

Michigan Residential Lease

NOTICE: Michigan law establishes rights and obligations for parties to rental agreements. This agreement is required to comply with the Truth in Renting Act. If you have a question about the interpretation or legality of a provision of this agreement, you may want to seek assistance from a lawyer or other qualified person.

Date: {TodaysDate}

1. **PARTIES.** This Michigan Residential Lease (“Agreement”) is between {TenantNames} (collectively, the “Tenant”) and {PropertyManagerEntity} (“Landlord”). The manager is {PropertyManagerName}. Each Tenant is jointly and severally liable for all terms of this Agreement.
2. **PREMISES.** Subject to the terms and conditions in this Agreement, Landlord rents to Tenant, and Tenant rents from Landlord, for residential purposes only, {Address} (“Premises”).
3. **OCCUPANTS.** The Premises shall be used and occupied only as a private residence by Tenant and immediate family of Tenant, provided that the total number of occupants does not exceed the number of occupants allowed under law. Occupancy by other persons for more than seven consecutive days and more than two occasions in any month is prohibited without Landlord's written consent and shall be considered a breach of this Agreement. Tenant is responsible for the conduct of all occupants, guests, and invitees.
4. **AGREEMENT TERM.** The term of this Agreement begins on {StartDate}, and ends at 11:59 p.m. on {EndDate} (“Agreement Term”).
5. **PAYMENT OF RENT.** Tenant shall pay Landlord a monthly rental amount of \${MonthlyRent}, due to Landlord in full on the first business day of the month at the landlord's address or using electronic funds transfer to an account designated for the payment of rent by landlord. If Landlord and Tenant agree that Tenant shall make payments through the LeaseRunner Tenant Payment Center, then all {ACH_Fees}.
6. **CHARGES AND FEES.** If Tenant fails to pay the rent in full by the fifth day of the month, Tenant shall pay Landlord a late charge of \${Late_Fee}. If any payment offered by Tenant to Landlord for rent or any other amount due under this Agreement is returned for lack of sufficient funds, for a stop-payment, or for any other reason, Tenant shall pay Landlord an insufficient funds fee of \${NSF_Fee}. Landlord and Tenant agree that the charges and fees are a reasonable estimate of the administrative costs incurred by

Landlord. Landlord does not waive the right to insist on payment of the rent in full on the date it is due.

7. **PRORATION OF RENT.** For the period from {StartDate} through the end of the month, Tenant shall pay to Landlord the prorated monthly rent of \${ProratedRent}.

8. **SECURITY DEPOSIT.**

A. **Amount.** Tenant shall deposit with Landlord the amount of \${SecurityDeposit} as a security deposit against any breach of this Agreement by Tenant. **Per MCL 554.602, the security deposit may not exceed 1.5 months' rent.**

B. **Separate Account For Security Deposit; Bond.** Per MCL 554.604, Landlord shall deposit the security deposit in a regulated financial institution. Landlord may use the monies so deposited for any purposes Landlord desires if Landlord deposits with the secretary of state a cash bond or surety bond written by a surety company licensed to do business in Michigan and acceptable to the attorney general. The security deposit shall be considered the lawful property of Tenant until Landlord establishes a right to the deposit or portions thereof.

C. **Inventory Checklists.** Per MCL 554.608:

- i. Landlord shall make use of inventory checklists both at the commencement and termination of occupancy of the Premises which detail the condition of the Premises for which a security deposit is required.
- ii. At the commencement of the lease, Landlord shall furnish Tenant two blank copies of a commencement inventory checklist, which form shall be identical to the form used for the termination inventory checklist. The checklist shall include all items in the rental unit owned by Landlord including, but not limited to, carpeting, draperies, appliances, windows, furniture, walls, closets, shelves, paint, doors, plumbing fixtures, and electrical fixtures.
- iii. Unless Landlord and Tenant agree to complete their inventory checklist within a shorter period, Tenant shall review the checklist, note the condition of the property and return one copy of the checklist to Landlord within **seven days** after receiving possession of the Premises.
- iv. The checklist shall contain the following notice in 12 point boldface type at the top of the first page:

You should complete this checklist, noting the condition of the rental property, and return it to the landlord within 7 days after obtaining possession of the rental unit. You are also entitled to request and receive a copy of the last termination inventory checklist which shows what claims were chargeable to the last prior tenants.

- v. At the termination of the occupancy, Landlord shall complete a termination inventory checklist listing all the damages Landlord claims were caused by Tenant.

D. **Allowable Charges.** Per MCL 554.607, the security deposit may be used only for the following purposes:

- i. to reimburse Landlord for actual damages to the Premises or any ancillary facility that are the direct result of conduct not reasonably expected in the normal course of habitation of a dwelling.
- ii. to pay Landlord for all rent in arrearage under this Agreement, rent due for premature termination of this Agreement by Tenant, and for utility bills not paid by Tenant.

E. **Notice Of Tenant's Forwarding Address.** MCL 554.603 requires Landlord to provide the following notice to Tenant:

You must notify your landlord in writing within 4 days after you move of a forwarding address where you can be reached and where you will receive mail; otherwise your landlord shall be relieved of sending you an itemized list of damages and the penalties adherent to that failure.

F. **Return Of Security Deposit.** Per MCL 554.609, in case of damage to the Premises or other obligation against the security deposit, Landlord shall mail to Tenant, within **30 days** after the termination of occupancy, an itemized list of damages claimed for which the security deposit may be used as provided in subsection D above including the estimated cost of repair of each damaged property item and the amounts and bases on which Landlord intends to assess Tenant. The list shall be accompanied by a check or money order for the difference between the damages claimed and the amount of the security deposit held by Landlord and shall not include any damages that were claimed on a previous termination inventory checklist prior to Tenant's occupancy of the Premises. The notice of damages shall include the following statement in 12 point boldface type which shall be at least 4 points larger than the body of the notice:

You must respond to this notice by mail within 7 days after receipt of same, otherwise you will forfeit the amount claimed for damages.

If Landlord claims damages and gives notice of damages as required, Tenant upon receipt of the list of damages shall respond by ordinary mail to the address provided by Landlord within 7 days, indicating in detail Tenant's agreement or disagreement to the damage charges listed. For the purposes of this section the date of mailing shall be considered the date of Tenant's response.

G. **Action For Damages, Limitations; Retention Of Portion Of Security Deposit, Prerequisites; Waiver; Liability.**

12. **PET RESTRICTIONS.** Except for service animals for the disabled, no animal, bird, or other pet is allowed in the Premises at any time, unless Tenant and Landlord have executed a separate written pet agreement. If at any time Tenant allows a pet into the Premises, Landlord may charge Tenant a penalty of \$50 per day, plus the costs of any damages.
13. **NOTICE TO QUIT AND HOLDOVER.**
 - A. **Failure To Pay Rent.** If Tenant neglects or refuses to pay rent when due, Landlord may terminate the tenancy by giving Tenant a written 7-day notice to quit.
 - B. **Tenant's Notice.** At least **one month** prior to the expiration of the Agreement Term, Tenant shall provide Landlord with written notice of Tenant's intention to move out by the end of the Agreement Term. If Tenant fails to provide such written notice, the tenancy shall be month-to-month after the Agreement Term, and all other terms of this Agreement shall continue in full force and effect.
 - C. **Month-to-Month Tenancies.**
 - i. Notice by Landlord. Landlord may terminate a month-to-month tenancy by providing **one month** written notice to Tenant.
 - ii. Notice by Tenant. Tenant may terminate a month-to-month tenancy by providing **one month** written notice to Landlord.
 - D. **Holdover.** If Tenant continues in possession of the Premises after the date of termination of this Agreement, as provided herein or under law, Tenant shall pay to Landlord a sum not to exceed **double the monthly rental amount of \${MonthlyRent}** under this Agreement, computed and prorated on a daily basis, for each day Tenant remains in possession. In addition, the holdover tenant shall be responsible for any further losses and/or costs incurred by Landlord as determined by a proceeding before any court of competent jurisdiction.
14. **RENT CHANGES.** Landlord may not change the rental amount during the Agreement Term. Landlord may change the rental amount or other agreement terms for a tenancy subsequent to the Agreement Term by providing written notice to Tenant **one month** prior to the end of the Agreement Term.
15. **POSSESSION OF THE PREMISES.** Tenant shall be responsible for paying rent and complying with all terms of this Agreement after signing this Agreement, even if Tenant fails to take possession of the Premises. If Tenant fails to take possession of the Premises within seven days of the beginning of the Agreement Term, Landlord may terminate this Agreement.
16. **DELAY OF OCCUPANCY.** In the event Tenant's occupancy of the Premises is delayed for construction, repairs, cleaning, a holdover tenant, or any other circumstances beyond Landlord's control, this Agreement shall remain in effect, subject to the abatement of rent on a daily basis. If the delay of occupancy is longer than seven days, Tenant may terminate this Agreement by delivering written notice to Landlord. After such termination, Landlord's liability to Tenant is limited to the return of all sums previously paid by Tenant to Landlord under this Agreement.

17. **REIMBURSEMENT.** Tenant shall immediately reimburse Landlord for any loss, damage, cost, or repair caused by Tenant or an occupant, guest, or invitee of Tenant. Tenant's unpaid balances shall incur interest at the highest lawful rate.

18. **MAINTENANCE RESPONSIBILITIES.**

A. **Landlord's Responsibilities.** Unless otherwise provided under Michigan law, Landlord warrants that the Premises and all common areas are fit for human habitation. Landlord shall keep the Premises in reasonable repair during the term of this Agreement, and shall comply with the applicable health and safety laws of Michigan and of the local government where the Premises is located, except when the disrepair or violation of the applicable health or safety laws has been caused by Tenant's willful or irresponsible conduct or lack of conduct.

B. **Tenant's Responsibilities.** Tenant shall not destroy, deface, damage, impair, or remove any part of the Premises or surrounding property, nor permit any person under Tenant's direction or control to do so.

Tenant shall:

- i. comply with all obligations imposed upon tenants by applicable provisions of all municipal, county, and state codes, statutes, ordinances, and regulations;
- ii. keep the Premises clean, sanitary, and in good condition;
- iii. notify Landlord immediately of any defects, maintenance issues, or dangerous conditions of which Tenant becomes aware;
- iv. be responsible for cleaning and routine maintenance;
- v. dispose promptly of all rubbish, garbage, and other waste; and
- vi. properly use and operate any electrical, gas, and plumbing fixtures and keep them as clean and sanitary as their conditions permit.

19. **SURRENDER.** Upon termination of the tenancy, Tenant shall return the Premises to Landlord in a condition identical to that which existed when Tenant took occupancy, except for ordinary wear and tear.

20. **REPAIRS AND ALTERATIONS.**

A. **In General.** Except as provided by law, Tenant shall not make any repairs or alterations to the Premises without the prior written consent of Landlord and the homeowners association, if applicable. Repairs and alterations include but are not limited to painting, wallpapering, demolition, carpentry, installation of fixtures, or any other changes to the Premises. Any repairs or alterations that Tenant performs with approved consent must conform to a professional standard of quality. Any repairs or alterations performed by Tenant shall become the property of Landlord, and Tenant shall not be entitled to any compensation for such repairs or alterations.

B. **Keys and Security Systems.** Tenant shall not, without the prior written consent of Landlord, alter or install any locks to the Premises,

or alter or install any security system. Tenant shall provide Landlord with a key or keys capable of unlocking all such altered or new locks as well as with instructions on how to disarm any altered or new security system.

21. **USE VIOLATIONS.** Tenant is responsible for the behavior of Tenant's occupants, guests, and invitees. Tenant shall comply with all rules and regulations of Landlord and the homeowners association, if applicable. Tenant and Tenant's occupants, guests, and invitees shall not use the Premises or any common areas on the property in such a manner that:
 - A. violates any law or ordinance, including laws prohibiting the use, possession, or sale of illegal drugs;
 - B. damages the Premises, common areas, or surrounding property; or
 - C. disturbs the peace and quiet of any other tenant or nearby resident.
22. **RULES AND REGULATIONS.**
 - A. Landlord, from time to time, may adopt rules or regulations, however described, concerning Tenant's use and occupancy of the Premises. They are enforceable against Tenant only if:
 - i. their purpose is to promote the convenience, safety, or welfare of Tenant; preserve Landlord's property from abusive use; or make a fair distribution of services and facilities held out for the tenants generally;
 - ii. they are reasonably related to the purpose for which they are adopted;
 - iii. they apply to all tenants in the property in a fair manner;
 - iv. they are sufficiently explicit in their prohibition, direction, or limitation of Tenant's conduct to fairly inform Tenant of what must be done to comply;
 - v. they are not for the purpose of evading the obligations of Landlord; and
 - vi. Tenant has notice of them at the time Tenant enters into this Agreement or when they are adopted.
 - B. A rule or regulation adopted after Tenant enters into this Agreement is enforceable against Tenant if reasonable notice of its adoption is given to Tenant and it does not work a substantial modification of this Agreement.
23. **EXTENDED ABSENCES.** Tenant shall notify Landlord in advance if Tenant will be away from the Premises for seven or more consecutive days. During such absences, Landlord may enter the Premises as reasonably necessary to inspect the Premises and perform needed maintenance or repairs.
24. **ABANDONMENT.**
 - A. **Evidence of Abandonment.** Tenant's abandonment of the Premises may be evidenced by the return of keys, the substantial removal of the Tenant's personal property, notice by Tenant, the extended absence of

Tenant while rent remains unpaid, or any evidence which would cause a reasonable person to believe that Tenant had permanently surrendered possession of the Premises.

B. **Rent.** Landlord shall not accept Tenant's abandonment as a surrender or a termination of Tenant's obligations under this Agreement. At Landlord's option, Landlord may relet the Premises and hold Tenant liable for any difference between the rent that would have been payable under this Agreement during the balance of the Agreement Term, if this Agreement had continued in force, and the net rent for such period realized by Landlord by means of such reletting.

C. **Personal Property.**

If at any time during the term of this Agreement Tenant abandons the Premises, Landlord may obtain possession of the Premises in any manner provided by law. Landlord may consider any personal property left on the Premises to have been abandoned. Landlord may dispose of all such personal property in any manner Landlord shall deem proper, and Tenant hereby relieves Landlord of all liability for doing so.

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25. **QUIET ENJOYMENT AND LANDLORD'S RIGHT TO ACCESS.** So long as Tenant is not in default under this Agreement, Tenant is entitled to quiet enjoyment of the Premises. Landlord may enter the Premises for the following purposes:
- A. to inspect the Premises and determine Tenant's compliance with the terms of the Agreement;
 - B. to show the Premises to a prospective tenant, purchaser, or lender;
 - C. to estimate repair costs;
 - D. to prevent waste;
 - E. to prevent excessive noise or disturbances; or
 - F. to make any repairs, additions, or alterations.

Except in cases of emergency, Tenant's abandonment of the Premises, court order, or where it is impracticable to do so, Landlord shall give Tenant notice of at least **24 hours** before entering the Premises.

26. **FORCE MAJEURE.** If Landlord or Tenant cannot reasonably perform its obligations under this Agreement because of a natural disaster, war, terrorist activities, civil commotion, an act of God, or any other event beyond Landlord's or Tenant's control (except for non-availability of funds), the party shall not be in breach of this Agreement if the party diligently performs the obligations after the end of the force majeure event. The non-performing party shall give written notice to the other party as soon as practicable in the event of non-performance due to a force majeure event.
27. **ASSIGNMENT, SUBLEASE, AND RELEASE.** Tenant shall not sublet any

part of the Premises or assign this Agreement without the prior written consent of Landlord. Unless Landlord issues Tenant a written release, Tenant shall not be released from this Agreement for any reason including but not limited to school withdrawal or transfer, business or employment transfer, loss of employment, marriage, divorce, separation, or bad health, with the exception of certain military service members, victims of domestic violence, and any other exceptions as may be permitted under federal and/or state law. Landlord may charge Tenant a reasonable administrative fee for any assignment, sublet, or release.

28. GROUNDS FOR TERMINATION OF THE TENANCY.

A. Landlord. Landlord may terminate this Agreement if:

- i. Tenant or Tenant's occupants, guests, or invitees fail to comply with any term of this Agreement;
- ii. Tenant misrepresents any material fact on Tenant's rental application;
- iii. Tenant, a member of Tenant's household, or other person under Tenant's control has manufactured, delivered, possessed with intent to deliver, or possessed a controlled substance on the Premises, per MCL 554.134; or
- iv. otherwise provided by law.

B. Termination By Tenant. Tenant may terminate this Agreement if:

- i. the Premises is damaged or destroyed by fire or casualty to the extent that normal use and occupancy is substantially impaired;
- ii. Tenant has a reasonable apprehension of present danger to Tenant or Tenant's child from domestic violence, sexual assault, or stalking, per MCL 554.601(b);
- iii. Tenant has occupied the Premises for more than 13 months and provided a 60-day written notice to Landlord citing one of the following reasons, per MCL 554.601(a):
 - a. Tenant became eligible during the Agreement Term to take possession of a subsidized rental unit in senior citizen housing and provides Landlord with written proof of that eligibility; or
 - b. Tenant became incapable during the Agreement Term of living independently, as certified by a physician in a notarized statement;

or

- iv. otherwise provided by law.

29. INSURANCE AND LIABILITY. Landlord's insurance does not cover Tenant's personal possessions in the event of loss or damage due to fire, windstorm, flood, theft, vandalism, or other similar cause. If Tenant desires to insure personal possessions or to insure against Tenant's personal liability, Tenant should obtain renters insurance. Tenant's insurance shall be the primary insurance responsible for payment in the event of a loss, and Tenant or

Tenant's insurance company will reimburse Landlord or Landlord's insurance company, if necessary. Tenant shall only be liable for personal injury or property damage caused by the negligence or willful acts of Tenant. Landlord shall only be liable for personal injury or property damage caused by the negligence or willful acts of Landlord.

30. **SUBORDINATION.** This Agreement is subordinate to any existing or future mortgages or deeds of trust.
31. **RELEASE OF TENANT INFORMATION TO THIRD PARTIES.** Tenant authorizes Landlord to disclose Tenant's rental history to a third party who requests the information for a governmental, judicial, law enforcement, or business purpose.
32. **EMINENT DOMAIN.** If any part of the Premises is condemned through power of eminent domain, this Agreement shall end and all condemnation proceeds shall belong to Landlord.
33. **NOTICES AND AUTHORITY TO RECEIVE LEGAL PAPERS.** Landlord, any person managing the Premises, and anyone designated by Landlord are authorized to accept service of process and receive other notices and demands at Landlord's address listed below. Unless otherwise specified in this Agreement or required under law, all notices required under this Agreement shall be in writing and shall be delivered to the other party personally, or sent by first class mail, postage prepaid, or securely and conspicuously posted, as follows:
 - A. To Tenant: the Premises, or at Tenant's last known address
 - B. To Landlord: {PropertyManagerEntity}, {PropertyManagerAddress}
34. **ADDITIONAL PROVISIONS.** Additional provisions are as follows:
{AdditionalProvisions}
35. **ATTORNEYS' FEES.** In any action or legal proceeding to enforce any part of this Agreement, the prevailing party shall recover damages, reasonable attorneys' fees, and court costs to the extent permitted by law.
36. **WAIVER.** The failure by Landlord to insist in any one or more cases upon strict performance of any of the terms and conditions of this Agreement shall not be construed as a waiver or a relinquishment for the future of any such term or condition of this Agreement.
37. **HEADINGS.** The section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.
38. **ELECTRONIC TRANSACTIONS.** Landlord and Tenant hereby agree to execution of this Agreement by electronic signature.
39. **VALIDITY OF EACH PART.** If any portion of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable.
40. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between Landlord and Tenant. No promises or representations, other than

those contained herein or implied by law, have been made by Landlord or Tenant. Any addendum or modification to this Agreement must be in writing and signed by Landlord and Tenant.

Effective as of the date first set forth above.

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