HOUSE BILL No. 5176


THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 3232. (1) The immediately after a sale under section 3216, the officer or person making the sale shall forthwith execute, acknowledge, and deliver, to each purchaser a deed of the premises bid off by him; and if the lands are situated in several counties, the officer or person making the sale shall make separate deeds of the lands in each county, and specify therein the officer or person making the sale shall state in a deed executed under this section the precise amounts for which each parcel of land therein described in
THE DEED was sold. And he shall endorse upon each deed AND the
time when the same DEED will become operative in case the premises
are not redeemed according to law AS DETERMINED UNDER SECTION 3240.

Such

(2) A deed or deeds EXECUTED UNDER THIS SECTION shall, as soon
as practicable, and within 20 days after such THE sale UNDER
SECTION 3216, be deposited with the register of deeds of the county
in which the land therein PROPERTY described IN THE DEED is
situated. and the THE register shall endorse thereon ON THE DEED
the time the same DEED was received, and for the better
preservation thereof, shall record the same DEED at length in a
book to be provided KEPT in his THE office OF THE REGISTER OF DEEDS
for that purpose, and shall index the same DEED in the regular
index of deeds. and the THE fee for recording the same DEED UNDER
THIS SUBSECTION shall be included among the other costs and
expenses allowed by law. In case such premises shall be

(3) IF PROPERTY SOLD AT A SALE UNDER SECTION 3216 IS redeemed
AS PROVIDED IN SECTION 3240, the register of deeds shall, at the
time of destroying such THE deed, as provided in UNDER section
3244, of this chapter, write on the face of such THE record the
word "Redeemed", stating at what THE date such THE entry is made and signing such THE entry, with his official signature.

Sec. 3240. (1) A purchaser's deed is void if the mortgagor,
the mortgagor's heirs or personal representative, or any person
lawfully claiming under the mortgagor or the mortgagor's heirs or
personal representative redeems the entire premises sold by paying
the amount required under subsection (2) and any amount required
under subsection (4), within the applicable time limit prescribed 
in subsections (7) to (12), (14), to the purchaser or the 
purchaser's personal representative or assigns, or to the register 
of deeds in whose office the deed is deposited for the benefit of 
the purchaser.

(2) The amount required to be paid under subsection (1) is the 
sum that was bid for the entire premises sold, with interest from 
the date of the sale at the interest rate provided for by the 
mortgage, together with the amount of the sheriff's fee paid by the 
purchaser under section 2558(2)(g), and an additional $5.00 as a 
fee for the care and custody of the redemption money if the payment 
is made to the register of deeds. Except as provided in subsection 
(14), the register of deeds shall not determine the amount 
necessary for redemption. The purchaser shall attach an affidavit 
with the deed to be recorded under this section that states the 
exact amount required to redeem the property under this subsection, 
including any daily per diem amounts, and the date by which the 
property must be redeemed shall be stated on the certificate of 
sale. The purchaser may include in the affidavit the name of a 
designee responsible on behalf of the purchaser to assist the 
person redeeming the property in computing the exact amount 
required to redeem the property. The designee may charge a fee as 
stated in the affidavit and may be authorized by the purchaser to 
receive redemption funds. The purchaser shall accept the amount 
computed by the designee.

(3) If a distinct lot or parcel separately sold is redeemed, 
leaving a portion of the premises unredeemed, the deed shall be
void only to the redeemed parcel or parcels.

(4) If, after the sale, the purchaser, the purchaser's heirs or personal representative, or any person lawfully claiming under the purchaser or the purchaser's heirs or personal representative pays taxes assessed against the property, amounts necessary to redeem senior liens from foreclosure, condominium assessments, homeowner association assessments, community association assessments, or premiums on an insurance policy covering any buildings located on the property that under the terms of the mortgage it would have been the duty of the mortgagor to pay if the mortgage had not been foreclosed and that are necessary to keep the policy in force until the expiration of the period of redemption, redemption shall be made only upon payment of the sum specified in subsection (2) plus the amounts specified in this subsection with interest on the amounts specified in this subsection from the date of the payment to the date of redemption at the interest rate specified in the mortgage. This subsection does not apply unless all of the following are filed with the register of deeds with whom the deed is deposited:

(a) An affidavit by the purchaser or someone in his or her behalf who has knowledge of the facts of the payment showing the amount and items paid.

(b) The receipt or copy of the canceled check evidencing the payment of the taxes, amounts necessary to redeem senior liens from foreclosure, condominium assessments, homeowner association assessments, community association assessments, or insurance premiums.
(c) An affidavit of an insurance agent of the insurance company stating that the payment was made and what portion of the payment covers the premium for the period before the expiration of the period of redemption.

(5) If the redemption payment in subsection (4) includes an amount used to redeem a senior lien from a nonjudicial foreclosure, the mortgagor shall have the same defenses against the purchaser with respect to the amount used to redeem the senior lien as the mortgagor would have had against the senior lien.

(6) The register of deeds shall indorse on the documents filed under subsection (4) the time they are received. The register of deeds shall record the affidavit of the purchaser only and shall preserve in his or her files the recorded affidavit, receipts, insurance receipts, and insurance agent's affidavit until expiration of the period of redemption.

(7) For a mortgage executed on or after January 1, 1965, on commercial or industrial property, or multifamily residential property in excess of 4 units, the redemption period is 6 months from the date of the sale.

(8) Subject to subsections (9) to (11), for a mortgage executed on or after January 1, 1965, on residential property not exceeding 4 units, and not more than 3 acres in size, if the amount claimed to be due on the mortgage at the date of the notice of foreclosure is more than 66-2/3% of the original indebtedness secured by the mortgage, the redemption period is 6 months.

(9) Subject to subsection (10) OR (13), for a mortgage on residential property not exceeding 4 units, if the property is
abandoned as determined under section 3241, the redemption period is 3 months.

(10) For a mortgage on residential property not exceeding 4 units, if the amount claimed to be due on the mortgage at the date of the notice of foreclosure is more than 66-2/3% of the original indebtedness secured by the mortgage and the property is abandoned as determined under section 3241, the redemption period is 1 month.

(11) If the property is abandoned as determined under section 3241a, the redemption period is 30 days or until the time to provide the notice required by section 3241a(c) expires, whichever is later.

(12) SUBJECT TO SUBSECTION (13), FOR A MORTGAGE OF PROPERTY THAT IS USED FOR AGRICULTURAL PURPOSES, THE REDEMPTION PERIOD IS 1 YEAR FROM THE DATE OF THE SALE.

(13) UNLESS SUBSECTION (10) OR (11) APPLIES, IF THE ORIGINAL MORTGAGEE HAS NEVER ASSIGNED THE MORTGAGE OR THE INDEBTEDNESS SECURED BY THE MORTGAGE AND HAS NOT TRANSFERRED THE POWER TO SERVICE THE MORTGAGE, THE REDEMPTION PERIOD IS 90 DAYS FROM THE DATE OF THE SALE.

(14) If subsections (7) to (11) do not apply, the redemption period is 1 year from the date of the sale.

(15) The amount stated in any affidavits recorded under this section shall be the amount necessary to satisfy the requirements for redemption under this section.

(16) The register of deeds of a county having a population of more than 750,000 and less than 1,500,000, at the request of a person entitled to redeem the property under this
section, shall determine the amount necessary for redemption. In
determining the amount, the register of deeds shall consider only
the affidavits recorded under subsections (2) and (4). A county,
register of deeds, or employee of a county or register of deeds is
not liable for damages proximately caused by an incorrect
determination of an amount necessary for redemption under
subsection (2).

(17) A register of deeds may charge not more than $50.00
for determining the amount necessary for redemption under this
section.

(18) FOR PURPOSES OF THIS SECTION, THERE IS A PRESUMPTION THAT
THE PROPERTY IS USED FOR AGRICULTURAL PURPOSES IF, BEFORE THE
FORECLOSURE SALE UNDER THIS CHAPTER, THE MORTGAGOR PROVIDES THE
PARTY FORECLOSING THE MORTGAGE PROOF THAT THE MORTGAGOR FILED A
SCHEDULE F TO THE MORTGAGOR'S FEDERAL INCOME TAX FORM 1040 FOR THE
YEAR PRECEDING THE YEAR IN WHICH THE PROCEEDINGS TO FORECLOSE THE
MORTGAGE WERE COMMENCED. IF THE MORTGAGOR FAILS TO PROVIDE PROOF AS
DESCRIBED IN THIS SUBSECTION BEFORE THE FORECLOSURE SALE, THERE IS
A PRESUMPTION THAT THE PROPERTY IS NOT USED FOR AGRICULTURAL
PURPOSES. THE PARTY FORECLOSING THE MORTGAGE OR THE MORTGAGOR MAY
FILE A CIVIL ACTION TO PRODUCE EVIDENCE TO REBUT A PRESUMPTION
CREATED BY THIS SUBSECTION.