

CONDOMINIUM ACT (EXCERPT)
Act 59 of 1978

559.185 Liquidated damages in case of default; actual damages; receipt of escrowed funds.

Sec. 85.

A provision in a purchase agreement for liquidated damages in case of default shall be limited to a reasonable percentage of the purchase price of the condominium unit. This provision shall not prevent the developer from recovering actual damages. Such an agreement shall not permit the developer to receive escrowed funds until there is a default, or until conveyance of legal or equitable title to the purchaser.

History: 1978, Act 59, Eff. July 1, 1978 ;-- Am. 1982, Act 538, Imd. Eff. Jan. 17, 1983