

CONDOMINIUM ACT (EXCERPT)
Act 59 of 1978

559.222b Extended lease arrangement.

Sec. 122b.

(1) A developer shall notify each existing qualified senior citizen, at the same time notice is given under section 122a, of the right to elect an extended lease arrangement for the lot on which the senior citizen's mobile home is located, and the terms and conditions of an extended lease arrangement. A qualified senior citizen shall, within 60 days after receipt of notice under this subsection, communicate the election of an extended lease arrangement to the developer.

(2) An extended lease arrangement shall be in writing and shall provide for all of the following:

(a) A written lease for the lot on which the senior citizen's mobile home is located, renewable from year to year for the number of years specified in subsection (3).

(b) That the number of years for which a lease subject to an extended lease arrangement may be renewed shall be measured from the date on which the election of an extended lease arrangement is communicated to the developer.

(c) That any increase in the rent during the time the mobile home lot is a restricted mobile home lot will not be an unreasonable increase beyond the fair market rent for a comparable mobile home lot.

(d) That upon request of the lessee of a restricted mobile home lot, the lessor shall disclose all information used in determining a reasonable rent increase based upon the standard in subdivision (c).

(3) The number of years for which a qualified senior citizen may renew a lease subject to an extended lease arrangement shall be determined by his or her age on the date of receipt of the notice required under subsection (1), as follows:

(a) A person who is not less than 65 years of age and not more than 69 years of age may renew year to year for 4 years.

(b) A person who is not less than 70 years of age and not more than 74 years of age may renew year to year for 6 years.

(c) A person who is not less than 75 years of age and not more than 79 years of age may renew year to year for 7 years.

(d) A person who is 80 years of age or more may renew year to year for 10 years.

(4) A developer who enters into an extended lease arrangement or the developer's successor shall notify both of the following of each extended lease arrangement:

(a) The Michigan state housing development authority of each qualified senior citizen who elects an extended lease arrangement as soon as practicable after the election is communicated to the developer.

(b) The office of services to the aging created in section 5 of the older Michiganians act, Act No. 180 of the Public Acts of 1981, being section 400.585 of the Michigan Compiled Laws, 18 months before the expiration of the extended lease arrangement for a qualified senior citizen who is in the age categories described in subsection (3)(c) and (d).

(5) A lease subject to an extended lease arrangement shall not be assigned, devised, subleased, or transferred by the qualified senior citizen.

(6) A lease subject to an extended lease arrangement shall terminate automatically upon the death of the qualified senior citizen. However, a surviving spouse of a qualified senior citizen who is 65 years of age or older at the time the qualified senior citizen dies shall have the right to execute a lease under an extended lease arrangement subject to the right of renewal, and other conditions, that applied to the deceased. A surviving spouse who does not qualify for an extended lease shall have 6 months in which to vacate the mobile home lot, during which time the conditions of the deceased spouse's extended lease shall apply, except for the right of renewal.

(7) A lessor who violates the rental restrictions of subsection (2)(c) shall be liable to the qualified senior citizen in an amount equal to 3 times the amount by which the rental payments exceed the fair market rent, to be recovered in a civil action.

(8) The lessor in an extended lease arrangement may recover possession of a restricted mobile home lot for nonpayment of rent or other grounds for recovery of possession under chapter 57 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being sections 600.5701 to 600.5759 of the Michigan Compiled Laws.

(9) A restricted mobile home lot may be transferred to any person by the lessor in an extended lease arrangement, subject to the extended lease arrangement.

(10) As used in this section:

(a) "Qualified senior citizen" means an individual who is all of the following:

(i) On the date that notice is given under subsection (1), the owner and resident of a mobile home in a mobile home conversion condominium project containing 6 or more mobile homes.

(ii) A party to an oral or written agreement providing for the rental of the lot on which a mobile home described in subparagraph (i) is located.

(iii) Sixty-five years of age or older on the date that notice is given under subsection (1).

(b) "Rent" means the total monthly amount payable to the lessor for the mobile home lot and utilities.

(c) "Resident" means an individual who uses his or her mobile home as a primary residence to which he or she intends to return whenever absent.

(d) "Restricted mobile home lot" means a mobile home lot that is subject to an extended lease arrangement as provided in subsection (2).

(11) This section does not apply to a developer of a mobile home conversion condominium project if the developer was issued a permit to sell before the effective date of this section.

History: Add. 1984, Act 356, Eff. Mar. 29, 1985