

**TENANTS**  
**and**  
**LANDLORDS**

*Dear Friend:*

*This Guide is designed to inform tenants and landlords about their rights and responsibilities in rental relationships. It serves as a useful reference – complete with the following:*

- *An in-depth discussion about rental housing law in an easy-to-read question-and-answer format;*
- *Important timelines that outline the eviction process and recovering or keeping a security deposit;*
- *Website links to our sample lease, sublease, roommate agreement, lead-based paint disclosure form, inventory checklist, and certain rental housing timelines;*
- *Website links to our sample letters about repair and maintenance, the escrowing or rent deduction procedure, termination of occupancy, the notice of forwarding address, eviction issues, security deposit issues; and*
- *Website links to relevant court forms.*

*Rental housing law is complex. Whether you are a tenant or landlord, when you sign a lease agreement, you sign a contract. You are contractually obligated to perform certain duties and assume certain responsibilities. You are also granted certain rights and protections under the lease agreement. This resource guide is not a substitute for competent legal advice.*

*Owners of mobile-home parks, owners of mobile homes who rent spaces in the parks, and renters of mobile homes may have additional rights and duties. Also, landlords and renters of subsidized housing may have additional rights and duties.*

*It is our pleasure to provide this information to you. We hope that you find it useful.*

**For more information, please contact the MSU College of Law Housing Law Clinic at:**

**(517) 336-8088 Option 2 • [housing@law.msu.edu](mailto:housing@law.msu.edu) • [www.law.msu.edu/clinics/rhc](http://www.law.msu.edu/clinics/rhc)**

*DISCLAIMER: This Guide was created to help Michigan citizens find legal information to help them work better with their attorney, and to represent themselves in some instances. The information provided is not a substitute for the services of an attorney and does not constitute legal advice.*

*Revised and reprinted 2017 by Clinic Director and Associate Clinical Professor of Law:  
Brian G. Gilmore; Special thanks to Chris Randall, MSU COL 2017, Janiesha Freeloove-Sewell,  
MSU COL 2017 Copyright © MSU Housing Law Clinic*

# TABLE OF CONTENTS

## Creating and Terminating Tenancies and Understanding the Lease

### THE TENANCY

- Q1 What are the types of tenancies? ..... 5
- Q2 Are there advantages and disadvantages to the different types of tenancies? ..... 6

### THE LEASE

- Q1 Are there advantages to a written lease? ..... 6
- Q2 What provisions should be included in the lease? ..... 7
- Q3 What provisions are prohibited by law from being included in the lease? ..... 7
- Q4 What if the lease contains a provision that is prohibited by law or is missing the required disclosure language? ..... 8
- Q5 What other provisions can be included in the lease? ..... 8
- Q6 How can a lease be terminated? ..... 8
- Q7 What are the termination rights for senior citizens or persons incapable of independent living? ..... 9
- Q8 What does “joint and several liability” mean? ..... 9
- Q9 Can a landlord raise the rent once the lease has started? ..... 9

## The Security Deposit

### COLLECTING THE SECURITY DEPOSIT AT THE BEGINNING OF THE TENANCY

- Q1 Is there a limit on the amount that a landlord may collect as a security deposit? ..... 10
- Q2 What exactly is considered a security deposit? ..... 10
- Q3 Is there a difference between a fee and a deposit? ..... 10
- Q4 Once collected, what must the landlord do with the security deposit? ..... 11
- Q5 Whose money is it anyway? ..... 11
- Q6 What rights and responsibilities does the landlord have with regard to the tenant’s security deposit? ..... 11
- Q7 What is the point of the inventory checklist? ..... 11
- Q8 Is it important to properly complete the inventory checklist? ..... 12

### RECOVERING THE SECURITY DEPOSIT AT THE END OF THE TENANCY

- Q1 What must the TENANT do at the end of the lease? ..... 12
- Q2 What must the LANDLORD do at the end of the lease? ..... 12
- Q3 What must the tenant do when he or she receives the itemized list of damages? ..... 12
- Q4 What must the landlord do once he or she receives notice of the tenant’s dispute of the itemized list of damages? ..... 13
- Q5 Who must file the suit—the landlord or the tenant—for the security deposit? ..... 13

## Subleasing

- Q1 Does the landlord have to agree to the sublease? ..... 14
- Q2 If the tenant is to sublease, what exactly can be subleased? ..... 14
- Q3 What duties does the original tenant have when subleasing? ..... 15
- Q4 What about the security deposit? ..... 15
- Q5 What if the subtenant stops paying rent? ..... 15
- Q6 Can the original tenant be released from the obligations under the lease? ..... 16

## **Eviction Proceedings**

### **STARTING THE EVICTION PROCESS BEFORE GOING TO COURT**

- Q1 What lawful reason(s) must be given to evict a tenant? ..... 17
- Q2 If one roommate moves out and stops paying rent, can the other tenant(s) be evicted? ..... 17
- Q3 What is proper notice of eviction and how important is it?..... 18
- Q4 How much notice must be given to the tenant before the landlord may file suit? ..... 18
- Q5 Once the proper notice is prepared, how must it be delivered to the tenant? ..... 19

### **TAKING THE ACTION TO COURT**

- Q1 What must the landlord do to begin a lawsuit for eviction? ..... 19
- Q2 What must the tenant do after receiving the Complaint? ..... 21
- Q3 What happens if the tenant fails to appear and answer after receiving the Complaint? ..... 21
- Q4 Once a lawsuit is started, can the parties still try to negotiate or mediate an agreement? ..... 21
- Q5 If the parties reach an agreement, do they still have to appear in court?..... 21
- Q6 What possible defenses to a lawsuit for eviction might a tenant have?..... 22
- Q7 What can the parties expect to see happen at trial? ..... 22
- Q8 If the landlord wins the lawsuit for eviction, how soon can the tenant and his/her personal property be removed? ..... 23
- Q9 Can the tenant be evicted and still forced to pay money damages to the landlord? ..... 23

## **Mediation**

- THE MEDIATION PROCESS ..... 24
- COMMUNITY MEDIATION CENTERS ..... 24

## **Small Claims Court**

- Q1 How do I begin a small claims lawsuit? ..... 25
- Q2 What do I do if I have been sued in small claims court? ..... 26
- Q3 How do I prepare for the hearing? ..... 26
- Q4 What happens at the hearing? ..... 27
- Q5 How do I collect my money? ..... 27

## **Repair and Maintenance**

- LANDLORD'S RESPONSIBILITIES ..... 28
- TENANT'S RESPONSIBILITIES ..... 29
- IMPORTANT STEPS TO TAKE ..... 29
- HOW MUCH RENT SHOULD BE WITHHELD? ..... 30
- WHAT IF THE LANDLORD STARTS THE EVICTION PROCESS? ..... 31

## **Additional Considerations**

- Civil Rights ..... 29
- Housing Codes, Smoke Detectors ..... 29
- Pet Restrictions ..... 29
- Smoking ..... 29
- Lead-Based Paint ..... 30

## **Appendices** Security Deposit Timeline, Eviction Timeline, Michigan Community Mediation Centers Directory, Location of Documents and Forms Referred to in this Guide

# Creating and Terminating Tenancies and Understanding the Lease

Read the lease. Read the lease. Read the lease. When most people hear the term “lease” they think of the long sheets of paper written in very small type which they sign when they agree to move in and rent an apartment or house. A lease contains a variety of legal terms. It is important to recognize and know the following terms of a lease and to understand the substance of the agreement.

- **Landlord:** The party agreeing to transfer possession and use of the rental property, usually the owner (but may also include an agent or employee of the owner, or a management company).  
payments are deposited to show that the tenant was ready, willing, and able to pay the rent – but is withholding the rent until a certain problem is fixed that the landlord is legally responsible for fixing. Once the problem is fixed, the escrowed rent account will be released to the landlord.
- **Plaintiff:** A person who files a civil action to seek judicial relief for some injury or damage caused in violation of his or her rights.
- **Defendant:** A person against whom relief or recovery is sought in a civil action.
- **Tenant:** The party taking possession and use of the rental property from the landlord under a lease. A tenant’s right to possession and use is called a “tenancy” or “leasehold.”

## THE TENANCY

**Lease (or Rental Agreement):** The contract between the tenant and landlord, transferring possession and use of the rental property. A lease can be written or oral, but a written lease provides the best protection for both the landlord and the tenant.

**Joint and Several Liability:** If more than one person signs the lease as a tenant, the lease may state that their obligations are “joint and several.” This means that each person is responsible not only for his or her individual obligations, but also for the obligations of all other tenants. This includes paying rent and fulfilling all other terms of the lease.

**Escrow Account:** A bank account or other account held by a third party, generally established in the name of the tenant, into which whole or partial rent

### *Q1 What are the types of tenancies?*

While the word “lease” refers to the written (or oral) agreement, the word “tenancy” refers to the actual property right a tenant receives under the lease. An owner may convey to another a lesser interest in property, for a term less than that of the owner’s, for valuable consideration (generally rent). Thereby, the owner grants another use and enjoyment of his or her property during the period stipulated. This creates a tenancy. In Michigan, there are three types of tenancies:

1. **Fixed-Term Tenancy:** This type of tenancy is created when the lease agreement specifies when the tenancy begins and when it ends. It terminates automatically at the end of the period specified. Sometimes a written lease provides that if a tenant holds over after the fixed term expires, the tenancy shall be considered a month-to-month tenancy. On the other hand, if the lease does not so provide, and the parties acquiesce – i.e., tenant stays in possession and landlord accepts the rent – the lease is considered renewed for the same fixed term upon the same conditions.

- 2. Periodic Tenancy OR Tenancy at Will:** This type of tenancy is indefinite in duration. It is created by actual or implied consent. Usually a month-to-month tenancy, the lease is considered renewed at the end of each rental period (month-to-month or week-to-week, depending how often rent must be paid). Termination procedure is governed by statute and requires notice.
- 3. Tenancy at Sufferance OR Holdover Tenancy:** This type of tenancy is created by operation of law only. A tenant holds possession after his or her legal right to possession has ended (oftentimes based on landlord's failure to act). The person is just short of being considered a trespasser. The elements: (a) the tenant entered into possession lawfully, (b) the tenant's legal right to possession has ended, and (c) the tenant remains without the landlord's consent.

***Q2 Are there advantages and disadvantages to the different types of tenancies?***

**Fixed-Term Tenancy**

*Advantages:* The advantage to the tenant is that the rental period is fixed and the rental amount is stable; the landlord may not regain possession or raise the rent, with few exceptions. The advantage to the landlord is that the tenant is committed to pay rent for a specified period of time; the tenant is bound by the lease terms, with few exceptions.

*Disadvantages:* The disadvantage to the tenant is that he or she is bound by the lease term and may not simply move without remaining liable for the rent. The disadvantage to the landlord is that he or she is stuck with the tenant until the lease term ends.

**Periodic Tenancy OR Tenancy at Will**

*Advantages:* The advantage to the tenant is that he or she is free from any further obligation once proper notice of termination is given to the landlord – different housing arrangements can be made more quickly. The same advantage is true for the landlord; he or she may decide to no longer rent to the tenant if the same proper notice is given.

*Disadvantages:* The disadvantage to the tenant is that the landlord, with proper notice, can also raise rent. The disadvantage to the landlord is that he or she is not provided with any certainty as to how long the tenant will remain.

**THE LEASE**

***Q1 Are there advantages to a written lease?***

Although it is common for tenants to sign some type of written agreement, a lease is not always put in writing. Sometimes it is nothing more than an oral agreement as to the move-in and move-out dates, the address of the rental property itself, and the amount of the rent, and when it must be paid. However, if the lease agreement is for a period of more than one year, an oral lease is not an option – it must be put in writing to comply with the Statute of Frauds (Michigan Compiled Laws [MCL] 566.106).

Whether there is a fixed-term tenancy or a periodic tenancy, it is best to have a written record of the rental agreement. A written record is a permanent record that may be used for reference if misunderstandings arise – and they do. In the absence of a written lease, signed by both the landlord and the tenant, it is advisable to keep a personal written record of the agreement.

***Q2 What provisions should be included in the lease?***

The Michigan Truth in Renting Act (MCL 554.631 to 554.641) regulates residential leases – requiring the landlord to disclose certain information. Leases differ somewhat in terms, but a **written lease should include:**

1. Name and signature of the landlord;
2. Name and signature of the tenant;
3. Rent amount to be paid, how frequently, and when and where it is to be paid;
4. Address of the rental property;
5. Starting and ending dates if it is a fixed-term tenancy;
6. Landlord’s mailing address;
7. Amount of the security deposit, if any;
8. Name and address of the financial institution holding the security deposit;
9. Notice of the tenant’s obligation to provide a forwarding address to the landlord within 4 days of terminating the tenancy;
10. Who is responsible for paying utilities;
11. Repair and maintenance responsibilities;
12. Eviction procedures;
13. Any other terms and conditions that the landlord and tenant agreed to; and
14. This statement *must be provided* in a prominent place in the lease, in at least a 12-point font size:

**“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.”**

*Note:* Two copies of an inventory checklist must be provided to the tenant when he or she takes possession of the rental property.

***Q3 What provisions are prohibited by law from being included in the lease?***

The Michigan Truth in Renting Act regulates residential leases – prohibiting certain clauses or provisions and prescribing penalties. A provision or clause in a lease that violates the Truth in Renting Act is void. In particular, **a written lease shall not include** a provision which under MCL 554.633:

1. Waives or alters a remedy available to a party when the rental property is in a condition that violates the covenants of fitness and habitability;
2. Waives a right established under the laws that regulate security deposits;
3. Unlawfully excludes or discriminates against a person in violation of the laws relating to civil rights; Provides for a confession of judgment and/or warrant of attorney, e.g., requiring a person to give up certain legal rights in advance;
4. Relieves the landlord from liability for the landlord’s failure to perform a duty or for negligent performance of a duty imposed by law (however, the landlord’s duty could be waived to the extent a tenant was able to recover under an insurance policy for loss, damage, or injury caused by fire or other casualty);
5. Waives or alters a party’s right to demand a jury trial or any other right of notice or procedure required by law;
6. Provides that a party is liable for legal costs or attorney fees incurred by the other party in excess of costs or fees specifically permitted by statute;

7. Provides for the landlord to take a security interest in any of the tenant's personal property to assure payment of rent or other charges, except as specifically permitted by statute;
8. Provides that rental payments may be accelerated if the tenant violates a lease provision, unless that amount is determined by the court;
9. Waives or alters a party's right with respect to possession or eviction proceedings;
10. Releases a party from the duty to mitigate (or minimize) damages;
11. Provides that the landlord may alter a lease provision after the lease begins without the tenant's written consent, *EXCEPT* with 30 days written notice, the landlord may make the following types of adjustments, as long as there is a clause allowing for the adjustments:
  - a. Changes required by federal, state, or local law, rule, or regulation;
  - b. Changes in rules relating to the property meant to protect health, safety, and peaceful enjoyment; and
  - c. Changes in the amount of rental payments to cover additional costs incurred by the landlord because of increases in property taxes, increases in utilities, and increases in property insurance premiums.
12. Violates the Consumer Protection Act (MCL 445.901 to 445.922) which lists multiple unfair trade practices; or
13. Requires the tenant to give the landlord a power of attorney.

***Q4 What if the lease contains a provision that is prohibited by law or is missing the required disclosure language?***

A provision or clause in a lease that violates the Truth in Renting Act is void. The *lease* is not void – only the prohibited provision. However, a landlord must fix the prohibited provision or add the required disclosure language within 20 days after the tenant brings the deficiency to the landlord's attention in writing. If the landlord fails to fix it within the time specified, the tenant may bring an action to:

- Void the entire lease agreement;
- Make the landlord remove the prohibited provision from all lease agreements in which it is included; and
- Recover \$250 per action (for prohibited provisions) or \$500 per action (for missing disclosure provisions required by law), or actual damages, whichever is greater.

***Q5 What other provisions can be included in the lease?***

As long as a provision or clause does not violate federal, state, or local laws, rules, or regulations, the parties can agree to almost anything and include it in the lease. It can be as outlandish as stating, "Only blue cars can be parked in the driveway." Some special provisions to be aware of include:

- ***Smoking:*** A landlord is free to prohibit smoking in the rental property, as this would not violate any state, federal, or local laws.
- ***Pet Restrictions:*** A landlord may prohibit all pets in a rental unit. A landlord may charge a fee for having a pet. An exception here is that, generally speaking, a landlord may not prohibit a disabled individual relying on a service animal from housing the animal.

***Q6 How can a lease be terminated?***

***Fixed-term tenancy:*** This type of tenancy is created when the lease agreement specifies when the tenancy begins and when it ends. It terminates automatically at the end of the period specified. A fixed-term lease ends on its own without further action. However, many leases include the provision that the lease converts to a month-to-month tenancy at the end of the fixed term. Other leases state a sky-high increase in rent – sometimes double – if the tenant stays beyond the fixed term.



***Periodic tenancy OR tenancy at will:*** This type of tenancy is indefinite in duration. It is created by actual or implied consent. Usually a month-to-month tenancy, the lease is considered renewed at the end of each rental period (month-to-month or week-to-week, depending on how often rent must be paid). **The termination procedure is governed by statute and requires notice.**

Additionally, there are special termination rights for senior citizens or persons incapable of independent living.

***Q7 What are the termination rights for senior citizens or persons incapable of independent living?***

Lease agreements entered into, renewed, or renegotiated after June 15, 1995, must provide special termination rights for senior citizens and persons incapable of independent living. These leases must allow the tenant who has already occupied a rental unit for more than 13 months to terminate the lease with 60 days written notice if either of the following occurs:

1. Tenant becomes eligible to move into a rental unit in senior-citizen housing subsidized by a federal, state, or local government program, OR
2. Tenant becomes incapable of living independently, as certified by a physician in a notarized statement. [MCL 554.601a.]

***Q8 What does “joint and several liability” mean?***

If more than one person signs the lease as a tenant, the lease may state that their obligations are “joint and several.” This means that each person is responsible not only for his or her individual obligations, but also for the obligations of all other tenants. This includes paying rent and performing all other terms of the lease.

***Q9 Can a landlord raise the rent once the lease has started?***

Generally, the landlord may not alter a lease provision after the lease begins without the tenant’s written consent. There are, of course, exceptions to this. With 30 days written notice, the landlord may make the following types of adjustments, as long as there is a clause in the lease allowing for the adjustments:

1. Changes required by federal, state, or local law, rule, or regulation;
2. Changes in rules relating to the property meant to protect health, safety, and peaceful enjoyment; and
3. Changes in the amount of rental payments to cover additional costs incurred by the landlord because of increases in property taxes, increases in utilities, and increases in property insurance premiums.

# The Security Deposit

The security deposit is an amount of money paid by the tenant to the landlord other than the first rent payment (for whatever period is established in the lease: weekly rent payment, monthly rent payment, semiannual rent payment, and so on). The security deposit remains the tenant's property, but is held by the landlord for the term of the lease to ensure that the tenant pays the rent due, pays the utility bills, and returns the rented property in proper condition, as required by the lease. It is held as security as the name implies.

Once the lease is terminated, the tenant has the right to have the entire security deposit returned *unless* the landlord can substantiate a claim to it because the tenant:

1. Owes unpaid rent;
2. Owes unpaid utility bills; or
3. Caused damage to the rented property beyond reasonable wear and tear.

Under Michigan law, both a tenant and a landlord have duties and must perform specific acts regarding the security deposit. Understanding the duties and taking action are crucial. The law requires mandatory notice provisions, written communications, mailings, and strict compliance with time limits. If the duties are not performed precisely, the tenant risks losing the return of his or her security deposit and the landlord risks losing a claim to it. This chapter explains the duties and the necessary actions that must be taken.

## COLLECTING THE SECURITY DEPOSIT AT THE BEGINNING OF THE TENANCY

### ***Q1 Is there a limit on the amount that a landlord may collect as a security deposit?***

**Yes.** The law states that a security deposit shall not exceed 1.5 times the monthly rent.

**Example:** If a landlord charges \$500 a month for rental property, the maximum the landlord may collect as a security deposit is \$750 ( $\$500 \times 1.5 = \$750$ ).

### ***Q2 What exactly is considered a security deposit?***

Any prepayment of rent – other than for the first full rental payment period established in the lease, and any refundable fee or deposit, are considered by law to be part of the security deposit.

Sometimes the lease requires that both the first and last months' rent be paid before a tenant moves in. If this is the case, the last month's rent would be considered a security deposit. Sometimes, too, additional fees or deposits are charged to hold the rental property, for credit checks, for pets, for cleaning, for keys, for mailboxes, for storage, and for many other reasons. While these fees or deposits may not be called "security deposits" in the lease, if they are otherwise refundable, they are still considered by law to be part of the security deposit and subject to the strict rules that Michigan has adopted – including the limit on the total amount that a landlord may collect.

### ***Q3 Is there a difference between a fee and a deposit?***

**Yes.** The law defines the term "security deposit" and limits the amount that may be collected (not to exceed 1.5 times the monthly rent). *Refundable* fees are deemed – by definition – to be security deposits. *Nonrefundable* fees are not; and they can be assessed in any amount for any reason. However, sometimes a court will impose a general concept of "reasonableness" in determining whether a particular fee amount may be charged, such as with late rent fees.

**Example:** The monthly rent is \$500 and the lease calls for a \$750 security deposit. In addition to the security deposit, the lease calls for a refundable \$100 snow removal fee for “removing snow from any common area,” and a nonrefundable \$250 community fee for “cost of landlord-sponsored social events and common-area snow removal.” Because the \$100 snow removal fee is refundable, it would be considered part of the security deposit and violate Michigan law because the amount collected for a security deposit would exceed the 1.5 times monthly rent limit. The nonrefundable \$250 fee violates Michigan law because it covers a matter also covered by a refundable fee. If the lease, instead, required a nonrefundable snow removal fee and a nonrefundable community fee for “cost of landlord-sponsored social events,” it would, absent other contrary or confusing lease terms, be allowed. Nonrefundable fees in any amount may be charged as long as the tenant accepts them by undertaking the tenancy.

***Q4 Once collected, what must the landlord do with the security deposit?***

The landlord must either:

- a) Deposit the money with a regulated financial institution (e.g., a bank); OR
  - b) Deposit a cash bond or surety bond, to secure the entire deposit, with the Secretary of State.
- (Note: If the landlord does this, he or she may use the money at any time, for any purpose). The bond ensures that there is money available to repay the tenant’s security deposit.

***Q5 Whose money is it anyway?***

The security deposit is considered the lawful property of the tenant, until the landlord establishes a right to it – generally by obtaining a judgment in a court of law. If the landlord sells the rental property, he or she remains liable with respect to the tenant’s security deposit until ONE of the following occurs:

- a) The landlord returns the deposit to the tenant; OR
- b) The landlord transfers the deposit to the new owner and sends notice – by mail – to the tenant informing him or her of the new owner’s name and address; OR
- c) The new owner sends written notice of her/his name and address to the tenant AND the name and address of the financial institution where the deposit is held AND the tenant’s obligation to provide a forwarding address within 4 days of terminating occupancy.

***Q6 What rights and responsibilities does the landlord have with regard to the tenant’s security deposit?***

The landlord must provide the tenant with certain notices. Within 14 days from the day the tenant moves in, the landlord must provide written notice of the following:

- a) The landlord’s name and address for the receipt of communications regarding the tenancy;  
AND
- b) The name and address of the financial institution where the security deposit is held, or the name and address of the surety company, and who filed the bond with the Secretary of State; AND
- c) The tenant’s obligation to provide a forwarding address – in writing – within 4 days after the tenant moves out.

Generally, these notices are found in the lease itself.

***Q7 What is the point of the inventory checklist?***

The checklist preserves some proof of the condition of the property when the tenant moved in. The landlord must provide the tenant at move-in with 2 blank copies of an inventory checklist, referencing all items in the rental unit. The landlord must provide written notice on the first page of the checklist that the tenant must properly complete the checklist, noting the condition of the

property, and return it to the landlord within 7 days after moving in.

The tenant may request a copy of the termination inventory checklist (generally referred to as the itemized list of damages caused by the previous tenant). If requested, the landlord must provide a copy to the tenant.

***Q8 Is it important to properly complete the inventory checklist?***

**Yes.** The checklist preserves some proof of the condition of the property when the tenant moves in. If the tenant fails to properly fill out the checklist, or fails to return it, and a dispute over damages to the property occurs at the end of the lease, it becomes the tenant's word against the landlord's word.

**Further Recommendation:**

*Whether you are a landlord or tenant, take photos or video recordings of the rental unit before move-in.*

**RECOVERING THE SECURITY DEPOSIT AT THE END OF THE TENANCY**

***Q1 What must the TENANT do at the end of the lease?***

The tenant must provide his or her forwarding address – in writing – to the landlord within 4 days of moving out. Calling or telling the landlord, or landlord's agent, won't do. While the landlord must inform a tenant of this at the beginning of the lease, all too often a tenant forgets to do this when he or she moves out. Without a forwarding address, the landlord has no duty to make arrangements for returning the deposit. If the forwarding address is provided within the 4 days, the landlord has 30 days from move-out to respond in some way.

***Q2 What must the LANDLORD do at the end of the lease?***

The landlord receives the tenant's forwarding address within 4 days of move-out, the landlord has 30 days from move-out to either:

- a) Return the entire amount of the deposit by check or money order, OR
- b) Send – by mail – an itemized list of damages lawfully assessed against the deposit and a check or money order for the remaining balance of the deposit (if any).

The itemized list must also contain the following 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.”*

***Q3 What must the tenant do when he or she receives the itemized list of damages?***

If the tenant disputes any of the items on the itemized list, the tenant MUST respond – in detail, by mail – within 7 days of his or her receipt of the list. “Responding in detail” means giving reasons why the tenant disputes each item of damage and the amount assessed against the security deposit, and why the tenant should not be responsible. *Simply making a blanket statement that the tenant does not agree will not do; the tenant must address each item on the list individually.* The tenant's detailed response must be sent to the landlord by mail.

***Q4 What must the landlord do once he or she receives notice of the tenant's dispute of the itemized list of damages?***

If the tenant disputes all or part of the itemized list of damages, the landlord is left with two choices:

- a) Negotiate or mediate an agreement in writing with the tenant; OR
- b) Commence an action in court for a money judgment for damages that he or she claimed against the tenant's security deposit, which the tenant disputes.

Remember, the security deposit remains the tenant's property until the landlord perfects a claim to it – either by agreement or by court order. If the landlord and tenant cannot agree and if the landlord goes to court, he or she **MUST** prove that the tenant is actually responsible for the damages.

***Q5 Who must file suit – the landlord or the tenant – for the security deposit?***

Either the landlord or the tenant can be the plaintiff in a security deposit suit.

**The landlord may file suit** within 45 days from termination of occupancy. If both the tenant and the landlord have followed the security deposit timeline perfectly and there still remains a dispute on the amount of damages assessed against the tenant's security deposit, the landlord **MUST** file suit to retain the deposit. If the landlord does not file suit, he or she may be liable to the tenant for **double** the amount of the security deposit retained.

**The tenant may be required to file suit** in certain circumstances. The burden of filing suit shifts to the tenant if:

- a) The tenant failed to provide his or her forwarding address in writing within 4 days of terminating occupancy; OR
- b) The landlord failed to respond – by mail – to the itemized list of damages within 7 days of receiving it; OR
- c) The landlord failed to return the tenant's deposit after receiving the tenant's response disputing the amount assessed against it.

# Subleasing

Subleasing occurs when a tenant permits another party to lease the rental property that the tenant has leased from the landlord. (*Note:* Usually the lease or the landlord must allow the original tenant to sublease, and most leases specify that the landlord must approve of the subtenant). The tenant, then, assumes the position of landlord in relation to his or her subtenant. Subleasing usually occurs because the tenant has signed a fixed-term lease and wants – for whatever reason – to get out of the lease before it expires. Since the original tenant is bound by the terms of the lease, he or she cannot simply leave the property and stop paying rent. To avoid the financial burden of the unexpired portion of the lease, the tenant usually tries to find a subtenant who will assume that burden.

**A word of warning:** Subleasing is not without its problems – so put it in writing. Under a sublease, the original tenant is still bound by contract to the landlord on the terms of the lease. If the subtenant stops paying rent or causes damage to the rental property, the original tenant – not the subtenant – must answer to the landlord. Of course, the original tenant may have a legal cause of action against the subtenant for a violation of the sublease.

The following are important terms to understand:

- **Landlord:** The party agreeing to transfer possession and use of the rental property, usually the owner. **Tenant OR Sublessor:** The party taking possession and use of the rental property from the landlord under a lease contract.
- **Subtenant OR Sublessee:** A third party who takes possession and use of the rental property from the original tenant, under a sublease contract. The subtenant contracts with the original tenant – not the landlord – but generally with the landlord’s permission.
- **Sublease:** The contract between the original tenant and subtenant, transferring, again, possession and use of the rental property. A written sublease contract provides the best protection. Because a sublease can only transfer what is left of the rights given to the tenant in the original lease, it is important that the tenant provide the subtenant with a copy of the original lease.

## ***Q1 Does the landlord have to agree to the sublease?***

**Generally, yes.** Most leases specify that subleasing or assigning an interest in the rental property is not allowed without the landlord’s consent, OR that subleasing or assigning is not allowed at all. But if the original lease agreement is silent, then the tenant need not seek the landlord’s permission before entering into a sublease. However, as a practical matter, the tenant should notify the landlord of the sublease ahead of time. First check the terms of the original lease, then, if permission is required, check with the landlord.

## ***Q2 If the tenant is to sublease, what exactly can be subleased?***

The tenant can only sublease the rights he or she has been given in the original lease – no more. For example, if the tenant has only three months left on a one-year lease, the tenant can only sublease up to three months. The same holds true with any restrictions contained in the original lease – they all apply to the subtenant and cannot be waived by the original tenant. On the other hand, the tenant may decide to sublet less than all of the rights he or she has been given in the original lease (e.g., he or she may decide to return to the rental property).

### ***Q3 What duties does the original tenant have when subleasing?***

Generally, when a tenant subleases, he or she assumes the position of the landlord in relation to his or her subtenant. Accordingly, all of the laws that apply to landlords apply to a tenant who subleases. These duties are explained in other parts of this Guide. They include the following:

- Complying with the duties to maintain a habitable rental property and to make reasonable repairs, when necessary;
- Complying with the duties to register or license the rental property under local ordinance (check with the local housing office);
- Complying with the duties imposed under the security deposit laws and procedures; and
- Complying with the eviction laws and procedures, in the event the original tenant wants to remove the subtenant from the rental property.

Repair and maintenance still remain the ultimate duty of the original landlord. Because the subtenant, in a sublease, has no relationship with the original landlord, repair requests will usually be made by the original tenant. The original tenant makes a repair request to the landlord. This is not always the case; many times, the landlord, in granting the original tenant permission to sublease, will be aware of the subtenant's presence and will respond to his or her requests.

### ***Q4 What about the security deposit?***

Because nothing in the original lease agreement changes when a tenant subleases to a subtenant, the original tenant's security deposit will remain with the landlord. He tenant may decide to collect a security deposit from the subtenant to insure against nonpayment of rent or utility charges or damage to the rental property beyond reasonable wear and tear caused by the subtenant. Remember that the original tenant remains responsible to the landlord under the original lease. The original tenant's security deposit could be at stake.

**Collecting a security deposit from the subtenant.** If the original tenant decides to collect a security deposit from the subtenant, he or she would simply follow all of the ordinary steps that any landlord would in collecting a security deposit. These include being timely in providing proper notice, placing the security deposit in a financial institution, providing inventory checklists, and providing the itemized list of damages.

(See the **Security Deposit** section of this Guide.)

### ***Q5 What if the subtenant stops paying rent?***

Two things may be done to help protect against this:

- (1) Require the subtenant to sign a written sublease agreement that includes the same language as the original lease agreement; and
- (2) Require the subtenant to pay a security deposit to the original tenant.

If the original tenant permits the subtenant to pay rent directly to the landlord, the tenant runs the risk of not knowing if the subtenant is continuing to meet the rental obligations. When the subtenant is required to pay rent directly to the original tenant – and the tenant pays the usual rent to the landlord – there is much less risk.

If the subtenant stops paying the rent, the landlord can hold the original tenant responsible for missed payments. This amount can be withheld from the original tenant's security deposit, as can charges for unpaid utility bills and damages beyond reasonable wear and tear caused by the subtenant. The landlord's recourse is with the tenant under the original lease, not with the subtenant. The tenant's recourse is with the subtenant, under the sublease.

For this reason, it is risky to sublease rental property. Therefore, tenants should take all necessary precautions to ensure that they are subleasing to a financially responsible subtenant (e.g., running a credit check, asking for a reference from a previous landlord).

***Q6 Can the original tenant be released from the obligations under the lease?***

**Sometimes, yes.** Subleasing can be a complicated procedure, particularly if the tenant is leaving the area for the period of the sublease. There are two other ways that a tenant can be released from the obligations under the lease, which differ from a sublease arrangement:

1. **Mutual agreement.** Though it is rare, a landlord sometimes allows a tenant to terminate the lease early. Therefore, it is a good idea to talk to your landlord before looking for someone to sublease. (*Note:* If the landlord does allow the tenant to break the lease, the tenant should be sure to receive from the landlord a signed document describing the agreement.)
2. **Assignment.** Under an assignment agreement, the new tenant is substituted for the original tenant. When this is done, the original tenant is “cut out” of the entire lease agreement and the new person steps into his or her shoes. Accordingly, the new tenant will be responsible for all obligations under the original lease, including rent, utilities, and damages – the original tenant will be released of all obligations. (*Note:* If the landlord does allow an assignment, the tenant should be sure to receive from the landlord a signed document describing the assignment and the release of obligations.)

(See **Security Deposit Timeline** at the end of this Guide.)



# Eviction Proceedings

If the landlord wishes to remove a tenant from his or her rental property, the landlord must use the eviction process. The eviction process is called Summary Proceedings, and it moves quickly to restore rental property to the person lawfully entitled to possession.

The process starts with notice and may involve court appearances and a trial. The notice is usually called a “Notice to Quit” or a “Demand for Possession,” but for simplicity, we will call it an eviction notice here. If the landlord is successful in proving his or her case, an Order of Eviction may be issued and a court officer may remove the tenant and tenant’s personal items from the rental property. It is important to remember, however, that there are many steps in the eviction process before the tenant is physically removed – and most landlords and tenants reach a settlement long before the matter moves that far.

**The landlord must never forcibly remove the tenant (or occupant) himself or herself.** This includes things like changing locks, turning off utilities, or some other act or omission that interferes with the tenant’s right to possess, use, and enjoy the rental property. This is illegal and punishable by significant money damages.

## STARTING THE EVICTION PROCESS BEFORE GOING TO COURT

### ***Q1 What lawful reason(s) must be given to evict a tenant?***

There are nine reasons specified by law that would allow the landlord to start eviction proceedings with the notice described above:

1. Nonpayment of rent;
2. Extensive and continuing physical injury to property;
3. Serious and continuing health hazard;
4. Illegal drug activity on the premises and a formal police report was filed (a lease provision must allow for such termination);
5. Violation of a lease provision and the lease allows for such termination;
6. Forceful entry, or peaceful entry – with forceful stay or trespass;
7. Holding over after natural expiration of the lease term;
8. “Just cause” for terminating tenant of mobile home park (“just cause” is defined for this purpose by MCL 600.5775); OR
9. “Just cause” for terminating tenant of government-subsidized housing. (*Note: “just cause” is defined by statute, see MCL 125.694a and 600.5714.*)

### ***Q2 If one roommate moves out and stops paying rent, can the other tenant(s) be evicted?***

It may seem harsh and unfair, but yes, the other tenant(s) who are still paying rent may be evicted. The landlord is lawfully entitled to receive the full rent amount. Whoever signs the lease will be bound by its terms and conditions. If a “joint-and-several liability” clause is in the lease, who actually pays what amount is of no concern to the landlord.

Most leases include a provision that holds all tenants “jointly and severally liable” for any and all violations of the lease. **This means that each person is responsible not only for his or her individual obligations, but also for the obligations of all other tenants.** This includes paying rent and performing all other terms of the lease. Therefore, if only one tenant stops paying the rent (or violates any other provision of the lease agreement), the landlord may choose to evict any or all of the tenants. In addition, the landlord may choose to collect the rent or other money for damages incurred from any or all of the tenants.

***Q3 What is proper notice of eviction and how important is it?***

Proper notice is very important. Notice – a type of due process – safeguards and protects individual rights provided by law. If the landlord wishes to remove a tenant from his or her rental property, the landlord must use the eviction process – and it begins with proper notice. Before a court will enter a landlord’s request for an Order of Eviction, the tenant must have been given a proper eviction notice (usually “Notice to Quit” or “Demand for Possession”).

Many times the rental problem can be fixed with nothing more than the eviction notice. For example, if the tenant simply forgot to pay the rent, the notice may simply serve as a reminder – and once he or she pays the rent, the eviction process ends.

The eviction notice may take many forms. It must state that the landlord intends to evict the tenant, within a specified time (usually either 24 hours or 7 days or 30 days), because of a specified reason or problem – otherwise, court action will be taken. The notice may allow the tenant time to correct the problem (like paying the rent, if nonpayment of rent is the reason for eviction).

The eviction notice **MUST** include certain information or the notice is not proper. While many district courts provide standard eviction forms, a letter can accomplish the same as long as it contains all of the following:

1. Tenant’s name;
2. Address or rental property description;
3. Reason for the eviction;
4. Time to take remedial action;
5. Date; AND
6. Landlord’s signature.

Additionally, under MCR 600.5716, the demand for possession or payment must be in writing. This means that an oral demand for possession or rent will not be recognized by the court in Michigan.

***Q4 How much notice must be given to the tenant before the landlord may file suit?***

Each reason for eviction has a specific amount of time that **MUST** pass before the landlord may commence a lawsuit – either 24 hours or 7 days or 30 days.

**A 24-HOUR NOTICE** is required for the following reason:

Illegal drug activity on the premises and a formal police report was filed (lease provision must allow for termination).

**A 7-DAY NOTICE** is required for the following reasons:

- a) Nonpayment of rent;
- b) Extensive and continuing physical injury to property; OR
- c) Serious and continuing health hazard.

**A 30-DAY NOTICE** is required for the following reasons:

- a) Violation of a lease provision and the lease allows termination for that violation;
- b) Forceful entry, or peaceful entry – with forceful stay or trespass;
- c) Holding over after natural expiration of lease term;
- d) “Just cause” for terminating tenant of mobile home park; OR
- e) “Just cause” for terminating tenant of government-subsidized housing.

***Q5 Once the proper notice is prepared, how must it be delivered to the tenant?***

Once the eviction notice is prepared, it must be properly delivered to the tenant. The eviction notice MUST be delivered:

1. In person to the tenant; OR
2. At the rental property, to a member of the tenant's household – of suitable age – requesting that it be delivered to the tenant; OR
3. By first-class mail, addressed to the tenant; OR
4. By electronic service if the tenant has in writing specifically consented to electronic service and if the consent or confirmation of the consent has been sent to by 1 party and affirmatively replied to, by electronic transmission, by the other party. The electronic address used by the party shall be considered to remain the correct electronic service address unless party notifies the other party no longer has an electronic address.

If the notice is delivered personally, the time of the notice begins to run the next day. If the notice is mailed, the time begins the next mail delivery day (not a Sunday or holiday).

**The eviction notice is not the same as an Order of Eviction.** A tenant is not required to move when the eviction notice expires – he or she may have a valid defense to the landlord's reason for eviction. Expiration of the 24-hour or 7-day or 30-day time period only enables the landlord to file a lawsuit.

***Remember: Only a court officer may remove the tenant and tenant's personal items from the rental property – and only under court order.***

## TAKING THE ACTION TO COURT

***Q1 What must the landlord do to begin a lawsuit for eviction?***

If some agreement or understanding cannot be worked out by the parties, and if the eviction notice has been properly delivered and the 24-hour or 7-day or 30day time period has passed, the landlord may commence a lawsuit – known as a *Summary Proceedings* action. This section will outline how the landlord may bring an action, and what the tenant can expect when being sued.

**The paperwork.** The paperwork necessary to begin a lawsuit includes the following:

- a) Summons;
- b) Complaint;
- c) Copy of the Notice of Eviction (attached to the Complaint); and
- d) Lease (attached to the Complaint), if any.

Most district courts will provide the landlord with pre-approved court forms, if requested. These forms meet all Michigan statutory and court-rule requirements. However, they must be properly filled out. *It is suggested that anyone not using the pre-approved court forms consult with an attorney.*

The lawsuit for eviction begins like any other lawsuit – the plaintiff (the landlord) files the appropriate paperwork with the court. Jurisdiction over eviction proceedings is granted to the district court and the few remaining municipal courts.

**The Complaint** tells the court why the landlord seeks to regain possession of his or her rental property – much the same as the original Notice of Eviction. The Complaint **MUST** include:

- a) A description of the rental property;
- b) The reason(s) for eviction;
- c) A demand for a jury trial (if the landlord wants a jury);
- d) If rent or other money is due, the rental period and rate, the amount due and unpaid when the Complaint was filed, and date(s) the payments became due; and
- e) Allegations that the landlord has kept the residential rental property fit for the use intended and in reasonable repair during the term of the lease (unless the lease term is a year or more and the parties have modified these obligations by contract).

**The following paperwork MUST BE ATTACHED to the Complaint:**

- a) A copy of the Notice of Eviction; and
- b) The lease (unless the tenancy was created by an oral agreement).

The Summons **MUST** accompany the Complaint commanding the tenant to appear at the district court for trial. It **MUST** also include information, advising the tenant that:

- a) The tenant has the right to employ an attorney;
- b) If the tenant does not have an attorney, but can otherwise afford to retain one, to contact the State Bar of Michigan or a local lawyer referral service;
- c) If the tenant cannot pay for an attorney, he or she might qualify for free legal services assistance; and
- d) The tenant has the right to a jury trial (the fee must be paid when the demand is made in the first response – written or oral).

***Proper filing of the paperwork with the court.*** The paperwork **MUST** be properly filed with the appropriate district court, as only this court has jurisdiction over eviction proceedings. A lawsuit for eviction is filed in the district court in the county where the rental property is located. Sometimes, the district court's jurisdiction borders are the same as the municipal borders, but this is not always the case. Check with the local court to determine the proper district court for your lawsuit.

***Proper delivery of the paperwork to the tenant.*** The paperwork **MUST** be properly delivered to the tenant, notifying him or her that legal action has begun (and proof of how and when they were delivered must be filed with the court). The Summons and Complaint and a copy of the original Notice of Eviction and Lease **MUST** be properly delivered to the tenant **BY MAIL AND ONE OTHER WAY:**

- a) Personally; OR
- b) By first-class mail – certified, return-receipt requested, restricted delivery; OR
- c) At the rental property, to a member of the tenant's household – of suitable age – requesting that it be delivered to the tenant; OR
- d) After diligent attempts at personal service, by securely attaching the papers to the main entrance of the rental property unit.

*(Note: This delivery method differs slightly from delivery of the initial Notice of Eviction. Here, two methods of delivery are required.)*

### **Landlord's Checklist for Commencing an Eviction Proceeding**

1. The *Notice of Eviction* was properly delivered to the tenant and the proper time period, usually either 24 hours or 7 days or 30 days, has passed.
2. The preapproved court forms – the *Complaint* and *Summons* – are properly completed.
3. Copies of the *Notice of Eviction* and Lease are attached to the *Complaint*.
4. All paperwork is filed with the appropriate district or municipal court.
5. All paperwork is properly delivered to the tenant.

#### ***Q2 What must the tenant do after receiving the Complaint?***

The lawsuit for eviction is like any other lawsuit. Once a Complaint is received, the tenant **MUST APPEAR AND ANSWER** by the date on the Summons. The time period is short – generally 3 to 10 days. At the hearing, the tenant must answer either in person, orally, or by filing a written response addressing each of the allegations in the landlord's Complaint. The tenant's answer generally objects to the landlord's reason(s) for the eviction and explains why the court should not evict the tenant from the rental property. The tenant also has the opportunity at this time to state a counterclaim with the answer and request a jury.

#### ***Q3 What happens if the tenant fails to appear and answer after receiving the Complaint?***

If the tenant does not appear at the district court as commanded in the Summons, a default judgment – giving possession of the rental property back to the landlord – will be entered against the tenant. And 10 days later, at the landlord's request, the court will issue an Order of Eviction and a court officer will physically remove the tenant and the tenant's personal items from the rental property.

Additionally, the court may enter a money judgment against the tenant. This would allow the landlord to begin collection proceedings, which may include garnishment of wages, bank accounts, and tax refunds. It may also include execution against the tenant's personal property, like his or her automobile. Further, a money judgment may appear on the tenant's credit report, hindering his or her ability to get a loan or a credit card.

***Advice to the tenant: Do not fail to appear and answer!***

#### ***Q4 Once a lawsuit is started, can the parties still try to negotiate or mediate an agreement?***

Up until trial, the parties may reach an agreement and settle the case themselves, or they may decide to resolve their dispute through mediation.

*Community Mediation.* Parties can choose to mediate before or after a lawsuit is filed. Mediation is an alternative dispute resolution technique that is voluntary, empowering, confidential, convenient, effective, and provided at little or no cost.

#### ***Q5 If the parties reach an agreement, do they still have to appear in court?***

At any time before trial, the landlord and tenant may decide to work out a compromise. In fact, most lawsuits for eviction end in compromise – minutes before trial. The parties may either:

- a) Sign an agreement called a "Consent Judgment," putting an end to the case by consent and by order of the judge; OR
- b) Agree to a dismissal subject to some condition (e.g., the tenant paying rent by a particular day, the tenant voluntarily vacating the rental property by a particular day). Once the condition is satisfied, the judge will order the dismissal.

**If a Summons has been issued, the tenant must show up at the court.** If an agreement is reached, the court must be notified. Whether the landlord and tenant must appear before the judge to put their agreement on the record is up to the judge.

***Q6 What possible defenses to a lawsuit for eviction might a tenant have?***

If the tenant has exhibited certain lawful behavior, Michigan law provides the tenant with a number of defenses – even if the landlord can prove any of the nine reasons for a lawful eviction. The most common defenses are:

- (1) *A claim of retaliatory eviction.* Under MCL 600.5720, there exists a presumption of retaliation if the landlord started the eviction proceedings within 90 days of the tenant trying to enforce his or her rights under law (e.g., reporting health and safety code violations, exercising rights under the lease, filing a complaint against the landlord for violation of the law, or joining in membership in a tenant’s organization). If the official action has not resulted in dismissal or denial of the attempt or complaint, a presumption in favor of the defense of retaliatory termination arises, unless the plaintiff establishes by a preponderance of the evidence that the termination of tenancy was not in retaliation for the acts.
- (2) *Full payment of the rent due.* After a lawsuit for nonpayment of rent was filed, the tenant may have actually paid the total amount of rent due.
- (3) *Landlord’s breach of the warranty of habitability and duty to repair.* The landlord must have been provided with notice of the problem, generally in writing, and must have been given a reasonable amount of time to fix the problem. If a portion of the rent was withheld for the purpose of addressing the maintenance or repair issue(s), it must have been deposited into an escrow account. (That portion of rent must reasonably relate to the cost of repair or to the damage that the tenant incurred because of the problem). The tenant must show that “but for the repair and maintenance required, he or she was ready, willing, and able to pay the rent.”

Having a defense and being able to prove it are two different things. If the tenant is successful in offering his or her proofs, the tenant is generally allowed to remain in possession of the rental property. The court may not order eviction if the court believes that the tenant complied with the law and acted only to protect his or her rights, even though the landlord may have had a lawful reason to evict.

***Q7 What can the parties expect to see happen at trial?***

If the parties to a lawsuit for eviction cannot otherwise reach an agreement, they will have to go to court to have things decided for them. Even when they first get to court, most cases are resolved in the hallways. The judges generally encourage the parties to reach a settlement; the attorneys who are there on behalf of the parties also encourage their clients to do so. If they cannot, the parties then proceed to trial where the judge or jury will decide the outcome.

At trial, both parties will be given an opportunity to tell their side to the judge (or jury). They will be allowed to offer testimony and show documentation that may persuade the judge (or jury), by a preponderance of the evidence (51 percent), to rule in their favor.

In the courtroom, there is an order to things. The landlord must first prove that a lawful reason for eviction exists and that he or she is entitled to regain possession as owner of the rental property. The tenant, on the other hand, may next offer evidence that even though there is a lawful reason, a legal defense exists that protects him or her from being removed.

After both parties have had an opportunity to offer their proofs to the judge (or jury), a decision will be made either for the landlord (to regain possession) or for the tenant (to remain in possession).

***Q8 If the landlord wins the lawsuit for eviction, how soon can the tenant and his/her personal property be removed?***

Even if the landlord wins the lawsuit for eviction, the court cannot issue an Order for Eviction for *at least 10 days*. This allows time for the tenant to cure by paying the rent owed if that was the reason for eviction, and it allows time to work things out by agreement.

Only after waiting 10 days can the prevailing landlord request that the judge issue an Order of Eviction. However, even then Michigan law does not allow the landlord to forcibly remove the tenant or the tenant's property. Only an officer of the court, by a judge's order, can remove the tenant and tenant's property from the rental property; and that officer is generally the sheriff or someone from the sheriff's office. This is called executing the Order of Eviction, and there is little the tenant can do but start packing.

***Q9 Can the tenant be evicted and still forced to pay money damages to the landlord?***

**Yes.** In addition to regaining possession of the rental property, the landlord may have persuaded the judge (or jury) that he or she is entitled to a money judgment. The judge may award the landlord a money judgment for such things as unpaid rent, unpaid utilities, damages to the rental beyond reasonable wear and tear caused by the tenant and any other damages incurred because of the tenant's violation of the lease agreement.

Avoiding a money judgment is always a good idea. If the option to pay is still available, the losing party (if financially able) should remit what is owed. Once a money judgment is awarded, the prevailing party, through a lawful collection process, can garnish wages, garnish bank accounts, and garnish tax refunds. The prevailing party may also be entitled to another remedy – executing the money judgment against personal property (a car, fine jewelry, collectibles, and the like).

Remember that a lease agreement – whether written or oral – is a contract, enforceable by law. Both parties have rights and obligations under the lease. Simply having the tenant removed from the rental property may not provide the landlord with all that he or she is entitled to receive under the lease.

(See **Eviction Timeline** at the end of this Guide.)

# Mediation

Parties in a dispute can choose to mediate before or after a lawsuit is filed. Mediation is an alternative dispute resolution technique that is voluntary, empowering, confidential, convenient, effective, and provided to at little or no cost.

There are about 20 mediation centers throughout Michigan that can be called for assistance.

## Mediation is:

- A process that helps people to resolve disputes. Trained mediators facilitate a communication process that assists people in reaching mutually satisfactory agreements.
- An alternative to destructive confrontation, ineffective avoidance, costly litigation, and violence.
- An opportunity for people in conflict to use their own problem-solving skills, to take responsibility, and to find solutions that best meet their needs.
- Designed to preserve individual interests while strengthening relationships between individuals and groups.
- An opportunity to learn a successful method for resolving conflicts that can serve as a model for constructively resolving future conflicts.

## **THE MEDIATION PROCESS**

- (1) Any person or organization may initiate mediation.
- (2) A trained professional will talk with you to determine if your situation is appropriate for mediation. If it is, you will be asked for basic information about yourself and the other person(s) involved.
- (3) With your permission, the mediation center will contact the other person(s) involved to encourage them to participate in a mediation session.
- (4) If both parties agree, the mediation center will schedule a mediation session at a time and place convenient for all.
- (5) At the mediation session, trained mediators will listen to all sides of the dispute. Each party will get a chance to explain, uninterrupted, their point of view. The mediator will encourage communication from all sides to uncover facts, identify issues, and explore possible solutions.
- (6) When the parties reach a solution, their agreement will be put in writing by the mediator. It is then a legally enforceable document.

## **COMMUNITY MEDIATION CENTERS**

These centers provide conciliation, mediation, and other forms of dispute resolution under Michigan's Community Dispute Resolution Act. (See list of **Community Mediation Centers** at the end of this Guide.)



# Small Claims Court

The following information will take you through the steps necessary in a proceeding in the small claims division of the district court. The following information can also be found at: [http://courts.michigan.gov/scao/selfhelp/smallclaims/sc\\_help.htm](http://courts.michigan.gov/scao/selfhelp/smallclaims/sc_help.htm)

## ***Statutes and Court Rules***

Statutes and court rules associated with small claims proceedings are: MCL 600.8401 through MCL 600.8427 and Michigan Court Rules (MCR) 4.301 through MCR 4.306.

## **Using Court Forms**

Court forms are available for use in small claims proceedings. These forms follow the procedures stated in the Michigan Compiled Laws and Michigan Court Rules and can be used without the assistance of an attorney.

When using forms, you are required to provide the total number of copies for use by the court, the parties, and any other person or organization that must receive the form. See the upper-right hand corner of each form to determine the mandatory number of copies and who must receive those copies. When completing a form on-line, you must print the number of copies you will need for filing with the court and service on the parties. Otherwise, you will have to photocopy the proper number of copies before filing the form with the court. If you do not provide the court with the correct number of copies, the court might reject the form for nonconformance under the authority of Michigan Court Rule 8.119(C). Unless specifically required by court rule or statute, the court is not responsible for making copies of forms for you.

The following forms and instructions for completing and processing them are provided online at the above stated address. Make sure you read all the instructions and follow them carefully.

- Affidavit and Claim, DC 84
- Small Claims Judgment, DC 85
- Demand and Order for Removal, DC 86

## ***Q1 How Do I Begin a Small Claims Lawsuit?***

If you cannot resolve your dispute through mediation, you can file a claim against the person or business in the small claims division of district court. To start the case, you (the plaintiff) must file an “affidavit and claim form” with the clerk of the district court. You can go to the court and tell the clerk you want to file a small claims case. The clerk will give you an Affidavit and Claim, form DC 84, to fill out. Or you can fill out the form available on this website, print it, and bring it to the court.

Your case must be filed in the city or county where the transaction or dispute took place, or where the person or business you are suing is located. If you are suing more than one person or business, the suit may be filed in the district court where any of the persons live, or where any of the businesses operate.

The cost of filing your lawsuit is \$25 for claims up to \$600, \$45 for claims over \$600 up to \$1,750, and \$65 for claims over \$1,750 up to \$3,000. As the plaintiff, you are responsible for paying the filing fee and other required fees. Some of the other fees are postage or service fees. Ask the court for this information and be sure to bring this amount with you when you file your claim. The amount of the fees can be included as part of the judgment against the defendant (the person you are suing) if the judge decides in your favor. After you have filed your claim, the court will notify the

other party that you have filed a claim against them and the date they are to be in court. The defendant can respond before the hearing.

The defendant may offer to settle out of court after learning you have filed a suit. If you settle the matter out of court, you can either voluntarily dismiss your lawsuit or obtain a judgment. If you want an enforceable judgment, the terms of your agreement must be spelled out in writing and signed by both you and the defendant. A copy of the agreement must be filed with the court.

### **Serving the Affidavit and Claim**

After you have filed your affidavit and claim, the court will notify the defendant that you have filed a claim against them and the date they are to be in court. See MCR 4.303 for information on service requirements.

#### ***Q2 What Do I Do If I Have Been Sued in Small Claims Court?***

If you are served with court papers from the small claims division of the district court, you are called the defendant. You have several ways to respond to the affidavit and claim.

If you want to deny the claim, you must either answer the complaint before the hearing date or appear in court on the hearing date, bringing with you any evidence you have to support your denial.

If you want an attorney to represent you, you should tell the court before the hearing, and the case will be transferred from small claims court to the regular district court.

If you have a claim against the person who is suing you, you can also file a counterclaim. Your written counterclaim should be filed with the court and served by first-class mail to the person suing you.

If you fail to appear for the hearing, the court may enter a default judgment against you. This means the judge may grant a judgment for the plaintiff without hearing your response to the complaint.

The entry of a judgment may appear on your credit report.

#### ***Q3 How Do I Prepare for the Hearing?***

On the hearing date, any of the following may happen:

- If both the plaintiff and the defendant appear, the judge may recommend that the parties go to mediation and the case may be adjourned. If either party does not want to attempt mediation, the hearing will proceed.
- If the plaintiff does not appear and the defendant does appear, the case may be dismissed.
- If the defendant does not appear, the plaintiff may ask for a “default” judgment. This means that if the judge decides the plaintiff has a good claim, the plaintiff can obtain a judgment without a hearing because the defendant did not appear to challenge the claim.

When you go to court for a hearing, take with you all the evidence you believe proves your claim. This might include a sales receipt, guarantee, lease, contract, or accident report. If a damaged article is too big to bring with you, photographs can be presented as evidence. Any witnesses you would like to speak on your behalf should appear in court as well.

Remember, a small claims case will be heard by a judge or attorney magistrate; you have no right to a jury trial, and the hearing will not be recorded.

Either party has the right to ask that the case be heard in the general civil division of the district court. If you want to have the case moved to the general civil division of the district court, you can complete the Demand for Removal, form DC 86, print it, and bring it to the court before or on the day of the hearing. You must file the form with the court clerk. The court will notify the person filing the lawsuit if the defendant makes such a request. In the general civil division of the district court, both the plaintiff and the defendant have the right to be represented by an attorney. Whoever loses the case may be ordered to pay court costs and attorney fees.

#### ***Q4 What Happens at the Hearing?***

The hearing will usually take place at the court where the claim was filed. It is important to be there on time; if you filed the lawsuit and are not in court when your case is called, the case may be dismissed. If you are the defendant and are not in court when your case is called, a default judgment may be entered against you. Bring all of your relevant papers or other evidence and make sure your witnesses will be on time.

The court clerk will call the case and both parties will appear before the judge or magistrate. The judge will ask the plaintiff to state his or her claim. When the plaintiff has finished, the defendant will have an opportunity to explain his or her side of the case. Each party should listen carefully. If either party thinks someone is leaving something out or is misstating facts, they should be sure to tell the judge. Both parties should take their time and tell what happened in their own words and why they think the judge should order what they seek. The plaintiff will be seeking the relief requested in the claim, while the defendant may ask the court to grant the relief requested, grant some other form of relief, or dismiss the claim altogether. Each party may present evidence to support his or her argument. Witnesses will be allowed to tell the court about facts they know that support this evidence.

A judge's decision in the small claims division is final. Neither party can appeal to a higher court once the judge has made a decision in the small claims division; although, on petition by either party, the same judge may reopen the case. Either party may appeal a magistrate's decision. The case will be rescheduled before a district judge and both parties will explain their case again.

#### **Judgment**

The court prepares the Small Claims Judgment, form DC 85, after the hearing. The court will also make sure that the judgment is given or sent to both parties.

#### ***Q5 How Do I Collect My Money?***

If you obtain a judgment against the defendant, the court will provide you with instructions regarding post judgment collections. The defendant may pay the judgment plus court costs immediately after the hearing, but if he/she does not have the money to pay right away, the judge may allow a reasonable time to pay and may set up a payment schedule.

If the defendant fails to pay the judgment when ordered, you must go back to the court and file additional papers to collect on the judgment by having the defendant's wages or bank account garnished or their property seized. This cannot occur until 21 days after the judgment is entered. As part of the judgment, the defendant must provide information to the court that can be used in post-judgment collection efforts.

# Repair and Maintenance

Repair and maintenance problems range from things that are merely annoying to things that pose an immediate threat to health and safety. However, it should be noted that both the landlord and the tenant have some responsibility for maintenance. There are three types of maintenance problems:

1. **Emergencies** (require action within 24 hours and pose an immediate threat to the health and safety of the occupant(s) – gas leak, flooding, defective furnace, major roof damage);
2. **Major problems** (affect the quality of the residential environment, but not to the degree that the life of the occupant is immediately endangered; defective water heater, clogged drain, heating problem in part of a house); and
3. **More minor problems** (fall into the nuisance category – defective lighting; minor problems with the locks; dripping faucets; sometimes household pests, peeling paint and wallpaper).

## LANDLORD’S RESPONSIBILITIES

Under Michigan law, the landlord has a duty to keep the rental property and all common areas:

- a) Fit for the use intended by the parties;
- b) In *reasonable repair* during the term of the lease; and
- c) In compliance with the health and safety laws. (MCL 554.139).
- d) Whether the landlord is required to repair a problem depends on two factors, the nature of the problem itself, and whether the landlord’s duty to repair has been modified -- either by tenant’s conduct or by mutual agreement.

Unfortunately, the term “reasonable repair” is not defined by law – it is a question of fact, and if litigated would be decided by the judge (or jury). However, a little common sense can go a long way here. While it would certainly be reasonable for a landlord to fix a clogged drain or defective water heater, it may not be reasonable to require the landlord to repair a minor chip in a countertop or some peeling wallpaper.

The landlord is relieved of the duty to repair and comply if the tenant’s willful or irresponsible conduct or lack of conduct has caused the disrepair or violation of health or safety laws.

The landlord and tenant may – by mutual agreement – modify these duties and make the tenant responsible for repairs, but only if the lease agreement has a current term of at least 1 year. In other words, if the lease term is less than 1 year, the landlord’s duty cannot be modified.

Additionally, almost all courts recognize that a residential lease agreement includes the implied duty that the rental property must be fit for habitation by humans. This means that the rental property must meet some minimum level of standard so as not to expose the occupants to unreasonable health risks. This implied duty cannot be modified or waived.

In addition to state law requirements, counties and municipalities are free to enact ordinances that establish additional requirements for landlords beyond minimum habitability standards. Most municipalities have a housing code protecting the health, safety, and welfare of its citizens. Some require that the rental property be inspected on a regular basis. Some even requiring licensing before a tenant can move in. Check with the local city or county government code enforcement office for additional standards imposed on landlords in maintaining their rental property.

## TENANT'S RESPONSIBILITIES

Although responsibilities can be modified in certain instances – by mutual agreement between the landlord and tenant – a tenant is generally expected to:

1. Pay rent on time;
2. Keep the rental property in a safe and sanitary condition;
3. Promptly notify the landlord of maintenance problems;
4. Generally speaking, exterminate insects that appear if they were not there when tenant moved in; and
5. Leave the rental property in good condition – reasonable wear and tear excepted.

## IMPORTANT STEPS TO TAKE

Depending on the problem, requesting that a repair be made could either be as simple as a quick phone call or as complicated as filing a lawsuit. Outlined below are the recommended steps to be taken to solve a repair and maintenance problem: **STEP 1:** *Notify the landlord and provide reasonable time for repair.* Keep it simple. The tenant must notify the landlord, and explain the situation, the importance of the repair, and when he or she would like it done. A simple phone call usually works. However, the phone call should be followed up with a letter to ensure that documentation exists. Sometimes, however, the landlord requires that a specific form or repair order must be filled out before proceeding. Read the lease and talk to whoever is in charge and figure out the best course to take. Keep copies of communications and keep notes of your discussions. Municipalities have enacted housing codes – establishing minimum standards – to protect the rights of both the landlord and tenant. Contact the local city hall for information. Remember: the landlord must be given reasonable time to make repairs.

**STEP 2:** *If the problem is a major one, contact the building inspector and schedule an inspection.* If the rental property is up to municipal code standards, the tenant will be responsible for paying the inspector's fee. If it is not up to code, the landlord pays the fee (and may also have to pay a re-inspection fee once the repair is made).

**STEP 3:** *If the landlord has failed to make necessary repairs, either withhold the rent and deposit it into an escrow account, OR pay for the repair and deduct the cost from the rent.* But remember that the landlord must have been provided with notice of the problem first, and must have been given a reasonable amount of time to fix the problem.

- **If the rent, or a portion of it, will be withheld** for the purpose of addressing the maintenance or repair issue(s), the tenant should send a letter – certified mail, return receipt requested – stating why the rent will be withheld, where it will be deposited (what financial institution), and that payment will be released when the maintenance problems have been corrected.
- **If the repair cost will be deducted from the rent**, call for three repair estimates. If it is a do-it-yourself job, comparison shop the cost of parts. Reputable repair companies will come to the house and provide a free written estimate. Send copies of the estimates to the landlord and state that the problem will be fixed unless the landlord agrees to do it by a certain date, and that the cost of repair will be paid from the rent withheld. (*Note:* Use the Repair and Deduct letter on the Rental Housing Clinic website, [www.law.msu.edu/clinics/rhc](http://www.law.msu.edu/clinics/rhc)). Keep all receipts and note the dates of repair – send copies to the landlord, along with the remaining portion of the rent. (*Special Note:* While the repair-anddeduct method may work well for small repairs, it may not work for large repairs).

## **HOW MUCH RENT SHOULD BE WITHHELD?**

The amount of rent withheld must reasonably relate to the cost of fixing the problem or to the amount of damage the tenant has incurred because of landlord's failure to fix the problem. In any event, the amount withheld must be deposited into an escrow account. Withhold less for a clogged drain. Withhold more for an unusable toilet or shower. Only the most catastrophic problems will warrant withholding all of the rent.

## **WHAT IF THE LANDLORD STARTS THE EVICTION PROCESS?**

If the landlord has a run in with the municipal code enforcement office OR if landlord does not receive the rent, he or she may well decide to start the process for evicting the tenant. Nevertheless, Michigan law provides the tenant – who was acting lawfully – with certain defenses. The tenant, however, must be able to prove the facts giving rise to the defense:

(1) *A claim of retaliatory eviction.* Under MCL 600.5720, there exists a presumption of retaliation if the landlord started the eviction proceedings within 90 days of the tenant trying to enforce his or her rights under law (e.g., reporting health and safety code violations, exercising rights under the lease, filing a complaint against the landlord for violation of the law, or joining in membership in a tenant's organization). If the official action has not resulted in dismissal or denial of the attempt or complaint, a presumption in favor of the defense of retaliatory termination arises, unless the plaintiff establishes by a preponderance of the evidence that the termination of tenancy was not in retaliation for the acts.

(2) *Landlord's breach of the warranty of habitability and duty to repair.*

Tenant must show that landlord was provided with notice of the problem and given a reasonable amount of time to fix the problem. Tenant must show that the landlord failed to make the necessary repairs.

(3) *Rent was properly withheld and escrowed.* Tenant must be able to show that "but for the repair and maintenance required, he or she was ready, willing, and able to pay the rent."

The eviction process takes time – from start to finish, it takes as few as 21 days or as many as 57 days to evict a tenant. In the meantime, the landlord has mortgages, taxes, and bills to pay. Financial pressure may cause the landlord to negotiate. If the landlord will not negotiate, and if the tenant has carefully documented all communications about the needed repair and maintenance, the tenant may well succeed in the lawsuit for eviction.

Both the landlord and the tenant should remember that in many disputes, the basic issues become obscured by personal disagreements that develop and continue to grow and fester. If an agreement cannot be reached, try mediation – either before a lawsuit is filed or after. Mediation might help to empower the parties to use their own problem-solving skills, to take responsibility, and to find solutions that best meet their needs, while strengthening the landlord-tenant relationship.

# **Additional Considerations**

## **Civil Rights**

The Federal Fair Housing Act and the Michigan Elliot-Larsen Civil Rights Act prohibit discrimination in housing throughout the State of Michigan on the bases of race, color, religion, national origin, sex, familial status (presence of children under the age of 18 or pregnancy), disability, marital status, and age. In some communities, local fair housing ordinances protect against housing discrimination on additional bases such as source of income, sexual orientation, gender identity, educational association, and/or political orientation. For further information regarding the classes of persons protected by federal, state or local fair housing laws or to register a complaint of unlawful housing discrimination, contact your local Fair Housing Center, the Michigan Department of Civil Rights or the U.S. Department of Housing and Urban Development.

## **Legally Terminating Lease Early**

There are some exceptions to the rule that a tenant who break a lease early is obligated to pay the full amount of rent owing. Michigan State law (MCL § 554.601b) provides for early termination for tenants or their child who are victims of domestic violence, sexual assault or stalking. Other specific conditions must be met so you are advised to consult the statute. Additionally, under Michigan State law (MCL § 554.601a), tenants who have occupied their rental property for more than 13 months may terminate their lease by a 60-day written notice if the tenant has become eligible for subsidized senior citizen housing or because the tenant is incapable of living independently due to age or infirmity. Additionally, under Federal law, if you enter activity military service after signing a lease, you have a right to break the lease. (War and National Defense Service members Civil Relief Act, 50 App. U.S.C.A. §§ 501 and following). Moreover, if your living environment becomes uninhabitable and your landlord fails to provide suitable housing under state or local law, a court might determine that the landlord has “constructively evicted” you by providing unlivable housing. In such a case you may have no further responsibility to pay rent. (MCL § 554.139 and *Rome v. Walker*, 198 N.W.2d 458(1972)).

## **Housing Codes, Smoke Detectors**

Some communities have adopted housing codes or other specific requirements that may affect the condition or equipment requirements of residential rental property. These include the requirement that smoke detectors be installed in housing or that residents comply with recycling ordinances. Be sure to check with the local unit of government to see if the rental property is affected.

## **Pet Restrictions**

Landlords can include a provision in the lease that restricts tenants from maintaining pets in a rental unit or that imposes a pet fee. The courts have permitted the eviction of tenants who violate a lease provision prohibiting tenants from maintaining pets in a rental unit. However, landlords cannot discriminate against a person with a disability who maintains service and/or companion animals. Under Michigan law, persons with disabilities with service and/or companion animals have the right to a reasonable accommodation to “no pet” policies wherein the accommodation is necessary for that person to have equal access to and enjoyment of their home. Further, service and companion animals are not considered to be pets, and should not be subject to pet fees or overly restrictive animal policies.

## Smoking

A landlord can restrict tenants who smoke to certain apartments or buildings or can refuse to rent to smokers. In Michigan Attorney General Opinion No. 6719, released May 4, 1992, the Attorney General stated, “neither state nor federal law prohibits a privately-owned apartment complex from renting only to non-smokers or, in the alternative, restricting smokers to certain buildings within an apartment complex.” Very recently, a more comprehensive smoking ban has been passed in Michigan, and interpretation of this new legislation as applied to rental properties is yet to be seen.

## Bed Bugs

While current state law does not address bed bugs directly, there are a number of tools available to tenants with bed bug concerns. A landowner has a statutory obligation under MCL 554.139 to repair defects about which he knows or should have known, but does not have a duty to regularly inspect the premises to search for defects. As such, a tenant who believes that bed bugs are present must notify the landlord that they believe a problem exists. Additionally, case law indicates that where a landlord is notified of a problem and fails to take reasonable steps to fix the problem, a tenant may be entitled to terminate their lease and forfeit any remaining rent owed. *Krisel v. Silverbrooke Villa Apartments*, No. 314382, 2014 WL 2880278, (Mich. Ct. App. June 24, 2014).

## Medical Marijuana

Tenants that have legally obtained a medical license for marijuana are encouraged to notify their landlord if they intend to smoke marijuana in their rental property. Additionally, tenants should consult with their prospective landlords if they intend to grow marijuana for medicinal use. Landlords do have the right to request that the tenant not smoke marijuana or grow marijuana on the landlord’s premises even if the tenant has a valid medical license. A valid marijuana license holder should consult an attorney prior to signing a lease as marijuana is still illegal under Federal law.

### **Michigan Anti-Lockout Statute, MCL 600.2918 (5)**

An Act to amend Michigan’s Anti-Lockout Statute went into effect in Michigan on September 24, 2014, which under limited circumstances, allows property owners to avoid liability when taking self-help eviction remedies against trespassers. Public Act 223 of 2014 creates an exception to MCL § 600.2918, and states that “[a]n owner’s actions do not unlawfully interfere with an occupant’s possession of premises if the occupant took possession by means of forcible entry, holds possession by force, or *came into possession by trespass without color of title or other possessory interest.*” MCL § 600.2918(5). As such, self-help eviction may be warranted if after foreclosure or abandonment of a property, a trespasser moves in thereafter and takes possession without color of title or other possessory interest. Additionally, MCL § 600.5711(3), provides that if self-help is an available remedy, “any forcible entry shall not include conduct,” prohibited by the Michigan Penal Code. Under the Statute, an owner could enter the home and secure possession of the property without first obtaining a court order. However, there is pending legislation before the Michigan Legislature that would require that these evictions be conducted in the presence of a law enforcement officer who has been provided with proof that the person entering the premises is the owner, lessor, or licensor or an agent thereof. (Bill No. 4673, intro. June 2, 2015). Anyone who believes that they may be subject to an eviction as outlined above is encouraged to contact an attorney or the Clinic so that they may be apprised of the current legislation and their rights thereunder.



## Lead-Based Paint

Since the latter part of 1996, landlords must provide tenants who are renting units built before 1978 with certain information concerning lead-based paints. This information includes a federal government *pamphlet* entitled:

- **Protect Your Family From Lead in Your Home**

And a *form* entitled:

- **Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards (Rentals)**

There are exceptions to this federal requirement, including commercial rentals, zero-bedroom efficiency apartments, and rental units certified as lead-free by a qualified lead abatement inspector. For further information on this requirement, contact the National Lead Information Center Clearinghouse at 1-800-424-LEAD.

The other time that a pamphlet is required is when renovation activities or activities that disturb painted surfaces containing lead are conducted within rental properties (745.84, EPA and R 325.99409, *Michigan Lead Hazard Control Rules*). The **Renovate Right** pamphlet is the required pamphlet and the renovator is required to comply. The regulations allow for the renovator to notify all effected occupants by writing if unable to contact the residents directly however direction on how to obtain the pamphlet is required. It is important that you contact lead inspectors/risk assessors in your jurisdiction in order to determine whether landlords are required to undertake ongoing lead testing. For instance, in Detroit, ongoing lead risk assessments are required every 2-3 years for landlords to maintain their eligibility to rent homes to tenants. Additional information can be found at the Michigan Department of Health and Human Services, <http://www.michigan.gov/mdhhs/>.

## SECURITY DEPOSIT TIMELINE

Landlord's Duties	Tenant's Duties	
<p><b>Beginning of Lease</b> (generally move in) Michigan Statutes: 554.602, 554.604, 554.605, 554.608(2)</p>	<p>A security deposit, if required, shall not exceed 1½ month's rent.</p> <p>Deposit Tenant's security deposit in a regulated financial institution OR file a surety bond with the state.</p> <p>Provide Tenant:</p> <ol style="list-style-type: none"> <li>1. A copy of the lease, and</li> <li>2. Two blank copies of the inventory checklist.</li> </ol>	<p>The security deposit is the lawful property of the Tenant.</p> <p>Recommendation: Read the lease (preferably before signing it) and all other information provided to you by the Landlord. Request from Landlord the inventory checklist and/or itemized list of damage report from previous tenancy.</p>
<p><b>Within 7 days from move in</b> (L and T may agree to a shorter period, but not a longer period) Michigan Statute 554.608(3)</p>	<p>Recommendation: Keep Tenant's completed checklist.</p>	<p>Return to Landlord the completed inventory checklist, noting condition of rental unit (add pages if necessary); be sure to keep a copy yourself.</p>
<p><b>Within 14 days from move in</b> Michigan Statute 554.603</p>	<p>Provide Tenant in writing:</p> <ol style="list-style-type: none"> <li>1. Landlord's name and address for receipt of rent and communications; and</li> <li>2. Where Tenant's security deposit will be held (name and address of the financial institution or surety bond company).</li> <li>3. Include specific statutory notice of Tenant's duty to provide forwarding address w/in 4 days of move out.</li> </ol>	<p>Recommendation: Read the information provided to you by the Landlord.</p>
<p><b>Move Out</b> (not necessarily the end of the lease) Michigan Statute 554.608(5)</p>	<p>Complete a termination inventory checklist, noting condition of rental unit.</p>	<p>Recommendation: Remove all personal property, clean the rental unit; turn in keys.</p>
<p><b>Within 4 day after move out</b> Michigan Statute 554.611</p>	<p>Recommendation: Keep a copy of Tenant's forwarding address.</p>	<p>Provide Landlord in writing (not orally) your forwarding address.</p>
<p><b>Within 30 days after move out</b> Michigan Statute MCL 554.609</p>	<p><u>Mail</u> to Tenant an itemized list of damages, with proper statutory notice provision claimed against Tenant's security deposit accompanied by a check or money order for the difference. Only unpaid rent, unpaid utility bills, and damages to the rental unit, beyond reasonable wear and tear caused by tenant may be claimed against the deposit (not cleaning fees).</p>	<p>Recommendation: Watch for the itemized list of damages in the mail.</p>
<p><b>Within 7 days of T's receipt of L's itemized list of damages</b> Michigan Statute 554.612</p>	<p>Watch for Tenant's response to the itemized list of damages by mail.</p>	<p>Respond in detail, by ordinary mail, indicating agreement or disagreement to the damages charged. Be sure to count the days; the date of mailing is considered the date of response.</p>
<p><b>Within 45 days—not thereafter—of move out</b> Michigan Statute 554.613</p>	<p>To be entitled to keep the disputed amount of security deposit, file suit against T for damages—unless an exception applies.</p>	<p>If suit is filed, appear in court and defend. Note: If suit is not filed, you may file suit for recovery of your security deposit.</p>

Rev 12/2009

## Eviction Timeline

Eviction Timeline	Landlord's Duties	Tenant's Duties
<p><b>Some Incidents give rise for eviction.</b> Michigan Statute 600.5714</p> <p><b>24-HOUR NOTICE is required for the following reason:</b></p> <ul style="list-style-type: none"> <li>a) Illegal drug activity and formal police report filed (lease provision must allow for termination).</li> </ul> <p><b>7-DAY NOTICE is required for the following reasons:</b></p> <ul style="list-style-type: none"> <li>a) Nonpayment of rent;</li> <li>b) Extensive and continuing physical injury to property</li> <li>c) Serious and continuing health hazard</li> </ul> <p><b>30-DAY NOTICE is required for the following reasons:</b></p> <ul style="list-style-type: none"> <li>a) Violation of a lease provision and the lease allows for termination;</li> <li>b) Forceful entry OR peaceful entry, but forceful stay OR trespass;</li> <li>c) Holding over after natural expiration of lease term;</li> <li>d) Just cause for terminating tenant of mobile home park;</li> <li>e) Just cause for terminating tenant of government-subsidized housing.</li> </ul>	<p><b>Provide proper notice of intent to evict.</b> Michigan Statutes 600.5716, 600.5718 Forms DC 100a, DC 100c (from the court)</p> <p><b>The notice MUST:</b></p> <ul style="list-style-type: none"> <li>a) Be in writing;</li> <li>b) Be addressed to the Tenant;</li> <li>c) Describe the rental property (address is sufficient);</li> <li>d) Give reason for eviction;</li> <li>e) State the time for Tenant to take remedial action;</li> <li>f) Include Landlord's signature; and</li> <li>g) Include date.</li> </ul> <p><b>The notice MUST be delivered</b></p> <ul style="list-style-type: none"> <li>a) In person to the Tenant, OR</li> <li>b) At the rental property, to a member of Tenant's household—of suitable age—requesting that it be delivered to the tenant, OR</li> <li>c) By sending it through first-class mail addressed to the Tenant.</li> </ul>	<p><b>Read the notice.</b> Certain reasons for eviction can be cured (e.g., nonpayment of rent can be cured by paying the rent). Certain other reasons cannot be cured and Tenant must move out (e.g., breach of lease, illegal drug activity). Otherwise, you may be sued.</p> <p><i>Recommendation:</i> Contact the Landlord to peacefully discuss his or her reasons for eviction. Try to work things out to remain in the rental property.</p>
<p><b>BEGIN THE LAWSUIT: After the time period in the notice has expired—either 7 or 30 days—if things cannot be worked out:</b></p> <p>File with the district court and serve on the Tenant a Summons and Complaint. Michigan Statute 600.5735</p>	<p><b>The Summons.</b> The Summons Commands the Tenant to appear at the court for trial. Michigan Court Rule 4.201(C) Form DC 104 (from the court)</p> <p><b>The Complaint.</b> The Complaint gives further notice of the cause of action, or grounds, for the eviction. Landlord MUST attach the following</p> <ul style="list-style-type: none"> <li>a) A copy of the lease; AND</li> <li>b) A copy of the notice of intent to evict – stating when and how it was delivered</li> </ul> <p>Michigan Court Rule 4.20 (B) Forms DC 102a, DC 102 (from the court)</p> <p><b>The Summons and Complaint MUST be delivered</b> (and proof of how and when they were delivered must be filed with the court) <b>to the tenant BY MAIL AND ONE OTHER WAY:</b></p> <ul style="list-style-type: none"> <li>a) Personally, OR</li> <li>b) Sent by mail – certified, return-receipt, restricted delivery, OR</li> <li>c) At the rental property, to a member of Tenant's household—of suitable age—requesting that it be delivered to the tenant, OR</li> <li>d) After diligent attempts at personal service, by securely attaching the papers to the main entrance of the rental unit.</li> </ul> <p>Michigan Court Rule 4.201(D)</p>	<p>The Summons will have a date and time ordering the Tenant to appear in court. <b>As the Summons commands, you MUST appear at the court for this hearing</b></p> <p><b>You MUST appear and answer the Complaint by the date on the Summons.</b> You can do this either in writing OR orally at the hearing.</p> <p><i>Recommendation:</i> It is best to contact a lawyer to help you through this process.</p>

<b>Eviction Timeline (cont.)</b>	<b>Landlord's Duties (cont.)</b>	<b>Tenant's Duties (cont.)</b>
<p><b>Trial: Within 10 days there will be a trial/hearing.</b> Michigan Court Rule 4.201(F)</p> <p><b>If either party appears without an attorney, but request to retain one, the judge will generally adjourn the trial hearing for 7 days.</b></p>	<p><b>You have a right to an attorney;</b> you may ask for time to retain one. Generally, the judge will adjourn for 7 days. <b>You have a right to a jury trial;</b> however, you must demand it in the Complaint and pay the jury fee. (The fee starts at \$40 and goes up depending on the amount in controversy.)</p> <p>Provide testimony, documents, and other evidence that you are lawfully entitled to recover possession of your rental property</p> <p><i>Recommendation:</i> Dress nicely, be prepared, and be respectful of the legal process.</p>	<p><b>You must appear</b> and answer the Complaint. <b>You have a right to an attorney;</b> you may ask for time to retain one. Generally, the judge will adjourn for 7 days. <b>You have a right to a jury trial;</b> however, you must demand it in your first response—written or oral—and pay the jury fee. (The fee starts at \$40 and goes up depending on the amount in controversy.)</p> <p>Defending Landlord's claim may require you to testify and provide documents and other evidence of why you should be entitled to remain in possession of the rental property.</p> <p><i>Recommendation:</i> Dress nicely, be prepared, and be respectful of the legal process.</p>
<p><b>JUDGEMENT: After trial, the judge will render a decision either in favor of the:</b></p> <ul style="list-style-type: none"> <li>a) Landlord (evicting the Tenant), OR</li> <li>b) Tenant (allowing him or her to remain in possession).</li> </ul> <p>A money award may also be entered for damages incurred by either party. Michigan Court Rule 4.201(K)</p>	<p><b>If judgement is for you,</b> the Landlord, it may include an award for any money due and for costs. You may begin collections on the money judgment if Tenant does not otherwise pay or appeal. You will have to wait to regain possession by requesting a Writ of Eviction. Michigan Statute 600.5741</p> <p><b>If judgment is for the Tenant,</b> he or she may remain in possession of your rental property</p>	<p><b>If judgement is for you,</b> the Tenant, you may remain in possession of the rental property. Michigan Statute 600.5747</p> <p><b>If judgment is for the Landlord,</b> you must either:</p> <ul style="list-style-type: none"> <li>a) Make <i>full</i> payment (if the eviction can be cured by payment), OR</li> <li>b) Settle the dispute, OR</li> <li>c) Move out, OR</li> <li>d) Appeal the judge's decision.</li> </ul>
<p><b>APPEAL: Within 10 days after judgment,</b> either party may appeal the judge's decision. The party appealing the judge's decision must pay an appeal bond, filing fees, and transcript fees to preserve the appeal and stop the Writ of Eviction from being issued. Michigan Court Rule 4.201(N)</p>	<p>Decide quickly whether to appeal.</p>	<p>Decide quickly whether to appeal.</p>
<p><b>EVICTION: After 10 days—a Writ of Eviction may be requested, issued, and executed.</b> Michigan Statute 600.5744(4); Michigan Court Rule 4.201(L)</p> <p><b>Issuance:</b> Issuance must occur within 56 days after judgment is entered and must be executed no later than 56 days after the writ is issued.</p> <p><b>Important: Certain situations may allow issuance of a Writ of Eviction Immediately.</b> Michigan Statute 600.5744(2)</p>	<p>Once the Sheriff executes the Writ, you regain possession of your rental property.</p>	<p><b>If reason for eviction was for nonpayment of rent,</b> full payment of the rent, plus fees and costs awarded, may stop the issuance of the Writ of Eviction. Partial payment will not stop the issuance of the Writ.</p> <p><b>Warning:</b> Other reasons for eviction may not be cured by payment and you must <b>move out before the sheriff executed the Writ and moves things out for you.</b></p> <p style="text-align: right;">Rev 12/2009</p>

**FROM START TO FINISH— IT CAN TAKE AS FEW AS 27 DAYS OR AS MANY AS 57 DAYS TO EVICT A TENANT!**

## COMMUNITY DISPUTE RESOLUTION PROGRAM

<http://courts.michigan.gov/scao/dispute/odr.htm>

The following centers provide conciliation, mediation, and other forms of dispute resolution pursuant to 1988PA 260, the Community Dispute Resolution Act.

### **BERRIEN, Branch, Cass, St. Joseph, Van Buren**

Citizens Mediation Service, Inc. 2800 Cleveland Avenue, Suite 2 St. Joseph, Michigan 49085

Phone (269) 982-7898 Fax (269) 982-7899

E-Mail [matt\\_balfe@citizensmediation.org](mailto:matt_balfe@citizensmediation.org) Website [www.citizensmediation.org](http://www.citizensmediation.org) Contact Matthew Balfe

### **CHARLEVOIX, Emmet Citizen Dispute Resolution Service, Inc.**

*Northern Community Mediation*

415 State Street Petoskey, Michigan 49770 Phone (231) 487-1771 Fax (231) 487-

1770 E-Mail [jane@northernmediation.org](mailto:jane@northernmediation.org) Contact Jane Millar

### **CHIPPEWA, Luce, Mackinac Eastern UP Dispute Resolution Center, Inc.**

P.O. Box 505 Sault Ste Marie, Michigan 49783 Phone (906) 253-9841 Fax (906)

253-9844

E-Mail [cdrc@northernmi.net](mailto:cdrc@northernmi.net) Website [www.eupmediate.com](http://www.eupmediate.com) Contact Gerry Stelmaszek

### **DELTA, Menominee, Schoolcraft Resolution Services Program**

*UPCAP Services, Inc.*

P.O. Box 606 Escanaba, Michigan 49829 Phone (906) 789-9580 Fax (906) 786-

5853 E-Mail [gocc@upcap.org](mailto:gocc@upcap.org)

Website [www.upcapservices.com/other-resoservices.shtml](http://www.upcapservices.com/other-resoservices.shtml)

Contact Cheryl Goc

### **GENESEE, Arenac, Bay, Clare, Gladwin, Midland, Ogemaw, Roscommon, Saginaw Community Resolution Center**

315 East Court Street, Suite 200 Flint, Michigan 48502 Phone (810) 249-2619 Fax (810) 239-9545

E-Mail [JOdell@mediation-CRC.org](mailto:JOdell@mediation-CRC.org) Website [www.mediation-crc.org/](http://www.mediation-crc.org/) Contact Jane O'Dell

### **GOGEBIC, Baraga, Dickinson, Houghton, Iron, Keweenaw, Ontonagon Western UP Mediators**

P.O. Box 327, 100 W. Cloverland Drive, Ste 2-3 Ironwood, Michigan 49938 Phone (906)

932-0010 Fax (906) 932-0033

E-Mail [mediator@up.net](mailto:mediator@up.net) Contact Marvin LaGrew

### **GRAND TRAVERSE, Benzie, Leelanau, Missaukee, Wexford Conflict Resolution Services, Inc.**

1022 E. Front Street, P.O. Box 1035 Traverse City, Michigan 49685-1035 Phone (231)

941-5835 Fax (231) 941-4530

E-Mail [crservice@thirdlevel.org](mailto:crservice@thirdlevel.org) Website [www.CRSmediationTC.org](http://www.CRSmediationTC.org) Contact Jennifer Kowal

### **INGHAM, Clinton, Eaton, Gratiot, Ionia, Shiawassee Resolution Services Center of Central Michigan**

229 North Pine Street Lansing, Michigan 48933 Phone (517) 485-2274 Fax (517)

485-1183

E-Mail [fourhgllover@tds.net](mailto:fourhgllover@tds.net) Website [www.rscdm.org](http://www.rscdm.org) Contact Linda Glover

### **JACKSON, Hillsdale, Lenawee, Monroe Southeastern Dispute Resolution Services**

*Community Action Agency*

511 South Jackson Street Jackson, Michigan 49201 Phone (517) 788-6495 Fax

(517) 788-6398 E-Mail [mstanley@caajlh.org](mailto:mstanley@caajlh.org) Contact Marc Stanley

### **KALAMAZOO, Barry, Calhoun Dispute Resolution Services**

*Gryphon Place*

1104 South Westnedge Avenue Kalamazoo, Michigan 49008 Phone (269) 552-3434

Fax (269) 381-0935

E-Mail [drsmediate@hotmail.com](mailto:drsmediate@hotmail.com) Website [www.gryphon.org](http://www.gryphon.org) Contact Barry Burnside

### **KENT, Isabella, Lake, Mecosta, Montcalm, Newaygo, Osceola Dispute Resolution Center of West Michigan Community Reconciliation Center**

678 Front Avenue, NW, Suite 250 Grand Rapids, Michigan 49504-5368 Phone (616) 774-0121 Fax (616) 774-0323

E-Mail [fwilmot@drcwm.org](mailto:fwilmot@drcwm.org) Website [www.drcwm.org](http://www.drcwm.org) Contact Jonathan Wilmot

#### MACOMB, St. Clair

The Resolution Center 176 S. Main Street, Suite 2 Mt. Clemens, Michigan 48043  
Phone (586) 469-4714 Fax (586) 469-0078

E-Mail [cpappas@theresolutioncenter.com](mailto:cpappas@theresolutioncenter.com) Website [www.theresolutioncenter.com](http://www.theresolutioncenter.com) Contact Craig R. Pappas

#### MARQUETTE, Alger

Marquette-Alger Resolution Service 715 W. Washington Street, Suite A Marquette, MI 49855  
Phone (906) 226-8600 Fax (906) 226-5399 E-Mail [marsmediation@yahoo.com](mailto:marsmediation@yahoo.com) Website [www.marsmediation.org](http://www.marsmediation.org) Contact Jennifer Frazier

#### MUSKEGON, Manistee, Mason, Oceana

Westshore Dispute Resolution Center 1200 Ransom Street Muskegon, Michigan  
49442 Phone (231) 727-6001 Fax (231) 727-6011 E-Mail [wdr@mediatewestmichigan.com](mailto:wdr@mediatewestmichigan.com) Website [www.mediatewestmichigan.com](http://www.mediatewestmichigan.com) Contact Kate Kesteloot Scarbrough

#### OAKLAND

Oakland Mediation Center, Inc. 550 Hulet Drive, Suite 102 Bloomfield Hills, Michigan  
48302 Phone (248) 338-4280 Fax (248) 338-0480 E-Mail [bhanes@mediation-omc.org](mailto:bhanes@mediation-omc.org)  
Website [www.mediation-omc.org](http://www.mediation-omc.org) Contact Bonnie Hanes

#### OTSEGO, Alcona, Alpena, Antrim, Cheboygan, Crawford, Iosco, Kalkaska, Montmorency, Oscoda, Presque Isle Community Mediation Services

Otsego County United Way Building 116 5th Street Gaylord, Michigan 49735 Phone  
(989) 732-1576, (989) 705-1227 Fax (989) 705-1337 E-Mail [communitymediationservices@verizon.net](mailto:communitymediationservices@verizon.net) Website [www.otsego.org/cms](http://www.otsego.org/cms) Contact Grant Bliss

#### OTTAWA, Allegan

Mediation Services Courthouse Square 68 West 8<sup>th</sup> Street, Suite 140 Holland,  
Michigan 49423 Phone (616) 399-1600 Fax (616) 399-1090 E-Mail [ccorriveau@mediationsolvesconflicts.org](mailto:ccorriveau@mediationsolvesconflicts.org) Website [www.mediationsolvesconflicts.org](http://www.mediationsolvesconflicts.org)  
Contact Connie Corriveau

#### TUSCOLA, Huron, Lapeer, Sanilac Center for Dispute Resolution

##### *Human Development Commission*

429 Montague Avenue

Caro, Michigan 48723-1997 Phone (989) 672-4044 Fax (989) 673-2031

E-Mail [peggyd@hdc-caro.org](mailto:peggyd@hdc-caro.org) Contact Peggy Davy

#### WASHTENAW, Livingston Dispute Resolution Centers of Michigan, Inc.

##### *The Dispute Resolution Center*

(110 N. Fourth Avenue, Suite 100)

P.O. Box 8645 Ann Arbor, Michigan 48107-8645 Phone (734) 222-3745 Fax (734) 222-3760

E-Mail [dulinb@washtenaw.org](mailto:dulinb@washtenaw.org) Website [www.thedisputeresolutioncenter.org](http://www.thedisputeresolutioncenter.org) Contact Belinda Dulin

#### WAYNE

Wayne Mediation Center Garrison Place 19855 W. Outer Drive, Suite 206 – East Bldg. Dearborn, Michigan 48124 Phone (313) 561-3500 Fax (313) 561-3600 E-Mail [bdempsey@mediation-wayne.org](mailto:bdempsey@mediation-wayne.org) Website [www.mediation-wayne.org](http://www.mediation-wayne.org) Contact Bernard Dempsey

January 7, 2010

**Documents and forms referred to in this Guide can be found on the Internet:**

<http://www.law.msu.edu/clinics/rhc/publications.html>

- Security Deposit Timeline
- Eviction Timeline
- Sample Residential Lease Agreement
- Sample Residential Sublease Agreement
- Sample Roommate Agreement
- Sample Inventory Checklist
- Sample Lead-Based Paint Form
  
- Michigan Community Mediation Centers Sample of **Tenant's** Letters to Landlord
  - Tenant's Request for Repair
  - Notice of Tenant's Intent to Repair and Deduct
  - Notice of Tenant's Implementation of Repair and Deduct Procedure
  - Notice of Tenant's Intent to Withhold Rent Due to Needed Repair
  - Termination of Occupancy Before End of Lease
  - Notice of Tenant's Intent to Vacate and Forwarding Address
  - Tenant Defense Against Eviction Attempt
- Tenant's Response to Damages Assessed Against Security Deposit Sample of **Landlord's** Letters to Tenant
  - Landlord's Response to Tenant's Request for Repair
  - Insufficient Notice of Tenant's Intent to Vacate
  - Landlord's Notice to Tenant of Damages Assessed Against Security Deposit

Forms Prepared by the *Michigan State Court Administrator's Office*:

<http://courts.michigan.gov/scao/courtforms/landlord-tenantlandcontract/ltindex.htm>

and

<http://courts.michigan.gov/scao/courtforms/index.htm#forms>

- **AFFIDAVIT AND CLAIM**, Small Claims (Form DC 84)
- **SMALL CLAIMS JUDGMENT** (Form DC 85)
- **DEMAND AND ORDER FOR REMOVAL** (Form DC 86)
- **NOTICE TO QUIT – TERMINATION OF TENANCY**, Landlord-Tenant (Form DC 100c)
- **COMPLAINT, TERMINATION OF TENANCY**, Landlord-Tenant (Form DC 102c)
- **DEMAND FOR POSSESSION – NONPAYMENT OF RENT**, Landlord-Tenant (Form DC 100a)
- **COMPLAINT – NONPAYMENT OF RENT**, Landlord-Tenant (Form DC 102a)
- **SUMMONS, LANDLORD-TENANT / LAND CONTRACT** (Form DC 104)
- **JUDGMENT, LANDLORD-TENANT** (Form DC 105)
- **APPLICATION AND ORDER OF EVICTION**, Landlord-Tenant / Land Contract (Form DC 107)