

HOUSE BILL No. 6402

August 24, 2010, Introduced by Rep. Opsommer and referred to the Committee on Regulatory Reform.

A bill to prohibit certain covenants attaching to real property; to prohibit the imposition of certain fees upon transfer of that real property; and to provide for remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act, "capital recovery fee" means any
2 fee or charge imposed upon a parcel of residential real property,
3 for any period of time, that requires any subsequent seller or
4 transferor of that real property to pay a fee to the developer,
5 whether a flat fee or a fee based upon a percentage of the selling
6 price or other quantitative numerical figure or sum.

7 Sec. 2. The owner or developer, or both, of residential real
8 property shall not impose directly or indirectly, by means of a

1 covenant or contract, a capital recovery fee.

2 Sec. 3. (1) Any person aggrieved by the imposition of a
3 capital recovery fee, whether the original or subsequent transferee
4 or purchaser, may bring an action in a court of competent
5 jurisdiction for clearing the title and voiding the capital
6 recovery fee, including any other equitable relief requested and
7 granted by the court.

8 (2) In a successful action brought under subsection (1), the
9 court may award costs of bringing and completing the action and
10 actual reasonable attorney fees.