

SENATE BILL No. 677

December 15, 2015, Introduced by Senators HERTEL, YOUNG and ANANICH and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
by amending section 3201 (MCL 600.3201), as amended by 1981 PA 172,
and by adding section 3117.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3117. (1) IN AN ACTION UNDER THIS CHAPTER TO FORECLOSE A
2 MORTGAGE THAT HAS BEEN ASSIGNED BY THE ORIGINAL MORTGAGEE AND THAT
3 IS A MORTGAGE OF 1- TO 4-UNIT RESIDENTIAL PROPERTY THAT IS OCCUPIED
4 BY THE OWNER, THE COURT MAY MODIFY THE MORTGAGE OR GRANT OTHER
5 RELIEF TO THE MORTGAGOR THAT THE COURT DETERMINES IS APPROPRIATE.

6 (2) A COURT SHALL NOT MODIFY A MORTGAGE OR GRANT OTHER RELIEF
7 UNDER THIS SECTION IF DOING SO WOULD AFFECT THE RIGHTS OF TENANTS
8 OR OTHER LEGAL OCCUPANTS OF THE PROPERTY.

9 Sec. 3201. ~~Every~~ A mortgage of real estate ~~, which~~ THAT

1 contains a power of sale, ~~upon~~ **ON A** default ~~being made~~ in any
2 condition of ~~such~~ **THE** mortgage, may be foreclosed by advertisement
3 ~~, in the cases and in the manner specified in~~ **UNDER** this chapter.
4 However, ~~the procedures set forth in this chapter shall~~ **DOES** not
5 apply to **THE FOLLOWING** mortgages:

6 (A) **A MORTGAGE** of real estate held by the Michigan state
7 housing development authority.

8 (B) **A MORTGAGE THAT HAS BEEN ASSIGNED BY THE ORIGINAL**
9 **MORTGAGEE AND THAT IS A MORTGAGE OF 1- TO 4-UNIT RESIDENTIAL**
10 **PROPERTY THAT IS OCCUPIED BY THE OWNER.**