

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

700.3912 Purchasers from distributees protected.

Sec. 3912.

(1) If property distributed in kind or a security interest in that property is acquired for value by a purchaser from or lender to a distributee who has received an instrument or deed of distribution from the personal representative, or is so acquired by a purchaser from or lender to a transferee from such a distributee, the purchaser or lender takes title free of rights of an interested person in the estate and incurs no personal liability to the estate, or to an interested person, whether or not the distribution was proper or supported by court order or the personal representative's authority was terminated before execution of the instrument or deed.

(2) This section protects a purchaser from or lender to a distributee who, as personal representative, has executed a deed of distribution to himself or herself, as well as a purchaser from or lender to another distributee or his or her transferee. To be protected under this section, a purchaser or lender does not need to inquire whether a personal representative acted properly making the distribution in kind, even if the personal representative and the distributee are the same person, or whether the authority of the personal representative had terminated before the distribution.

(3) A recorded instrument described in this section on which an exemption listed in section 5 of 1966 PA 135, MCL 207.505, or section 6 of the state real estate transfer tax act, 1993 PA 330, MCL 207.526, is not noted is prima facie evidence that the transfer is made for value. Notwithstanding this section, a purchaser or lender takes title free of the lien for Michigan estate tax only to the extent provided by section 43 of the Michigan estate tax act, 1899 PA 188, MCL 205.243.

History: 1998, Act 386, Eff. Apr. 1, 2000

Popular Name: EPIC