

STATE OF MICHIGAN  
IN THE SUPREME COURT

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MARCQUESIA WALKER,

Plaintiff/Appellant,

Supreme Court Case No. 163475

v.

Court of Appeals Case No. 354403

HELA MANAGEMENT, LLC, a  
domestic limited liability company, and  
THE D PORTFOLIO, LLC,

Lower Court Case No. 2018-004108-NO

Defendants/Appellees.

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**DEFENDANTS-APPELLEES' APPENDIX OF EXHIBITS  
TO THEIR SUPPLEMENTAL BRIEF IN OPPOSITION TO  
PLAINTIFF-APPELLANT'S APPLICATION FOR LEAVE TO APPEAL**

**DEFENDANT-APPELLEES' APPENDIX OF EXHIBITS**

1. Michigan Court of Appeals Opinion dated July 15, 2021
2. Michigan Supreme Court Order of January 26, 2022
3. Plaintiff-Appellant's Third Amended Complaint filed in the Circuit Court for the County of Macomb on July 29, 2019
4. Residential Lease for property located at 22834 David Avenue, Eastpointe, MI 48021 for the term of March 17, 2018 through March 31, 2020.

# EXHIBIT 1

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**STATE OF MICHIGAN**  
**COURT OF APPEALS**

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MARCQUESIA WALKER,

Plaintiff-Appellant,

v

HELA MANAGEMENT, LLC, and THE D  
PORTFOLIO, LLC,

Defendants-Appellees.

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UNPUBLISHED

July 15, 2021

No. 354403

Macomb Circuit Court

LC No. 2018-004108-NO

Before: RIORDAN, P.J., and M. J. KELLY and SHAPIRO, JJ.

PER CURIAM.

In this premises-liability action, plaintiff appeals the trial court's order granting summary disposition to defendants, Hela Management, LLC and The D Portfolio, LLC. We affirm.

**I. BACKGROUND**

Plaintiff and her long-term fiancé have two children and wanted to move to an apartment owned by The D Portfolio and managed by Hela Management. Plaintiff was the one who communicated with Anne Deleo, a representative for Hela Management, about renting the property. According to plaintiff, when it came time to sign the lease for the single-family home, Deleo told plaintiff that she did not need to be named to the lease because only plaintiff's finance's income was used for the apartment application. After moving in, plaintiff informed Deleo about a broken tile on the basement staircase and sent Deleo a picture of it. Plaintiff continued to use the basement staircase to access the washer and dryer in the basement as well as a freezer. About a week later, plaintiff stepped on a broken piece of tile and fell down the basement stairs.

Plaintiff filed suit against defendants, asserting a claim of premises liability and violations of MCL 554.139 (landlord's duty to keep premises in reasonable repair) and the Housing Law of Michigan, MCL 125.401 *et seq.* After discovery, defendants filed a motion for summary disposition under MCR 2.116(C)(10) (no genuine issue of material fact), arguing that they did not owe a duty of care to plaintiff because the broken tile was an open and obvious danger without any special aspects. Moreover, defendants argued that the Housing Law was inapplicable to rental homes in Eastpointe, Michigan. Finally, defendants argued that plaintiff could not assert a

violation of MCL 554.139 because she was not a tenant or a party to the lease. Plaintiff filed a response brief, arguing in part that MCL 554.139 was applicable to her because the statute was intended to be liberally construed and she was not a social guest in her home.

After hearing oral argument, the trial court issued an opinion and order granting defendants' motion. The court ruled that plaintiff's premises-liability claim was barred by the open and obvious danger doctrine and that the Housing Law does not apply to the rental home. Relevant to this appeal, the court held that defendants owed no duty to plaintiff under MCL 554.139 because she was not a party to the lease agreement. The court denied plaintiff's motion for reconsideration and this appeal followed.

## II. ANALYSIS

On appeal, plaintiff argues that the trial court erred by holding that she did not have a cause of action under MCL 554.139.<sup>1</sup>

"MCL 554.139 provides a specific protection to lessees and licensees of residential property in addition to any protection provided by the common law." *Allison v AEW Capital Mgt, LLP*, 481 Mich 419, 425; 751 NW2d 8 (2008). The statute provides in relevant part:

(1) In every lease or license of residential premises, the lessor or licensor covenants:

(a) That the premises and all common areas are fit for the use intended by the parties.

(b) To keep the premises in reasonable repair during the term of the lease or license, and to comply with the applicable health and safety laws of the state and of the local unit of government where the premises are located, except when the disrepair or violation of the applicable health or safety laws has been caused by the tenants willful or irresponsible conduct or lack of conduct.

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<sup>1</sup> We review de novo a trial court's ruling on a motion for summary disposition. See *Loweke v Ann Arbor Ceiling & Partition Co, LLC*, 489 Mich 157, 162; 809 NW2d 553 (2011). A trial court may grant a motion for summary disposition under MCR 2.116(C)(10) if "there is no genuine issue as to any material fact, and the moving party is entitled to a judgment or partial judgment as a matter of law." MCR 2.116(C)(10); *Finazzo v Fire Equip Co*, 323 Mich App 620, 625; 918 NW2d 200 (2018). A genuine issue of material fact exists if, when reviewing the record in the light most favorable to the nonmoving party, an issue upon which reasonable minds might differ remains open. *Debano-Griffin v Lake Co*, 493 Mich 167; 828 NW2d 634 (2013) (citations omitted). We also review de novo questions of statutory interpretation. *Odom v Wayne Co*, 482 Mich 459, 467; 760 NW2d 217 (2008).

\* \* \*

(3) The provisions of this section shall be liberally construed . . . . [MCL 554.139.]

“The statutory protection under MCL 554.139(1) arises from the existence of a residential lease and consequently becomes a statutorily mandated term of such lease.” *Allison*, 481 Mich 425. Accordingly, a breach of the landlord’s duty to maintain the premises in accordance with MCL 554.139 is construed as a breach of the lease’s terms. *Id.*

In *Mullen v Zerfas*, 480 Mich 989 (2007),<sup>2</sup> the Supreme Court held that this Court erred by indicating in a different case that “MCL 554.139(1) establishes a duty on the part of owners of leased residential property to invitees or licensees generally.” The Supreme Court explained:

The covenants created by the statute establish duties of a lessor or licensor of residential property to the lessee or licensee of the residential property, most typically of a landlord to a tenant. By the terms of the statute, the duties exist between the contracting parties. [*Id.* at 989-990.]

Accordingly, the Court held that the landlord in *Mullen* did not owe a duty under MCL 554.139(1) to the plaintiff, “a social guest of the tenant.” *Id.* at 990. Similarly, in *Allison*, 481 Mich at 431, the Court stated that “a non-tenant could never recover under [MCL 554.139] because a lessor has no contractual relationship with—and therefore, no duty under the statute to—a non-tenant.”

Plaintiff first argues that she should be considered a tenant considering the evidence that defendants or their agent knew that she was residing in the apartment. Specifically, plaintiff was the only contact person for negotiating and entering the lease, she met with defendants’ representatives at the rental home to tour it, and she communicated with defendants on maintenance requests at the rental home after she had moved into it and during her tenancy. Defendants dispute that plaintiff was a tenant but, even if she was, they contend that she was not a party to the lease and therefore was not a “contracting party” under *Mullen*. It bears mentioning that the plaintiff in *Mullen* was a true social guest rather than a residential family member.<sup>3</sup> Further, MCL 554.139 makes no mention of “contracting parties,” and the Supreme Court did not expressly consider in its peremptory order that the statute is to be liberally construed. And *Mullen*’s interpretation of the statute suggests that landlords owe no duty under MCL 554.139 to any members of the lessee’s resident family, including children, who are incapable of contracting. It is not clear to us that this was the intent of the Legislature and, were we considering the statute on a blank slate, we might reach a different result.

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<sup>2</sup> Orders from our Supreme Court are binding if they are a final disposition of an application and contain a concise statement of the applicable facts and the reason for the decision. *DeFrain v State Farm Mut Auto Ins Co*, 491 Mich 359, 369; 817 NW2d 504 (2012).

<sup>3</sup> See *Mullen v Zerfas*, unpublished opinion of the Eaton Circuit Court, issued November 17, 2006 (Docket No. 06-165-NO).

The slate is not blank, however, and we agree with defendants that we are bound by the Supreme Court’s conclusion that the statute applies only to “contracting parties” to the lease, which plaintiff indisputably was not. Regardless whether or not plaintiff meets the definition of “tenant,”<sup>4</sup> plaintiff did not have any contractual duties to defendants; if the amount owed for the rental home was not paid, defendants had no right to collect that payment from plaintiff. Likewise, plaintiff did not have any contractual rights under the lease agreement; for instance, plaintiff had no right to claim a deposit paid for the rental home. There was also no consideration between plaintiff and defendants for plaintiff to reside in or use the rental home. See *AFT Mich v Michigan*, 497 Mich 197, 235; 866 NW2d 782 (2015) (a valid contract requires legal consideration).

Plaintiff alternatively argues that she should be considered a licensee of the rental home. “[A] license is a permission to do some act or series of acts on the land of the licensor without having any permanent interest in it . . . .” *Kitchen v Kitchen*, 465 Mich 654, 658; 641 NW2d 245 (2002) (quotation marks and citation omitted). Even assuming that defendants knew plaintiff was residing in the home, they had not entered into an agreement with her such that plaintiff could be considered a contracting party. Thus, plaintiff was not a “licensee” as that term is used in MCL 554.139.<sup>5</sup>

Affirmed.

/s/ Michael J. Kelly

/s/ Douglas B. Shapiro

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<sup>4</sup> “Tenant” is defined by the Landlord and Tenant Relationships Act, MCL 554.601 *et seq.*, as “a person who occupies a rental unit for residential purposes with the landlord’s consent for an agreed upon consideration.” MCL 554.601(d).

<sup>5</sup> To the degree that plaintiff is referring to the common law use of the term licensee in premises-liability cases, the trial court held that her suit was barred by the open and obvious doctrine and she has not appealed that ruling.

*If this opinion indicates that it is "FOR PUBLICATION," it is subject to revision until final publication in the Michigan Appeals Reports.*

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**STATE OF MICHIGAN  
COURT OF APPEALS**

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MARCQUESIA WALKER,

Plaintiff-Appellant,

v

HELA MANAGEMENT, LLC, and THE D  
PORTFOLIO, LLC,

Defendants-Appellees.

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Before: RIORDAN, P.J., and M. J. KELLY and SHAPIRO, JJ.

RIORDAN, P.J. (*concurring*).

I concur in the result only.

UNPUBLISHED

July 15, 2021

No. 354403

Macomb Circuit Court

LC No. 2018-004108-NO

/s/ Michael J. Riordan

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# EXHIBIT 2

# Order

Michigan Supreme Court  
Lansing, Michigan

January 26, 2022

163475

MARCQUESIA WALKER,  
Plaintiff-Appellant,

v

HELA MANAGEMENT, LLC, and THE D  
PORTFOLIO, LLC,  
Defendants-Appellees.

Bridget M. McCormack,  
Chief Justice

Brian K. Zahra  
David F. Viviano  
Richard H. Bernstein  
Elizabeth T. Clement  
Megan K. Cavanagh  
Elizabeth M. Welch,  
Justices

SC: 163475  
COA: 354403  
Macomb CC: 2018-004108-NO

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On order of the Court, the application for leave to appeal the July 15, 2021 judgment of the Court of Appeals is considered. We direct the Clerk to schedule oral argument on the application. MCR 7.305(H)(1).

The appellant shall file a supplemental brief addressing: (1) the definition of a licensee under MCL 554.139; (2) whether *Mullen v Zerfas*, 480 Mich 989 (2007), and *Allison v AEW Capital Mgt, LLP*, 481 Mich 419 (2008), require a licensee to enter a contract with the licensor under MCL 554.139, and if so, what the requirements of such a contract would be; and (3) whether the appellant should be considered a licensee that is protected under MCL 554.139. The appellant's brief shall be filed by March 28, 2022, with no extensions except upon a showing of good cause. In the brief, citations to the record must provide the appendix page numbers as required by MCR 7.312(B)(1). The appellees shall file a supplemental brief within 21 days of being served with the appellant's brief. A reply, if any, must be filed by the appellant within 14 days of being served with the appellees' brief. The parties should not submit mere restatements of their application papers.



a0119

I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

January 26, 2022

Clerk

# EXHIBIT 3

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF MACOMB

MARCQUESIA WALKER,

Plaintiff,

-vs-

Case No. 2018-004108-NO  
HON. JAMES M. BIERNAT, JR.

HELA MANAGEMENT, LLC, and  
FORTUS-LDR, LLC, and  
THE D PORTFOLIO, LLC,

Defendants.

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MANCINI SCHREUDER KLINE P.C.  
DREW SLAGER (P 72941)  
Attorneys for Plaintiff  
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JULIE I. FERSHTMAN (P 39282)  
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**THIRD AMENDED COMPLAINT**

NOW COMES the Plaintiff MARCQUESIA WALKER by and through her attorney Mancini Schreuder Kline P.C., and for her Third Amended Complaint pursuant to MCR 2.118(A) against the Defendants HELA MANAGEMENT, LLC, FORTUS-LDR, LLC, and THE PORTFOLIO, LLC states as follows:

1. Plaintiff is a resident of the City of Detroit, County of Wayne, State Michigan.

2. Defendants HELA MANAGEMENT LLC, FORTUS-LDR, LLC, and THE D PORTFOLIO, LLC are Michigan limited liability companies and at all relevant times possessed a building located at 22834 David Avenue, Eastpointe, Michigan.

3. The amount in controversy herein exceeds the sum of Twenty-Five Thousand (\$25,000.00) Dollars exclusive of costs, interest and attorney fees.

4. On or about the 29<sup>th</sup> day of March, 2018, Defendants had possession and control of the premises at 22834 David Avenue, in the City of Eastpointe, County of Macomb, State of Michigan.

5. On or about the 29<sup>th</sup> day of March, 2018, Plaintiff was a residential tenant and business invitee of the Defendant, lawfully, rightfully, and at the invitation of Defendants, on the rental premises.

6. At the said time and place, while on Defendants' premises, Plaintiff stepped on a broken tile on an interior staircase, causing her to lose her balance, fall, and sustain injuries as described below.

**COUNT I. PREMISES LIABILITY**

7. It was then and there the duty of Defendants to provide safe premises Plaintiff, to maintain the premises in a reasonably safe condition, not to create or enhance the risk of harm to invitees, to inspect said premises, to discover possibly dangerous conditions, to take precautions to protect invitees, to warn invitees of dangerous, hazardous and unsafe conditions existing thereupon, comply with applicable statutes and ordinances, and to use due care under the circumstances for the safety and protection of invitees.

8. Notwithstanding said duties, Defendants did breach same by:
- a. negligently maintaining and/or creating an unsafe condition on the premises, to-wit: a broken step causing a fall hazard;
  - b. choosing to allow unsafe defects in the physical structure of the property, particularly in an area of the premises which was unavoidable for Plaintiff and others similarly situated;

- c. choosing not to protect against known or discoverable dangerous conditions on the premises;
- d. choosing not to maintain their premises in a safe and reasonable condition;
- e. choosing not to warn Plaintiff and other people lawfully on the premises of the unsafe condition of its premises;
- f. otherwise acting in an unreasonable and imprudent manner; and/or
- g. otherwise breaching duties owed.

9. As a direct and proximate result of Defendants' negligence, Plaintiff

MARCQUESIA WALKER sustained bodily injuries, including but not limited to:

- a. severe injuries to her right foot and right ankle, requiring surgical repair, and related and resultant injuries;
- b. physical pain and suffering;
- c. disability and disfigurement;
- d. mental anguish;
- e. fright and shock;
- f. denial of social pleasures and enjoyment of the usual activities of life;
- g. embarrassment, humiliation and mortification;
- h. medical expenses, past and future;
- i. loss of earnings and earning capacity; and
- j. other damages allowed by law.

WHEREFORE, Plaintiff requests an award of damages in whatever amount in excess of Twenty-Five Thousand (\$25,000.00) Dollars to which she may be found entitled together with interest, costs and attorney fees.

**COUNT II. VIOLATION OF MCL 554.139**

10. Plaintiff incorporates by reference all other paragraphs of this Complaint.

11. MCL 554.139 provides:

- (1) In every lease or license of residential premises, the lessor or licensor covenants:
  - a) That the premises and all common areas are fit for the use intended by the parties.
  - b) To keep the premises in reasonable repair during the term of the lease or license, and to comply with the applicable health and safety laws of the state and local unit of government where the premises are located...

12. By allowing and/or creating the dangerous condition on the stairway described above, Defendants violated the duties imposed by MCL 554.139(1)(a) and (b), thereby causing Plaintiff's serious injuries, described above.

WHEREFORE, Plaintiff requests damages including exemplary damages in whatever amount in excess of Twenty Five Thousand (\$25,000.00) Dollars to which she may be found entitled, together with costs, interest and attorney fees.

**COUNT III. VIOLATION OF THE HOUSING LAW OF MICHIGAN**

13. Plaintiff incorporates all prior paragraphs by reference.

14. MCL 125.471 requires that "Every dwelling and all the parts thereof...shall be kept in good repair by the owner..."

15. MCL 125.536(1) specifically grants occupants a private cause of action where landlords violate the Housing Law, and MCL 125.536(2) provides that such remedies "shall be in addition to such other relief" as may be appropriate.

16. Defendants violated the Act by failing to provide a residential building in good repair, and Plaintiff is entitled to relief.

17. As a direct and proximate result of the aforesaid statutory violations, Plaintiff suffered serious bodily injuries and property damage as described more fully above.

WHEREFORE, Plaintiff requests damages including exemplary damages in whatever amount in excess of Twenty Five Thousand (\$25,000.00) Dollars to which she may be found entitled, together with costs, interest and attorney fees.

PLAINTIFF RELIES ON HER PRIOR JURY DEMAND.

MANCINI SCHREUDER KLINE P.C.

By: /s/ Drew Slager  
DREW SLAGER (P 72941)  
Attorneys for Plaintiff  
28225 Mound Road  
Warren, Michigan 48092-3498  
(586) 751-3900

Dated: July 29, 2019



# EXHIBIT 4

# Hela Management

1100 Town Center Rd - 11th Floor - Southfield, MI 48075

## 1. Residential Lease

### 1.1 HELA MANAGEMENT, LLC ("PROPERTY MANAGER")

#### 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.

#### We Agree That

Hela Management LLC

Leases To ("Tenant(s)")

Jenane Haywood

The Following Premises ("Premises") To Be Used For Private Residential Purposes Only

22834 David Ave  
Eastpointe, MI 48021

#### For A Term

03/17/2018 through 03/31/2020

In consideration of and subject to the Tenant's covenants and payments of rentals contain herein, Owner agrees to rent to Tenant the Premises.

### 1.2 JOINT AND SEVERAL TENANCY

If more than one person signs this lease as a Tenant, 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. A judgment entered against one or more Tenants does not bar an action against the others.

### 1.3 AMOUNTS RECEIVED FROM TENANT

Upon execution of this Agreement, tenant shall pay Owner the sum set forth below to be applied as indicated below:

First months Rent: \$508.06

#### Monthly Charges:

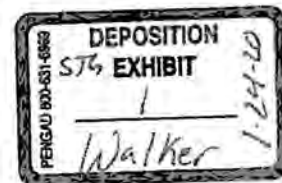
Rent - Operating	\$1,050.00
<b>Total:</b>	<b>\$1,050.00</b>

#### One-Time Charges:

Security Deposit	\$1,575.00
<b>Total:</b>	<b>\$1,575.00</b>

Deposits: \$1,575.00

Total amount of funds due to move in: \$2,083.06



#### 1.4 TERM

Should Tenant fail to occupy the Premises for the minimum term for any reason, such shall be breach of the agreement, and Tenant shall be liable for Owner damages resulting from such breach, such as loss of rent until the unit is re-rented or the completion of the minimum term, whichever is less, advertising costs; reimbursement of any move-in credits given to replacement tenants, utility costs while vacant; yard maintenance costs while vacant, transportation costs to show until re-rented, and other costs and fees as described within this Rental Agreement or otherwise allowed by law. If Owner is unable to deliver possession of the Premises at the commencement hereof, Owner shall not be liable for any damage caused thereby, nor shall this agreement be void or voidable, but Tenant shall not be liable for any rent until possession is delivered. Tenant may terminate this Agreement if possession is not delivered within three (3) days of the date specified for occupancy above. Should Tenant remain in possession of the Premises with the consent of Owner, after expiration of the above term, this Agreement shall then be construed as a month-to-month lease, according to the terms hereof, as applicable, until either party shall terminate the same by giving the other party thirty (30) days written notice by certified mail. **Tenant shall be liable for the payment of rent through the termination date.** If Tenant wishes to renew this Lease, Tenant shall notify Owner in writing of this request at least thirty (30) days prior to the expiration of the Lease (but no rights to renew is hereby conferred). If tenant decides to terminate tenancy effective at the end of the lease term, Tenant shall notify owner in writing of this decision at least (30) days prior to the expiration of the term lease. This Agreement shall not be terminated by tenant at the end of the term lease unless such notice is timely given.

#### 1.5 RENT

Tenant agrees to pay Owner the sum of \$1,050.00 per month as rent. Payment shall be due by the first day of each month and shall be payable online or to Hela Property Management at the following address:

Hela Property Management  
 2000 Town Center, 19th Floor  
 Southfield, MI 48075  
 info@helamanagement.com  
 (248) 351-2675

#### 1.6 LATE CHARGES

**First (1st) of the month:** Rent is always due in advance and payable on the first day of every month.

**Fifth (5th) of the month:** A late charge of One Hundred Dollars (\$100.00) on all amounts past due will be assessed if rent is not paid by the close of business on the fifth (5th) day of the month.

**Seventh (7th) day of the month:** A demand for possession nonpayment of rent will be issued to the Tenant(s) after close of the seventh (7th) day of the month if rent is not paid.

**Fifteen (15th) day of the month:** Legal action to collect rent will take place if full balance owed is not paid by close of business on the the fifteenth (15th) day of the month.

**Twenty Fourth (24th) day of the month:** An additional seven (7%) percent of the full balance owed will be charged to the tenant(s) if the full balance is not paid by the close of business on the twenty fourth (24th) day of the month.

**ALL LEGAL FILING FEES AND COURT COSTS, AS A RESULT OF LATE PAYMENTS, WILL BE CHARGED BACK TO THE TENANT(S).**

**ALL PAYMENTS SHALL FIRST BE APPLIED TO LATE CHARGES, COSTS (i.e. Utilities, legal, etc.) AND THEN TO RENT – NO EXCEPTIONS.**

Tenant agrees to pay Fifty Dollars (\$50.00) for each dishonored bank check and to pay in certified check or money order thereafter. Any and all monetary sums due for any obligation hereunder, including, but not limited to, late charges and other costs of collections of unpaid amounts due here under, regardless of how otherwise denominated, shall be construed to be "rent" in interpreting this Agreement for purposes of Michigan's Unlawful Detainer statutes.

#### 1.7 RENT INCREASES

Owner reserves the right, under Michigan law, to increase the amount of rental payments to cover additional costs in operating the rental premises incurred by Owner because of increases in ad valorem property taxes, charges for the electricity, heating fuel, water, or sanitary sewer services consumed at the property, or increases in premiums paid for liability, fire, or worker compensation insurance. In the event of a rent increase, Owner shall provide Tenant a written notice of such at least thirty (30) days in advance.

## 1.8 NOTICE

Unless otherwise expressly provided herein, any notice which either party is required to provide pursuant to this agreement, be given (1) by personal delivery; or (2) by mailing the same, postage prepaid, to Tenant(s) at the Premises, or to Owner, or Agent, at the address shown above in Section 3 of this Agreement, or such other places as may be designated by the parties in writing.

## 1.9 NOTICE TO TENANTS

### NOTICE TO TENANT(S):

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

## 1.10 OWNER'S COVENANTS

Owner covenants that the Premises shall be delivered to Tenant(s) in a habitable condition and that so long as Tenant(s) is not in default of this Agreement Tenant(s) shall have the continued peaceful and quiet enjoyment of the Premises. Owner further covenants that they shall be responsible for all major repairs to the Premises except for repairs which are necessitated by acts or omissions of the Tenant(s).

## 1.11 RENT INCREASE AFTER 12 MONTHS

Tenant and owner agree to increase the rent by \$25 after 12 months of residency.

By initialing below, you acknowledge and agree to the terms in Section 1.

X           JH            
Jerome Haywood

## 2. Tenant(s) Covenants and other information

### 2.1 TENANT(S) COVENANTS

Tenant(s) covenants and agrees that:

- a. **Condition and Inventory:** The Premises are in good repair with all appliances, plumbing and electrical in good working order. Tenant(s) agrees to maintain the good working order of all smoke detectors and other personal property on the Premises.
- b. **Maintenance, Repairs or Alterations.** Tenant(s) shall be responsible for damages caused by Tenant(s)'s negligence and that Tenant(s)'s family, guests, invitees or pets (if allowed). Tenant(s) shall not paint, paper, or otherwise redecorate or make alterations to the Premises without the prior written consent of Owner or Owner's agents. Tenant(s) shall keep the grounds, lawns and shrubbery clear of weeds and rubbish, and shall remove snow and ice from walkways on the Premises. Tenant(s) shall be responsible for lawn care other than fertilization, aeration, and maintenance and repairs of any sprinkler system, which shall be the responsibility of Owner. Tenant(s) further agrees to keep all drains free from obstruction or blockage. Tenant(s) agrees that any holes or damage to any interior or exterior surface of the Premises as the result of nails, screws, tacks, hooks, glue, or any other which requires Owner to repair, fill, spackle, paint, or otherwise remedy, or any other damage which could have been mitigated should it have been promptly reported to owner in writing shall constitute damage beyond "normal wear and tear," as defined in this Agreement, and Tenant(s) shall be responsible for the resulting cost of repair. Owner reserves the right, with notification, to correct any such problems and to bill Tenant(s) for the same. All service or repairs requested by Tenant(s) shall be in writing. Tenant(s) shall not make repairs or hire contractors to make repairs. Owner shall respond to emergency maintenance requests as soon as possible. For the purposes of this Rental Agreement, emergency maintenance is fire, flood, and uncontrollable water, backed up sewer, electrical problem endangering life, or smell of gas. Tenant(s) is directed to call 911 for emergencies causing immediate danger such as fire.
- c. **Occupancy and Use.** The Premises shall be used as a residence by the Tenant(s), with no more than six (6) persons in occupancy. Owner must approve additional person(s). Guests staying more than ten (10) days per calendar year without prior written consent of Owner shall constitute a violation of this Agreement. Tenant(s) shall not allow the Premises to be occupied by any other person, or sublease or assign the interest in the Premises without the written consent of Owner which can be denied for any reason. All tenants must provide full contact information and sign lease.
- d. **No Smoking.** Tenant(s), guests, or any other person shall not be allowed to smoke on the Premises. Tenant(s) agrees to refrain from burning candles or incense. Any violation shall be deemed a material violation of the Rental Agreement. Tenant(s) understands that any damage caused by smoking any substance will be considered damage. Damage includes but is not limited to deodorizing, repairing, or replacement of carpet, wax removal, additional paint preparation, replacing of drapes, countertops, or any other surface damaged due to burn marks and/or smoke damage. Tenant(s) agrees to pay \$500 penalty to ionize the premises to remove all unwanted odors.

e. **Vehicle Regulations.** Tenant(s) agrees not to perform mechanical work on lawn areas without express written permission from the Owner. Any vehicles (including trailers, motorcycles, boats, or snowmobiles) parked on the lawn area may be towed away at the owner's expense. Vehicles not visibly displaying a current license or registration may be removed and disposed of as abandoned vehicles, provided the Owner posts a written notification to such effect on the vehicle in a conspicuous place 10 days prior to removal of the abandoned vehicle.

f. **Environmental Regulations.** Tenant(s) shall not at any time handle, use, manufacture, store or dispose of in or about the Premises any flammables, explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, or other similar substances, petroleum products or derivatives or any substance (collectively "Hazardous Materials") subject to regulation by or under any federal, state and local laws and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws").

g. **Conduct of Tenant(s)'s Guests.** Tenant(s) shall be responsible for Tenant(s)'s own conduct, as well as the conduct of any and all guests of Tenant(s). Any conduct of any guest of Tenant(s) which violates any provision of this Agreement shall constitute a material violation by Tenant(s).

h. **Access by Owner.** Tenant(s) shall not unreasonably withhold consent to Owner to enter the Premises in order to inspect the Premises, make necessary or agreed repairs, alterations or improvements, supply necessary or agreed services, or exhibit the unit to prospective or actual purchasers, mortgagees, Tenant(s), workers, or contractors. **Owner has the right to enter the Premises upon twenty-four (24) hours written notice.** Owner may enter the Premises without consent of Tenant(s) in case of emergency. In addition to the rights provided by law, in the event of an emergency, to make repairs or improvements or to show the premises to prospective buyers or Tenant(s) or to conduct an annual inspection or to address a safety or maintenance problem or to remove any alterations, additions, fixtures, and any other objects which may be affixed or erected in violation of the terms of this Lease, Owner or Owner's authorized agents may enter the premises. Except in cases of emergency, Tenant(s)'s abandonment of the premises, court order or where it is impractical to do so, Owner shall give Tenant(s) reasonable notice before entering. Furthermore, Owner retains an Owner's Lien on all personal property placed upon the premises to secure the payment of rent and any damages to the leased premises.

**i. Miscellaneous Tenant(s) Covenants.**

- Tenant(s) shall not utilize the Premises for any unlawful activity or allow any hazard or nuisance to exist on the Premises. Specifically, and without limitation, Tenant(s) agrees not to engage or to allow any person who comes upon the Premises to engage in the delivery, production or use of a controlled substance (hereinafter "Illegal Drug Activity") on the premises during the term of Agreement. Tenant(s) acknowledges that Owner may, if Owner has reasonable grounds to believe that any person is, or has been, engaged in Illegal Drug Activity during the term of the Agreement, bring an action for eviction or report such activity to law enforcement authorities. Tenant(s) further agrees that if Owner takes action in response to perceived Illegal Drug Activity, but is found in any proceeding not to have "reasonable grounds for such a belief," Owner will not be liable for breach of this Agreement or wrongful eviction or for any other damages incurred by Tenant(s) unless Owner acted arbitrarily and capriciously and without a reasonable, good faith belief that Illegal Drug Activity was occurring. Tenant(s) will indemnify and hold harmless Owner from any claims by Tenant(s) or third parties if Owner, in good faith, takes action in response to a perception that Illegal Drug Activity is occurring.
- Tenant(s) shall not act in any manner so as to affect the quiet enjoyment of any neighbors and shall at all times exercise reasonable care to insure that neighbors are not disturbed.
- Tenant(s) shall not abandon the property for a period of more than thirty (30) days without prior written consent of Owner.
- Tenant(s) shall not have a waterbed on the Premises without the written permission of Owner.
- Tenant(s) shall not voluntarily or by operation of any way, assign, license, transfer, mortgage or otherwise encumber all or any part of Tenant(s)'s interest in this Agreement or in the Premises, and shall not sublet or license all or any part of the Premises without the prior written consent of Owner in each instance, and any such transfer, mortgage, encumbrance or subletting without such consent shall be wholly void.
- Tenant(s) shall comply with and follow any conditions, covenants and restrictions that are applicable to the Premises. Tenant(s) further agrees to follow such rules and regulations that Owner may promulgate in writing with respect to line Premises from time to time.
- Tenant(s) acknowledges and understands that Owner is managing this property through Owner's agent, whose name; address and other contact information are set forth at the top of this Lease. Tenant(s) agrees that, except in the event of an emergency, all communication with Owner regarding Tenant(s) issues shall be exclusively conducted through Owner's Agent. Tenant(s) further agrees to follow the directions of and cooperate with Owner's agent in the same manner as if Owner had given such direction or instruction.
- Tenant(s) hereby assumes the risk of damage or theft to property or injury to persons in, upon or on the Premises from any cause other than Owner's willful misconduct or gross negligence and Tenant(s) hereby waives all claims in respect thereof against Owner or Owner's agent(s). Further, Tenant(s) is strongly urged to obtain hazard, liability and casualty insurance coverage for their personal property upon the Premises and for their lessee's interest in the Premises.

## 2.2 DEFAULT

a. In the event of any default hereunder on the part of the Tenant(s), his family, servant, guests, invitees, or should the Tenant(s) occupy the subject premises in violation of any lawful rule, regulation or ordinance issued or promulgated by the Owner or any rental authority, then and in any of said events the Owner shall have the right to terminate this lease by giving the Tenant(s) personally or by leaving at the leased premises a full calendar month thirty (30) day written notice of termination and this Lease shall terminate upon the expiration of the full calendar month from the delivery of such notice if the default is not remedied within a reasonable time not in excess of thirty (30) days and the Owner, at the expiration of said full calendar month notice or any shorter period conferred under or by operation of law, shall thereupon be entitled to immediate possession of said premises and may avail himself of any remedy provided by law for the restitution of possession

and the recovery of delinquent rent. If this Lease is terminated, Owner shall return all prepaid and unearned rent, and any amount of the security deposit recoverable by the Tenant(s).

b. However, in the event the default is nonpayment of rent, Owner shall not be required to deliver full calendar month notice as provided above but may serve Tenant(s) with a seven (7) day written notice to quit, whereupon the Tenant(s) must pay the unpaid rent in full or surrender the premises by the expiration of the seven (7) day notice period. Furthermore, for any substantial violation of this Lease or applicable law materially affecting health and safety, Owner may serve Tenant(s) with a seven (7) day written notice of termination whereupon the Tenant(s) must cure the default by the expiration of the seven (7) day notice period or surrender the premises. Upon Owner's termination of this Lease, Tenant(s) expressly agrees and understands that the entire remaining balance of unpaid rent for the remaining term of this Lease shall ACCELERATE, whereby the entire sum shall become immediately due, payable, and collectible. Tenant(s) may not be liable for the total accelerated amount because of Owner's obligation to minimize damages, and either Owner or Tenant(s) may have a court determine the actual amount owed, if any. Owner may hold the portion of Tenant(s)'s security deposit remaining after reasonable cleaning and repairs as a partial offset to satisfaction of the accelerated rent.

c. **Should Owner be compelled to initiate legal action to recover possession of the Premises for Tenant(s)'s failure to pay rent, Tenant(s) agrees to pay all attorney's fees, costs and late charges in addition to all rent past due in order to cure any default.**

d. Owner may also maintain this Agreement in full force and effect and recover the rent and other monetary charges as they become due (or alternatively, if Owner exercises the right to accelerate the rent due as set forth herein, recover all Rent and other monetary charges due as a result of acceleration), without terminating Tenant(s)'s right to possession irrespective of whether Tenant(s) shall have abandoned the Premises. In the event Owner elects not to terminate this Agreement, Owner shall nevertheless have the right to attempt to re-let the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Owner deems reasonable and necessary without being deemed to have elected to terminate the Agreement, including removal of all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere in the manner provided for elsewhere in this Agreement. Tenant(s)'s right to possession of the Premises under this Agreement shall terminate automatically upon the new Tenant(s) taking possession of the Premises, but Tenant(s) shall nevertheless remain responsible for damages.

e. Notwithstanding that Owner fails to elect to terminate the Agreement initially, Owner may, at any time during the term of this Agreement, elect to terminate this Agreement by virtue of such previous default of Tenant(s).

f. Nothing contained in this section or in any other portion of this Agreement, nor the taking of any action permitted thereby by Owner, shall be construed as a limitation of, waiver of, election of, or estoppel against any and all rights of Owner at law, at equity or under this Agreement to enforce this Agreement in the event of a default.

## 2.3 ABANDONED PROPERTY

All personal property remaining in or about the premises after the time that vacates the premises, shall be abandoned personal property. Resident surrenders all right, title and interest to the abandoned property and agrees the Owner may keep, sell or otherwise dispose of the abandoned property in Management's discretion. Any personal property left on the Premises by Tenant(s) shall be stored by Owner at Tenant(s)'s expense for up to thirty (30) days. Tenant(s) acknowledges that a reasonable storage rent of ten dollars (\$10.00) per day shall apply to all property left on the Premises. Upon the expiration of thirty days Owner shall be entitled to sell any such property at private or public sale in the same manner as provided for and apply the proceeds of sale to Owner's costs, storage costs, repairs, rent or other damages.

In the event Owner reasonably believes, in Owner's sole discretion, that the abandoned property has no value, it may be discarded. All personal property on the Premises is hereby subject to a lien in favor of Owner for the payment of all sums due hereunder, to the maximum extent of the law. Owner may, at its option, file such other documents as Owner determines necessary, in its sole discretion, to protect said lien as against third parties.

## 2.4 INDEMNIFICATION

Owner shall not be liable for any damage or injury to Tenant(s), or any person, or to property occurring on the Premises, or any part thereof, or in common areas thereof, unless such damage is the proximate result of the intentional or unlawful act of Owner, Owner's agent, or employees, Tenant(s) agrees to hold Owner harmless from any claims for damages no matter how caused, except for injury or damages which are the proximate result of the intentional or willful acts of Owner, Owner's agent, or employees.

By initialing below, you acknowledge and agree to the terms in Section 2.

X           JH            
 Jerome Haywood

### 3. Security Deposits and Disclosure

#### 3.1 SECURITY DEPOSITS; DAMAGES

In the event of a default, the security deposit described in Paragraph 1, as increased by any additional amounts required under Section 8.1 (collectively "Security Deposit") may be applied by Owner to any damages suffered by Owner as a consequence of Tenant(s)'s default under this Agreement. In the event of Termination of the Lease for any reason or upon Tenant(s)'s vacating of the Premises, Tenant(s) shall be responsible for any damages resulting to the Premises which are in excess of "normal wear and tear". Should this Agreement be terminated by either party for any reason or by expiration of its term, Tenant(s) shall reimburse Owner within thirty (30) days of presentation, for any actual expenses incurred by Owner to clean, repair, or otherwise restore the Premises to its original condition. Tenant(s) shall provide Owner with a forwarding address in writing upon vacating the Premises. Within thirty (30) days of any termination of the Agreement, Owner will prepare a statement itemizing the amount of the Security Deposit lawfully retained and applied by Owner, and send the same to Tenant(s) at the forwarding address, together with the balance of the Security Deposit. Failure to provide such forwarding address for one year will result in forfeiture of the Security Deposit. Tenant(s) also understands and agrees that should the Premises herein described be the subject of a foreclosure action, or sold, or otherwise transferred, that Owner shall not be liable to Tenant(s) for the refund of the security deposit. Therefore, Tenant(s) agrees to look to the new owners of the property for reimbursement of their security deposit. Tenant(s) hereby agrees to release and indemnify, hold harmless and defend Owner from any claims to the security deposit held herein. The security deposit will be held at JP Morgan Chase Bank.

#### 3.2 SEVERABILITY

Should any provision of this Agreement be deemed unenforceable or unlawful, the parties agree that the offending provision shall be stricken from the Agreement and shall have no force and effect. The remaining terms and conditions of the Agreement shall be enforced according to their terms.

#### 3.3 ATTORNEY'S FEES

In the event that the owner shall find it necessary to expend any monies in legally enforcing any provisions of this lease, including the collection of rent or other charges due hereunder, Tenant(s) agrees to pay a reasonable attorney's fee and ALL expenses and costs incurred thereby, to the greatest extent allowed by applicable law.

#### 3.4 INTEGRATED DOCUMENT; AMENDMENT; NO WAIVER; INTERPRETATION

This Agreement constitutes the full and final expression of the parties' intent with regard to the rental of the Premises and any and all prior or contemporaneous oral or written negotiations or agreements are of no further force or effect. This Agreement may only be amended in writing signed by all parties thereto. Any failure of Owner to insist on strict performance of any term or condition of this Lease shall not be construed as a waiver of said term or conditions. All parties hereto have had time to consult an attorney of their own choice regarding this Agreement. Therefore, the terms of this Agreement, in the event of any ambiguity, are to be construed according to their natural, ordinary meaning, and not for or against either party. Any forbearance by Owner from exercising Owner's legal rights shall not constitute a waiver of any legal rights or remedies. Upon the occurrence of any event of default by Tenant(s), Owner shall have the option to proceed with any and all remedies available pursuant to the terms of this Agreement, at law or equality.

#### 3.5 DISCLOSURE OF INFORMATION

Tenant(s) may from time to time authorize Owner to disclose information regarding this Agreement and the tenancy to third-parties, including, but not limited to, future Owners and mortgage lenders. Tenant(s) understands that the receiving party may impose any such charges incurred back upon the Tenant(s).

By initialing below, you acknowledge and agree to the terms in Section 3.

X           JH            
 Jerome Haywood

### 4. Occupants and Use of Premises

#### 4.1 USE OF PREMISES

Premises shall be used as a residence only. Operating a business from this property is prohibited. The number of occupants is not to exceed the number of persons shown on the application. For purposes of this Rental Agreement, occupancy shall be defined as residing in the premises three (3) days or more in any one-week period. Tenant(s) shall not violate any governmental law in the use of the Premises, commit, waste, or nuisance, annoy, molest, or interfere with any other Tenant(s) or neighbor.

#### 4.2 MULTIPLE RESIDENTS OR OCCUPANTS

Each Tenant(s) is jointly and severally liable for all lease obligations. Violation of the Rental Agreement or rules by any Tenant(s), guest or occupant shall be considered a violation by all Tenant(s). Requests and notices from any Tenant(s) or occupant (including notice of lease termination, repair requests, and entry permissions) shall be deemed from all Tenant(s). In eviction cases, or for any other purposes of providing notice, anyone of the multiple Tenant(s) shall be considered the agent of all other Tenant(s) in the Premises for the purposes of providing notices and service of judicial process. Security deposit refunds may be made in one check jointly payable to all Tenant(s); and such check and any deduction itemization may be mailed to one Tenant(s) only.

#### 4.3 ASSIGNMENT, SUBLET TING, REPLACEMENTS

The undersigned Tenant(s) agrees and understands they are not to sublet any portion of the Premises in which they have entered into agreement under the terms of this Rental Agreement. If the Tenant(s) wishes to have another person(s) reside in the Premises, or replace one of the Tenant(s), Tenant(s) must abide by the following: (1) Tenant(s) must first contact Owner and submit in writing any requests for another person(s) to reside in the Premises. If the person(s) desired is eighteen (18) years of age or older, they must complete a Rental Application and complete the processing of the application. (2) The Tenant(s) must abide by the decision of the Owner whether another person(s) can be added to the Rental Agreement. (3) If Owner approves the person(s), a fee of \$50 must be paid in advance and the Owner (at Owner's option) may require that this Rental Agreement be signed by the proposed Tenant(s) with or without an increase in the total security deposit or Owner may require that an entirely new Rental Agreement be signed by the remaining and replacement Tenant(s). Unless Owner agrees otherwise in writing, any departing Tenant(s)'s interest in the security deposit will automatically transfer to the replacement Tenant(s) as of the date of the Owner's approval; and the departing Tenant(s) shall no longer have any refund rights to the security deposit. The departing Tenant(s) will not be released from liability for remaining term of this Rental Agreement unless Owner agrees in writing. If the departing Tenant(s) is not released, such Tenant(s)'s liability for future rentals will be reduced by the amount of rentals actually received from such replacement. (4) The original Move-In Inspection Form of this Rental Agreement will prevail.

#### 4.4 LOST OR STOLEN PROPERTY

Owner shall not be responsible for any of the Tenant(s)'s property lost or stolen either from Tenant(s)'s rented Premises or from any parking, storage, in or about the Premises, and Tenant(s) assumes all responsibility for the security and safekeeping any such property.

#### 4.5 PETS

No pets, dogs, cats, birds, fish or other animals shall be allowed on the Premises, even temporarily or with a visiting guest, without prior written consent of Owner. As required by law, Service Animal(s) are the only exception to this rule. Owner's consent is also conditioned upon Tenant(s) completing and signing Owner's Pet Addendum which shall become part of this Agreement. If a pet has been in a Tenant(s)'s apartment or allowed into the building, even temporarily (with or without Owner's permission), Tenant(s) may be charged for cleaning, de-fleaing, deodorizing or shampooing any portion of the building or Premises at the discretion of Owner.

#### 4.6 SMOKE DETECTORS

Tenant(s) and Owner agree that all smoke detectors are in working order, and henceforth Tenant(s) agrees to keep electricity provided to the smoke and fire detectors either through battery or electricity. Tenant(s) acknowledges and agrees to locate the smoke detectors in the property. Tenant(s) agrees to test the detector within five (5) days of move in and again at least once a week. If the detector is battery powered, Tenant(s) agrees to replace the battery, with a five or ten year battery, as needed. If, after replacing the battery, the smoke detector does not work, Tenant(s) agrees to inform the Owner immediately of any malfunction. Upon termination of this tenancy, Owner will replace all expired or missing smoke detector batteries or detectors at Tenant(s)'s expense.

#### 4.7 CARBON MONOXIDE DETECTORS

The premises were delivered to Tenant(s) with installed and functional carbon monoxide detector devices. Tenant(s) acknowledges the carbon monoxide detectors were tested; their operation explained by Owner at the time of initial occupancy and that the detectors in the unit/home were working properly at that time. Tenant(s) shall perform the manufacturers recommended tests to determine if the carbon monoxide detectors are operating properly at least once a month. Each Tenant(s) understands that the carbon monoxide detectors are battery operated and it shall be the Tenant(s)'s responsibility to: (a) ensure that the battery is in operating condition at all times; (b) replace the battery as needed; and (c) if after replacing the battery, the carbon monoxide detector does not work, inform the Owner immediately in writing. Tenant(s) must inform the Owner immediately in writing of any defect or malfunction or failure of any detectors. In accordance with the law, Tenant(s) shall allow owner access to the premises for the purpose of verifying that all required carbon monoxide detectors are in place and operating properly or to conduct maintenance service, repair or replacement as needed. Tenant(s) will be charged for any missing or broken carbon monoxide detectors at time of vacancy. Tenant(s) hereby agrees to indemnify, hold harmless and defend Owner from any and all claims, actions, lawsuits, demands and/or judgments for damages on account of injuries to any persons or property suffered or claimed to have been suffered by any person on or about the property as a result of defective and/or malfunctioning detector.

#### 4.8 LOCK OUTS

Tenant(s) agrees to contact a locksmith and will be responsible for all fees associated with the lockout.



4.9 MOVE OUT INSPECTION

The Move-Out inspection will be performed with or without Tenant(s). The following requirements are necessary to schedule a Move-Out inspection with Tenant(s): (1) Tenant(s) must schedule Move-Out inspection at least one week in advance and prior to move out date and turning in keys. (2) The unit must be completely vacated. (3) Every attempt to clean thoroughly prior to the inspection should be taken, for there are no follow-up inspections. Failure to comply with the above requirements and if the property requires cleaning prior to new Tenant(s), cleaning charges will incur at Tenant(s)'s expense. At no time during

4.10 MOVE-IN INSPECTION AND ACCEPTANCE

Tenant(s) is responsible for completing the move-in inspection checklist, which is to be completed and submitted within seven (7) days of move-in. Failure to complete a move-in inspection and return the inspection form within seven (7) days waives all claims of pre-existing conditions not written elsewhere in this Rental Agreement. Owner assumes no pre-existing deficiencies.

4.11 LOCK BOX AND OWNER SIGNS

Owner or agent of Owner will retrieve any lockboxes or signs left on the premises by Property Manager. The Tenant(s) authorizes Property Manager to enter the premises without notice within thirty (30) days after move-in to recover any sign or lockbox. If any lockbox or sign is missing or damaged, the Tenant(s) may be charged \$50.00 for a lockbox and \$85.00 for a sign.

4.12 CONDITION OF PREMISES

Tenant(s) acknowledges that at the commencement of the term hereof, the Premises, including the personal property referred herein this Rental Agreement, were clean and in good working condition.

4.13 CLEANING

Tenant(s) stipulates that the Premises were cleaned upon initial occupancy. Tenant(s) shall clean and dust the Premises regularly, and shall keep the Premises, particularly kitchen and bath, clean. Tenant(s) agrees to keep the Premises kept clean and free from objectionable odors as determined by Owner.

4.14 CARPET CLEANING

Tenant(s) stipulates that the carpets were professionally cleaned upon initial occupancy and free of pet and urine odors and stains. Owner will provide carpet cleaning upon vacancy at the expense of the Tenant(s). Costs specifically for professional cleaning of carpets will be automatically deducted. Carpets that become excessively soiled or stained will be charged extra. Upon vacancy, Tenant(s) acknowledges that Owner will hire a specific carpet-cleaning vendor to test the carpets for urine and that Owner shall not honor any receipts of carpet cleaning and that Owner will have the carpets cleaned at Tenant(s) expense with the approved vendor of the Owner.

4.15 LIGHT BULBS

It is agreed that all light fixtures and appliances have a working and proper wattage light bulb or globe. Tenant(s) agrees to maintain working light bulbs for all interior and exterior light fixtures during tenancy. Tenant(s) further agrees to replace all expired light bulbs with the appropriate style, color, and wattage prior to vacating. Upon termination of this tenancy all missing or expired light bulbs will be replaced at Tenant(s)'s expense.

By initialing below, you acknowledge and agree to the terms in Section 4.

X     JH      
Jerome Hayward

5. Tenant(s) Obligations and Insurance

5.1 TENANT(S) COLD WEATHER OBLIGATIONS

1. PIPE-FREEZE PREVENTION. If Tenant(s) plans to be away from the premises for any length of time, the heat must be left on during the cold season and the windows closed to avoid broken pipes and water damage.
2. Tenant(s) must remove snow and ice from the driveway, parking area, walkway, and steps.

## 5.2 UTILITIES

### DETROIT RESIDENTS:

You are responsible for paying ALL utilities however, you must bring your social security card, executed lease and \$150 deposit to the City of Detroit and put the water into your name. YOU WILL NOT RECEIVE YOUR KEYS UNTIL YOU RETURN YOUR RECEIPT FROM DETROIT BACK TO THE OFFICE.

## 5.3 FIREPLACE/CHIMNEY

Tenant(s) agrees that if there is a fireplace/chimney on Premises the fireplace/chimney is closed and never to be used by Tenant(s).

## 5.4 SIGNS

No signs of any kind shall be displayed on or from any dwelling unit or vehicle without prior written approval by Owner, to include but not limited to: political signs, religious signs, posters, or pictures, and/or business signs

## 5.5 HOLD HARMLESS

To the fullest extent permitted by law, Tenant(s) hereby agrees that Owner and his Agent will be held free and harmless from any and all loss, claim or damage by reason of any accident, injury, or damage to any person or property occurring on or about the leased premises, unless such accident, injury, or damage shall be caused by the negligence of the Owner, Owner its agents, servants and/or employees.

## 5.6 STORAGE

Tenant(s) agrees not to store gasoline, cleaning solvents, combustible, oil, antifreeze, batteries, or toxic waste on the Premises and to properly dispose of said items. Tenant(s) will be fined \$50 (fifty) as well as charged the cost to remove any of the aforementioned items.

## 5.7 WATERBEDS

No waterbeds are allowed without written permission from Owner. Tenant(s) must provide Owner with a copy of the RENTER'S INSURANCE POLICY that specifically insures accidents and/or damage caused by waterbeds and has Owner named as an additional insured.

## 5.8 BALCONIES/PATIOS/BASEMENTS

Patios, terrace, balconies, are designed for additional space and not storage. Storing or displaying on patios and balconies of boxes, bicycles, refuse, clothing, towels, and other belongings, which are not patio furniture, is prohibited and may be removed or disposed of by Owner. Patios, balconies, and windows are not to be used for drying clothes or suspending other objects. Refuse, garbage and trash shall be kept at all times in such containers and in areas approved by Owner. Throwing any items from balconies is strictly prohibited. A gas BBQ grill may be stored or used on the patio or balcony only with the express understanding that the Tenant(s) is solely liable for any damage resulting from such storage or use. Tenant(s) understands that if the Premises has vinyl siding, that the BBQ grill must be used at a distance no closer than six (6) feet from the siding and that Tenant(s) will be held liable for any damage as the result of such storage or use. **The use of charcoal barbecues is prohibited unless consent is obtained from Owner. If consent is obtained, Tenant(s) may use charcoal barbecue grill at their own risk.** Owner is not responsible for any damage/fire that may result from use of any type of barbecue grill. Basements are an inhabitable space and can only be used as storage. Under no circumstances may the basement be used as a bedroom or for sleeping purposes. As in any home, water and/or sewage may periodically work its way into the basement. Please be prepared and plan accordingly. Elevate your personal property and keep secured in water proof containers

## 5.9 DRUG-FREE HOUSING

Tenant(s), any member of the Tenant(s)'s household, or a guest or other person under the Tenant(s)'s control shall not engage in criminal activity, including drug-related activity, on or near Premises. Drug-related criminal activity means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell distribute, or use, of a controlled substance. Tenant(s), any member of the Tenant(s)'s household, or a guest of other person under the Tenant(s)'s control shall not engage in any act intended to facilitate criminal activity, including drug-related criminal activity, on or near the Premises. Tenant(s) will not permit the dwelling unit to be used for, or to facilitate, criminal activity, including drug-related criminal activity, regardless of whether the individual engaging in such activity is a member of the household or a guest. Tenant(s) will not engage in acts of violence or threats of violence, including, but not limited to, the unlawful discharge of firearms, on or near the Premises. Violation of the above provisions shall be a material violation of the Rental Agreement and good cause for termination of tenancy.

## 5.10 MEGAN'S LAW DISCLOSURE

Federal and State law requires that all persons who plead guilty or have been found guilty of sex crimes must register with the Chief of Police in the city in which that person resides or the Sheriff of the county if no Chief of Police exists. To obtain further information regarding persons required by law to register as sexual offenders, contact the local Chief of Police or the County Sheriff. I/We hereby acknowledge that I/we have been provided with the foregoing disclosure and I/we have read and understand the same. I/We acknowledge the Owner and Agent to this transaction do not have an affirmative duty to obtain information regarding crime statistics or offender registration. If that information is important to me, I can call and obtain that information myself.

## 5.11 INSURANCE

Tenant(s) is not required, but encouraged, to provide own insurance for their possessions both inside and outside of Premises. Tenant(s) acknowledges and is aware they are responsible for providing insurance for their personal possessions or vehicles and the Owner's insurance will not cover Tenant(s)'s possessions or vehicles and this includes flood, fire, or any other cause. It is important that the Tenant(s) understands that the Owner's insurance company is not liable for any of the Tenant(s)'s personal property. If the provided refrigerator malfunctions, the owner is responsible for the repair costs of the appliance, but not of any food items lost. If a pipe breaks and ruins all of your possessions, the owner is responsible for the repair costs to the home, but not for any of your personal possessions. Renter's Insurance is very inexpensive and should be considered. Additionally, Tenant(s) is advised to extend their Insurance Policy to include coverage of Owner's property in the event loss or damage to the Premises occurs. Tenant(s) is hereby notified that in the event of a loss or damage to the Premises or the property within, due to Tenant(s) negligence or Malfunction of Tenant(s)'s property, (such as a washing machine), Tenant(s) is responsible for all damage and loss to the Premises to include but not limited to: cleanup, repairs, and replacement expenses to restore Owner's Property and Premises to original condition. Common examples are Tenant(s) supplied washing machines that leak causing a water loss and Tenant(s) caused fires due to carelessness with cigarettes and other combustibles. Use of the Premises: The Tenant(s) shall be responsible for keeping all personal property insured against damages. Owners shall not be responsible for any damages to Tenant(s) or Tenant(s)'s personal property resulting from theft, vandalism, fire, water, rain, or any other event. Tenant(s) assumes responsibility for any and all damages and hereby waives any claims or causes of action against Owner except for any for breach of this Agreement. Tenant(s) is encouraged to obtain renter's insurance to protect Tenant(s)'s belongings.

By initialing below, you acknowledge and agree to the terms in Section 5.

X           JH            
 Jerame Haywood

## 6. Eminent Domain and Rules

### 6.1 TELEPHONE NUMBERS, EMAIL ADDRESSES, AND EMPLOYMENT

Tenant(s) agrees to furnish to Owner a home telephone number within two weeks of occupancy. Tenant(s) also agrees to furnish Owner any change in phone numbers, email addresses, employment and employment phone numbers within ten (10) days of change.

### 6.2 EMINENT DOMAIN

If the premises or any part thereof or any estate therein, or any other part of the building materially affecting Tenant(s)'s use of the premise, shall be taken by eminent domain, this lease shall terminate on the date when title vests pursuant to such taking. The rent shall be apportioned as of the termination date, and any rent paid for the period beyond that date shall be repaid to Tenant(s). Tenant(s) shall not be entitled to any part of the award for such taking or any payment in lieu thereof.

### 6.3 PARAGRAPH HEADINGS

The headings of particular paragraphs and subparagraphs are inserted only for convenience and are not part of this Agreement and are not to act as a limitation on the scope of the particular paragraph to which the heading refers.

### 6.4 BINDING ON HEIRS AND ASIGNS

This Lease shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

### 6.5 RULES AND REGULATIONS

The conduct of Tenant(s) or Tenant(s)'s guests shall not be loud, obnoxious, or unlawful and shall not disturb the rights, comforts, health, safety, or conveniences of other persons in or near the Premises. The guests and licensee of Tenant(s) shall not disturb, annoy, endanger, or interfere with other persons in or near the Premises, or use the Premises for any unlawful purposes, including, but not limited to, using,

manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit waste or a nuisance upon or about the Premises.

#### 6.6 OWNER/AGENT SHALL NOT BE LIABLE

Owner/agent shall not be liable for damages or losses to persons or property caused by other residents or persons. Owner/agent shall not be liable for personal injury or damage or loss of Tenant(s)'s personal property from theft, vandalism, fire, water, rain, hail, smoke, explosions, sonic booms, power failures, appliance failures or other causes whatsoever unless the same is due to negligence of the Owner/agent. Owner/agent strongly recommends that Tenant(s) secure insurance to protect against the above occurrences.

#### 6.7 APPLICATION OF FUNDS

Monies paid by Tenant(s) to Property Manager shall be applied in the following order (1) Non-Sufficient Fund Fees, Late Fees and/or service fees (2) Tenant(s) Caused Billing (3) Past Due Utilities (4) Attorney Fees (5) Tenant(s) caused property damage, (6) Past Due Rent, oldest month to newest, no matter what the memo line of the check says.

#### 6.8 SERVICE FEES

Tenant(s) agrees to pay twenty five (\$25) for each notice delivered to the Premises by Owner for eviction, notice for a lease violation and notice when Tenant(s) has terminated any Tenant(s) paid utilities.

#### 6.9 POSSESSION

If Owner is unable to deliver possession of the premises at the commencement hereof. Owner shall not be liable for any damage caused thereby, nor shall this agreement become void, but Tenant(s) shall not be liable for any rent until possession is delivered. Tenant(s) may terminate this agreement if possession is not delivered within 7 days of the commencement of the term hereof.

#### 6.10 CREDIT REPORTING/COLLECTIONS

Tenant(s) understands and acknowledges that if the Tenant(s) fails to fulfill the terms of their obligations within this Rental Agreement, a negative credit report reflecting the Tenant(s)'s credit may be submitted to a credit-reporting agency. In the event that Tenant(s) becomes delinquent and payment is not made on amounts owing under the terms of this Agreement, and the balance is placed with a licensed collection agency, Tenant(s) agrees to pay the fees of the collection agency, which amount is theretofore agreed to be 50% of the outstanding balance at the time the account is placed for collections. The 50% collection agency fee will be calculated and added at the time the account is placed into collections.

#### 6.11 TERMINATION RIGHTS FOR SENIOR CITIZENS OR PERSONS INCAPABLE OF INDEPENDENT LIVING.

Tenant who has already occupied a rental unit for more than 13 months may choose to terminate the lease with 60 days' written notice if either of the following occurs: Tenant becomes eligible to move into a rental in senior-citizen subsidized by a federal, state or local government program, OR Tenant becomes incapable of living independently, as certified by a physician in a notarized statement

#### 6.12 ENTIRE CONTRACT

Time is of the essence. All prior agreements between Owner and Tenant(s) are incorporated in this agreement which constitutes the entire contract. It is intended as a final expression of their agreement with respect to the general subject matter covered, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving the Rental Agreement.

#### 6.13 ATTORNEY FEES

If Tenant(s) defaults in the performance of any obligation under this Rental Agreement, Tenant(s) shall pay, in addition to any other sums owed, Owner's reasonable attorney's fees and other cost related to the enforcement of the obligation. This clause applies in any lawsuit, action, or proceeding brought by Owner to enforce Tenant(s)'s obligation under this Rental Agreement, whether or not the Rental Agreement is terminated and whether or not Owner files a formal lawsuit, action, or proceeding in court. Owner and Tenant(s) expressly contract that, if it becomes necessary for Owner to commence a legal action to recover possession of the Premises by reason of nonpayment or other breach of the Rental Agreement by Tenant(s) (Unlawful Detainer action), Tenant(s) agrees to pay the reasonable attorney's fees incurred by Owner in bringing such action to recover possession, and agrees that the Court may award such attorney's fees as costs in such legal action.

By initialing below, you acknowledge and agree to the terms in Section 6.

X JH  
Jerome Haywood

## 7. Governing Law and Co-Signers

### 7.1 GOVERNING LAW/VENUE

This Agreement shall be governed by the laws of the State of Michigan. Further, any claim or cause of action may only be brought in the state or federal courts located in Michigan and Tenant(s) agrees to submit to the exclusive personal jurisdiction of such courts and hereby appoints all other Tenant(s) in the Premises as agents for the purposes of providing notices and service of judicial process. Tenant(s) also appoint the Secretary of State for Michigan as your agent for service of process.

### 7.2 NONWAIVER CLAUSE

Owner's failure to strictly enforce individual terms of this agreement does not constitute waiving the Owner's right to enforce the specific term, condition or policy.

### 7.3 CO-SIGNER

By affixing signature below, co-signer promises to guarantee the Tenant(s) compliance with the financial obligation of the Rental Agreement. Co-signer understands that he/she may be required to pay: current rent, past due rent, collection costs, non-sufficient funds charges, court costs, late fees, lease fees, advertising costs, cleaning, repairs, or costs that exceed Tenant(s)'s security deposit. Co-signer further agrees that Owner will have no obligation to report to Co-signer should Tenant(s) fail to abide by the terms of the Rental Agreement and waives presentment, demand, protest and notice of acceptance, notice of demand, notice of protest, notice of dishonor, notice of default, notice of nonpayment, and all other notices to which co-signer might otherwise be entitled. Co-signer recognizes that Owner has agreed to rent to Tenant(s) only because of this guaranty and that the continued validity of this guaranty is a material term of this Rental Agreement. Co-signer further understands that if Owner and Co-signer are involved in any legal proceeding arising out of this Rental Agreement, the prevailing party shall recover reasonable attorney fees, court costs and any cost reasonably necessary to collect a judgment. Co-signer understands that this will remain in force through the entire term of the Tenant(s)'s tenancy, even if their tenancy is extended/or changed in its terms. The following items are required to remove a co-signer from a renewal Rental Agreement. 1) Co-signer must remain on Rental Agreement for a minimum of one year 2) There can be no late rent payments 3) No disconnect notices from any of the utility companies 4) No lease violations during the lease period 5) There can be no balance owing on the account 6) Property Manager must do a property inspection to confirm that the property is properly maintained 7) Property Manager supervisor approval.

### 7.4 NON-DISPARAGEMENT

Tenant(s) agrees not to make any statements, written or verbal, or cause or encourage others to make any statements, written or verbal, that defame, disparage or in any way criticize the personal or business reputation, practices, or conduct of Owner, its employees, directors, and officers. Owner and Tenant(s) acknowledge and agree that this prohibition extends to statements, written or verbal, made to anyone, including but not limited to, the news media, online review sites, competitors, strategic partners, vendors, employees (past and present), and clients. All disputes or complaints shall be resolved confidentially, either privately or through the courts. Tenant(s) understands and agrees that this Paragraph is a material provision of this Agreement and that any breach of this Paragraph shall be a material breach of this Agreement, and that Owner would be irreparably harmed by violation of this provision.

By initialing below, you acknowledge and agree to the terms in Section 7.

X JH  
Jerome Haywood

Hela Management

1000 Town Center Rd • 15th Floor • Southfield, MI 48075

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X     JH      
Jerome Haywood

## Hela Management

2000 Town Center Rd • 19th Floor • Southfield, MI 48075

## 9. Sign and Accept

### 9.1 CHANGES TO THIS LEASE

This lease, and any additional pages or rules and regulations incorporated, contains the entire agreement between Owner and Tenant(s); no oral agreement is valid. Changes to the terms of this Lease must be in writing, signed by all parties.

Each person who signs acknowledges, by signature, they have read it, understand it, and voluntarily agree to it. Further, each person is mentally competent and 18 years or older.

X Jerome Haywood

Lessee

IP Address: 68.55.232.170

03/09/2018 05:55am EST

X Anne Deleo

Lessor

IP Address: 76.248.197.179

03/09/2018 08:06am EST