

A publication of Michigan Realtors®

MICHIGANREALTOR®



TAX FORECLOSURE SALES

PLUS

Capitol Day Recap

Seller Disclosure x 30

President's Report

Capitol Report

MICHIGAN REALTORS®

THE CONVENTION

Detroit Marriott at the Renaissance Center | Sept. 20-22, 2023

Event Preview Inside!



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{ AUGUST | TWO THOUSAND & TWENTY THREE | VOLUME TWENTY TWO | NUMBER THREE }



Drive Your Success

I can't believe that summer is already nearing an end in Michigan! It's the perfect time to start thinking about professional development. As we move into the fall, we're getting ready for The Convention. The Convention is the premier real estate education and trade show event in the state of Michigan. Hosted by Michigan Realtors®, The Convention offers a full lineup of CE Marketplace certified knowledge sessions, networking opportunities and new products and services for Realtors®. We are excited to return to downtown Detroit during the North American International Auto Show. Here are the details:

THE CONVENTION

(A Michigan Realtors® Event)

September 20-22, 2023

Detroit Marriott at the Renaissance Center

Theme: *Drive Your Success*



REGISTER TODAY!

The Convention is designed to help grow your business, build your network and strengthen your Realtor® brand. Rest assured, we will keep you on course throughout the week with our specialized knowledge tracks. Our commercial and legal tracks are identified by icons that appear on signage and in the schedule of events. If you have never attended a Convention, make this the year to invest in your industry knowledge, tech tools and professional network. Let's check out the schedule.

On Wednesday, we'll open the week with our Grand Assembly Keynote, Paul Epstein. Paul is a former high-level executive for multiple NFL and NBA teams and the bestselling author of *The Power of Playing Offense*. In 2022, he was named one of *SUCCESS Magazine's* top thought leaders.

Following the keynote, we'll shift gears to the Welcome Reception in the Expo for a preview of the latest products and services available to you by our innovative sponsors and exhibitors. The Michigan Young Professionals Network (YPN) will host an early evening networking reception. Not to worry, it's not just for the young professional, it's also for the young-at-heart. This is a powerful activity which will conclude day one.

On Thursday, join us at the main stage for the Rise & Refocus Morning Keynote with Jake Thompson. Jake works with organizations and individuals around the country, teaching how they can develop accountability, mental resilience, and leadership skills through a competitive mindset. After a full day of attending CE Marketplace certified knowledge sessions, place your final bids at the RPAC Auction in the Expo. And, check the RPAC LIVE Auction in the Expo, featuring unique items from across Michigan. We will end the day with the Realtor® Royale.

On Friday, the *Within The Law* team will hold their always entertaining while informative annual legal update. Stay up to date on trending legal topics in our industry. A highly rated favorite...we like to call it, Legal Friday. Earn your legal continuing education requirement and have your legal questions answered in-person.

Not only is The Convention an excellent way to build your professional development, it's also how we recognize our peers! We will acknowledge our top industry colleagues, including the Michigan Realtor® of The Year, Michigan Realtor® Active in Politics and Michigan Good Neighbor. The highlight of The Convention is always the installation of the next President, and I'm really looking forward to the installation of my dear friend and colleague; Sandi Smith of the Ann Arbor Area Board of Realtors® as our 2024 President. In addition, I'm thrilled that we'll be honoring the next graduating class of the Michigan Realtors® Leadership Academy.

I encourage you to attend all of these events, schedule time with vendors in the Expo and check out the many attractions that Detroit has to offer. Network with the best and brightest in real estate... let's Drive Your Success at new speeds. I can't wait to see you at the finish line this September! ●

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September 20-22, 2023

The Convention

Detroit Marriott at the Renaissance Center



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Michigan's Capitol Rides with the Brand

On June 6th, Michigan Realtors® held its capitol day in Lansing. Over four hundred Realtors® from across the state gathered on the lawn and in the halls of the State Capitol to meet with their elected officials. Realtor® members connected with State Representatives, State Senators, and their staffs on critical issues facing housing in Michigan and the real estate industry. Even Governor Whitmer was able to join the group for a time on the Capitol lawn.

We have hosted capitol days in the past, but the National Association of Realtors® punctuated this year's event with a visit from its leadership and the nationwide "Ride with the Brand" campaign. As part of the RWTB tour stop, NAR sent in the Realtor® motorcoach, motorcycle, activities and signage to make this year's capitol day a true visual spectacle. Even the City of Lansing got in on the event by loaning us the central roundabout in the city for us to adorn in a Realtor® blue with our trademark "R."

From time to time, we have Calls for Action where Realtors® flood the e-mail inboxes of Congress or the State legislature on important advocacy issues moving through the process. I would consider this year's capitol day a visual Call for Action. With strength in numbers, our location and the Realtor® logo plastered all over the area surrounding the Capitol, we were hard to miss. There are very few groups that can match the attendance that our association has on its capitol day. It was reassuring to hear the traditional Lansing crowd complimenting us on our presence in the days that followed.

Not every state legislator took the time to meet with their Realtor® constituents. We and our local associations will remember those that failed to show. Those that stopped engaged with Realtors® on

the impact of proposed legislation in their districts. The legislature and the Governor made housing a priority this session with the first-ever legislative committees dedicated specifically to housing. Michigan and the rest of the country are facing a critical need for housing and continued inventory shortages. There are many proposals aimed at addressing housing needs, however, and a handful of these could have lasting negative effects on ownership/investment, housing supply and affordability.

This session's policy agenda for Michigan Realtors® is geared towards moving people into our state through incentives for housing development, providing access to housing and protecting private property rights. The issues that we discussed back in June were:

- Increasing housing supply through zoning reforms
- Protecting Realtors® Independent Contractor status
- Keeping Section 8 housing vouchers an option for landlords (Source of Income)
- Increasing allowable splits under the Land Division Act
- Making fair housing a component of continuing education
- Ending predatory right-to-sell agreements
- Promoting the use of post-closing occupancy agreements
- Pursuit of a statewide septic code
- Opposing expansion of the Drain Code to allow for stormwater utilities
- Protecting short-term rentals

There are many ways to measure the success of a capitol day, but for the sake of this article I am going to highlight the legislative activity on each of these issues since our capitol day. As I mentioned, the day was a visual call for action – so legislative action is a fair yardstick for success.

We have hosted
capitol days in
the past, but the
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Association of
Realtors®**
punctuated this
year's event with a
**visit from its
leadership.** . .

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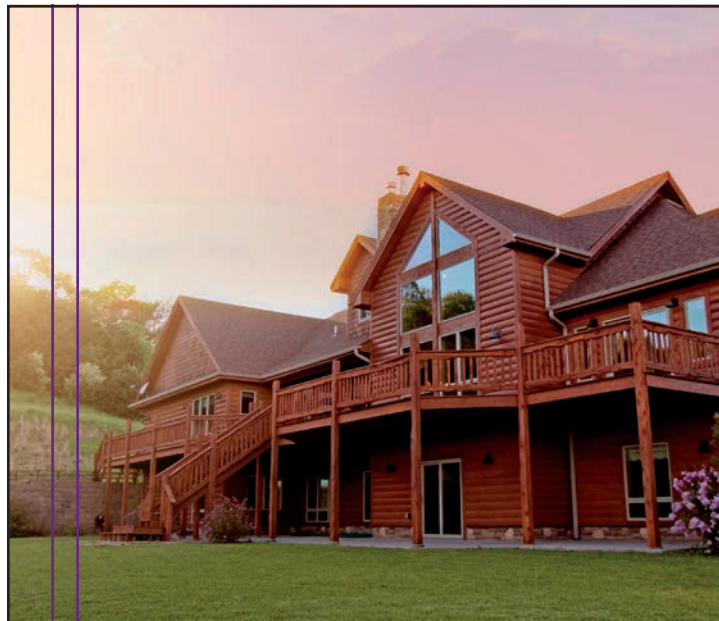
On the zoning reform front, the legislature incorporated HB 4246 into the final state budget bills that the Governor recently signed into law. Thanks to our efforts, the state now has a dedicated \$5 million fund for local governments to tap into in order to assist in updating their zoning and master plans with an eye toward housing, eliminating obstacles in zoning to building and affordability.

HB 4390 that would impose a statewide test to determine if a worker is an employee, effectively eliminating the independent contractor status of Realtors® and other professions. That bill remains bottled up in the House Labor Committee. Similarly, Senate Bills 205-207 mandating that landlords accept Section 8 housing choice vouchers continue to sit on the Senate floor under strong opposition from Michigan Realtors® and other housing provider groups. Expanding the power of drain commissioners to create rain taxes through stormwater utilities is also stalled in committee after a couple of hearings.

Since our capitol day, the legislature introduced bills on increasing Land Division Act splits (HB 4836), adding fair housing to real estate continuing education (HB 4717) and prepared drafts on predatory right-to-sell agreements and post-closing occupancy agreements. These, along with a new draft of HB 4479-4480 to create a statewide septic code, will see introduction when the legislature returns to Lansing in the fall.

I have been doing this long enough to know that you can never declare and issue a sure-thing or permanently dead, but the immediate impact of our capitol day conversations cannot be ignored. It is unrealistic to discount the stellar reputation of this association and our member engagement. Not surprisingly, we are known as constructive players in the legislative process, approaching all issues with reason and fair dealing.

I want to thank once again, everyone that participated in the 2023 Capitol Day and for each member that rides with the brand, every day. Our advocacy success is built upon a strong foundation of RPAC investment, education and grassroots advocacy. The day was a great call for action and certainly a great day to be a Realtor®. ●



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Realtors® Enjoy Capitol Day



TOP: NAR Region 6 Vice President, Gary J. Reggish (Greater Metropolitan Association of Realtors®) speaks to Michigan Realtors® members from the steps of the Capitol Building.

MIDDLE: The Riding with the Brand bus parked in front of the Michigan Capitol Building.

BOTTOM: From Left to Right: Michigan Realtors® CEO, Robert Campau, Esq.; Christopher M. Germain, Treasurer (Upper Peninsula Association of Realtors®); Natalie Rowe, President (Greater Kalamazoo Association of Realtors®); Sandi Smith, President-Elect (Ann Arbor Area Board of Realtors®); Mark Oegema, Treasurer-Elect (West Michigan Lakeshore Association of Realtors®).

MICHIGAN REALTORS® ADVOCATES FOR MORE HOUSING SUPPLY

Realtors® from all corners of Michigan were in Lansing on June 6, meeting with members of the state legislature, as well as Gov. Gretchen Whitmer, for Michigan Realtors® Capitol Day. Attendees enjoyed a picnic lunch with their legislators on the lawn of the state capitol building while providing updates on the local housing market—and celebrating the Realtor® brand.

Speaking on the organization's most pressing issue, Michigan Realtors® President Natalie Rowe told the gathering: "We need more housing supply. Zoning reforms will help create more Michigan housing."

In addition to advocating for policies to increase housing, Michigan Realtors® are working on legislation to:

- Establish a statewide septic code
- Support short-term rentals
- Define post-closing occupancy agreements
- Regulate right-to-sell agreements
- Require more fair housing continuing education for licensees

The association and its members are also working overtime to protect the independent contractor status of real estate agents.

Beside hearing from state association leaders, the 400 Realtors® attending the event had a chance to hear from National Association of Realtors® Regional Vice President Gary J. Reggish, a broker-owner from Novi, Mich. and NAR President Kenny Parcell. And although legislative advocacy was the main focus on the day, with the customized *Riding with the Brand* motorcoach and motorcycle in town, Realtor® pride was a central theme of the event.

"Why 'Riding with the Brand'? The brand is you," Parcell told the crowd. "The brand is us. We all bring something to the brand." He highlighted the positive impact that members make within their communities and the difference Realtors® make when they engage with events like Michigan Capitol Day.

With the capitol building as a backdrop, Realtors® enjoyed the interactive Riding with the Brand program displays. Photo opportunities in front of the large Realtor® "R" block, the motorcycle and the motorcoach were fan favorites. During and after the event, the Realtor® brand was trending on social media. As the event concluded, Michigan Realtors® toured the newly refurbished Michigan Capitol with state historians and association staff.

This was the 24th tour stop of the Riding with the Brand campaign.

"Today, President Parcell and hundreds of Realtors® from all over our state were able to demonstrate a really inspirational dedication to their industry and role in the American dream of homeownership," said CEO Rob Campau after the event, expressing his gratitude for the membership and staff at NAR and Michigan Realtors®. "It was great that our political leaders, from the governor on down, were able to see it firsthand. We're genuinely proud to work for this brand." ●



TOP: 2023 Michigan Realtors® Officers and Directors with Kenny Parcell in front of the Riding with the Brand bus.

ABOVE LEFT: The Michigan Speaker of the House, Joe Tate (D-Detroit) poses with members of the Detroit Association of Realtors® on the Lansing Capitol lawn.

ABOVE RIGHT: 2023 Michigan Realtors® President, Natalie Rowe gives opening remarks to start Capitol Day.

LEFT: 2023 NAR President, Kenny Parcell speaks to Michigan Realtors® members from the steps of the State Capitol Building.

BELOW: Michigan Realtors® members gather on the steps of the Michigan State Capitol Building for Capitol Day in Lansing, MI.



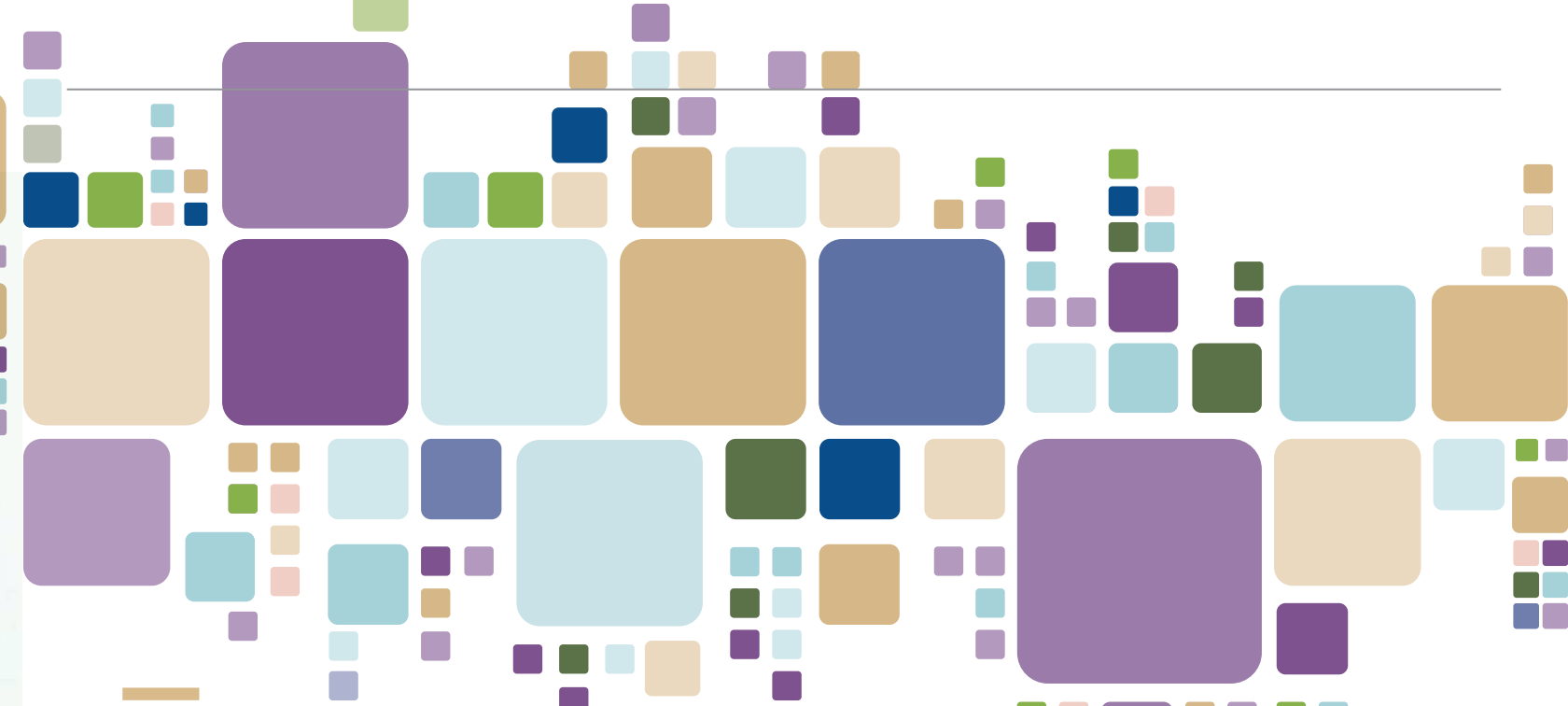


TAX FORECLOSURE SALES

a sea change?



BY GAIL A. ANDERSON, ESQ.



It is not often that all of the current members of the United States Supreme Court agree on anything. However, earlier this year, all justices agreed that when the government sells real estate at a tax foreclosure sale, the property owner is entitled to any sale proceeds above the amount owed for back taxes, interest and penalties.

The plaintiff in this case, Geraldine Tyler, was a 94-year old woman who had owned a condominium unit in Minnesota. In 2010, she and her family decided she would be safer in a senior community. No one paid the real estate taxes on the condominium Ms. Tyler still owned. By 2015, the condominium unit had accumulated \$2,300 in unpaid taxes and \$13,000 in interest and penalties. The county seized the condominium and sold it for \$40,000, extinguishing the \$15,000 tax debt. The county kept the remaining \$25,000 for itself.

The United States Supreme Court ruled that by keeping the excess sale proceeds, the county had violated the Takings Clause of the Fifth Amendment of the United States Constitution. The Takings Clause provides that private property may not be taken for public use without just compensation. In its opinion, the Supreme Court noted in passing that in the vast majority of states, it was already the case that excess sale proceeds belong to the property owner.

Michigan is one of those states, but that only happened recently. In 2020, all members of the Michigan Supreme Court agreed that the Michigan statute allowing the government to keep the excess sale proceeds from a tax sale – which had been the law in Michigan since 1999 – violated the Takings Clause of the Michigan Constitution. Like its federal counterpart, the Michigan Takings Clause provides that private property may not be taken without just compensation being paid.

Michigan's tax foreclosure process was wholly revised in 1999 to streamline the process. A major concern at the time was that the statutory process for acquiring clear title was so difficult and time consuming that many foreclosed homes were deteriorating beyond repair during the process. The new 1999 process also eliminated any possibility that a property owner might benefit if the property was worth more than the taxes owed. Under the 1999 statute, the government kept any surplus proceeds.

The property owner who challenged the Michigan statute, *Rafaeli, LLC*, was a sympathetic plaintiff. *Rafaeli* had actually made its delinquent tax payment, but somehow its payment was \$8.41 short. By the time of the foreclosure sale, with penalties and interest, the \$8.41 debt had grown to \$285.81. The property was sold at a tax sale auction for

\$24,500, and the county kept the surplus sale proceeds.

In this case, the claim was not that the real property had been wrongfully taken. It is well-settled law that the government can take real property for nonpayment of real property taxes. It does not matter if the tax bill is only a few hundred dollars. The claim in this case was that the government was not entitled to keep the surplus sale proceeds. The Michigan Supreme Court examined Michigan property rights cases throughout history and concluded that a property owner's right to the surplus proceeds had been firmly established many decades ago. The 1999 statute which gave the government the right to keep excess proceeds was held to violate the Michigan Constitution.

The *Rafaeli* court left open the question of whether that decision should apply retroactively. Could a property owner claim the excess sale proceeds from a foreclosure sale that happened before the *Rafaeli* case was decided? Under the law in Michigan, in rare cases, an appellate court decision is not applied retroactively if it overrules existing, well-settled case law.

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and penalties.

Last fall, two years after the *Rafaeli* decision, the Michigan Court of Appeals held that the ruling should apply to tax sales that occurred before the *Rafaeli* decision. It was the opinion of the Court of Appeals that *Rafaeli* did not overrule existing case law but simply interpreted a statute that had not previously been the subject of an appellate court decision.

On the other hand, the Department of Treasury has argued strenuously that the *Rafaeli* holding should only apply to proceeds from tax sales that occurred after that decision. The Michigan Department of Treasury has described the *Rafaeli* decision as representing a “sea change in Michigan law” from the perspective of both public officials and former property owners.

Since 1999, the [Michigan tax foreclosure process]—as harsh as the result may have been in some circumstances—was clear and appeared to be well settled.

It is Treasury’s position that the *Rafaeli* decision qualifies as a game changer such that it should not apply to prior tax foreclosure sales.

The issue of whether *Rafaeli* should be applied retroactively is pending before the Michigan Supreme Court at the time this article is being written. Also, before the

Court is whether and to what extent these prior claims are too old.

It may be that most, if not all, of these pre-2020 claims are barred by the statute of limitations and/or other procedural requirements even if *Rafaeli* is applied retroactively.

Claims for Excess Sale Proceeds

Excess sale proceeds from a foreclosure sale are not automatically turned over to the property owner. After the *Rafaeli* decision, the Legislature set up a process whereby a property owner must file a claim to these proceeds. It is not just property owners who can file claims. A lender who had a mortgage on the property or anyone else who had an interest in the property at the time of the sale can also file a claim.

Under Michigan law, if real property taxes are not paid for three years, the county asks the court to enter a judgment of foreclosure which gives the county fee title to the property. After foreclosure, the state, city, village, township and county are given an opportunity to purchase the property. If none of these entities purchases the property, it is sold at auction.

Claims to excess sale proceeds must be filed by July 1 of the year immediately after the judgment of foreclosure. By the following January, the county must notify everyone who has filed a claim if there are excess sale proceeds. If any claimant wants to pursue those funds, they are required to file a court action requesting those funds. The process involves specific forms and strict deadlines. Property owners who may have a claim should consult with an attorney. ●

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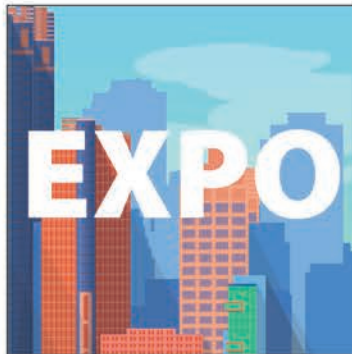
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BY REBECCA BERKE, ESQ.,
DIRECTOR OF LEGAL EDUCATION



Thirty Years of Seller Disclosure

This year marks the 30th anniversary of the passage of the Michigan Seller Disclosure Act (SDA). With every milestone comes the opportunity to reflect on and refresh our knowledge base. This article will explore the nuances of Michigan's seller disclosure law and provide an overview of what Realtors® need to know to effectively serve their clients as they navigate the disclosure process when buying or selling a home.



Prior to the enactment of the SDA in 1993, Michigan law did not require sellers to make specific disclosures about the condition of the property to potential buyers. Instead, real estate transactions operated under a legal doctrine known as “Caveat Emptor” or “let the buyer beware.” Buyers relied solely on their own inspections and inquiries to discern information about the property. Sellers had no disclosure obligations, but if they did volunteer information which turned out to be false, they were liable even if it was an innocent misrepresentation. The courts carved out exceptions to Caveat Emptor to address when a seller could be held liable for misrepresentations¹. That, however, did not alleviate the perpetual flood of disputes over material defects and other undisclosed problems with the property.

The Michigan SDA was enacted to address the rise of costly litigation by requiring sellers to make specific disclosures about the condition of the property. It is still the expectation that a buyer will perform their own due diligence before purchasing a property. The SDA did, however, shift additional responsibility to sellers to answer basic questions about the condition of the property.

WHAT OBLIGATIONS DOES THE MICHIGAN SELLER DISCLOSURE ACT IMPOSE?

The Michigan Seller Disclosure Act requires sellers to provide potential buyers with a written statement answering certain questions about the condition of the property. Sellers must use the specific form that is prescribed by statute². The form should be provided to the

buyer before they make an offer to purchase the property.

If the seller fails to provide the disclosure statement to the buyer prior to closing, the purchase agreement becomes voidable at the option of the buyer.³ This does not mean that the contract is automatically cancelled – but it does mean that the buyer can back out of the deal if they choose and without a penalty. This is the only remedy provided to buyers under the SDA. After closing, the buyer will no longer have the option to cancel the contract. But, if the seller has failed to make a mandated disclosure or has otherwise misrepresented the property, the buyer may have a claim under one of Michigan’s recognized common law theories of fraud. Namely, fraudulent misrepresentation, or silent fraud.

The SDA requires sellers to answer questions contained in the disclosure statement based on their personal knowledge at the time of completing the form.⁴ The seller must make the disclosures in “good faith” (meaning with honesty in fact)⁵, but is not obligated to conduct their own inspection to discover latent defects or other problems with the property that could only be discovered by a professional.⁶

In general, the seller is not required to amend the disclosure statement if new information becomes available in between the time of completing the disclosure statement and the closing date. An exception exists, however, where there is a change to the condition of the property’s “structural/mechanical/appliance systems.” For example, if the dishwasher stops working after the disclosure statement has

been completed and delivered to the buyer, then the seller must amend the statement to disclose the broken dishwasher. If the seller fails to amend the statement, then the buyer, upon discovery of the broken dishwasher after closing, may pursue legal action against the seller for said non-disclosure.

The SDA does not require the seller to disclose non-physical property defects, such as those related to stigmatizing events. The National Association of Realtors® defines a “stigmatized property” as a property that has been psychologically impacted by an event but has no physical impact. For example, a murder which occurred on a property and the alleged presence of a poltergeist have both been the subject of stigmatized property litigation. Neither the SDA nor Michigan common law requires a seller to disclose such stigmatized events. An exception exists, however, where a potential purchaser makes a specific inquiry about those events. In that instance, the seller (and their agent) must truthfully respond to the buyer’s inquiries.

WHO COMPLETES THE SELLER DISCLOSURE STATEMENT?

Simply put, sellers of residential property consisting of between one and four units must fill out the Seller Disclosure Statement. This applies, of course, to traditional sales, but also applies to transfers by exchange, land contracts, leases with the option to purchase, ground leases and transfers of stock or interest in a residential cooperative.⁷ This does not include sellers of vacant land or commercial property.

It's a common misconception that a residential seller is exempt from filling out the disclosure statement if they have never lived in the home. This is not true. Never having occupied the property does not exempt a seller from filling out the statutory seller's disclosure. Even sellers who have never lived in the home are likely to know something about the condition of the property.

There is a narrow list of exemptions that will excuse a seller from completing and providing a disclosure statement to a potential buyer.⁸

- *Transfers pursuant to a court order, including transfers ordered by a probate court in the execution of an estate, a writ of execution, foreclosure sale, those made by a trustee in bankruptcy, transfers by eminent domain and transfers resulting from an order for specific performance.*
- *Transfers to a mortgagee by a mortgagor or successor in interest who is in default or transfers to a beneficiary of a deed of trust by trustor or successor in interest who is in default.*
- *Foreclosure sales/deeds in lieu and subsequent sales from lender.*
- *Transfers by a nonoccupant fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust.*
- *Transfers between cotenants.*
- *Transfer to a spouse, parent, grandparent, child or grandchild.*
- *Transfers between spouses resulting from a judgment of divorce or separation proceeding.*
- *Transfers to or from any governmental entity.*
- *Transfers of newly constructed residential property that has not been inhabited.*

INNOCENT AND INTENTIONAL MISREPRESENTATIONS

What are the repercussions for a seller who misrepresents the condition of the property? This will likely depend on whether or not the seller's false claims about the property were intentional.

The SDA protects a seller against claims for innocent.⁹ In other words, a seller will not be held liable for a making a false statement about the property if the seller did not know that their statement was false and had no intent to deceive the buyer. If the seller does not have personal knowledge of a property defect, then that seller cannot be held liable for an inaccurate answer on the disclosure statement.

A seller will, however, be held liable for an "error, inaccuracy or omission" if they have actual personal knowledge of the error, inaccuracy or omission. This means that a seller cannot knowingly make a false statement about the condition of the property (fraudulent misrepresentation) or knowingly withhold or conceal information about the property that the seller is obligated to provide (silent fraud). Fraudulent misrepresentation and silent fraud claims are very similar except that silent fraud is based on the suppression of material information rather than an

affirmative misrepresentation.¹⁰ A silent fraud claim also requires the seller to have had a duty to make a disclosure (This could be either the duty to answer the questions on the seller's disclosure statement or the duty to provide a truthful answer if a buyer makes a specific inquiry about the property).¹¹

For example, let's say that a seller knows that their roof leaks. When completing the disclosure statement, the seller either answers "no," or skips the leaky roof question altogether. This is not an "innocent misrepresentation." If (when) the buyer discovers the undisclosed leaky roof after closing, the buyer may pursue legal action against the seller for either fraudulent misrepresentation (purposefully making a false statement about the condition of the roof) or silent fraud (purposefully avoiding a question on the disclosure statement that they were obligated to answer). Note, however, that in order to successfully bring forth a claim of fraudulent misrepresentation or silent fraud, a buyer must be able to show that they reasonably relied on the seller's omission or misrepresentation. This can be a difficult element to prove, especially if the buyer obtained and relied upon information from an independent inspection.¹²

As a general rule, a listing agent will not be held liable for misrepresentations made by their seller-client so long as the agent did not "knowingly act in concert" with the seller to violate the SDA.¹³ To "act in concert" means to work together to accomplish a common goal. For example, a listing agent who knowingly distributes a seller's disclosure



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statement that they know to be false may be found to have “acted in concert” with the seller to misrepresent the property. In that scenario, the listing agent would likely be held liable, along with the seller, for fraudulent misrepresentation. Of course, a listing agent will also be held liable if they make their own purposeful misrepresentations about the property.

THIRTY YEARS OF SELLER DISCLOSURE

It’s been thirty years since the passage of the Michigan Seller Disclosure Act. Since then, seller disclosure has become a critical component of any residential real estate transaction. The SDA has, overall, helped to provide greater transparency in the disclosure process. And while the SDA has certainly reduced

the potential for disputes and costly litigation between buyers and sellers, a misunderstanding or misapplication of the law can still result in significant legal ramifications for a seller. Michigan law, thankfully, limits a listing agent’s liability in instances where the seller has failed to make disclosures in accordance with the SDA or otherwise misrepresented the property. Still, Realtors® must understand the intricacies of the SDA and how it impacts their clients. Failure to do so could lead to disputes that may derail a transaction or pave the way for costly litigation post-closing. Realtors® who fully understand the SDA and all its nuances can help to protect their clients from legal liability, build trust with buyers and facilitate smoother, more successful transactions.

- 1 Christy v. Prestige Builders, Mich App (1980).
- 2 MCL 565.957.
- 3 MCL 565.954(3).
- 4 MCL 565.956.
- 5 MCL 565.960.
- 6 MCL 565.955(1).
- 7 MCL 565.952.
- 8 MCL 565.953.
- 9 Roberts v. Saffell, Mich App (2008).
- 10 M & D, Inc. v. McConkey, Mich App (1998).
- 11 Alfieri v. Bertorelli, Mich App (2012).
- 12 Miner v. Teasel, Mich App (1989).
- 13 MCL 565.965.

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