

STATE OF MICHIGAN  
COURT OF CLAIMS

FIRST FEDERAL OF NORTHERN  
MICHIGAN,

Plaintiff,

v

MICHIGAN DEPARTMENT OF TREASURY,

Defendants.

No. 17-000294-MT

Hon. MICHAEL J. TALBOT

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NORMAN K. DROSTE (P35665)  
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Department of Treasury  
SCFRA & Collections Division  
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STIPULATION AND ORDER  
SETTING PRIORITIES & INTERESTS BETWEEN PLAINTIFF  
AND THE MICHIGAN DEPARTMENT OF TREASURY  
AND  
DISMISSING CASE AGAINST MICHIGAN DEPARTMENT OF TREASURY

STIPULATION

Plaintiff, First Federal of Northern Michigan, through its attorneys, Norman K. Droste, and Defendant, Michigan Department of Treasury, through its attorneys, BILL SCHUETTE, Michigan Attorney General, and Moe Freedman, Assistant Attorney General, stipulate as follows:

*NKD 12/21/17*

2018 JAN -2 11:10:31  
JAMES W. ZIMMERMAN

2017 DEC 21 PM 4:58  
JAMES W. ZIMMERMAN

1. Plaintiff, First Federal of Northern Michigan, named Defendant, the State of Michigan's Department of Treasury (Treasury) in this action because Treasury claims an interest in the property that is subject of this action as the result of State Tax Lien recorded with the Alpena County Register of Deeds. Plaintiff has no monetary claims against Treasury but is simply seeking to subject Treasury's interest in the property described below to any sale that may take place pursuant to an order that may be issued by the Court in this action.

2. Plaintiff holds a mortgage ~~as assignee~~ that was originally recorded on

\* June 12, 2013, with the Alpena County Register of Deeds against the real property  
\* @ L496 P 660

interest which is the subject of this lawsuit and that is more particularly described as:

Situated on Wilson Township, Alpena County, State of Michigan.

Part of the SE ¼ of the SW ¼ of Section 12, T30N, R6E, described as: A parcel land beginning at the Southeast corner of the Southwest ¼; thence West along the section line 145 feet; thence at right angles North 128 feet; thence at right angles East 55 feet; thence at right angles North 422 feet; thence at right angles East 90 feet to the quarter line; thence South along quarter line 550 feet more or less to the Point of Beginning. Subject to any part thereof that might be used for road right of way purposes. Alpena County Records.

Tax Property ID: 081-012-000-505-00

More commonly known as: 10442 Nappers Rd., Herron, MI 49744

3. On January 28, 2016, Defendant Treasury recorded Tax Lien # 1935998\* with the Alpena County Register of Deeds against the real property  
\* @ L 511 P 660 STATE  
interests of Jody A. Sauve & Juliana M. Sauve.

*Handwritten:* MJD  
12/21/17

5. Treasury recognizes and affirms that the interest claimed by the Plaintiff in the property, which is the subject of this cause, is senior, superior and prior in all respects to the interest claimed by Treasury. Further, that Treasury's interests in the property described above shall be subjected to and extinguished by any foreclosure sale that takes place pursuant to an Order of this Court, unless the property is redeemed from said sale as provided for by statute. Further, Treasury's lien shall transfer to any excess proceeds derived from the sale, over and above the amount necessary to satisfy Plaintiff's claim.

6. In the event that this action results in a sale of the subject property, pursuant to the enforcement of Plaintiff's rights, that any excess proceeds derived from said sale, over and above the amount necessary to satisfy Plaintiff, be promptly paid into the Court subject to further order of the Court as to priorities, with Treasury being entitled to apply for payment of such surplus proceeds. Plaintiff's counsel shall give written notice of any surplus to undersigned counsel for the Treasury within 10 days after receipt of sale proceeds.

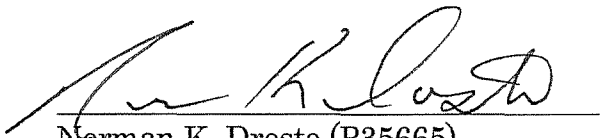
7. Treasury reserves the right to present any and all evidence necessary to substantiate the existence of its lien, the amount of its lien, and the respective priority of its lien with respect to any lien holders other than the Plaintiff so as to protect its right to any surplus proceeds from any judicial foreclosure action.

8. Plaintiff will send Treasury a True Copy of any report of sale or final judgment of this lawsuit.

*MJ*  
*12/21/17*

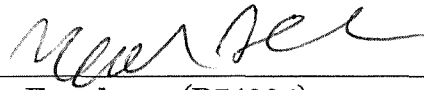
9. Treasury is dismissed without prejudice and without costs as a Defendant in this matter.

10. This Stipulation and Order does not affect Plaintiff's Complaint against the remaining Defendants, and Plaintiff's case against the remaining Defendants will proceed unaffected by this Stipulation and Order.



Norman K. Droste (P35665)  
Attorney for Plaintiff,  
First Federal of Northern Michigan

Date: 6 12/21/2017



Moe Freedman (P74224)  
Attorney for Defendant, State of  
Michigan Department of Treasury

Date: 12/21/17

2017 DEC 21 PM 4:18  
JEROME W. ZIMMERMAN, JR. CLERK

ORDER BASED ON STIPULATION SETTING PRIORITIES & INTERESTS  
BETWEEN PLAINTIFF AND THE MICHIGAN DEPARTMENT OF TREASURY  
AND  
DISMISSING CASE AGAINST DEFENDANT MICHIGAN DEPARTMENT OF  
TREASURY

At a session of said Court,  
Held in the State of Michigan,  
on JAN - 5 2018, 2017.

PRESENT:  
HON: MICHAEL J. TALBOT.  
Court of Claims Judge

As Stipulated above between Plaintiff, First Federal of Northern Michigan  
and Defendant, State of Michigan Department of Treasury is dismissed without  
Prejudice and Costs.

IT IS SO ORDERED.

This is a Final Order and Resolves the last Pending Claim in this case.

JAN - 5 2018

Michael J. Talbot  
COURT OF CLAIMS JUDGE

1/28  
12/21/17