

SENATE BILL No. 589

July 10, 2001, Introduced by Senator GARCIA and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to amend 1978 PA 59, entitled "Condominium act," by amending sections 7, 121, 122, 122a, 122b, 123, 124, and 127 (MCL 559.107, 559.221, 559.222, 559.222a, 559.222b, 559.223, 559.224, and 559.227), sections 121, 122, and 127 as amended by 1982 PA 538, and section 122a as amended and section 122b as added by 1984 PA 356.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) "Leasehold condominium" means a condominium
2 project in which each co-owner owns an estate for years in all or
3 ~~any~~ part of the condominium project if the leasehold
4 ~~interests~~ INTEREST will expire naturally at the same time.

5 (2) "Limited common elements" means a portion of the common
6 elements reserved in the master deed for the exclusive use of
7 less than all of the co-owners.

1 (3) ~~"Mobile"~~ "MANUFACTURED home condominium project" means
2 a condominium project in which ~~mobile~~ MANUFACTURED homes as
3 defined in section ~~30a of Act No. 300 of the Public Acts of~~
4 ~~1949, being section 257.30a of the Michigan Compiled Laws~~ 2 OF
5 THE MANUFACTURED HOUSING COMMISSION ACT, 1987 PA 96, MCL
6 125.2302, are intended to be located upon separate sites ~~which~~
7 THAT constitute individual condominium units.

8 Sec. 121. The establishment, operation, and regulation of
9 ~~mobile~~ MANUFACTURED home condominium projects shall comply with
10 this act, WITH rules promulgated under this act, and with ALL OF
11 the following:

12 (a) A ~~mobile~~ MANUFACTURED home located on a ~~mobile~~
13 MANUFACTURED home condominium site shall be contained entirely
14 within that site. The ~~mobile~~ MANUFACTURED home condominium
15 master deed shall set forth the minimum and maximum size of a
16 ~~mobile~~ MANUFACTURED home that may be located on the ~~mobile~~
17 MANUFACTURED home condominium site.

18 (b) The association of co-owners may remove a ~~mobile~~
19 MANUFACTURED home from a ~~mobile~~ MANUFACTURED home condominium
20 site if the ~~mobile~~ MANUFACTURED home does not conform to the
21 reasonable standards set forth by the association of co-owners in
22 the bylaws.

23 (c) Upon completion of foreclosure of a lien of the associa-
24 tion of co-owners for nonpayment of assessments on a condominium
25 unit ~~pursuant~~ ACCORDING to section 108, the association of
26 co-owners may remove a ~~mobile~~ MANUFACTURED home and other
27 personal property from the condominium unit and ~~cause~~ STORE the

1 ~~mobile~~ MANUFACTURED home and other personal property ~~to be~~
2 ~~stored~~ at the expense of the co-owner of the ~~mobile~~
3 MANUFACTURED home.

4 (d) Except as provided in section 127, the ~~mobile home~~
5 MANUFACTURED HOUSING commission shall not act for the purpose of
6 regulating ~~mobile~~ MANUFACTURED home condominiums that are not
7 located within a ~~mobile~~ MANUFACTURED home park, except as
8 relates to the business, sales, and service practices of ~~mobile~~
9 MANUFACTURED home dealers, and the business of ~~mobile~~
10 MANUFACTURED home installers and repairers, or the setup and
11 installation of ~~mobile~~ MANUFACTURED homes, as provided in the
12 ~~mobile home~~ MANUFACTURED HOUSING commission act, ~~Act No. 419~~
13 ~~of the Public Acts of 1976~~ 1987 PA 96, MCL 125.2301 TO
14 125.2348.

15 Sec. 122. The developer of a ~~mobile~~ MANUFACTURED home
16 condominium project shall disclose to a prospective ~~mobile~~
17 MANUFACTURED home condominium purchaser, in a manner and form to
18 be promulgated by rule of the administrator, an affiliation
19 between the developer and the seller of skirting and the seller
20 of the ~~mobile~~ MANUFACTURED home, if the purchaser as a condi-
21 tion to buying a site must also purchase a ~~mobile~~ MANUFACTURED
22 home or skirting from the developer or an affiliate of the
23 developer. The administrator may prohibit required purchases of
24 skirting from the developer or a source designated by the devel-
25 oper, as prescribed in ~~Act No. 419~~ of the ~~Public Acts of 1976~~,
26 ~~being sections 125.1101 to 125.1147~~ of the Michigan Compiled

1 ~~Laws~~ THE MANUFACTURED HOUSING COMMISSION ACT, 1987 PA 96, MCL
2 125.2301 TO 125.2348.

3 Sec. 122a. The developer of a ~~mobile~~ MANUFACTURED home
4 conversion condominium project shall notify each existing tenant
5 of ~~any mobile~~ A MANUFACTURED home in the proposed ~~mobile~~
6 MANUFACTURED home conversion condominium project that the
7 ~~mobile~~ MANUFACTURED home park is proposed to be converted to a
8 condominium project. The notice shall be physically delivered or
9 sent by first class mail to each unit addressed to the tenant.
10 Except as provided in section 122b, a tenancy in a ~~mobile~~
11 MANUFACTURED home that is proposed to be a conversion condomini-
12 um, whether month to month or otherwise, shall not be terminated
13 without cause until 1 year after receipt of the notice required
14 under this section, or until termination of the lease, whichever
15 is later.

16 Sec. 122b. (1) A developer shall notify each existing qual-
17 ified senior citizen, at the same time notice is given under sec-
18 tion 122a, of the right to elect an extended lease arrangement
19 for the lot on which the senior citizen's ~~mobile~~ MANUFACTURED
20 home is located, and the terms and conditions of an extended
21 lease arrangement. A qualified senior citizen shall, within 60
22 days after receipt of notice under this subsection, communicate
23 the election of an extended lease arrangement to the developer.

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

26 (a) A written lease for the lot on which the senior
27 citizen's ~~mobile~~ MANUFACTURED home is located, renewable from

1 year to year for the number of years specified in subsection
2 (3).

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

7 (c) That ~~any~~ AN increase in the rent during the time the
8 ~~mobile~~ MANUFACTURED home lot is a restricted ~~mobile~~
9 MANUFACTURED home lot will not be an unreasonable increase beyond
10 the fair market rent for a comparable ~~mobile~~ MANUFACTURED home
11 lot.

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

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

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

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

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

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

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

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

8 (b) The office of services to the aging created in section 5
9 of the older Michiganians act, ~~Act No. 180 of the Public Acts of~~
10 ~~1981, being section 400.585 of the Michigan Compiled Laws 1981~~
11 PA 180, MCL 400.585, 18 months before the expiration of the
12 extended lease arrangement for a qualified senior citizen who is
13 in ~~the~~ AN age ~~categories~~ CATEGORY described in subsection
14 (3)(c) ~~and~~ OR (d).

15 (5) A lease subject to an extended lease arrangement shall
16 not be assigned, devised, subleased, or transferred by the quali-
17 fied senior citizen.

18 (6) A lease subject to an extended lease arrangement ~~shall~~
19 ~~terminate~~ TERMINATES automatically upon the death of the quali-
20 fied senior citizen. However, a surviving spouse of a qualified
21 senior citizen who is 65 years of age or older at the time the
22 qualified senior citizen dies ~~shall have~~ HAS the right to exe-
23 cute a lease under an extended lease arrangement subject to the
24 right of renewal, and other conditions, that applied to the
25 deceased. A surviving spouse who does not qualify for an
26 extended lease ~~shall have~~ HAS 6 months in which to vacate the
27 ~~mobile~~ MANUFACTURED home lot, during which time the conditions

1 of the deceased spouse's extended lease ~~shall~~ apply, except for
2 the right of renewal.

3 (7) A lessor who violates the rental restrictions of subsec-
4 tion (2)(c) ~~shall be~~ IS liable to the qualified senior citizen
5 in an amount equal to 3 times the amount by which the rental pay-
6 ments exceed the fair market rent, to be recovered in a civil
7 action.

8 (8) The lessor in an extended lease arrangement may recover
9 possession of a restricted ~~mobile~~ MANUFACTURED home lot for
10 nonpayment of rent or other grounds for recovery of possession
11 under chapter 57 of the revised judicature act of 1961, ~~Act~~
12 ~~No. 236 of the Public Acts of 1961, being sections 600.5701 to~~
13 ~~600.5759 of the Michigan Compiled Laws 1961 PA 236, MCL 600.5701~~
14 TO 600.5759.

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

18 (10) As used in this section:

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

21 (i) On the date that notice is given under subsection (1),
22 the owner and resident of a ~~mobile~~ MANUFACTURED home in a
23 ~~mobile~~ MANUFACTURED home conversion condominium project con-
24 taining 6 or more ~~mobile~~ MANUFACTURED homes.

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

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

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

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

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

11 (11) This section does not apply to a developer of a
12 ~~mobile~~ MANUFACTURED home conversion condominium project if the
13 developer was issued a permit to sell before ~~the effective date~~
14 ~~of this section~~ MARCH 29, 1985.

15 Sec. 123. A developer or an affiliate of a developer shall
16 not develop a ~~mobile~~ MANUFACTURED home condominium project
17 ~~which~~ THAT involves, as a condition of sale, leasing agreements
18 covering the recreational facilities, amenities, other common
19 elements, or ~~mobile~~ MANUFACTURED home condominium sites.

20 Sec. 124. (1) A ~~mobile~~ MANUFACTURED home condominium
21 co-owner shall receive good and marketable title to his OR HER
22 particular ~~mobile~~ MANUFACTURED home condominium site together
23 with an undivided interest in the common elements.

24 (2) A ~~mobile~~ MANUFACTURED home condominium co-owner may
25 remove a ~~mobile~~ MANUFACTURED home from the ~~mobile~~
26 MANUFACTURED home condominium site, and sell his OR HER rights

1 and interest in the ~~mobile~~ MANUFACTURED home condominium site,
2 but may not remove ~~any of~~ the common elements.

3 Sec. 127. A developer of a ~~mobile~~ MANUFACTURED home con-
4 dominium shall comply with ~~Act No. 419 of the Public Acts of~~
5 ~~1976, being sections 125.1101 to 125.1147 of the Michigan~~
6 ~~Compiled Laws~~ THE MANUFACTURED HOUSING COMMISSION ACT, 1987 PA
7 96, MCL 125.2302. The administrator shall not impose require-
8 ments relating to density, zoning, layout, or construction incon-
9 sistent with rules regarding density, zoning, layout, or con-
10 struction promulgated under ~~Act No. 419 of the Public Acts of~~
11 ~~1976~~ THE MANUFACTURED HOUSING COMMISSION ACT, 1987 PA 96, MCL
12 125.2302.

13 Enacting section 1. This amendatory act does not take
14 effect unless Senate Bill No. _____ or House Bill No. _____
15 (request no. 00205'01) of the 91st Legislature is enacted into
16 law.