE TENANTS OF THE PROPERTY BY ORDINARY MAIL
17 WITHIN 15 DAYS AFTER THE FIRST PUBLICATION OF THE NOTICE.

18 Sec. 3236. (1) Unless the premises described in ~~such~~A deed
19 ~~shall be~~EXECUTED UNDER SECTION 3232 ARE redeemed within the time
20 limited for ~~such~~redemption as ~~hereinafter~~provided IN THIS
21 CHAPTER, ~~such~~THE deed shall ~~thereupon become~~BECOMES operative ~~—~~
22 and, ~~shall vest~~SUBJECT TO SUBSECTION (2), VESTS in the grantee
23 ~~therein named — his~~IN THE DEED OR THE GRANTEE'S heirs or assigns ~~—~~
24 all the right, title, and interest ~~which~~THAT the mortgagor had at
25 the time ~~of the execution of the mortgage~~ WAS EXECUTED, or at any
26 time ~~thereafter~~AFTER THE MORTGAGE WAS EXECUTED, except as to any
27 parcel or parcels ~~which may have~~WITH RESPECT TO WHICH THE DEED HAS

1 been redeemed and canceled, as ~~hereinafter provided ; and the~~ **IN**
2 **THIS CHAPTER. THE** record ~~thereof~~ **OF THE DEED** shall thereafter, ~~for~~
3 all purposes be ~~deemed~~ **CONSIDERED** a valid record of ~~said~~ **THE** deed
4 without being ~~re-recorded~~ **RERECORDED**, but ~~no~~ **A** person having any
5 **WHO HAS A** valid subsisting lien upon the mortgaged premises, or any
6 part ~~thereof~~ **OF THE MORTGAGED PREMISES**, created before the lien of
7 ~~such~~ **THE** mortgage took effect, shall **NOT** be prejudiced by ~~any such~~
8 **THE** sale, nor shall ~~his~~ **THE PERSON'S** rights or interests be in any
9 way affected ~~thereby~~ **BY THE SALE**.

10 (2) **IF THE PROPERTY DESCRIBED IN A DEED EXECUTED UNDER THIS**
11 **SECTION IS RESIDENTIAL RENTAL PROPERTY, THE GRANTEE NAMED IN THE**
12 **DEED HAS THE RIGHTS AND OBLIGATIONS OF THE MORTGAGOR UNDER ANY**
13 **LEASE OF THE PROPERTY THAT IS IN EFFECT AT THE TIME THE DEED**
14 **BECOMES OPERATIVE.**