

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 929

(As amended December 9, 2004)

[A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
by amending sections 2567, 3140, 3240, 6062, and 6066 (MCL 600.2567,
600.3150, 600.3240, 600.6062, and 600.6066), section 2567 as amended by
2002 PA 698 and section 3240 as amended by
2000 PA 380; and to repeal acts and parts of acts.]

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

[Sec. 2567. (1) Except as provided in subsection (3), a register of deeds is entitled to the following fees, which are not taxable as costs except as indicated:

(a) For entering and recording a deed, mortgage, certified copy of an attachment, notice of the pendency of a suit, or other instrument, \$8.00 for the first page and \$3.00 for each additional and succeeding page. The fee shall be paid when the deed, mortgage, certified copy of an attachment, notice of the pendency of a suit, or other instrument is left for record. ~~Until December 31, 2006, the~~ **The** register of deeds shall deposit \$5.00 of the total fee collected for each recording into the automation fund **if a fund has been** established under section 2568. For any document that assigns or discharges more than 1 instrument, \$3.00 shall be added to the recording fee for each additional instrument assigned or discharged.

(b) For copies of any records or papers, if required, \$1.00 per page, taxable as costs if otherwise allowed.

(c) For a seal to exemplification, \$1.00.

(d) For searching the records and files, on request, by the office of the register of deeds, 50 cents for each year for which grantor/grantee searches are made, with a minimum fee of \$5.00, except that the fee for tract index searches shall be based upon the cost of establishing and maintaining a tract index.

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(e) For filing every other paper, and making an entry of it, if necessary, \$1.00, unless otherwise specifically provided for.

(f) For searching for every other paper, on request, by the office of the register of deeds, \$1.00 for each paper examined.

(2) In addition to any other fees prescribed in subsection (1) or (3), a register of deeds shall collect a fee of \$2.00 for entering and recording a deed, mortgage, certified copy of an attachment, notice of the pendency of a suit, or other instrument. The fee shall be paid when the deed, mortgage, certified copy of an attachment, notice of the pendency of a suit, or other instrument is left for record.

(3) A charter county may impose a fee schedule by ordinance or resolution with different amounts than the amounts prescribed by subsection (1). A charter county shall not impose a fee that is greater than the cost of the service for which the fee is charged.

(4) As used in this section, "page" means 1 side of a single sheet of paper at least 8-1/2 inches by 11 inches in length and not exceeding 8-1/2 inches by 14 inches in length and not less than 20-pound weight.]

1 Sec. 3140. (1) The mortgagor, ~~his~~ **the mortgagor's** heirs,
 2 executors, **or** administrators, or any person lawfully claiming
 3 from or under ~~him or them~~ **the mortgagor or the mortgagor's**
 4 **heirs, executors, or administrators** may redeem the entire
 5 premises sold by paying, within 6 months from the time of the
 6 sale, to the purchaser ~~—his—~~ **or the purchaser's** executors,
 7 administrators, or assigns, or to the register of deeds in whose
 8 office the deed of sale is deposited as provided in the court
 9 rules, for the benefit of the purchaser, the sum which was bid

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1 with interest from the ~~time~~ **date** of the sale at the **interest**
 2 rate ~~percent borne~~ **provided for** by the mortgage.

3 (2) The vendee of a land contract, ~~his~~ **the vendee's** heirs,
 4 executors, **or** administrators, or any person lawfully claiming
 5 from or under ~~him or them~~ **the vendee or the vendee's heirs,**
 6 **executors, or administrators** may redeem the entire premises sold
 7 within 6 months from the time of the sale by paying to the
 8 purchaser ~~, his~~ **or the purchaser's** executors, administrators,
 9 or assigns, or to the register of deeds in whose office the deed
 10 of sale is deposited as provided in the court rules, for the
 11 benefit of the purchaser, the sum which was bid with interest
 12 from the ~~time~~ **date** of the sale at the **interest** rate ~~percent~~
 13 ~~borne~~ **provided for** by the land contract. ~~In case~~

14 (3) The register of deeds shall not determine the amount
 15 necessary for redemption. The purchaser shall attach an
 16 affidavit with the deed to be recorded under this section that
 17 states the exact amount required to redeem the property,
 18 including any daily per diem amounts, and the date by which the
 19 property must be redeemed shall be stated on the certificate of
 20 auctioneer. [

21
 22] The purchaser may include in the affidavit the
 23 name of a designee responsible on behalf of the purchaser to
 24 assist the person redeeming the property in computing the exact
 25 amount required to redeem the property. The designee may charge
 26 a fee as stated in the affidavit **[and may be authorized by the purchaser**
to receive redemption funds]. The purchaser shall accept the
 27 amount computed by the designee.

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1 **(4) If the sum for redemption** is paid to the register of
 2 deeds, ~~the sum of \$5.00 shall be paid to him as~~ a fee **of \$5.00**
 3 **shall be paid** for the care and custody of the redemption money.
 4 ~~After these sums have been paid~~

5 **(5) If payments are made as provided under this section,** the
 6 deed of sale is void. ~~and of no effect, but in case any~~ **If a**
 7 distinct lot or parcel separately sold is redeemed, leaving a
 8 portion of the premises unredeemed, then the deed of sale is
 9 ~~inoperative merely~~ **void only** as to the portion or portions of
 10 the premises which are redeemed. ~~and to the portions not~~
 11 ~~redeemed it remains valid and of full effect.~~

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

12 Sec. 3240. (1) A purchaser's deed is void if the mortgagor,
 13 the mortgagor's heirs, executors, or administrators, or any
 14 person lawfully claiming under the mortgagor ~~—~~ **or** the
 15 mortgagor's heirs, executors, or administrators redeems the
 16 entire premises sold by paying the amount required under
 17 subsection (2), within the applicable time limit prescribed in
 18 subsections (7) to (12), to the purchaser ~~—~~ **or** the purchaser's
 19 executors, administrators, or assigns, or to the register of
 20 deeds in whose office the deed is deposited for the benefit of
 21 the purchaser.

22 (2) The amount required to be paid under subsection (1) is
 23 the sum that was bid for the entire premises sold, with interest
 24 from the ~~time~~ **date** of the sale at the **interest** rate ~~percent~~
 25 ~~borne~~ **provided for** by the mortgage, together with the amount of
 26 the sheriff's fee paid by the purchaser under section 2558(2)(q),
 27 and an additional ~~\$3.00~~ **\$5.00** as a fee for the care and custody

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1 of the redemption money if the payment is made to the register of
 2 deeds. The register of deeds shall not determine the amount
 3 necessary for redemption. The purchaser shall attach an
 4 affidavit with the deed to be recorded under this section that
 5 states the exact amount required to redeem the property under
 6 this subsection, including any daily per diem amounts, and the
 7 date by which the property must be redeemed shall be stated on
 8 the certificate of sale. [

9

10] The purchaser may include in the
 11 affidavit the name of a designee responsible on behalf of the
 12 purchaser to assist the person redeeming the property in
 13 computing the exact amount required to redeem the property. The
 14 designee may charge a fee as stated in the affidavit [and may be
 authorized by the purchaser to receive redemption funds]. The
 15 purchaser shall accept the amount computed by the designee.

16 (3) If a distinct lot or parcel separately sold is redeemed,
 17 leaving a portion of the premises unredeemed, the deed shall be
 18 ~~inoperative~~ void only to the redeemed parcel or parcels. ~~and~~
 19 ~~to those portions that have not been redeemed the deed shall~~
 20 ~~remain valid.~~

21 (4) If after the sale the purchaser, the purchaser's heirs,
 22 executors, or administrators, or any person lawfully claiming
 23 under the purchaser ~~—~~ or the purchaser's heirs, executors, or
 24 administrators pays taxes assessed against the property, amounts
 25 necessary to redeem senior liens from foreclosure, condominium
 26 assessments, homeowner association assessments, community
 27 association assessments, or premiums on an insurance policy

1 covering any buildings located on the property that under the
2 terms of the mortgage it would have been the duty of the
3 mortgagor to pay if the mortgage had not been foreclosed and that
4 are necessary to keep the policy in force until the expiration of
5 the period of redemption, redemption shall be made only upon
6 payment of the sum specified in subsection (2) plus the amounts
7 specified in this subsection with interest on the amounts
8 specified in this subsection from the date of the payment to the
9 date of redemption at the **interest** rate specified in the
10 mortgage, if all of the following are filed with the register of
11 deeds with whom the deed is deposited:

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

15 (b) The receipt or copy of the canceled check evidencing the
16 payment of the taxes, amounts necessary to redeem senior liens
17 from foreclosure, condominium assessments, homeowner association
18 assessments, community association assessments, or insurance
19 premiums.

20 (c) An affidavit of an insurance agent of the insurance
21 company stating that the payment was made and what portion of the
22 payment covers the premium for the period ~~prior to~~ **before** the
23 expiration of the period of redemption.

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

1 senior lien as the mortgagor would have had against the senior
2 lien.

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

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

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

19 (9) For a mortgage on residential property not exceeding 4
20 units and not more than 3 acres in size, if the property is
21 abandoned as determined ~~pursuant to~~ **under** section 3241, the
22 redemption period is 3 months.

23 (10) For a mortgage on residential property not exceeding 4
24 units and not more than 3 acres in size, if the amount claimed to
25 be due on the mortgage at the date of the notice of foreclosure
26 is more than 66-2/3% of the original indebtedness secured by the
27 mortgage and the property is abandoned as determined ~~pursuant~~

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1 ~~to~~ **under** section 3241, the redemption period is 1 month.

2 (11) If the property is abandoned as determined ~~pursuant to~~
3 **under** section 3241a, the redemption period is 30 days.

4 (12) In any other case, the redemption period is 1 year from
5 the date of the sale.

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

6 Sec. 6062. (1) ~~Within~~ **Not later than** 1 year from the
7 ~~time~~ **date** when sale on execution is made, the real estate ~~se~~
8 sold or any distinct lot, tract, or portion that is separately
9 sold or the interest in real estate so sold ~~,~~ may be redeemed
10 by payment to the purchaser, ~~his~~ **to the purchaser's** personal
11 representatives or assigns, or to the officer who makes ~~such~~
12 **the** sale, or to the register of deeds in whose office such
13 certificate is recorded, for the use of ~~such~~ **the** purchaser, of
14 the sum of money bid on the sale of ~~such~~ **the** lot or tract,
15 together with the interest on that sum from the ~~time~~ **date** of
16 sale, computed at the **interest** rate ~~per cent per annum borne~~
17 **provided for** by the judgment under which ~~such~~ **the** sale was
18 made. **The register of deeds shall not determine the amount**
19 **necessary for redemption. The purchaser shall attach an**
20 **affidavit with the deed to be recorded under this section that**
21 **states the exact amount required to redeem the property,**
22 **including any daily per diem amounts, and the date by which the**
23 **property must be redeemed shall be stated in the certificate of**
24 **sale. [**

25

26 **] The purchaser may include in the affidavit the name of**
27 **a designee responsible on behalf of the purchaser to assist the**

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1 person redeeming the property in computing the exact amount
 2 required to redeem the property. The designee may charge a fee
 3 as stated in the affidavit **[and may be authorized by the purchaser to
 receive redemption funds]**. The purchaser shall accept the
 4 amount computed by the designee.

5 (2) Redemption may be made by **any of the following:**

6 (a) The person against whom the execution is issued ~~—~~ and
 7 whose right and title are sold in pursuance ~~thereof; or~~ **of the**
 8 **execution.**

9 (b) If ~~such~~ **the** person is dead, by his **or her** devisee of
 10 the premises sold, ~~if the same have been devised; and if the~~
 11 ~~same have not been devised~~ **and if there is no devisee**, by the
 12 executor or administrator with the approval of the judge of
 13 probate, ~~—~~ or by the **person's** heirs. ~~of such person; or~~

14 (c) By any grantee of ~~such~~ **the** person who acquires an
 15 absolute title by deed, sale under mortgage, or under an
 16 execution, or by any other means, to the premises sold ~~—~~ or to
 17 any lot, tract, parcel, or portion which is separately sold. ~~→~~
 18 ~~or~~

19 (d) The purchaser of the title and right of redemption of the
 20 person against whom the execution issues. ~~—~~ ~~or~~

21 (e) Any heir or devisee of ~~such~~ **the** person, or any grantee
 22 of ~~such~~ **the** heir or devisee, who acquires an absolute title to
 23 a portion of the estate sold, or to a portion of any lot, tract,
 24 or parcel that is separately sold, or the executor or
 25 administrator of ~~such~~ **the** person, with the approval of the
 26 judge of probate. ~~—~~ ~~and such~~ **The** person has the same remedy to
 27 enforce contribution from those who own the residue of the lot,

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1 tract, or parcel ~~,~~ as if the sum required to be paid by him or
 2 her to effect redemption was collected by a sale of the portion
 3 belonging to ~~such~~ the grantee. ~~,~~ or

4 (f) Each of several persons having undivided shares, as joint
 5 tenants or tenants in common, in the premises sold, or in any
 6 particular lot or tract sold, by paying to the purchaser or
 7 officer a sum that bears the same proportion to the whole sum bid
 8 for the premises or for the particular lot or tract as the share
 9 proposed to be redeemed bears to the whole number of shares of
 10 the premises, lot, or tract, together with the interest on ~~such~~
 11 the sum. ~~,~~ or

12 (g) A defendant lessee where the unexpired term of the lease
 13 exceeds 3 years at the date of sale on execution. ~~,~~ and on such
 14 On the redemption, the defendant is entitled to repossess,
 15 recover, and enjoy the premises from the execution purchaser or
 16 ~~his~~ the purchaser's assigns.

17 (3) Upon payment being made by any person so entitled to
 18 redeem any real estate so sold, the sale of the premises so
 19 redeemed and the certificate of ~~such~~ the sale and deed to the
 20 extent of the premises or shares so redeemed ~~,~~ shall be null
 21 and are void.

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

22 Sec. 6066. (1) The sums required to be paid ~~by the~~
 23 ~~foregoing provisions~~ under this act, to acquire the title of the
 24 original purchaser ~~,~~ or to become a purchaser from any
 25 creditor, may be paid to ~~such~~ the purchaser or creditor, to his
 26 or her representatives or assigns, or to the officer who made the
 27 sale ~~,~~ or to the register of deeds in whose office the

1 ~~certificate of sale is recorded,~~ for the use of the purchaser or
2 creditor entitled to the ~~same~~ **sums paid.**

3 (2) If the purchaser of any equity of redemption, or any
4 creditor having acquired the rights of ~~such~~ **the** purchaser,
5 shall pay the debt due on the mortgage, or the amount of any sale
6 of said premises sold on execution, or any part ~~thereof~~ **of the**
7 **property**, the amount ~~so~~ paid on the mortgage or execution sale
8 shall be paid, with interest, to ~~such~~ **the** purchaser or
9 creditor, in redeeming the premises, or purchasing the rights of
10 ~~such~~ **the** purchaser or creditor, as ~~the case may be according~~
11 ~~to the provisions of~~ **provided under** this chapter.

12 (3) Upon ~~such~~ payment being made, the title of the original
13 purchaser shall be ~~thereby~~ transferred to the creditor
14 acquiring ~~the same pursuant to~~ **title under** the foregoing
15 provisions ~~,~~ and from ~~such~~ **the** creditor to any other creditor
16 becoming a purchaser ~~thereof as hereinbefore provided~~ **of the**
17 **property.**

18 (4) **If an automation fund is created under section 2568, any**
19 **fees or charges collected by the register of deeds under this**
20 **section or section 3140, 3240, or 6062 shall be credited to the**
21 **automation fund.**

22 Enacting section 1. Sections 3272 and 6058 of the revised
23 judicature act of 1961, 1961 PA 236, MCL 600.3272 and 600.6058,
24 are repealed.