

**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.**

**RESIDENTIAL APARTMENT LEASE**

This lease ("Lease") dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between **MSJ HOLDING LLC** ("Landlord"), whose address is **2440 W. Stadium Blvd., Ann Arbor, MI 48103** and \_\_\_\_\_ ("Tenants"),

**COVENANTS**

1. **DESCRIPTION AND CONDITION.** Landlord rents to Tenants the dwelling located at **915/9 South Division, Apt. \_\_\_\_\_, Ann Arbor, MI 48104** (the "Premises"), including parking spaces. The Premises are unfurnished unless specified by Landlord. Tenant has received a move-in inventory checklist. The Premises are conclusively presumed to be in good condition at move-in, unless Tenants specify objections on that list and returns a completed copy of it to Landlord within seven (7) days after receiving the list. The move-in inventory checklist is not a request for repairs.
2. **TERM AND POSSESSION.** This Lease begins on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and runs through the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. Possession will not be provided until the first month's rent, Security Deposit, and preparation fee are paid. If the Premises are not ready on the date this Lease commences, the sole damage for which Landlord shall be liable to Tenant is the full abatement of Tenants' prorated rent from the date this Lease commences to the date the Premises are ready for occupancy, which date is at Landlord's exclusive determination. If none of the Tenants takes possession on the day it is to be provided, and if Tenants have not given Landlord written notice that they will take possession on a later day, Landlord may presume conclusively that Tenants have abandoned the Premises and may proceed to re-rent them.
3. **RENT.** Tenants shall pay Landlord total rent for the term of \$ \_\_\_\_\_. Rent shall be paid in equal monthly installments of \$ \_\_\_\_\_, due on the first day of each month, beginning with the second month (first month collected before move-in). Landlord may require installments to be paid with certified funds or money orders and in a single payment. Rent is paid only when actually received by Landlord.
4. **PLACE OF PAYMENT AND NOTICES.** Notices to Tenants shall be delivered or sent to the Premises. Payment of rent or other charge due from Tenants and notices to Landlord shall be delivered or sent to: **1111 STATE LLC, 2440 W. Stadium Blvd., Ann Arbor, MI 48103**. Notices required by this Lease or by law shall be in writing. Notices that are mailed (including security deposit notices) are deemed received by the other party on the next regular day for delivery of mail after being stamped with sufficient postage and deposited in a United States mailbox.
5. **APPLICATION OF MONEY FROM TENANTS.** Money received by Landlord from Tenants or in their behalf shall be applied to Tenants' account as follows: first to satisfy unpaid late fees, dishonored check fees, and to other fees owed by Tenants; second to maintenance and repair costs chargeable to Tenants; third to legal fees and court costs legally chargeable to Tenants, including costs incurred prior to curing a default; fourth to outstanding utility bills that are the responsibility of Tenants; fifth to deposits or portions

thereof due from Tenants; sixth to rent. Restrictive endorsements on a check or statements in any communication, including those accompanying a payment, shall not constitute an accord and satisfaction or amend this provision.

6. **DEFAULT AND REMEDIES.** Tenants' noncompliance with any covenant of this Lease is a default. If Tenants default, Landlord may have all remedies legally permitted, including termination of this tenancy and declaring all remaining rental installments immediately due and owing. Landlord may terminate this tenancy on 24 hours written notice if Tenants (or any one of them), a member of Tenants' household, or other person under Tenants' control unlawfully manufactures, delivers, possesses with intent to deliver, or possesses a controlled substance on the premises. Tenants shall reimburse Landlord for all legal fees, costs, and expenses legally recoverable and for all damages caused by their default, including costs of re-renting the Premises, such as showing, advertising, and preparing them; all lost rent for the remainder of the term and succeeding terms for which Landlord and Tenants have a lease and for which Landlord does not collect through mitigation; and the maximum amount of interest allowed by Michigan law on Tenants' debt, from the date Tenants vacate. Tenants may not be liable for the total accelerated amount because of Landlord's obligation to minimize its damages, and either party may have a court determine the actual amount owed. If other Premises owned or managed by Landlord are available for lease, it shall not be unreasonable for Landlord to lease them before Tenants' Premises. From the date of execution, time is of the essence of this Lease. If Landlord terminates this tenancy or obtains a judgment against Tenants for possession that is not redeemed, all renewals, lease extensions, or leases for a future term that Landlord and Tenants have executed, or to which they have agreed, are canceled.
7. **UTILITIES.** Tenants shall put utilities for the Premises into their names, maintain uninterrupted service throughout the Term, and timely pay all utility bills; including: \_\_\_\_\_ Tenants shall pay any penalties imposed by utility providers because of late payment of original bills. Furthermore, if Tenants fail to pay all utility charges assessed by utility companies in connection with the use of utility services for that Tenants are required to pay, and Landlord is assessed by the utility company for these utility services, then Landlord may pay these charges to such utility and demand payment from Tenants as unpaid rent hereunder.
8. **LATE FEES AND DISHONORED CHECKS.** Tenants shall pay a late fee to Landlord of \$25.00 for rent that is **five (5) days** late, and Tenants shall pay an additional late fee of \$25.00 for rent that is **fifteen (15) days** late or more. Partial payment of a month's rent does not abate late fees. In addition to late fees, Tenants shall owe Landlord \$35.00 for any check to Landlord that is dishonored.
9. **CHRONIC LATE PAYMENT OF RENT.** Rent is due on the first day of each month, and notwithstanding Paragraph 8, Landlord may terminate this Lease because Tenants are chronically late with rent payments. Chronic late payment is defined as paying rent after the due date on three or more occasions during this Lease.
10. **SECURITY DEPOSIT.** Tenants shall pay a security deposit of \$\_\_\_\_\_ before receiving possession. The deposit, or any portion of it that is returned, shall be returned in a check, payable to all Tenants, or may be returned entirely to one Tenant if all other Tenants have so authorized Landlord in writing. Security Deposit Act communications shall be addressed to Landlord at the address in paragraph 4. Landlord is not obligated to apply this deposit to rent or other charges in arrears. Landlord may use this deposit for: 1) actual damages that are the result of conduct not reasonably expected in the normal course of living in the Premises; 2) past due rent and rent due for premature termination of this Lease; and 3) utility bills that are the responsibility of the Tenant and not paid by Tenant. Tenant may be liable for damages over and above the amount of the security deposit.

Notification of Forwarding Address: **YOU MUST NOTIFY YOUR LANDLORD IN WRITING, WITHIN 4 DAYS AFTER YOU MOVE, OF A FORWARDING ADDRESS WHERE YOU CAN BE REACHED AND WHERE YOU WILL RECEIVE MAIL; OTHERWISE, YOUR LANDLORD SHALL BE RELIEVED OF SENDING YOU AN ITEMIZED LIST OF DAMAGES AND THE PENALTIES ADHERENT TO THAT FAILURE.**

**All notices to and communications with Landlord shall be addressed to Landlord at: 2440 W. Stadium Blvd., Ann Arbor, MI 48103.**

The name and address of the financial institution where your security deposit will be held is:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

11. **KEYS.** Landlord may retain a key to the Premises throughout the Lease. Tenants shall not change the locks without Landlord's prior written consent, and Tenants shall immediately provide Landlord with a key to any new lock if the locks are changed. Landlord may charge Tenants a reasonable amount for replacing lost keys and for assisting Tenants in gaining entry to the Premises.
12. **NONREFUNDABLE PREPARATION FEE.** Tenants shall pay a nonrefundable Preparation Fee of \$\_\_\_\_\_ before taking possession.
13. **ENTRY BY LANDLORD.** Landlord or its agents may enter the Premises in an emergency or to perform repairs, maintenance, code inspections, appraisals, insurance inspections, other purposes reasonably related to the operation of the Premises, and to show the Premises for sale or lease. Except during an actual or apparent emergency, all entries shall be made during reasonable hours; and Landlord shall make reasonable efforts to inform Tenants of its intention to enter and shall attempt to establish a mutually acceptable time.
14. **MAINTENANCE.** Tenants shall maintain the Premises in a neat, clean, and orderly manner; use and maintain them in accordance with applicable police, sanitary, and all other regulations imposed by governmental authorities; observe all reasonable regulations and requirements of underwriters concerning use and condition of the Premises tending to reduce fire hazard and insurance rates; and immediately inform Landlord when there is a need for Landlord to perform repairs or maintenance. Tenants shall not cause or permit any waste or misuse of utility fixtures or of any portion of the Premises. Tenants shall reimburse Landlord for all damages caused by such waste or misuse; for all permit, inspection, and certification costs Landlord incurs because of Tenants' noncompliance with this Lease or applicable laws; and for all damages resulting from Tenants' not timely reporting the need for repair or maintenance. Landlord may invoice Tenants for the cost of any repairs/replacements (other than normal wear and tear) during the term of this Lease. The amount of such invoices is deemed unpaid rent and shall be due with the rental installment for the month following the month in which the invoice is sent. Tenants shall pay and be liable to Landlord and/or Landlord's insurer (in contract and/or tort) for the repair of all damage to, and/or replacement of, the Premises and structure of which they are a part, including fire and flood damage, in any way caused or made necessary by Tenants, their guests, invitees, licensees, or agents. Nothing in this clause waives or lessens Landlord's obligation to maintain and repair the Premises under Michigan law, but Landlord is not so liable when it has not been informed of the need to repair. Landlord's reasonable exercise of any right or obligation hereunder never shall be deemed an eviction of Tenants or interference with their use and possession of the Premises, and Landlord shall have no liability to Tenants because of Landlord's actions in reasonably fulfilling its obligations hereunder.

15. **HOLD HARMLESS.** Tenants agree for themselves, their heirs, and personal representatives to hold Landlord harmless from all damages, including damages to the Premises and structure of which they are a part; all lost rents for the Premises and structure of which they are a part; and all liability that results from their negligent or illegal use of the Premises and from their intentional misuse of them, including common areas of the Premises. When claims against Landlord's insurance are paid because of acts or omissions of Tenants, their visitors, guests, or invitees, Tenants will reimburse Landlord for any insurance deductible it pays.
16. **INSURANCE.** Landlord and its agents are not responsible for theft of personal property of Tenants, their guests or invitees; or for damage, loss, or destruction of personal property of Tenants, their guests or invitees, from any cause, including acts or omissions of third parties, unless caused by Landlord's failure to perform or negligent performance of a duty imposed by law. ***TENANTS ARE ENCOURAGED TO INSURE THEIR PERSONAL PROPERTY.***
17. **ALTERATIONS.** Alterations to the Premises without Landlord's prior written consent are prohibited. Landlord is not liable to reimburse Tenants for any alteration, unless agreed in writing. Alterations are the property of Landlord. Upon Lease expiration or earlier termination, however, Landlord may designate, in writing, alterations it wishes to have removed, and Tenants, at their expense, shall remove them promptly and repair any damage caused thereby.
18. **RETURN OF PREMISES.** Tenants shall return the Premises at the expiration of the term (or earlier termination) in as good a condition as when received, reasonable wear and tear accepted. Early surrender of the Premises, including surrender accepted in writing, shall not extinguish any of Tenants' obligations to perform under this Lease, including payment of all rent reserved.
19. **AMENDMENT.** This Lease may be amended in writing only, signed by all parties.
20. **CAPTIONS.** Paragraph captions are solely to assist with identification. They are of no legal significance.
21. **WAIVER.** One or more waivers of any covenant or condition by Landlord shall not be construed as a waiver of any subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenants requiring Landlord's consent or approval shall not be deemed to render unnecessary Landlord's consent or approval to or of any subsequent similar act by Tenants. No breach of a covenant or condition of this Lease shall be deemed to have been waived by Landlord, unless such waiver is in writing signed by Landlord.
22. **SEVERABILITY.** Invalidation of any of the provisions of this Lease by judgment or court order shall not affect any of the other provisions which shall remain in full force and effect. Landlord and Tenants agree that this Lease shall not, is not intended, nor shall it be construed, to violate any of the provisions of the Truth in Renting Act. If, however, any provision of this Lease does in fact reach any such result, then such provision shall be null and void and the other provisions of this Lease shall remain in full force and effect.
23. **PETS.** No pets are allowed in the Premises at any time.
24. **SUCCESSORS BOUND.** The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the Landlord and Tenants and their respective heirs, personal representatives and successors, and except as otherwise provided in this Lease, their assigns. In the event that this Lease or any rider, amendment or modification hereto shall be executed by more than one person, the liability of such persons shall be joint and several, and a judgment entered against one shall be no bar to an action against the others.

25. **USE AND QUIET ENJOYMENT.** Tenants shall comply with all applicable laws and ordinances; use the Premises for residential purposes only; and refrain from all conduct that unreasonably disturbs each other, other Tenants or neighbors of the building. No business of any sort shall be located in or conducted from the Premises. Tenants shall be entitled to the quiet enjoyment of the Premises throughout this Lease so long as they comply with its covenants.
26. **UNTENANTABILITY.** If the Premises become wholly untenable because of fire or other casualty, Landlord may cancel this Lease by notifying Tenants in writing, and Tenants shall surrender the Premises to Landlord. If for the same reasons the Premises become partially untenable, or wholly untenable without Landlord canceling the Lease, Landlord shall repair the Premises with reasonable speed. From the date of the casualty, until repairs are substantially completed, Rent shall abate in the same percentage that the Premises are untenable, unless the untenability is caused by negligence or intentional misconduct of Tenants, their guests or invitees, in which case rent shall not abate. Landlord is not liable for failure to repair until Tenants have notified Landlord of the need for repair and a reasonable time to make the repair has passed thereafter. If 50% or more of the Premises are untenable, the Premises are “wholly untenable”.
27. **ASSIGNMENT, SUBLETTING, AND OCCUPANCY.** Tenants shall not assign this Lease or sublet the Premises, or any part thereof, without prior written permission of Landlord, which shall not be denied unreasonably. Only those listed herein as Tenants/occupants may occupy the Premises. Landlord may evaluate proposed assignees and subtenants as it would evaluate prospective Tenants, including whether they are acceptable to remaining prime Tenants.
28. **ABANDONMENT.** If during this Lease, Landlord believes in good faith that Tenants have abandoned the Premises and current rent is unpaid, Landlord may re-enter the Premises and remove the remaining possessions of Tenants without liability therefore. Abandonment is conclusively presumed if rent is unpaid for fifteen (15) days following the due date and (1) a substantial portion of Tenants’ possessions have been removed or (2) acquaintances of Tenants or other reliable sources indicate to Landlord that Tenants have left without intending to re-occupy the Premises. If Tenants abandon or surrender the Premises at anytime and leave personal property there, Landlord may dispose of it however Landlord chooses, and Tenants shall reimburse Landlord for all costs incurred in that regard.
29. **HOLDING OVER.** Tenants shall vacate the Premises on or before the expiration date of the Lease. If Tenants retain possession thereafter without Landlord’s written permission, Landlord has thirty (30) days from the last day of the Lease to sue Tenants for possession under section 5714 (1)(C)(ii) of the Michigan Summary Proceedings Act (Holding over after lease expires). If suit is not begun within that time, the tenancy shall continue on a month to month basis from the date the Lease expires, and all other covenants of the Lease shall remain in full force and effect. Rent, however, shall increase by twenty percent (20%), beginning on the first day after Lease expiration, regardless of whether suit is brought. Acceptance of money by Landlord from Tenants during the thirty (30) days following expiration of the Lease does not waive Landlord’s right to seek possession as described in this paragraph, and Tenants shall compensate Landlord for all damages caused by their unauthorized holdover.
30. **LIMITED CANCELLATION RIGHTS.** A Tenant who has occupied the Premises for more than thirteen (13) months may terminate this Lease upon sixty (60) days written notice to Landlord if: (i) Tenant has become eligible during the term to take possession of a subsidized rental unit in senior citizen housing and provides Landlord with written proof thereof; or (ii) Tenant has become incapable during the term of living independently, as certified by a physician in a notarized statement. Election to cancel under this paragraph is limited to the Tenant to whom the foregoing applies, and the Lease continues in full force and effect for remaining Tenants.

31. **ENTIRE AGREEMENT.** This Lease is the Parties' entire agreement, and they enter it voluntarily. There are no other agreements that are part of this Lease unless specifically enumerated herein. Tenants' application to lease is incorporated herein, and Tenants covenant that the information supplied in that application was and continues to be accurate.
32. **ANN ARBOR RIGHTS AND DUTIES OF TENANTS NOTICE.** City ordinance requires Landlord to furnish to Tenants prior to executing Lease a copy of Rights and Duties of Tenants. Tenants' signatures acknowledge receipt of booklet.
33. **ANN ARBOR PRIVACY NOTICE. NOTICE: YOU HAVE THE RIGHT TO PRIVACY IN YOUR RENTAL HOME. CITY LAW ESTABLISHES GUIDELINES THAT THE OWNER AND HER/HIS AGENTS MUST FOLLOW BEFORE ENTERING YOUR HOME. YOU MAY INITIATE ADDITIONAL ENTRY RESTRICTIONS BY GIVING WRITTEN NOTICE TO YOUR LANDLORD. COPIES OF THESE GUIDELINES (HOUSING CODE 8:529) ARE AVAILABLE AT THE BUILDING DEPARTMENT, CITY HALL, 100 N. FIFTH AVE.**
34. **ANN ARBOR TRUTH IN RENTING NOTICE.**

**Some things your Landlord writes in the Lease or says to you may not be correct representations of your rights.**

**Also, you may have rights and duties not mentioned in your Lease. Such rights may include rights to repairs, rights to withhold rent to get repairs done, and rights to join a tenants union or to form your own union. Such duties may include the duty to pay rent due and the duty not to cause a serious health hazard or damage beyond reasonable wear and tear.**

**Additionally, some Lease clauses may be subject to differing legal interpretations. If you think that a clause in your Lease or something your Landlord says to you is unfair, you may contact your own lawyer, legal aid society, or tenants union lawyer for their opinions.**

35. **ANN ARBOR OFF-CAMPUS HOUSING MEDIATION CLAUSE.** If communication between the Tenant(s) and Landlord breaks down, a mediator can assist the parties in voluntarily reaching a mutually acceptable settlement of the issue(s) in dispute. All parties to this agreement agree that the University of Michigan Off-Campus Housing Program will assist in disputes involving University of Michigan students for which one of the parties requests assistance and: a) all parties will make a reasonable and good faith effort to settle such disputes through the program; b) any party to this Lease may request mediation; c) program staff may enter and inspect the premises after notice to both parties and at reasonable times; d) this provision does not preclude other legal rights of parties. The parties agree to keep the mediation proceedings confidential.
36. **ANN ARBOR UTILITY CHARGE NOTICE.** No owner of rental property shall lease the property without furnishing to the tenant, before the time of entering into the lease, a budget plan. As used in this section, "Budget Plan" means a projection of monthly utility costs for primary heating fuel prepared by the public utility company. This section shall apply to the rental of all dwelling units for which budget plan information is available from the utility company without charge and in which the tenant is required to pay the owner or the utility company a utility charge for heating fuel in addition to rent. The budget plan

statement shall be in writing, included as part of the leasing agreement, but may be prepared by the owner based on information verbally supplied by the utility company.

37. **DISCLOSURES.** This Lease includes the attached disclosures - **Lead-Based Paint Disclosure, Rules and Regulations and Parent Guaranty Form.** By signing this Lease, Tenants acknowledge that they have received, read, and agreed to the provisions of the University Towers Rules and Regulations.

**THIS IS A LEGAL BINDING AGREEMENT READ ENTIRE CONTRACT AND ANY ADDENDUMS BEFORE SIGNING**

Landlord:

By: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Tenant