515.26 DISPOSITION OF PROPERTY WHERE IT IS DAMAGED BY FIRE OR OTHER DISASTER.

In case of fire or other disaster, if a majority of the apartment owners and all other parties in interest do not voluntarily make provision for reconstruction of the building within 180 days from the date of damage or destruction, the manager or the board of directors of the association of apartment owners shall file for record with the recording officer a notice setting forth such facts and upon the recording of such notice:

(1) The property shall be deemed to be owned in common by the apartment owners;

(2) The undivided interest in the property owned in common which shall appertain to each apartment owner shall be the percentage of undivided interest previously owned by such owner in the common areas and facilities;

(3) Any liens affecting any of the apartments shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the apartment owner in the property as provided herein; and

(4) The property shall be subject to an action for partition at the suit of any apartment owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the apartment owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the apartment owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each apartment owner.

History: *1963 c 457 s 26; 1965 c 602 s 6*