

RENTAL-PURCHASE AGREEMENT ACT (EXCERPT)
Act 424 of 1984

445.954 Amount necessary to acquire ownership; amount applied toward purchase price.

Sec. 4.

(1) The amount to be paid by the lessee to acquire ownership as disclosed in section 3(j) shall not be greater than the cash price as disclosed under section 3(k) minus an amount equal to 45% of all periodic rental payments made by the lessee.

(2) If at any time an amount equal to 45% of the total periodic rental payments paid by the lessee to the lessor equals the cash purchase price disclosed under section 3(k), then the lessee shall acquire ownership of the rental property.

(3) This section shall not prohibit a lessor from offering a rental purchase agreement which provides that an amount equal to 45% or more of the periodic rental payments is applied toward the purchase price disclosed in section 3(k).

History: 1984, Act 424, Eff. Mar. 29, 1985