



The Debtor/Creditor Rights Committee  
of the Business Law Section of the State Bar of Michigan

## Assignment of Rents and Bankruptcy

On May 2, 2017, the Sixth Circuit Court of Appeals issued an important decision in *In re Town Center Flats, LLC* on the Michigan assignment of rents statute and the impact and effect of a lender exercising its rights thereunder prior to the commencement of a bankruptcy petition. The court held that a properly enforced assignment of rents results in such rents being excluded from the bankruptcy estate. This decision represents the first ruling by the Sixth Circuit Court of Appeals on this issue, and resolves a split amongst the Eastern District and Western District of Michigan Bankruptcy Courts.

The Committee will be doing a presentation on the opinion, along with an analysis of the impact that it is likely to have on single asset real estate debtors' ability to reorganize in chapter 11, on **Wednesday, August 9, 2017** from **6:00 p.m. to 8:00 p.m.**

### *Presenters:*

Honorable Walter Shapero (Retired)  
Robert N. Bassel  
Gregory J. DeMars  
Judith Greenstone Miller

### **Meeting (with dinner included) to be held at the Southfield Offices of:**

Jaffe Raitt Heuer & Weiss, P.C.  
27777 Franklin Road, Suite 2500  
Southfield, Michigan 48034

**Please R.S.V.P. by August 4, 2017** to Judy B. Calton at [jcalton@honigman.com](mailto:jcalton@honigman.com) or (313) 465-7344.

You may also attend the meeting telephonically. A call-in number will be provided upon request.