

SUBSTITUTE FOR
HOUSE BILL NO. 6695

A bill to amend 1846 RS 65, entitled
"Of alienation by deed, and the proof and recording of
conveyances, and the canceling of mortgages,"
(MCL 565.1 to 565.49) by adding section 50.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 50. (1) AS USED IN THIS SECTION:
2 (A) "BENEFICIARY DEED" MEANS A DEED AUTHORIZED UNDER THIS
3 SECTION.
4 (B) "OWNER" MEANS ANY PERSON WHO EXECUTES A BENEFICIARY DEED
5 AS PROVIDED IN THIS SECTION.
6 (2) A DEED THAT CONVEYS AN INTEREST IN REAL PROPERTY,
7 INCLUDING ANY DEBT SECURED BY A LIEN ON REAL PROPERTY, TO A
8 GRANTEE BENEFICIARY DESIGNATED BY THE OWNER AND THAT EXPRESSLY
9 STATES THAT THE DEED IS EFFECTIVE ON THE DEATH OF THE OWNER
10 TRANSFERS THE INTEREST TO THE DESIGNATED GRANTEE BENEFICIARY

1 EFFECTIVE ON THE DEATH OF THE OWNER SUBJECT TO ALL CONVEYANCES,
2 ASSIGNMENTS, CONTRACTS, MORTGAGES, DEEDS OF TRUST, LIENS,
3 SECURITY PLEDGES, AND OTHER ENCUMBRANCES MADE BY THE OWNER OR TO
4 WHICH THE OWNER WAS SUBJECT DURING THE OWNER'S LIFETIME.

5 (3) A BENEFICIARY DEED MAY DESIGNATE MULTIPLE GRANTEEES WHO
6 TAKE TITLE AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP, TENANTS
7 IN COMMON, TENANTS BY THE ENTIRETIES, OR ANY OTHER TENANCY THAT
8 IS VALID UNDER THE LAWS OF THIS STATE.

9 (4) A BENEFICIARY DEED MAY DESIGNATE A SUCCESSOR GRANTEE
10 BENEFICIARY. IF THE BENEFICIARY DEED DESIGNATES A SUCCESSOR
11 GRANTEE BENEFICIARY, THE DEED SHALL STATE THE CONDITION ON WHICH
12 THE INTEREST OF THE SUCCESSOR GRANTEE BENEFICIARY WOULD VEST.

13 (5) IF REAL PROPERTY IS OWNED AS JOINT TENANTS WITH THE
14 RIGHT OF SURVIVORSHIP, A DEED THAT CONVEYS AN INTEREST IN THE
15 REAL PROPERTY TO A GRANTEE BENEFICIARY DESIGNATED BY ALL OF THE
16 THEN SURVIVING OWNERS AND THAT EXPRESSLY STATES THAT THE DEED IS
17 EFFECTIVE ON THE DEATH OF THE LAST SURVIVING OWNER TRANSFERS THE
18 INTEREST TO THE DESIGNATED GRANTEE BENEFICIARY EFFECTIVE ON THE
19 DEATH OF THE LAST SURVIVING OWNER. IF A BENEFICIARY DEED IS
20 EXECUTED BY FEWER THAN ALL OF THE OWNERS OF REAL PROPERTY OWNED
21 AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP OR TENANCY BY THE
22 ENTIRETIES, THE BENEFICIARY DEED IS VALID IF THE LAST SURVIVING
23 OWNER IS 1 OF THE PERSONS WHO EXECUTES THE BENEFICIARY DEED. IF
24 THE LAST SURVIVING OWNER DID NOT EXECUTE THE BENEFICIARY DEED,
25 THE TRANSFER LAPSES AND THE DEED IS VOID. AN ESTATE IN JOINT
26 TENANCY WITH RIGHT OF SURVIVORSHIP IS NOT AFFECTED BY THE
27 EXECUTION OF A BENEFICIARY DEED THAT IS EXECUTED BY FEWER THAN

1 ALL OF THE OWNERS OF THE REAL PROPERTY, AND THE RIGHTS OF A
2 SURVIVING JOINT TENANT WITH RIGHT OF SURVIVORSHIP PREVAILS OVER A
3 GRANTEE BENEFICIARY NAMED IN A BENEFICIARY DEED.

4 (6) A BENEFICIARY DEED IS VALID ONLY IF THE DEED IS EXECUTED
5 AND RECORDED AS PROVIDED BY LAW IN THE OFFICE OF THE COUNTY
6 REGISTER OF DEEDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED
7 BEFORE THE DEATH OF THE OWNER OR THE LAST SURVIVING OWNER. A
8 BENEFICIARY DEED MAY BE USED TO TRANSFER AN INTEREST IN REAL
9 PROPERTY TO THE TRUSTEE OF A TRUST EVEN IF THE TRUST IS
10 REVOCABLE.

11 (7) A BENEFICIARY DEED MAY BE REVOKED AT ANY TIME BY THE
12 OWNER OR, IF THERE IS MORE THAN 1 OWNER, BY ANY OF THE OWNERS WHO
13 EXECUTED THE BENEFICIARY DEED. TO BE EFFECTIVE, THE REVOCATION
14 MUST BE EXECUTED AND RECORDED AS PROVIDED BY LAW IN THE OFFICE OF
15 THE COUNTY REGISTER OF DEEDS OF THE COUNTY IN WHICH THE REAL
16 PROPERTY IS LOCATED BEFORE THE DEATH OF THE OWNER WHO EXECUTES
17 THE REVOCATION. IF THE REAL PROPERTY IS OWNED AS JOINT TENANTS
18 WITH RIGHT OF SURVIVORSHIP AND IF THE REVOCATION IS NOT EXECUTED
19 BY ALL THE OWNERS, THE REVOCATION IS NOT EFFECTIVE UNLESS
20 EXECUTED BY THE LAST SURVIVING OWNER.

21 (8) IF AN OWNER EXECUTES AND RECORDS MORE THAN 1 BENEFICIARY
22 DEED CONCERNING THE SAME REAL PROPERTY, THE LAST BENEFICIARY DEED
23 THAT IS RECORDED BEFORE THE OWNER'S DEATH IS THE EFFECTIVE
24 BENEFICIARY DEED.

25 (9) THIS SECTION DOES NOT PROHIBIT OTHER METHODS OF
26 CONVEYING PROPERTY THAT ARE PERMITTED BY LAW AND THAT HAVE THE
27 EFFECT OF POSTPONING ENJOYMENT OF AN INTEREST IN REAL PROPERTY

1 UNTIL THE DEATH OF THE OWNER. THIS SECTION DOES NOT INVALIDATE
 2 ANY DEED OTHERWISE EFFECTIVE BY LAW TO CONVEY TITLE TO THE
 3 INTERESTS AND ESTATES PROVIDED IN THE DEED THAT IS NOT RECORDED
 4 UNTIL AFTER THE DEATH OF THE OWNER.

5 (10) THE SIGNATURE, CONSENT, OR AGREEMENT OF OR NOTICE TO A
 6 GRANTEE BENEFICIARY OF A BENEFICIARY DEED IS NOT REQUIRED FOR ANY
 7 PURPOSE DURING THE LIFETIME OF THE OWNER.

8 (11) A BENEFICIARY DEED THAT IS EXECUTED, ACKNOWLEDGED, AND
 9 RECORDED IN ACCORDANCE WITH THIS SECTION IS NOT REVOKED BY THE
 10 PROVISIONS OF A WILL.

11 (12) A BENEFICIARY DEED IS SUFFICIENT IF IT COMPLIES WITH
 12 OTHER APPLICABLE LAWS AND IF IT IS IN SUBSTANTIALLY THE FOLLOWING
 13 FORM:

14 BENEFICIARY DEED
 15 I (WE) _____ (OWNER) WHOSE ADDRESS IS/ARE
 16 _____ CONVEY(S) TO
 17 _____ (GRANTEE BENEFICIARY) WHOSE ADDRESS
 18 IS/ARE _____ EFFECTIVE ON
 19 MY (OUR) DEATH THE FOLLOWING DESCRIBED REAL PROPERTY SITUATED
 20 IN THE COUNTY OF _____ AND THE STATE OF MICHIGAN:

21
 22 (LEGAL DESCRIPTION)
 23 _____
 24 TOGETHER WITH ALL AND SINGULAR THE TENEMENTS, HEREDITAMENTS,
 25 AND APPURTENANCES THEREUNTO BELONGING OR IN ANY WAY PERTAINING
 26 THERETO, SUBJECT TO EASEMENTS AND BUILDING AND USE RESTRICTIONS
 27 OF RECORD.
 28 NOTICE: BY SIGNING THIS DEED, A MARRIED PERSON IS SURRENDERING

1 RIGHTS THAT HE OR SHE MIGHT OTHERWISE HAVE IN THE PROPERTY.

2 DATED THIS _____ DAY OF _____, ____.

3 WITNESSES: _____ SIGNED BY:

4 _____

5 _____

6 _____

7 STATE OF MICHIGAN } _____

8 COUNTY OF _____ }

9 THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME

10 THIS _____ DAY OF _____ BY _____.

11 _____

12 _____ NOTARY PUBLIC,

13 _____ COUNTY, MICHIGAN

14 MY COMMISSION EXPIRES _____, ____.

15 WHEN RECORDED, RETURN TO:

16 _____

17 NAME

18 _____

19 STREET ADDRESS

20 _____

21 CITY AND STATE

22 (13) THE INSTRUMENT OF REVOCATION SHALL BE SUFFICIENT IF IT

23 COMPLIES WITH OTHER APPLICABLE LAWS AND IS IN SUBSTANTIALLY THE

24 FOLLOWING FORM:

25 REVOCATION OF BENEFICIARY DEED

26 THE UNDERSIGNED HEREBY REVOKES THE BENEFICIARY DEED

27 RECORDED ON _____ (DATE), IN DOCKET OR BOOK _____

28 AT PAGE _____, OR INSTRUMENT NUMBER _____, RECORDS OF

29 _____ COUNTY, MICHIGAN.

30 DATED THIS _____ DAY OF _____, ____.

31 WITNESSES: _____ SIGNED BY:

1 _____

2 _____

3 _____

4 STATE OF MICHIGAN }

5 COUNTY OF _____ }

6 THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME

7 THIS _____ DAY OF _____ BY _____.

8 _____

9 _____ NOTARY PUBLIC,

10 _____ COUNTY, MICHIGAN

11 MY COMMISSION EXPIRES _____, _____.