

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senator Schuitmaker

ENROLLED SENATE BILL No. 901

AN ACT to amend 1978 PA 59, entitled "An act relative to condominiums and condominium projects; to prescribe powers and duties of the administrator; to provide certain protections for certain tenants, senior citizens, and persons with disabilities relating to conversion condominium projects; to provide for escrow arrangements; to provide an exemption from certain property tax increases; to impose duties on certain state departments; to prescribe remedies and penalties; and to repeal acts and parts of acts," by amending section 144 (MCL 559.244), as added by 1982 PA 538.

The People of the State of Michigan enact:

Sec. 144. (1) A contract to settle by arbitration may be executed by the developer and any claimant with respect to any claim against the developer that might be the subject of a civil action.

(2) At the exclusive option of a purchaser, co-owner, or person occupying a restricted unit under section 104b, the developer shall execute a contract to settle by arbitration any claim that might be the subject of a civil action against the developer, involves an amount less than \$2,500.00, and arises out of or relates to a purchase agreement, condominium unit, or project.

(3) At the exclusive option of the association of co-owners, the developer shall execute a contract to settle by arbitration any claim that might be the subject of a civil action against the developer, arises out of or relates to the common elements of a condominium project, and involves an amount of \$10,000.00 or less.

(4) The period of limitations prescribed by law for the bringing of a civil action applies to the execution of a contract to settle by arbitration under this section.

(5) All costs of arbitration under this section shall be allocated in the manner provided by the arbitration association.

(6) A contract to settle by arbitration under this section shall specify that the arbitration be conducted by the arbitration association.

(7) The arbitrator or arbitrators of an arbitration under this section shall be appointed as provided by reasonable rules of the arbitration association.

(8) Arbitration under this act shall proceed according to the uniform arbitration act. The procedures of the uniform arbitration act may be supplemented by reasonable rules of the arbitration association.

(9) An arbitration award entered in an arbitration under this section is binding on the parties to the arbitration.

Enacting section 1. This amendatory act takes effect July 1, 2013.

Enacting section 2. This amendatory act does not take effect unless Senate Bill No. 903 of the 96th Legislature is enacted into law.

Carol Morey Viventi

Secretary of the Senate

Gay E. Randall

Clerk of the House of Representatives

Approved

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Governor