

SELECT MICHIGAN REAL ESTATE TOPICS



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WHAT CONSTITUTES MICHIGAN REAL ESTATE

1. Introduction

- a. Property is anything that may be the subject of ownership. *Real property* or *real estate* (used interchangeably throughout this outline) refers to land and rights and objects pertaining to the land. The distinction between real estate and all other property is significant because an entire body of law applies only to the ownership, conveyancing, encumbrance, and regulation of real estate.
- b. The concept of real estate is many times thought of as a “bundle of sticks.”
 - i. The bundle includes not just the various physical components such as:
 - (1) -the ground;
-the air above the ground;
-and the minerals below it;
 - (2) but also its intangible parts such as various ways and times in which the physical components can be owned occupied enjoyed and used.

2. A General Principle of Classification

- a. What makes some property rights real estate and others not? Whenever they have been faced with this question, the Michigan courts have generally tried to ascertain whether the particular item of tangible property or the particular land use right arises out of, or is closely tied to, the land.
 - i. Does it grow from the land? Would it not continue to exist if it weren't for the land?
 - (1) Timber? Yes, real property: “[s]tanding timber is real estate” since “[i]t is a part of the realty the same as the soil from which it grows.” *Kerschenteiner v Northern Michigan Land Co*, 244 Mich 403, 221 NW 332 (1928)
 - (a) However, if the timber was planted solely for harvesting, a court is likely to find it to be a crop, and therefore personal property as opposed to real property. Modern courts tend to find that annual crops are personal property.
 - (2) Ice? No, personal property: because the ice already formed on water, it drew nothing from the land, had no permanent or beneficial use as part of the soil, and was only “valuable when removed from its original place.” *Higgins v Kusterer*, 41 Mich 318, 325, 2 NW 13 (1879).

- (a) However, future uses or entitlements to collect ice forming on riparian waters might constitute real estate. Whereas, the rents and profits collected and the ice actually formed, however, would likely not constitute real property.
- (3) Confusing? Yes, if you let it be. How does it affect you? What about buying a house? What's included?
- (a) Real property or personal property?
 - (i) Stove?
 - (ii) Furnace?
 - (iii) Ceiling fan?
 - (iv) Carpet?
 - (v) Pool?
 - (vi) Cupboards?

DISPUTES INVOLVING THE SCOPE OF RIGHTS TO USE LAND

1. Generally
 - a. People who sell or lease land often specify little more than the legal description of the property (e.g. "Lot 14 of Lauren Hills Subdivision")
 - b. A simple sale of land can raise several questions:
 - i. Does the sale pass title to the buildings on the land?
 - ii. If the land borders a lake, does the purchaser receive any rights in or to the use of the lake, even though the lake is not mentioned in the legal description?
 - iii. What about the oil, gas, and/or minerals located beneath the land, or the trees and crops growing on it?
2. Buildings and Improvements (the concept of "fixtures")
 - a. Buildings and improvements constitute fixtures and are therefore treated as real estate for purposes of conveyances.
 - b. A transfer of land, absent exclusionary language, also transfers all title and interest to buildings and improvements located on the land.
3. Riparian and Littoral Rights (water)
 - a. A whole variety of riparian and littoral rights that constitute real estate in Michigan.
 - b. Riparian and littoral rights refer to the rights enjoyed by a landowner whose land borders a lake or watercourse.
 - i. Technically speaking, rights associated with a lake are *littoral rights*, while rights associated with rivers and streams are "*riparian rights*." *Theis v Howland*, 424 Mich 282, 380 NW2d 463 (1985).
 - ii. However, it is not uncommon for Michigan courts, attorneys and residents to use the terms interchangeably. Most often the term *riparian rights* is used to refer broadly to all rights associated with both rivers and lakes and is used that way in this outline.
 - c. Riparian rights *are real estate* and automatically attach to most land that is in physical contact with a natural lake or watercourse. *Thompson v Enz*, 379 Mich 667, 154 NW2d 473 (1967).

- i. Riparian rights do not generally arise from watercourses or from land bordering on one of the Great Lakes.
- d. Riparian rights include ownership rights in the bed of the lake or watercourse (bottomlands) to the center of the lake or to the thread of the watercourse. *Theis, supra.*
 - i. Michigan law assumes that legal description which describes a boundary of a parcel of land running along the shore of a particular lake or watercourse conveys to the center of the lake or thread.
 - ii. This can be overcome by express language to the contrary in a deed or lease.
 - iii. Riparian rights also include a variety of other use rights: swimming; bathing; wading; water skiing; ice skating; the right to use the water for domestic purposes; the right to use the surface of the lake or watercourse to provide access to navigation.

4. Minerals

- a. Minerals already in place constitute real estate. Therefore, absent an express reservation in a deed, minerals pass with a transfer of the land. *Winter v State Highway Comm'r*, 376 Mich 11, 135 NW2d 364 (1965).
- b. Oil and gas, to the extent that they are not considered minerals, also constitute real estate, provided that they have not been severed from the land. *Mark v Bradford*, 315 Mich 50, 23 NW2d 201 (1946).
- c. Unsevered gravel is real estate. *Rolland Township v Pakes*, 226 Mich 284, 197 NW 525 (1924).

5. Timber and Crops

- a. Standing timber constitutes real estate. Title to timber passes with the land when it is transferred. *Burnham v Kelley*, 299 Mich 452, 300 NW 127 (1941).
 - i. Except where planted for the purpose of harvesting (e.g. Christmas tree farm for commercial purpose).
- b. Timber that has been severed from the land is personal property.
- c. Crops are somewhat less certain.

- i. As a general rule, unsevered and growing crops have typically been held to be real estate. Accordingly, absent a reservation in a conveyancing instrument (i.e. deed), title to the crops passes with the land.
- ii. However, courts have bent this generally accepted rule in order to achieve equitable outcomes. For purposes of avoiding the statute of frauds (discussed later) or avoiding some type of manifest injustice, some courts have allowed an oral reservation of crops to stand. *Blough v Steffens*, 349 Mich 365, 84 NW2d 854 (1957).
 - (1) In holding as such, courts have emphasized the commercial, annual nature of a crop, which they claim makes it more like personal property than real property.

THE STATUTE OF FRAUDS

Why do we need to determine whether property is *real property* or *personal property*?

1. Determining whether property is *real* or *personal* makes a big difference in how we treat a transaction from a contract standpoint.
2. Michigan's statute of frauds is codified at MCL 566.106, et seq. MCL 566.106 reads as follows:

No estate or interest in lands, other than leases for a term not exceeding 1 year, nor any trust or power over or concerning lands, or in any manner relating thereto, shall hereafter be created, granted, assigned, surrendered or declared, unless by act or operation of law, or by a deed or conveyance in writing, subscribed by the party creating, granting, assigning, surrendering or declaring the same, or by some person thereunto by him lawfully authorized by writing.

 - a. What does this all mean? In short, *PUT IT IN WRITING!*
 - b. If property constitutes real estate, it falls within the statute of frauds, as there are no reported Michigan decisions that hold that real property does not fall within the statute of frauds.
 - c. Based on the old maxim that *the faintest ink is better than the best memory* - To that end, the purpose of the statute of frauds is to prevent disputes over the terms of an alleged oral contract. *Kelsey v McDonald*, 76 Mich 188, 42 NW 1103 (1889).
 - i. A written document is required!
 - d. Statute of fraud applies to, among other items, leases greater than one year, real estate sales contracts, conveyances of any interest in real estate, and agreements that, by their terms are not to be performed within one year.
 - i. Most important to this discussion are contracts for the sale of land and leases that exceed one year.
 - (1) Real estate sale contracts must be signed by the seller or they are *VOID*. Interestingly, they need only be signed by the seller.
 - (2) To satisfy the statute of frauds the contract must be (1) in writing and (2) signed by the seller or someone lawfully authorized in writing by the seller.

- (a) “All owners of jointly held property must sign a contract conveying an interest in the property; the absence of a signature by a co-owner renders the contract *VOID*.” *Forge v Smith*, 458 Mich 198, 206, 580 MW2d 876 (1998), emphasis added.
- (b) Michigan courts have not adopted a strict set of rules for compliance with the statute of frauds. Rather, a case-by-case approach has been adopted over time. *Opdyke Inv Co v Norris Grain Co*, 413 Mich 354, 320 NW2d 836 (1982).

DEFINITION OF TITLE

1. Blacks Law Dictionary (5 ed, 1990) defines *title* as it relates to real property law, as follows:

The formal right of ownership of property. Title is the means whereby the owner of lands has the just possession of his property. The union of all the elements which constitute ownership. Full independent and fee ownership. The right to or ownership in land; also, the evidence of such ownership. Such ownership may be held individually, jointly, in common, or in cooperate or partnership form. One who holds vested rights in property is said to have title whether he holds them for his own benefit or for the benefit of another.

OVERVIEW OF MICHIGAN RESIDENTIAL FORECLOSURE LAW¹

1. Key terms
 - a. Mortgagee - one who lent money to the borrower to purchase property (i.e. bank)
 - b. Mortgagor - one who borrowed money to purchase property (i.e. buyer/purchaser)
2. Generally two types of residential mortgage foreclosures in Michigan
 - a. Judicial Foreclosure
 - i. Involves the filing of an action (lawsuit) in the circuit court of the county in which the real estate is located.
 - ii. Much less common than foreclosure by advertisement.
 - (1) typically used when:
 - (a) a lender needs a receiver appointed
 - (b) there is a potential dispute among competing lien holders
 - (c) there is a dispute by the borrower as to whether a default really exists
 - b. Foreclosure by Advertisement
 - i. Involves the foreclosure of real estate via publication in a local newspaper
 - ii. most common method of foreclosure on residential property
 - iii. no judicial action (lawsuit) is required to complete the foreclosure
 - (1) however, recovery of possession via summary proceedings (i.e. landlord/tenant hearing) may be necessary to remove occupants after foreclosure is complete

¹ This outline will focus solely on foreclosure by advertisement, as it is the most common form of foreclosure for residential property. Additionally, all materials assume that the mortgage was executed on or after January 1, 1965, and was given for residential property.

3. Foreclosure by Advertisement - Generally

- a. foreclosure by advertisement in Michigan is governed by MCL 600.3201 which reads as follows:

“Every mortgage of real estate, which contains a power of sale, upon default being made in any condition of such mortgage, may be foreclosed by advertisement, in the cases and in the manner specified in this chapter. However, the procedures set forth in this chapter shall not apply to mortgages of real estate held by the Michigan state housing development authority.”

- b. Accordingly, in order for a mortgagee (one who holds the mortgage, i.e. a lender or their assignee) to foreclose a mortgage by advertisement, the mortgage must contain a *power of sale*.

- i. nearly all modern day mortgages contain a power of sale allowing the mortgage to be foreclosed by advertisement

(1) Sample clause: “On the occurrence of any such event of default and Mortgagee’s election to accelerate the Indebtedness, Mortgagee shall be authorized and empowered to sell or cause to be sold the Premises and to convey them to a purchaser, pursuant to the applicable statute, and out of the proceeds of such sale to retain the moneys due under the terms of this Mortgage and the costs and expenses of the sale, including attorney fees provided for in this Mortgage or by statute, rendering the surplus money, if any, to Mortgagor, as provided by law.”

- c. Generally speaking, by the time a mortgage is foreclosed, the borrower has fallen behind in payments by several months.

- i. borrower has usually received multiple notices regarding past due payments

- ii. borrower may have been offered the opportunity to simply sign over their home to the lender and walk away

(1) this is often referred to as a *deed in lieu of foreclosure*

- (a) the debt forgiven by the bank, if any, is often taxable income to the borrower

(b) congress is attempting to change this

(2) many times the unwary homeowner/borrower will sign over their home only to later find out that the bank is suing them for a deficiency judgment (discussed later)

4. Foreclosure by Advertisement - Steps

a. Publication of notice

i. most have seen these ads in the legal notices section of the newspaper

ii. notice must run once a week for four consecutive weeks in a newspaper that is published in the county where the property is located

(1) newspaper must meet certain minimum requirements

iii. within 15 days of after the notice is first published, a true copy of it must be posted in a conspicuous place on the property (e.g. front door)

iv. publication must contain the following at a minimum:

(1) names of mortgagor (borrower), the original mortgagee (lender), and the foreclosing assignee (i.e. if mortgage has been sold and assigned), if any;

(2) date of the mortgage and the date it was recorded;

(3) amount claimed to be due on the mortgage and the date of the notice;

(4) a description of the property (generally will see both a common and legal description);

(5) length of the redemption period (how long the borrower has to redeem the property before losing the property to the buyer at the sheriff's sale)

(6) notice will generally include other items:

(a) who is handling the foreclosure (i.e. attorney and/or law firm name);

- (b) when and where the property will be sold;
- v. a slight irregularity in the form of the notice will not typically invalidate a sale (*Guardian Depositors' Corp v Keller*, 268 Mich 403, 282 NW 194 (1938))
- b. Sale / Sheriff's Sale
 - i. Generally
 - (1) 28 days must pass after the first publication of the notice (Michigan Land Title Standards)
 - (2) sale is often conducted by a sheriff or deputy sheriff
 - (3) sale takes place at the circuit courthouse in the county where the property is located
 - (4) sale may be adjourned by the mortgagee by posting notice prior to, or at sale
 - (a) may require additional publication if adjournment is for period longer than one week
 - ii. bidding on the property at the sale
 - (1) generally the mortgagee is the high and/or only bidder, bidding what they are owed on the mortgage plus any costs and fees
 - (a) a mortgagee need not pay cash unless their bid exceeds what they are owed
 - (2) anyone is able to bid at the sale
 - (a) a bidder other than the mortgagee must pay cash or other certified funds at the sale
 - iii. following sale, sheriff's deed is delivered to register of deeds
 - (a) sheriff's deed indicates when the deed will become operative (i.e. when the redemption period expires)

- (b) if the property is not redeemed the deed becomes operative
- iv. redemption price/period (i.e. how long a borrower has to get their property back)
 - (1) redemption price is the sum of the amount bid at the sale, plus interest from the time of sale at the rate set forth in the mortgage (generally the default rate in the mortgage)
 - (a) condo assessments, homeowner association assessments, and the like may also be added in
 - (b) any insurance and taxes paid by the purchaser may also be added
 - (c) sheriff's fee of \$50 and an additional \$5 if the redemption price is paid to the register of deeds
 - (d) if the property is redeemed, the sheriff's deed is marked redeemed or is destroyed and thereafter is void
 - (2) redemption period is proscribed by MCL 600.3240 as follows:
 - (a) for multifamily property in excess of 4 units = 6 months from time of sale
 - (b) not exceeding 4 units and not more than 3 acres in size:
 - (i) if the amount claimed due on the mortgage at the date of the notice of foreclosure is $> 6\frac{2}{3}\%$ = 6 months
 - 1) if also abandoned = 1 month
 - (ii) if $< 6\frac{2}{3}\%$ = 1 year
 - (c) if abandoned = 30 days
 - (d) if abandoned = 3 months

- (e) in any other case = 1 year
- v. surplus / deficiency after sale
 - (1) after a foreclosure sale, if any surplus money remains (i.e. the property fetched more at auction than that which was owed), the mortgagor/borrower is entitled to the excess unless additional claimants exist
 - (2) if there is a deficiency after the sale (i.e. the property does not bring at auction at least what is owed), the mortgagee/lender may bring a lawsuit to recover the deficiency
- c. foreclosure's affect on junior liens/priorities
 - (1) liens created before the mortgage are not affected by the sale
 - (2) with few exceptions, liens created after the mortgage (i.e. second mortgage, home equity loan) are extinguished
 - (a) this is not the equivalent of the debt being extinguished
 - (b) debt remains, only the security created by the mortgage is extinguished
- d. recovering possession after foreclosure
 - i. once redemption period has run/expired, the mortgagee/lender/successful bidder is entitled to possession of the property
 - ii. mortgagee/lender/successful bidder files a summary proceedings action in the district court having jurisdiction over the location of the property (i.e. City of Lansing = 54A District Court)
 - (1) this action is treated just like a landlord/tenant action, and is for all intents and purposes a landlord/tenant action, as the law treats the previous owner of the property as a tenant
 - (2) generally speaking it will take the mortgagee/lender/successful bidder 2-4 weeks from the date of filing to obtain a writ to have the former owner removed from the property (assuming they do not do so on their own)

- (3) mortgagor/borrower may challenge the entire foreclosure process at this stage
 - (a) normally district courts do not have equitable powers
 - (b) in this case, the courts have held that if a mortgagor/borrower was not able to challenge at this stage, he/she/they would be without a judicial remedy

OVERVIEW OF EASEMENTS

1. Definition: generally the term “easement” covers a property right that either encumbers/binds or enhances a parcel of property.
 - a. Case law:
 - i. An easement is one person’s right to use the land of someone else for a specific purpose. *Eyde v State*, 82 Mich App 531, 267 NW2d 442 (1978).
 - ii. “An easement has been defined as a privilege or advantage in land without profit, existing distinct from the ownership of the soil. It is a right which one person has to use the land of another for a specific purpose.” *St Cecelia Soc v Universal Car and Service Co*, 213 Mich 569; 182 NW 161 (1921).
 - iii. The right of one party to profit or benefit from or to make lawful use of the estate of another as specified while the owner of the burdened parcel still maintains the right of possession. *Rusk v Grande*, 332 Mich 665, 52 NW2d 548 (1952).
 - b. Restatement of Property:
 - i. An interest in land in possession of another which:
 - (1) entitles the owner of such interest to a limited use or enjoyment of the land in which the interest exists;
 - (2) entitles he/she to protection as against third persons from interference in such use or enjoyment;
 - (3) is not subject to the will of the possessor of the land;
 - (4) is not a normal incident of the possession of any land possessed by the owner of the interest; and,
 - (5) is capable of creation by conveyance
2. Characteristics of Easements
 - a. Two parts to an easement:

- i. Dominant estate/tenement
 - (1) land served or benefitted by an easement
- ii. Servient estate/tenement
 - (1) land burdened by an easement
- b. Easements are an interest in land - so generally need a writing to satisfy the statute of frauds
 - i. exceptions: can arise by prescriptive easement, implication
- c. one of the “sticks” out of the “bundle”
- d. distinguishable from a fee interest.
- e. does not displace the general possession of the landowner (servient estate) (*Unverzagt v Miller*, 306 Mich 260, 10 NW2d 849 (1943))
 - i. the owner of the servient tenement may use his or her fee interest for any purpose not inconsistent with the grant (*Unverzagt*, supra; *Lee v Fidelity Life & Mutual Insurance Co*, 2 Mich App 82, 138 NW2d 545 (1965))
- f. Typically specific in nature
 - i. Extent, scope, maintenance, exclusivity
- g. Easements in Gross (for the benefit of a particular person)
 - i. a personal privilege to make use of another’s land
 - ii. not appurtenant to a dominant estate and is therefore not normally assignable or inheritable (see exceptions for railroads and utility companies *Johnston v Michigan Consolidated Gas Co*, 337 Mich 572, 60 NW2d 464 (1953); *Stockdale v Yerden*, 220 Mich 444, 190 NW 225 (1922))
 - iii. typical example involves a utility easement
 - iv. easement will never be presumed to be a personal right where it can be construed as appurtenant (*Summers v Harbor Hills Assoc*, 351 Mich 195, 88 NW2d 478 (1958))

h. Easement Appurtenant

i. “a pure easement, or easement proper”

(1) one that belongs to whomever owns the dominant estate to which the benefit of the easement attaches

ii. passes with the dominant estate to all subsequent grantees, and is inheritable

iii. for the benefit of a parcel of real estate

(1) “Where an owner conveys part of his land and reserves an easement over it, without specifying that such easement is to be appurtenant to land retained by him, the surrounding circumstances, including the adjacency of the way to the land retained, may be considered by the court in order to ascertain the intention that the easement was intended to be appurtenant thereto. *Myers v Spencer*, 318 Mich 155, 162, 27 NW2d 672 (1947).

3. Distinguishable from a license.

(key idea - easement creates an interest in land, while a license does not)

a. License - An interest in land which grants permission to do something upon the land of the licensor without granting any permanent interest in the land.

i. common examples: tickets to a ball game, parking rights

b. *In general*, unlike an easement, a license:

i. is a privilege rather than a right or interest in land

ii. can be created without the same formalities that are necessary for creating an easement, since it is not an interest in land

iii. may be oral

iv. may be created without consideration

v. is not assignable unless the licensor consents

vi. cannot be sold or transferred with respect to the land

- vii. cannot be passed to one's heirs
- viii. is revocable at the will of the licensor
 - (1) licenses cannot be revoked if there is a document that establishes same, and consideration has been paid.
- ix. is terminated when the licensor conveys property over which the license has been granted
- x. if revoked, continued use could ripen into a prescriptive easement
 - (1) permissive use (easement) cannot ripen into adverse use
- c. Caution!
 - i. license may be created when the kind of interest that would normally be the subject of an easement is granted, but the requirements for the creation of an easement are not met.

4. Distinguishable from a tenancy or lease

- a. tenancy exists where one has leased real estate to another
- b. tenant is essentially the owner of the property for a period of time
 - i. typically has the rights normally associated with ownership
- c. Tenancy displaces the general possession of the owner of the land completely for all uses not prohibited by a lease
 - i. an easement holder is entitled to a qualified possession only - only so far as to be needful for his enjoyment *Unverzagt, supra.*

*This outline draws heavily from Michigan Real Property Law, Principles and Commentary, 3d ed, 2005, supp 2006, John G. Cameron, Jr. Mr. Hicks wishes to thank Mr. Cameron for granting permission to use his text.

SUPPLEMENTAL MATERIALS

1. Michigan's Landlord Tenant Court Rules
2. Michigan Statutory Recording Requirements
3. Michigan Register of Deeds Recording Fee Schedule
4. Michigan Department of Treasury Annual Tax Sale Title Information
5. Various Property Description Materials

Michigan Compiled Laws Annotated Currentness
Michigan Court Rules of 1985
Chapter 4. District Court
 § Subchapter 4.200. Landlord-Tenant Proceedings; Land Contract Forfeiture

→ RULE 4.201 SUMMARY PROCEEDINGS TO RECOVER POSSESSION OF PREMISES

(A) Applicable Rules; Forms. Except as provided by this rule and MCL 600.5701 *et seq.*, a summary proceeding to recover possession of premises from a person in possession as described in MCL 600.5714 is governed by the Michigan Court Rules. Forms available for public distribution at the court clerk's office may be used in the proceeding.

(B) Complaint.

(1) *In General.* The complaint must

- (a) comply with the general pleading requirements;
- (b) have attached to it a copy of any written instrument on which occupancy was or is based;
- (c) have attached to it copies of any notice to quit and any demand for possession (the copies must show when and how they were served);
- (d) describe the premises or the defendant's holding if it is less than the entire premises;
- (e) show the plaintiff's right to possession and indicate why the defendant's possession is improper or unauthorized; and
- (f) demand a jury trial, if the plaintiff wishes one. The jury trial fee must be paid when the demand is made.

(2) *Specific Requirements.*

- (a) If rent or other money is due and unpaid, the complaint must show
 - (i) the rental period and rate;
 - (ii) the amount due and unpaid when the complaint was filed; and
 - (iii) the date or dates the payments became due.
- (b) If the tenancy involves housing operated by or under the rules of a governmental unit, the complaint must contain specific reference to the rules or law establishing the basis for ending the tenancy.
- (c) If the tenancy is of residential premises, the complaint must allege that the lessor or licensor has performed his or her covenants to keep the premises fit for the use intended and in reasonable repair during the term of the

MCR 4.201

lease or license, unless the parties to the lease or license have modified those obligations.

(d) If possession is claimed for a serious and continuing health hazard or for extensive and continuing physical injury to the premises pursuant to MCL 600.5714(1)(c), the complaint must

- (i) describe the nature and the seriousness or extent of the condition on which the complaint is based, and
- (ii) state the period of time for which the property owner has been aware of the condition.

(e) If possession is sought for trespass pursuant to MCL 600.5714(1)(d), the complaint must describe, when known by the plaintiff, the conditions under which possession was unlawfully taken or is unlawfully held and allege that no lawful tenancy of the premises has existed between the parties since defendant took possession.

(C) Summons.

(1) The summons must comply with MCR 2.102, except that it must command the defendant to appear for trial in accord with MCL 600.5735(2), unless by local court rule the provisions of MCL 600.5735(4) have been made applicable.

(2) The summons must also include the following advice to the defendant:

(a) The defendant has the right to employ an attorney to assist in answering the complaint and in preparing defenses.

(b) If the defendant does not have an attorney but does have money to retain one, he or she might locate an attorney through the State Bar of Michigan or a local lawyer referral service.

(c) If the defendant does not have an attorney and cannot pay for legal help, he or she might qualify for assistance through a local legal aid office.

(d) The defendant has a right to a jury trial which will be lost unless it is demanded in the first defense response, written or oral. The jury trial fee must be paid when the demand is made, unless payment of fees is waived or suspended under MCR 2.002.

(D) Service of Process. A copy of the summons and complaint and all attachments must be served on the defendant by mail. Unless the court does the mailing and keeps a record, the plaintiff must perfect the mail service by attaching a postal receipt to the proof of service. In addition to mailing, the defendant must be served in one of the following ways:

(1) By a method provided in MCR 2.105;

(2) By delivering the papers at the premises to a member of the defendant's household who is

- (a) of suitable age,
- (b) informed of the contents, and
- (c) asked to deliver the papers to the defendant; or

(3) After diligent attempts at personal service have been made, by securely attaching the papers to the main entrance of the tenant's dwelling unit. A return of service made under subrule (D)(3) must list the attempts at

MCR 4.201

personal service. Service under subrule (D)(3) is effective only if a return of service is filed showing that, after diligent attempts, personal service could not be made. An officer who files proof that service was made under subrule (D)(3) is entitled to the regular personal service fee.

(E) Recording. All landlord-tenant summary proceedings conducted in open court must be recorded by stenographic or mechanical means, and only a reporter or recorder certified under MCR 8.108(G) may file a transcript of the record in a Michigan court.

(F) Appearance and Answer; Default.

(1) *Appearance and Answer.* The defendant or the defendant's attorney must appear and answer the complaint by the date on the summons. Appearance and answer may be made as follows:

(a) By filing a written answer or a motion under MCR 2.115 or 2.116 and serving a copy on the plaintiff or the plaintiff's attorney. If proof of the service is not filed before the hearing, the defendant or the defendant's attorney may attest to service on the record.

(b) By orally answering each allegation in the complaint at the hearing. The answers must be recorded or noted on the complaint.

(2) *Right to an Attorney.* If either party appears in person without an attorney, the court must inform that party of the right to retain an attorney. The court must also inform the party about legal aid assistance when it is available.

(3) *Jury Demand.* If the defendant wants a jury trial, he or she must demand it in the first response, written or oral. The jury trial fee must be paid when the demand is made.

(4) *Default.*

(a) If the defendant fails to appear, the court, on the plaintiff's motion, may enter a default and may hear the plaintiff's proofs in support of judgment. If satisfied that the complaint is accurate, the court must enter a default judgment under MCL 600.5741, and in accord with subrule (K). The default judgment must be mailed to the defendant by the court clerk and must inform the defendant that (if applicable)

(i) he or she may be evicted from the premises;

(ii) he or she may be liable for a money judgment.

(b) If the plaintiff fails to appear, a default judgment as to costs under MCL 600.5747 may be entered.

(c) If a party fails to appear, the court may adjourn the hearing for up to 7 days. If the hearing is adjourned, the court must mail notice of the new date to the party who failed to appear.

(G) Claims and Counterclaims.

(1) *Joinder.*

(a) A party may join:

(i) A money claim or counterclaim described by MCL 600.5739. A money claim must be separately stated in the complaint. A money counterclaim must be labeled and separately stated in a written answer.

MCR 4.201

- (ii) A claim or counterclaim for equitable relief.
- (b) If personal jurisdiction over the defendant was not obtained, a money claim must be
 - (i) dismissed without prejudice if the defendant does not answer or appear, or
 - (ii) adjourned until personal jurisdiction over the defendant is obtained.
- (c) A court with a territorial jurisdiction which has a population of more than 1,000,000 may provide, by local rule, that a money claim or counterclaim must be tried separately from a claim for possession unless joinder is allowed by leave of the court pursuant to subrule (G)(1)(e).
- (d) If trial of a money claim or counterclaim
 - (i) might substantially delay trial of the possession claim, or
 - (ii) requires that the premises be returned before damages can be determined, the court must adjourn the trial of the money claim or counterclaim to a date no later than 28 days after the time expires for issuing an order of eviction. A party may file and serve supplemental pleadings no later than 7 days before trial, except by leave of the court.
- (e) If adjudication of a money counterclaim will affect the amount the defendant must pay to prevent issuance of an order of eviction, that counterclaim must be tried at the same time as the claim for possession, subrules (G)(1)(c) and (d) notwithstanding, unless it appears to the court that the counterclaim is without merit.

(2) *Removal.*

- (a) A summary proceedings action need not be removed from the court in which it is filed because an equitable defense or counterclaim is interposed.
- (b) If a money claim or counterclaim exceeding the court's jurisdiction is introduced, the court, on motion of either party or on its own initiative, shall order removal of that portion of the action to the circuit court, if the money claim or counterclaim is sufficiently shown to exceed the court's jurisdictional limit.

(H) Interim Orders. On motion of either party, or by stipulation, for good cause, a court may issue such interim orders as are necessary, including, but not limited to the following:

(1) *Injunctions.* The interim order may award injunctive relief

- (a) to prevent the person in possession from damaging the property; or
- (b) to prevent the person seeking possession from rendering the premises untenable or from suffering the premises to remain untenable.

(2) *Escrow Orders.*

- (a) If trial is adjourned more than 7 days and the plaintiff shows a clear need for protection, the court may order the defendant to pay a reasonable rent for the premises from the date the escrow order is entered, including a pro rata amount per day between the date of the order and the next date rent ordinarily would be due. In determining a reasonable rent, the court should consider evidence offered concerning the condition of the premises or other relevant factors. The order must provide that:

MCR 4.201

(i) payments be made to the court clerk within 7 days of the date of entry of the order, and thereafter within 7 days of the date or dates each month when rent would ordinarily be due, until the right to possession is determined;

(ii) the plaintiff must not interfere with the obligation of the defendant to comply with the escrow order; and

(iii) if the defendant does not comply with the order, the defendant waives the right to a jury trial only as to the possession issue, and the plaintiff is entitled to an immediate trial within 14 days which may be by jury if a party requests it and if, in the court's discretion, the court's schedule permits it. The 14-day limit need not be rigidly adhered to if the plaintiff is responsible for a delay.

(b) Only the court may order the disbursement of money collected under an escrow order. The court must consider the defendant's defenses. If trial was postponed to permit the premises to be repaired, the court may condition disbursement by requiring that the repairs be completed by a certain time. Otherwise, the court may condition disbursement as justice requires.

(I) Consent Judgment When Party Is Not Represented. The following procedures apply to consent judgments and orders entered when either party is not represented by an attorney.

(1) The judgment or order may not be enforced until 3 regular court business days have elapsed after the judgment or order was entered. The judge shall review, in court, a proposed consent judgment or order with the parties, and shall notify them of the delay required by this subrule at the time the terms of the consent judgment or order are placed on the record.

(2) A party who was not represented by an attorney at the time of the consent proceedings may move to set aside the consent judgment or order within the 3- day period. Such a motion stays the judgment or order until the court decides the motion or dismisses it after notice to the moving party.

(3) The court shall set aside a consent judgment or order on a satisfactory showing that the moving party misunderstood the basis for, or the rights which were being relinquished in, the judgment or order.

(J) Trial.

(1) *Time.* When the defendant appears, the court may try the action, or, if good cause is shown, may adjourn trial up to 56 days. If the court adjourns trial for more than 7 days, an escrow order may be entered pursuant to subrule (H)(2). The parties may adjourn trial by stipulation in writing or on the record, subject to the approval of the court.

(2) *Pretrial Action.* At trial, the court must first decide pretrial motions and determine if there is a triable issue. If there is no triable issue, the court must enter judgment.

(3) *Government Reports.* If the defendant claims that the plaintiff failed to comply with an ordinance or statute, the court may admit an authenticated copy of any relevant government employee's report filed with a government agency. Objections to the report affect the weight given it, not its admissibility.

(4) *Payment or Acceptance of Money.* The payment or the acceptance of money by a party before trial does not necessarily prevent or delay the proceedings.

(K) Judgment.

(1) *Requirements.* A judgment for the plaintiff must

MCR 4.201

- (a) comply with MCL 600.5741;
- (b) state when, and under what conditions, if any, an order of eviction will issue;
- (c) separately state possession and money awards; and
- (d) advise the defendant of the right to appeal or file a postjudgment motion within 10 days.

If the judgment is in favor of the defendant, it must comply with MCL 600.5747.

(2) *Injunctions*. The judgment may award injunctive relief

- (a) to prevent the person in possession from damaging the property; or
- (b) to prevent the person seeking possession from rendering the premises untenable, or from suffering the premises to remain untenable.

(3) *Partial Payment*. The judgment may provide that acceptance of partial payment of an amount due under the judgment will not prevent issuance of an order of eviction.

(4) *Costs*. Only those costs permitted by MCL 600.5759 may be awarded.

(5) *Notice*. The court must mail or deliver a copy of the judgment to the parties. The time period for applying for the order of eviction does not begin to run until the judgment is mailed or delivered.

(L) Order of Eviction.

(1) *Request*. When the time stated in the judgment expires, a party awarded possession may apply for an order of eviction. The application must:

- (a) be written;
- (b) be verified by a person having knowledge of the facts stated;
- (c) if any money has been paid after entry of the judgment, show the conditions under which it was accepted; and
- (d) state whether the party awarded judgment has complied with its terms.

(2) *Issuance of Order of Eviction and Delivery of Order*. Subject to the provisions of subrule (L)(4), the order of eviction shall be delivered to the person serving the order for service within 7 days after the order is filed.

(3) *Issuance Immediately on Judgment*. The court may issue an order immediately on entering judgment if

- (a) the court is convinced the statutory requirements are satisfied, and
- (b) the defendant was given notice, before the judgment, of a request for immediate issuance of the order.

The court may condition the order to protect the defendant's interest.

(4) *Limitations on Time for Issuance and Execution*. Unless a hearing is held after the defendant has been given notice and an opportunity to appear, an order of eviction may not

MCR 4.201

- (a) be issued later than 56 days after judgment is entered,
- (b) be executed later than 56 days after it is issued.

(5) *Acceptance of Partial Payment.* An order of eviction may not be issued if any part of the amount due under the judgment has been paid, unless

- (a) a hearing is held after the defendant has been given notice and an opportunity to appear, or
- (b) the judgment provides that acceptance of partial payment of the amount due under the judgment will not prevent issuance of an order of eviction.

(M) Postjudgment Motions. Except as provided in MCR 2.612, any postjudgment motion must be filed no later than 10 days after judgment enters.

(1) If the motion challenges a judgment for possession, the court may not grant a stay unless

- (a) the motion is accompanied by an escrow deposit of 1 month's rent, or
- (b) the court is satisfied that there are grounds for relief under MCR 2.612(C), and issues an order that waives payment of the escrow; such an order may be ex parte.

If a stay is granted, a hearing shall be held within 14 days after it is issued.

(2) If the judgment does not include an award of possession, the filing of the motion stays proceedings, but the plaintiff may move for an order requiring a bond to secure the stay. If the initial escrow deposit is believed inadequate, the plaintiff may apply for continuing adequate escrow payments in accord with subrule (H)(2). The filing of a postjudgment motion together with a bond, bond order, or escrow deposit stays all proceedings, including an order of eviction issued but not executed.

(N) Appeals From Possessory Judgments.

(1) *Rules Applicable.* Except as provided by this rule, appeals must comply with MCR 7.101, 7.102, and 7.103.

(2) *Time.* An appeal of right must be filed within 10 days after the entry of judgment.

(3) *Stay of Order of Eviction.*

- (a) Unless a stay is ordered by the trial court, an order of eviction must issue as provided in subrule (L).
- (b) The filing of a claim of appeal together with a bond or escrow order of the court stays all proceedings, including an order of eviction issued but not executed.

(4) *Appeal Bond; Escrow.*

- (a) A plaintiff who appeals must file a bond providing that if the plaintiff loses he or she will pay the appeal costs.
- (b) A defendant who appeals must file a bond providing that if the defendant loses, he or she will pay
 - (i) the appeal costs,

MCR 4.201

(ii) the amount due stated in the judgment, and

(iii) damages from the time of forcible entry, the detainer, the notice to quit, or the demand for possession.

The court may waive the bond requirement of subrule (N)(4)(b)(i) on the grounds stated in MCR 2.002(C) or (D).

(c) If the plaintiff won a possession judgment, the court shall enter an escrow order under subrule (H)(2) and require the defendant to make payments while the appeal is pending. This escrow order may not be retroactive as to arrearages preceding the date of the post-trial escrow order unless there was a pretrial escrow order entered under subrule (H)(2), in which case the total escrow amount may include the amount accrued between the time of the original escrow order and the filing of the appeal.

(d) If it is established that an appellant cannot obtain sureties or make a sufficient cash deposit, the court must permit the appellant to comply with an escrow order.

(O) Objections to Fees Covered by Statute for Orders of Eviction. Objections shall be by motion. The fee to be paid shall be reasonable in light of all the circumstances. In determining the reasonableness of a fee, the court shall consider all issues bearing on reasonableness, including but not limited to

- (1) the time of travel to the premises,
- (2) the time necessary to execute the order,
- (3) the amount and weight of the personal property removed from the premises,
- (4) who removed the personal property from the premises,
- (5) the distance that the personal property was moved from the premises, and
- (6) the actual expenses incurred in executing the order of eviction.

MCR 4.201

Subrule (K)(5) permits the court to deliver a copy of the judgment to the parties rather than to mail it. Compare DCR 754.11(e).

Subrule (L)(4) modifies the language of DCR 754.12(c)(3) by adding an exception to the requirement that there must be a hearing before issuance of a writ of restitution when there has been partial payment of the amount due under the judgment. A hearing is not required if the judgment includes the provision permitted by subrule (K)(3)—that partial payment does not prevent the issuance of a writ of restitution.

Staff Comment to 2002 Amendment

The September 12, 2001 addition of MCR 3.106, effective May 1, 2002, was recommended by an ad hoc committee of judges, court administrators, court clerks, attorneys, and court officers. The rule incorporated existing practice while protecting against abuses. The September 12, 2001 amendments of MCR 4.201 and 4.202, effective May 1, 2002, made changes consistent with new MCR 3.106.

Staff Comment to 2006 Amendment

The amendments of MCR 2.507(G), 4.201(F)(5), and 4.202(H)(3) reflect amendments of MCL 600.2529 and 600.5756 by 1993 PA 189.

CROSS REFERENCES

Appeals to circuit court, procedure generally, see MCR 7.101.

Transfer of actions from district court to circuit court, see MCR 4.002.

MCR 4.201, MI R DIST CT MCR 4.201





Find Login and Register options in red bar above.



Printer-Friendly Version of this Section - all combined into one document

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RECORDING REQUIREMENTS (EXCERPT)

Act 103 of 1937

565.201 Requirements for recording with register of deeds.

Sec. 1.

(1) An instrument executed after October 29, 1937 by which the title to or any interest in real estate is conveyed, assigned, encumbered, or otherwise disposed of shall not be received for record by the register of deeds of any county of this state unless that instrument complies with each of the following requirements:

(a) The name of each person purporting to execute the instrument is legibly printed, typewritten, or stamped beneath the original signature or mark of the person.

(b) A discrepancy does not exist between the name of each person as printed, typewritten, or stamped beneath their signature and the name as recited in the acknowledgment or jurat on the instrument.

(c) The name of any notary public whose signature appears upon the instrument is legibly printed, typewritten, or stamped upon the instrument immediately beneath the signature of that notary public.

(d) The address of each of the grantees in each deed of conveyance or assignment of real estate, including the street number address if located within territory where street number addresses are in common use, or, if not, the post office address, is legibly printed, typewritten, or stamped on the instrument.

(e) If the instrument is executed before April 1, 1997, each sheet of the instrument is all of the following:

(i) Typewritten or printed in type not smaller than 8-point size.

(ii) Not more than 8-1/2 by 14 inches.

(iii) Legible.

(iv) On paper of not less than 13 (17x22—500) pound weight.

(f) If the instrument is executed after April 1, 1997, each sheet of the instrument complies with all of the following requirements:

(i) Has a margin of unprinted space that is at least 2-1/2 inches at the top of the first page and at least 1/2 inch on all remaining sides of each page.

(ii) Subject to subsection (3), displays on the first line of print on the first page of the instrument a single statement identifying the recordable event that the instrument

SITE MAP
Bills
Calendars
Committee Bill Records
Committee Meetings
Concurrent Resolutions
Joint Resolutions
Journals
Legislators
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Freq Requested Laws
Basic MCL Search
Advanced MCL Search
Chapter Index
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Executive Orders
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Legislative Publications

evidences.

(iii) Is electronically, mechanically, or hand printed in 10-point type or the equivalent of 10-point type.

(iv) Is legibly printed in black ink on white paper that is not less than 20-pound weight.

(v) Is not less than 8-1/2 inches wide and 11 inches long or more than 8-1/2 inches wide and 14 inches long.

(vi) Contains no attachment that is less than 8-1/2 inches wide and 11 inches long or more than 8-1/2 inches wide and 14 inches long.

(2) Subsection (1)(e) and (f) do not apply to instruments executed outside this state or to the filing or recording of a plat or other instrument, the size of which is regulated by law.

(3) A register of deeds shall not record an instrument executed after April 1, 1997 if the instrument purports to evidence more than 1 recordable event.

(4) Any instrument received and recorded by a register of deeds shall be conclusively presumed to comply with this act. The requirements contained in this act are cumulative to the requirements imposed by any other act relating to the recording of instruments.

(5) An instrument that complies with the provisions of this act and any other act relating to the recording of instruments shall not be rejected for recording because of the content of the instrument.

History: 1937, Act 103, Eff. Oct. 29, 1937 ;--Am. 1941, Act 179, Eff. Jan. 10, 1942 ;--Am. 1945, Act 213, Eff. Sept. 6, 1945 ;--CL 1948, 565.201 ;--Am. 1963, Act 150, Eff. Sept. 6, 1963 ;--Am. 1964, Act 196, Eff. Jan. 1, 1965 ;--Am. 1996, Act 459, Eff. Apr. 1, 1997 ;--Am. 2002, Act 19, Imd. Eff. Mar. 4, 2002 .

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REGISTER OF DEEDS RECORDING FEE SCHEDULE

Effective March 31, 2003 – MCL 600.2567, MCL 600.2567a, MCL 600.2568

Deed, mortgage, certified copy, lis pendens or other instrument:

First page recording fee	\$10.00
Michigan State Survey and Remonumentation fee (MSSR)	<u>\$ 4.00</u>
Total for first page	\$14.00

Each additional page per instrument \$ 3.00

The \$4.00 MSSR fee is not assessed on Fixture Filings, State or Federal Liens, MESL Liens, State Deeds, Plats or documents recorded under the Treasurer's Tax Reversion statutes. [MCLA 600.2567a (4)].

Assignment or Discharge:

Any instrument that assigns or discharges more than one instrument; \$3.00 shall be added to the recording fee for each additional instrument so assigned or discharged.

Warranty deed, land contract, land contract assignment, master deed for condominium

must have a tax certificate from the County Treasurer prior to recording.

Tax certificates \$1.00 for up to 5 descriptions; 20¢ for each additional description over 5

Plats: \$20.00

State Deed: 50¢

Tax Liens (exempt from MSSR fees)

Real Property

Personal Property

United States Tax Lien

\$10.00	Notice of Lien	\$3.00
\$ 3.00	Certificate of release or nonattachment	\$3.00
\$10.00	Certificate of discharge/subordination	\$3.00

State Tax Lien

\$10.00	Notice of Lien	\$1.00
\$ 1.00	Certificate of release or nonattachment	\$1.00
\$10.00	Certificate of discharge/subordination	\$1.00

Michigan Employment Security Act (M.E.S.C. Tax Lien)

\$2.00	Notice of Lien
\$2.00	Discharge of Lien

Uniform Commercial Code Filings (exempt from MSSR fees)


\$10.00	Financing statement up to 100 pages containing 1 or 2 names to be indexed
Plus any of the following that apply:	
\$ 7.00	Additional fee for non-standard form Sec. 9521(1) or 9521(2)
\$12.00	Additional fee if the record has more than 100 pages
\$10.00	Additional fee if more than 2 names are required to be indexed

Searches and Copies

Searching the real estate record per name	50¢/year -- \$5.00 minimum fee
State Tax Lien Certificate Search	\$3.00/name searched
Federal Tax Lien Certificate Search	\$3.00/name searched
UCC Certificate Search	\$6.00/name searched
Real estate record copy	\$1.00/page \$1.00 certification
Plat copy	\$3.00/page \$1.00 certification
UCC record copy	\$2.00/page \$1.00 certification
\$ 6.00 additional fee if more than 100 presently effective records concerning debtor	

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Annual Tax Sale

A TAX DEED IN ITSELF DOES NOT CONVEY ABSOLUTE TITLE TO THE PROPERTY.

The owner may redeem after the tax lien buyer has obtained a tax deed, or is entitled to a tax deed, by paying the purchase price, plus 50% of the purchase price, and the cost of personal service by the sheriff, as well as the cost of substituted service, if service has been made. Payment may be made by depositing the proper amount at the County Treasurer's office. The person redeeming is not required to pay fees for title searches or other miscellaneous expenses incurred by the tax lien buyer.

Before the holder of the tax deed may acquire title to the property, he/she must serve notice through the sheriff upon all owners of interest of record and occupants of the property, file proof of such notice with the County Treasurer, and then wait the statutory period of six months before taking absolute possession. Service of notice must be made within five years from the date the purchaser is entitled to a tax deed.

The owner has six months after service of notice to redeem by paying directly to the County Treasurer. If payment is not made within this period of six months, the tax deed holder has absolute title to the property as provided by law.

Particular attention is called to the fact that the deed holder cannot take absolute possession of the property until he/she has complied with the provisions of Section 140 to 143 inclusive of Act 206 of Public Acts of 1893, as amended, being Section 211.140 thru 211.143 of the Michigan Compiled Laws.

It is further pointed out that the purchaser must, if he/she wishes to protect their original purchase, make purchases at subsequent tax sales until he/she has completed title. After acquiring title to the property, the purchaser should immediately pay all delinquent taxes to date.

A writ of assistance or other process for the possession of land the title to which was obtained by or through a tax sale, shall not be issued until six months after there is filed with the County Treasurer of the county where the land is situated, a return by the sheriff of that county showing service of the notice prescribed in MCL Section 211.140 (2).

Following is the procedure to be used when the owner has not redeemed and the tax lien buyer is entitled to a tax deed.

Treasury Quick Links

- E-file Taxes
- IRS Web Site
- Search for Forms
- Garnishments
- Estimate Penalty & Interest
- Revenue, Economic Budget Data
- Revenue Administrative Bulletin
- Student Financial Aid
- Unclaimed Property
- Press Releases

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WHO
Tax Lien Buyer
Local Property Services Division

DOES WHAT

1. Surrenders original copy of purchase certificate to Local Property Services Division.
2. Prepares tax deed and forwards to taxbuyer.

NOTE 1: A tax deed cannot be issued until one year following the annual tax sale.

NOTE 2: A tax deed is valid for only five years from the date it can first be issued.

EXAMPLE:

The delinquent 1988 taxes were sold at the 1991 tax sale. The tax lien buyer became eligible for a tax deed on May 5, 1992. The tax deed is void on May 5, 1997 if the tax lien buyer fails to give the required notice within the 5 years.

Tax Lien Buyer

3. Determines the following:

- A. The last grantee(s) in the regular chain of title to the land or of an interest in the land according to the records.
- B. The person(s) in actual open possession of the land.
- C. The grantee(s) under recorded tax deed for the latest year's taxes
- D. The mortgagee(s) named in all undischarged, recorded, mortgages, or any assignee(s) thereof.
- E. The holder of record of all undischarged recorded liens.
- F. If the property is improved residential.

NOTE 3: "Improved Residential Parcel" means a parcel of land which contains a dwelling suitable for occupancy.

WHO
Tax Lien Buyer

DOES WHAT

NOTE 4: If a person is incompetent, notice is served on his/her trustee or guardian.

NOTE 5: If a person is deceased, notice is served on the executor, trustee, or administrator of his/her estate, or on his/her heirs.

4. Completes Service of Notice substantially in the form set forth in this section and forwards to county sheriff.

NOTE 6: If the property is improved residential, the notice must contain the statement: "This parcel is an improved residential parcel." Failure to include this statement invalidates the notice.

NOTE 7: Service of Notice forms may be obtained at various stationery stores and printing companies.

5. Delivers Service of Notice to sheriff of the county in which person(s) determined in Step 3 resides and requests that he/she serve notice on them.

SERVICE OF NOTICE AND SUBSTITUTED NOTICE

Sheriff or Deputy Sheriff 6. Enters time and date Service of Notice was delivered to him/her on same.

7. Serves notice on person(s) determined in Step 3 and returns a copy of the notice to the tax lien buyer with the Proof of Service of Notice.

NOTE 8: Service may be made by leaving the notice at that persons place of residence with a member of that person's family of mature age.

NOTE 9: If person(s) to be served resides out of state, sheriff serves notice by certified mail, return receipt requested.

WHO

DOES WHAT

Tax Lien Buyer 8. Files notice and sheriff's Proof of Service with the County Treasurer.

NOTE 10: A fee of 50 cents is charged for filing each Proof of Service of Notice or "substituted service."

NOTE 11: The six month redemption period commences on the date the notice is filed with the County Treasurer.

IN THE EVENT THE SHERIFF CANNOT SERVE NOTICE (STEP 7) FOLLOW STEPS 9 AND 10.

Sheriff or Deputy Sheriff 9. Completes Return of Failure of Service and gives to tax lien buyer.

Tax Lien Buyer 10. Causes "substituted service of notice" to be published in a newspaper.

NOTE 12: Newspaper must be published and circulated in the county where the land is located. If no such newspaper exists, publication is made in a newspaper published and circulated in an adjoining county.

NOTE 13: Publication must be made once a week for four consecutive weeks.

11. Files Proof of Publication, by affidavit of printer or publisher of the newspaper, together with the sheriff's return of Failure of Service, with the County Treasurer.

NOTE 14: If the property is an improved residential property, an extra copy must be filed with the County Treasurer.

NOTE 15: Persons with a redeemable interest have six months to redeem following the filing of the proof of service of notice or "substituted service."

<u>WHO</u>	<u>DOES WHAT</u>
<u>IMPROVED RESIDENTIAL PROPERTY</u>	
County Treasurer	12. Forwards copy of Proof of Service of Notice to County Department of Social Services for investigation.
<u>SERVICE OF NOTICE ON CORPORATIONS (STEP #13)</u>	
Sheriff or Deputy Sheriff	13. Serves notice on one of the following where the corporation maintains its principal or registered office for the transaction of business in this State as indicated by the articles of incorporation: A. President B. Secretary C. Treasurer D. Resident agent of corporation, E. or, person in charge of office. NOTE 16: If the president's, secretary's, treasurer's, or general agent's office cannot be located, follow Steps 9 and 10. NOTE 17: This section's provision applies to corporations to whose term of existence has expired as well as to those that the term of existence has not expired. NOTE 18: Notice on foreign corporations may be served on registered agent in the county in which its registered office is located, or by certified mail addressed to the corporation at its home office.
Sheriff or Deputy Sheriff	
Persons with a Redeemable Interest	14. Deposits amount necessary to redeem taxes interest with the County Treasurer. NOTE 19: Tax lien buyer is required to notify the treasurer of the personal or substituted service fees. NOTE 20: Personal or substituted service fees shall be the same as provided for service of subpoenas, for orders of publication, or for the cost of service by certified mail.

<u>WHO</u>	<u>DOES WHAT</u>
Persons with a Redeemable Interest	NOTE 21: The amount necessary to redeem at this point includes: A. The amount paid to purchase the lien plus 50%. B. Personal or substituted service fees. NOTE 22: The amount necessary to redeem prior to service of notice includes: A. The amount paid to purchase the lien plus 50%. NOTE 23: The person(s) redeeming the taxes does not acquire any greater interest in the property beyond that which he/she already had.

County Treasurer	15. Notifies tax lien buyer that the amount necessary to redeem the taxes has been deposited.
Tax Lien Buyer	16. Executes a release and quit-claim and gives to County Treasurer along with any other papers that pertain to the tax lien involved. NOTE 24: Other papers shall include any or all of the following if appropriate: A. The tax deed. B. The purchase certificate. C. The tax receipts. D. Any other conveyance relating to tax lien or tax interest.
Tax Lien Buyer	NOTE 25: The above papers must be surrendered by the tax lien buyer before he/she is entitled to receive the redemption money.
County Treasurer	17. Pays the tax lien buyer the redemption money.
	18. Forwards items received in Step 16 to the person (s) that redeemed the taxes.
Person(s) Redeeming Taxes	19. Records release and quit-claim at Register of Deeds Office.

WHO**DOES WHAT**

NOTE 26: The Register of Deeds is entitled to the same fees as provided by law for recording deeds of conveyance and other instruments.

**PROCEDURE FOR CONVEYANCE TO TAX LIEN BUYER
(SEE STEPS 1 - 13)**

County Treasurer	20. After six months redemption expires and at request of tax lien buyer, prepares certified copy of Service of Notice. NOTE 27: The County Treasurer is entitled to the fees as provided by law for preparing the certified copy.
	21. Collects recording fee and transmits Service of Notice and Proof of Service of Notice and/or "substituted service" to Register of Deeds Office. NOTE 28: A 50 cent fee is provided for transmitting the Service of Notice and Proof of Service of Notice, or "substituted service" to the Register of Deeds Office.
	22. Records Service of Notice and Proof of Service of Notice, or "substituted service." NOTE 29: The Register of Deeds is entitled to the same fees as provided by law for recording deeds of conveyance and other instruments. NOTE 30: The recording of the Service of Notice, Proof of Service of Notice, or if substituted service", and tax deed, is prima facie evidence of the purchaser's title enabling him to seek a writ of assistance from the Circuit Court.

Tax Lien Buyer 23. Records tax deed when originally received, or when the Service of Notice and Proof of Service of Notice, or "substituted service" are recorded.

WHO**DOES WHAT**

Tax Lien Buyer

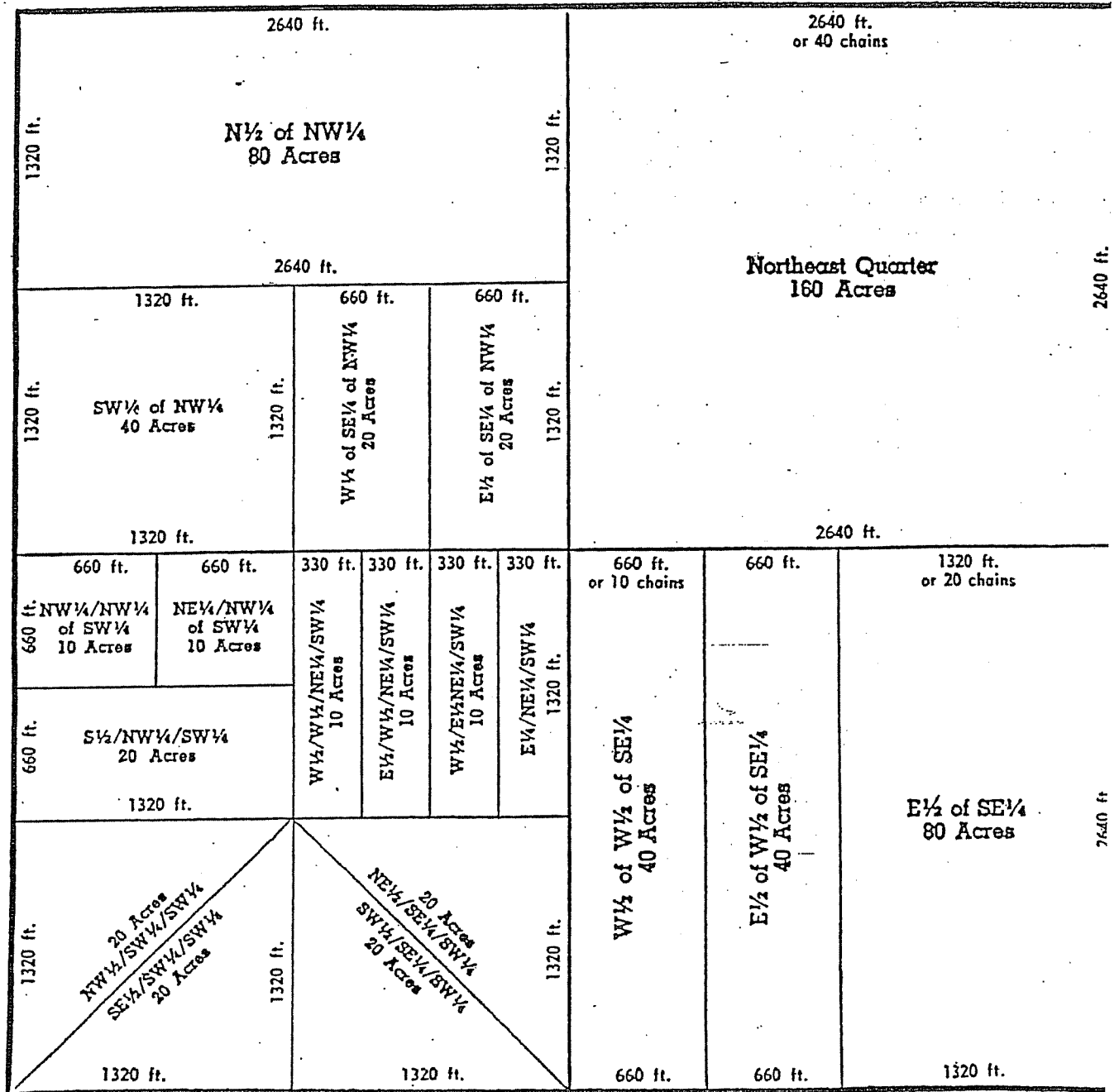
NOTE 31: It is recommended that all remaining taxes be paid. Failure of the person (s) with a redeemable interest (Step 3) to redeem the taxes within the six months redemption period, bars them from questioning the validity of the tax title or tax deed.

The Local Property Services Division, Michigan Department of Treasury, recommends that the preceding procedure be followed.

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LEGAL METHOD OF DESCRIBING FRACTIONAL PARTS OF A SECTION



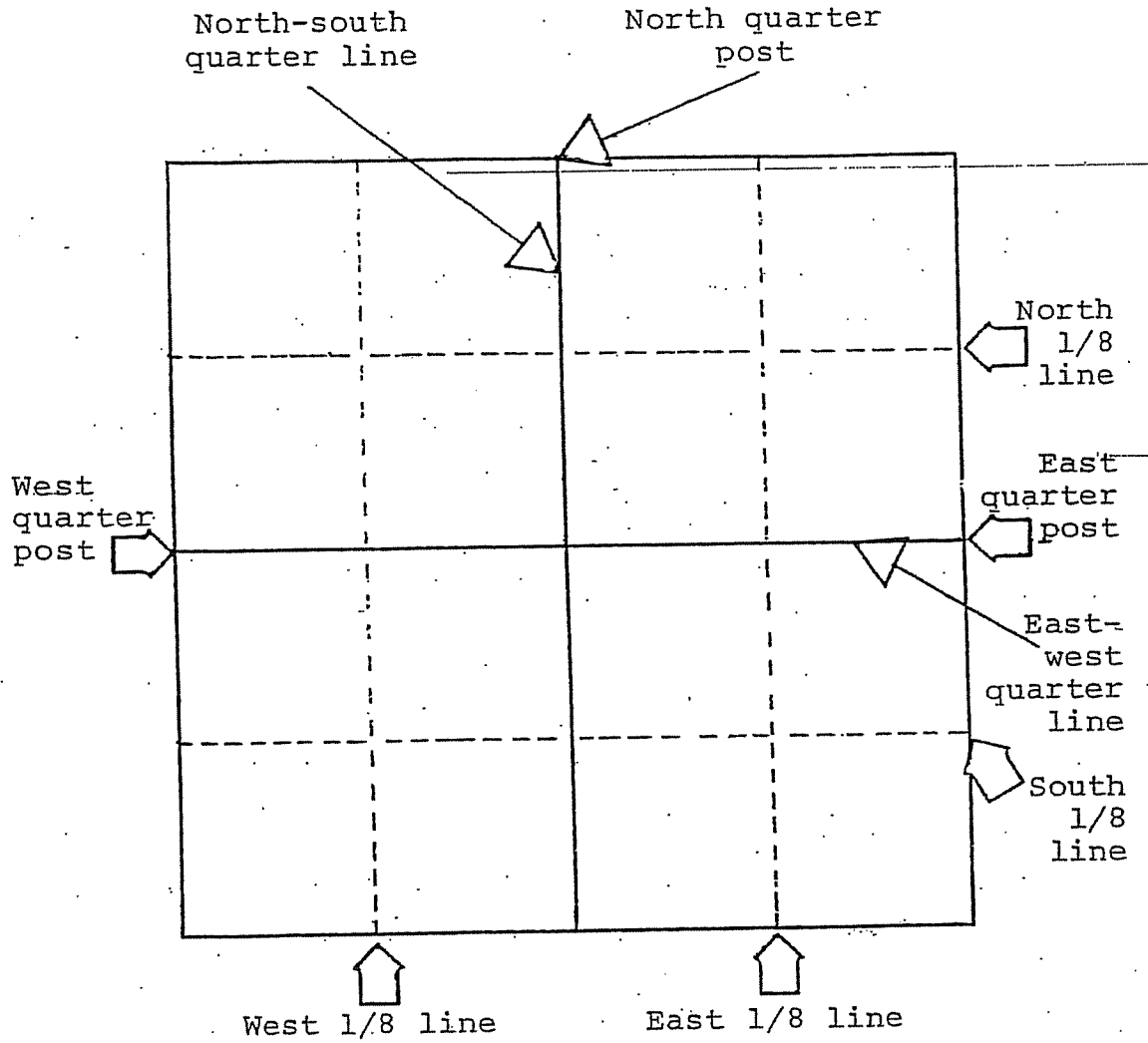
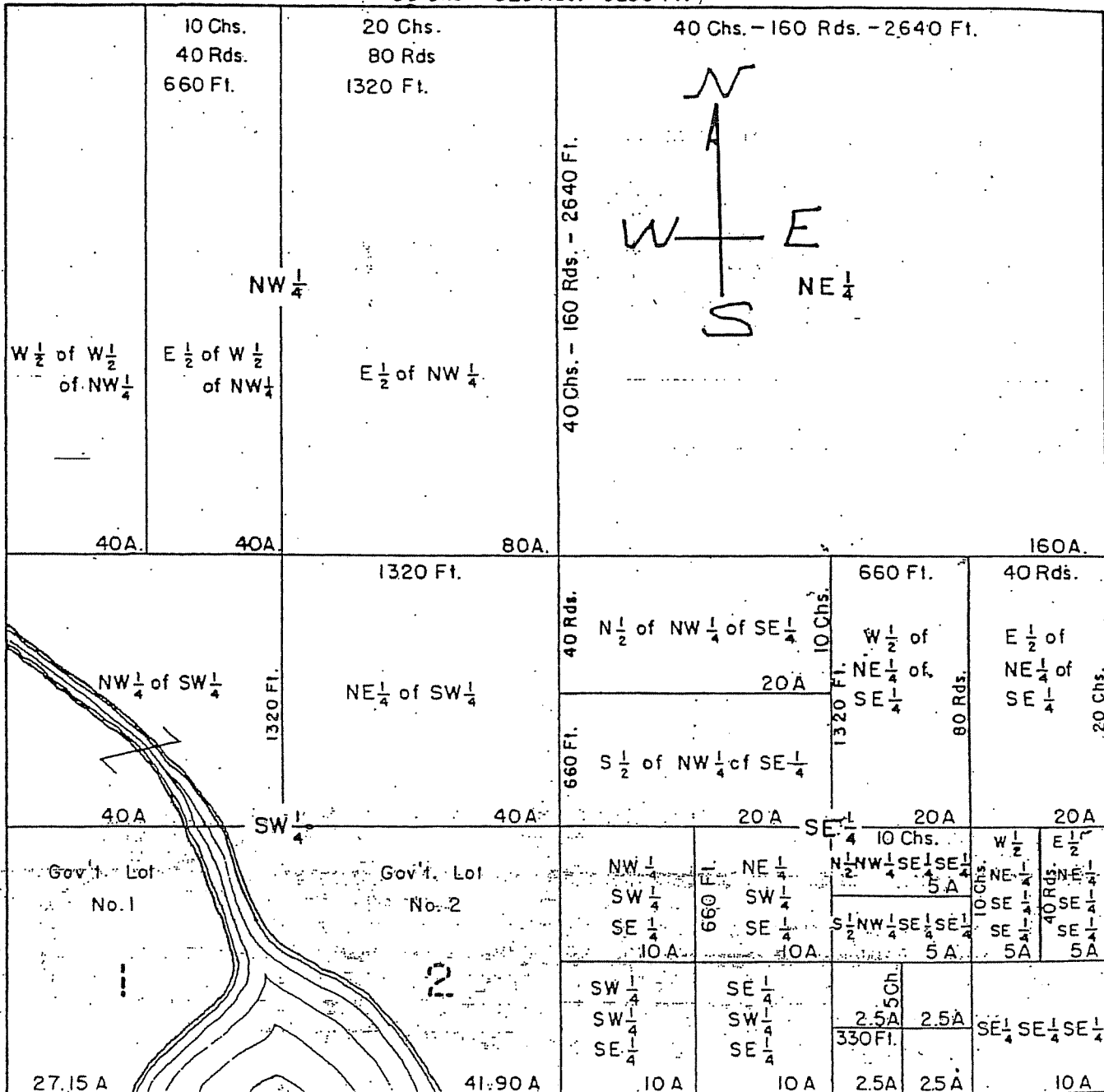


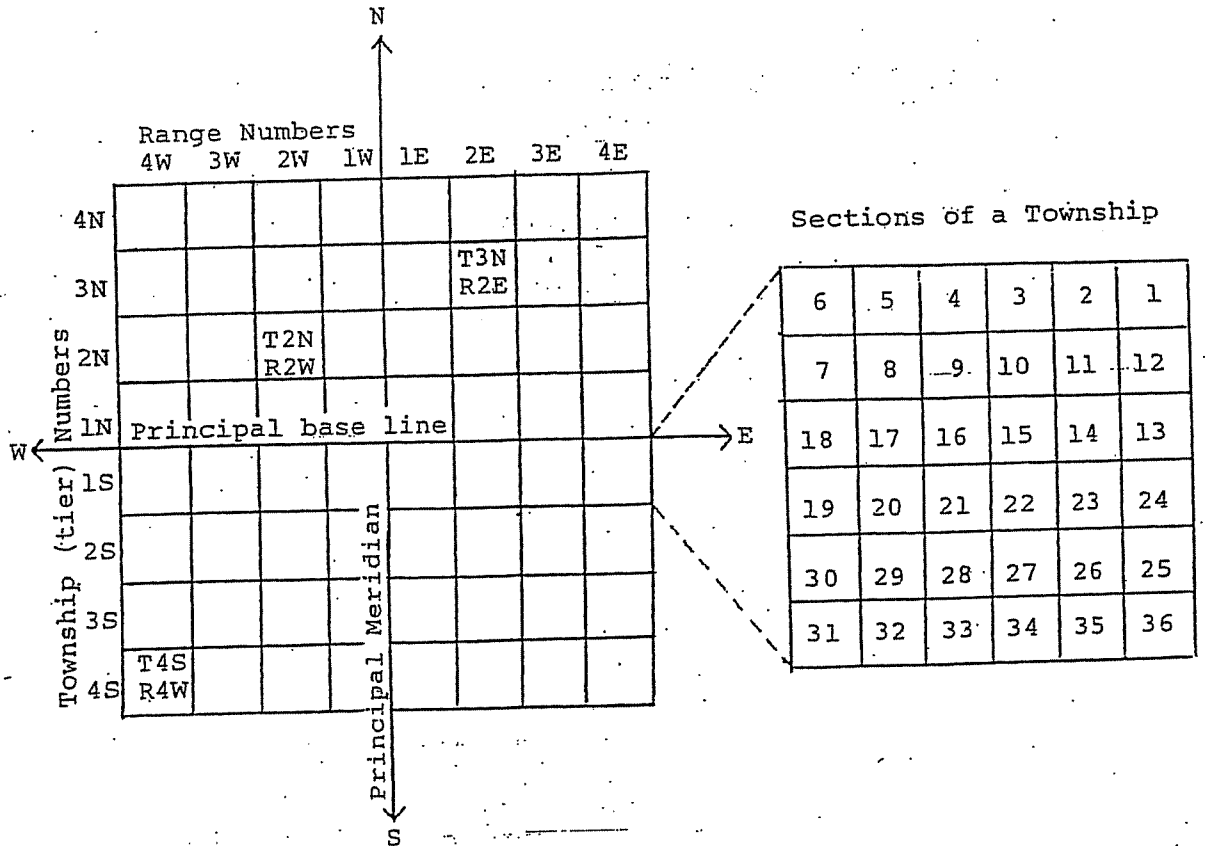
EXHIBIT F

Page 2

80 Chs. - 320 Rds. - 5280 Ft.



Ranges and Tiers of Townships



LAND MEASUREMENTS

Township = 36 Sections = 36 square miles

Section = 1 square mile

Section = 640 Acres

1/4 Section = 160 Acres

1/4 of 1/4 Section = 40 Acres

1 Acre = 43,560 square feet

1 Mile = 5,280 feet

Table Relating to Chains, Rods and Feet

Chains	Rods	Feet	Chains	Rods	Feet	Chains	Rods	Feet
	1	16.5	14	56	924.	27	108	1782.
	2	33.		57	940.5		109	1798.5
	3	49.5		58	957.		110	1815.
1	4	66.		59	973.5		111	1831.5
	5	82.5	15	60	990.	28	112	1848.
	6	99.		61	1006.5		113	1864.5
	7	115.5		62	1023.		114	1881.
2	8	132.		63	1039.5		115	1897.5
	9	148.5	16	64	1056.	29	116	1914.
	10	165.		65	1072.5		117	1930.5
	11	181.5		66	1089.		118	1947.
3	12	198.		67	1105.5		119	1963.5
	13	214.5	17	68	1122.	30	120	1980.
	14	231.		69	1138.5		121	1996.5
	15	247.5		70	1155.		122	2013.
4	16	264.		71	1171.5		123	2029.5
	17	280.5	18	72	1188.	31	124	2046.
	18	297.		73	1204.5		125	2062.5
	19	313.5		74	1221.		126	2079.
5	20	330.		75	1237.5		127	2095.5
	21	346.5	19	76	1254.	32	128	2112.
	22	363.		77	1270.5		129	2128.5
	23	379.5		78	1287.		130	2145.
6	24	396.		79	1303.5		131	2161.5
	25	412.5	20	80	1320.	33	132	2178.
	26	429.		81	1336.5		133	2194.5
	27	445.5		82	1353.		134	2211.
7	28	462.		83	1369.5		135	2227.5
	29	478.5	21	84	1386.	34	136	2244.
	30	495.		85	1402.5		137	2260.5
	31	511.5		86	1419.		138	2277.
8	32	528.		87	1435.5		139	2293.5
	33	544.5	22	88	1452.	35	140	2310.
	34	561.		89	1468.5		141	2326.5
	35	577.5		90	1485.		142	2343.
9	36	594.		91	1501.5		143	2359.5
	37	610.5	23	92	1518.	36	144	2376.
	38	627.		93	1534.5		145	2392.5
	39	643.5		94	1551.		146	2409.
10	40	660.		95	1567.5		147	2425.5
	41	676.5	24	96	1584.	37	148	2447.
	42	693.		97	1600.5		149	2463.5
	43	709.5		98	1617.		150	2475.
11	44	726.		99	1633.5		151	2491.5
	45	742.5	25	100	1650.	38	152	2508.
	46	759.		101	1666.5		153	2524.5
	47	775.5		102	1683.		154	2541.
12	48	792.		103	1699.5		155	2557.5
	49	808.5	26	104	1716.	39	156	2574.
	50	825.		105	1732.5		157	2590.5
	51	841.5		106	1749.		158	2607.
13	52	858.		107	1765.5	40	159	2623.5
	53	874.5					160	2640.
	54	891.						
	55	907.5						

