

HOUSE BILL No. 6072

November 29, 2012, Introduced by Rep. McMillin and referred to the Committee on Banking and Financial Services.

A bill to provide for the priority of certain liens in favor of homeowners associations or property owners associations with respect to mortgages.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "owners association lien priority act".

3 Sec. 2. As used in this act:

4 (a) "Fees" includes, but is not limited to, any assessment,
5 interest, collection charge, late charge, advance by the
6 association to pay taxes or another lien, attorney fee, and fine.

7 (b) "Mortgage" includes a first or subsequent mortgage,
8 including a purchase money mortgage.

9 Sec. 3. (1) A lien that exists under the law of this state in
10 favor of a homeowners association or a property owners association
11 for unpaid fees owed to the association by a member or former

1 member has priority over a mortgage lien on the same property,
2 regardless of the date the mortgage was given, attached to the
3 property, or was recorded.

4 (2) The priority under this section applies only to liens that
5 are properly recorded.