

HOUSING FACILITIES (EXCERPT)
Act 18 of 1933 (Ex. Sess.)

125.668 Bondholder's lien; contributions contract.

Sec. 18.

The authorizing ordinance shall create a first lien which by this act is made a statutory first lien upon the revenue of any such housing facility, to, and in favor of the holders of the bonds and each of them. If bonds are issued for the purposes of cooperative financing, holders of the bonds also have a statutory first lien on the specific portion of the annual contributions payable to the cooperating borrowers or their agencies and authorized to be pledged to the payment of bonds and the interest thereon, pursuant to certain contracts between the cooperating borrowers or their agents and the United States which contracts shall be described in any ordinance authorizing any such bonds and are herein collectively called the "annual contributions contract". The holders of the bonds shall have as additional security the contractual obligations specified by the financing agreement as provided in this act.

History: 1933, Ex. Sess., Act 18, Imd. Eff. Jan. 9, 1934 ;-- CL 1948, 125.668 ;-- Am. 1970, Act 249, Imd. Eff. Dec. 30, 1970 ;-- Am. 1996, Act 338, Imd. Eff. June 27, 1996