SUBURBAN HOMESTEAD, VILLA PARK, AND SUMMER RESORT ASSOCIATIONS
Act 69 of 1887

AN ACT to authorize the incorporation of suburban homestead, villa park and summer resort associations; and to impose certain duties on the department of commerce.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.101 Suburban homestead, villa park and summer resort associations; incorporation; purposes; corporate life; trustees, number, election.

Sec. 1. That any number of persons not less than 5 who shall desire to form an association for the purpose of purchasing, holding, improving and disposing of lands or lots for suburban homesteads or residences, or for a villa park or summer resort, may meet at such time and place as they or a majority of them may agree, and appoint a chairman and secretary by vote of a majority of the persons present at the meeting, and proceed to form an association by determining on a corporate name by which the association shall be known, and the period for which it is incorporated, not exceeding 30 years, the number of trustees to manage the concerns of the association, which number shall not be less than 3 nor more than 13, and the day in each year upon which the future annual elections of trustees shall be held, and thereupon may proceed to elect by ballot the number of trustees so determined upon, and the trustees so elected shall hold their offices for 1 year, and until their successors are elected and qualified.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-1;—CL 1897, 7654;—CL 1915, 10085;—CL 1929, 10350;—CL 1948, 455.101.

455.102 Certificate; signing and acknowledgment; contents; filing with department of commerce.

Sec. 2. The chairperson and secretary of the meeting shall within 10 days after such meeting make a written certificate and sign their names thereto, and acknowledge the same before an officer authorized to take acknowledgments of conveyances; which certificate shall state the names and residences of the associates who attended such meeting; the corporate name of the association determined upon by the majority of the persons who met, the number of trustees fixed on to manage the concerns of the association; the names of trustees chosen at the meeting and the day fixed on for the annual election of trustees, which certificate shall be filed with the corporation and securities bureau of the department of commerce.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-2;—CL 1897, 7655;—CL 1915, 10086;—CL 1929, 10351;—CL 1948, 455.102;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

455.103 Corporate powers; articles, certified copy as evidence; trustees, powers.

Sec. 3. When a [the] certificate shall have been recorded and filed as aforesaid, the association mentioned therein shall be deemed legally incorporated and shall have and possess the general powers and privileges, and be subject to the liabilities of a corporation. Such association may adopt a common seal, and may sue and be sued in and by its corporate name in the courts of this state and of the United States, and a certified copy of its articles of association shall be prima facie evidence in all courts and proceedings of the organization of such association. The affairs and property of such association shall be managed by the trustees, who may make all necessary by-laws, rules and regulations for such purpose, subject to the ratification of a majority of the lot owners, and who shall annually appoint from among their own number a president and vice-president, and also appoint a secretary and treasurer from members of the association other than the trustees, if deemed expedient so to do, said officers to hold their places for such term and under such conditions and requirements as the by-laws of the association may provide.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-3;—CL 1897, 7656;—CL 1915, 10087;—CL 1929, 10352;—CL 1948, 455.103.

455.104 Taking and holding of land by incorporated association; purposes; sale and conveyance or lease; personal property.

Sec. 4. Any association incorporated under this act may take by purchase, devise or gift, and hold within any 1 county, not exceeding 320 acres of land, to be held and possessed by it for the purposes mentioned in the first section of this act. The trustees may sell and convey or lease the said lands, or any portion thereof, for such price, and upon such terms as they may deem advisable, and subject to such conditions and restrictions, as may be imposed upon the same, by rules and regulations to be adopted by them, and inserted in, or annexed

CAUTION! This document is from an archive and may contain outdated information.

© Legislative Council, State of Michigan Courtesy of www.legislature.mi.gov

to conveyances of the same. Any such association may hold personal property to an amount not exceeding $20,000.00, besides sums of money that may arise from the sale of lots or plots of land as hereinbefore provided.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-4;—CL 1897, 7657;—CL 1915, 10088;—CL 1929, 10353;—CL 1948, 455.104;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

455.105 Trustees; election, vacancy.

Sec. 5. The annual election of trustees shall be held on the day prescribed in the certificate of incorporation, and at such hour and place as the trustees shall direct, notice of which election shall be given by publication for 4 successive weeks in some paper published in the county in which the real estate of such association is situated. And if there be no paper printed in such county, then such notice shall be published as aforesaid in some newspaper printed in the city of Lansing in this state. The trustees chosen at any election subsequent to the first, shall hold their offices for 1 year and until their successors are elected and qualified. The election shall be by ballot, and every person of full age, the owner or holder of 1 or more lots or plots purchased from the association or its grantees as hereinbefore provided, or the owner or holder of a sufficient number of shares as provided in the seventh section of this act, to entitle such person to vote according to the terms of the agreement authorized by said section, or if there are more than 1 owner or holder of any such shares, or of any such lot or plot, then such 1 of them as the majority of joint ners or holders shall designate to represent such shares or such lots or plots, may, either in person or by proxy, cast 1 vote for each 1, or other number of shares as authorized and specified in said agreement, and 1 vote for each lot or plot by them owned or held as aforesaid, and the persons receiving a majority of all the votes given at such election, shall be declared duly elected as trustees to succeed those whose term of office expires: Provided, That in all elections after the first, the trustees shall be chosen from among the owners of lots or plots. Vacancies in the office of trustee [trustees] or of president or vice-president may be filled in such manner as shall be prescribed by the by-laws of the association.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-5;—CL 1897, 7658;—CL 1915, 10089;—CL 1929, 10354;—CL 1948, 455.105.

455.106 Lots and plots; proceeds of sale, disposition.

Sec. 6. At least 60 per cent of the proceeds of all sales of lots and plots shall first be appropriated to the payment of the purchase money of the lands acquired by the association, until the purchase money shall be paid, and the residue thereof, as also the proceeds of all sales thereafter made, shall be applied to the payment of the assessments and taxes against the lands of the association, and to the preserving, improving and embellishing such lands and the roads, avenues and walks thereon and leading thereto, and also to the erection of docks or landings where said lands may be situate upon any lake or river, and for quays or breakwaters, necessary to the preservation of such lands from the encroachment of the waters of such lakes or rivers, or for the construction of steam or other yachts for ferriage or pleasure purposes, and to defray the incidental expenses of the association: Provided, That any proceeds remaining after the payments aforesaid, and after providing in a reasonable manner for expenses and improvements to be thereafter incurred and made, may, upon the vote of 2/3 of the trustees in favor thereof, be distributed among the owners of lots purchased from the association or to the grantees thereof; such distribution to be made proportionately among such lot owners according to the sums originally paid for the lots or plots so owned or held by them to the association.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-6;—CL 1897, 7659;—CL 1915, 10090;—CL 1929, 10355;—CL 1948, 455.106.

455.107 Lots and plots; purchase agreement.

Sec. 7. Associations formed under the provisions of this act may agree with the person or persons from whom its lands, or any part thereof may be purchased, to pay for such lands, as the purchase price thereof, any specified part or portion of the proceeds of all sales of lots and plots made from such lands, in which case the part or portion of such proceeds so agreed upon shall be first appropriated and applied to the payment of the purchase money of the lands so acquired, and the residue thereof shall be applied and distributed in all respects as provided in the last preceding section in respect to the residue of proceeds therein mentioned. The part or portion of the proceeds constituting the purchase price of the lands may be divided into as many equal shares as may be agreed upon between the association and the person or persons from whom the said lands are purchased; and the said shares shall entitle the owners thereof to such number of votes at any election for trustees of the association, and shall be transferable on the books of the association in such manner as shall also be agreed upon between the said parties. In all cases where lands shall be purchased and agreed to be paid for in the manner herein provided, the price for lots or plots specified in the agreement between the

CAUTION! This document is from an archive and may contain outdated information.

© Legislative Council, State of Michigan Courtesy of www.legislature.mi.gov

association and the person or persons from whom the said lands are purchased, shall not be changed without the written consent of a majority in interest of such persons, their heirs, representatives and assigns.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-7;—CL 1897, 7660;—CL 1915, 10091;—CL 1929, 10356;—CL 1948, 455.107.

455.108 Lots and plots; plot prerequisite to sale.

Sec. 8. Before proceeding to sell any lots or plots as hereinbefore provided, the trustees of the association shall cause to be made and filed, as required by the provisions of acts relating to the making, recording and vacating of plats, a plat of the grounds belonging to said association, which shall indicate by numbers all lots or plots intended to be sold, and all parks, park lots or reserves of any character intended for common use, by letter or name. Such map shall also show by name all roadways or avenues laid out upon the grounds of the association, but such roadways and avenues shall in all respects, be deemed private ways, and only open to the public upon such conditions and restrictions and under such rules and regulations as the trustees shall prescribe.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-8;—CL 1897, 7661;—CL 1915, 10092;—Am. 1929, Act 100, Eff. Aug. 28, 1929;—CL 1929, 10357;—CL 1948, 455.108.

455.109 Lots and plots; tax assessment; sale for taxes, association as purchaser.

Sec. 9. All lots or plots sold shall be assessed and taxed to the owners and holders thereof, and sold in default of the payment of taxes, in like manner as provided by law for the taxation and sale of other real estate; and in case of any such sale the trustees of the association may purchase such lots or plots upon the same terms and conditions, and with like effect as in case of individual or other bidders.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-9;—CL 1897, 7662;—CL 1915, 10093;—CL 1929, 10358;—CL 1948, 455.109.

455.110 Annual report to lot owners; special election, trustees, appointment, term.

Sec. 10. The trustees at each annual election shall make a report to the lot owners of their doings and of the management and condition of the property and concerns of the association. If the annual election shall not be held on the day fixed in the certificate of incorporation, the trustees shall have power to appoint another day not more than 60 days thereafter, and shall give public notice of the time and place as hereinbefore provided for the regular annual meeting for the election of trustees, and at such time the election may be held with like effect as if holden on the day fixed on in the certificate of incorporation. The term of office of the trustees chosen at such special election shall expire at the same time as they would have done in case said trustees had been elected on the day fixed by the certificate of incorporation.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g;—CL 1897, 7663;—CL 1915, 10094;—CL 1929, 10359;—CL 1948, 455.110.

455.111 Property; injury, penalty; trespass action.

Sec. 11. Any person who shall willfully destroy, injure or remove any statuary, fence, fountain, building or other structure placed on the grounds, or any dock, landing, quay, boat house, or boat upon the waters upon which said grounds are located, the property of any association incorporated under this act, or of any individual member thereof, or who shall willfully cut or injure any trees, shrub or plant within the said grounds, shall be deemed guilty of a misdemeanor, and shall be liable on conviction thereof to a fine not exceeding 25 dollars, or in default of fine to imprisonment in the county jail for a period not exceeding 30 days, action for the enforcement of such penalty to be brought in the name of the people of the state of Michigan upon the complaint of the trustees of the association or an individual member thereof; and such offender shall also be liable in an action of trespass to be brought in the name of such association for all damages caused by such unlawful act or acts.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-1;—CL 1897, 7664;—CL 1915, 10095;—CL 1929, 10360;—CL 1948, 455.111.

455.112 Property; acceptance of gift, devise or bequest; holding.

Sec. 12. Any association incorporated under this act may take by gift, devise or bequest, and hold any property real or personal in trust, to apply the income thereof, under the direction of the trustees of the association, for the improvement or embellishment of the ground or water-front of the association, or the erection, repair or preservation of any statuary, fountain, fence, buildings, docks, quays and landings erected or to be erected upon the same, or in planting trees, shrubs and flowers in the grounds of the association, or for the improvement or embellishment of such grounds in any other manner or form consistent with the design or purposes of the association, and as specified in such gift, devise or bequest.

CAUTION! This document is from an archive and may contain outdated information.

© Legislative Council, State of Michigan Courtesy of www.legislature.mi.gov

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-2;—CL 1897, 7665;—CL 1915, 10096;—CL 1929, 10361;—CL 1948, 455.112.

455.113 Repeal or amendment of act; dissolution; effect.

Sec. 13. This act may at any time be altered, amended or repealed, but such alteration, amendment or repeal shall not affect the rights of property of associations organized under it, nor of the individual members thereof, nor shall the dissolution of any such association take away or impair any remedy given for or against such corporation, its members or officers, for any liability which shall have been previously incurred.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-3;—CL 1897, 7666;—CL 1915, 10097;—CL 1929, 10362;—CL 1948, 455.113.

CAUTION! This document is from an archive and may contain outdated information.

© Legislative Council, State of Michigan Courtesy of www.legislature.mi.gov