

SUBSTITUTE FOR
HOUSE BILL NO. 4211

A bill to amend 1978 PA 454, entitled
"Truth in renting act,"
(MCL 554.631 to 554.641) by adding section 10a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 10A. (1) A RENTAL AGREEMENT MAY CONTAIN A PROVISION THAT
2 A LANDLORD SHALL NOTIFY A TENANT OF ANY FORECLOSURE ACTIONS BEING
3 TAKEN AGAINST THE PROPERTY WITHIN 30 DAYS AFTER THE PERIOD OF
4 REDEMPTION HAS BEGUN AND AGAIN AT LEAST 30 DAYS BEFORE THE
5 CONCLUSION OF THE PERIOD OF REDEMPTION. IF THE RENTAL AGREEMENT
6 DOES NOT CONTAIN SUCH A PROVISION, THE LANDLORD SHALL POST WRITTEN
7 NOTICE REASONABLY VISIBLE TO THE TENANT IN THE LANDLORD'S PROPERTY
8 MANAGEMENT OFFICE THAT NOTIFIES THE TENANT OF HIS OR HER RIGHT TO
9 RECEIVE NOTICE THAT THE PROPERTY IS IN FORECLOSURE AT THE TIMES
10 SPECIFIED IN THIS SUBSECTION OR DELIVER WRITTEN NOTICE OF THE

1 TENANT'S RIGHT TO RECEIVE NOTICE THAT THE PROPERTY IS IN
2 FORECLOSURE AT THE TIMES SPECIFIED IN THIS SUBSECTION WHEN THE
3 LEASE AGREEMENT IS SIGNED. A LANDLORD WHOSE PROPERTY IS IN
4 FORECLOSURE SHALL DELIVER NOTICE TO THE TENANT THAT THE PROPERTY IS
5 IN FORECLOSURE AT THE TIMES SPECIFIED IN THIS SUBSECTION. NOTHING
6 IN THIS SECTION SHALL ALLOW THE TENANT TO WITHHOLD HIS OR HER
7 RENTAL OBLIGATION BECAUSE OF RECEIPT OF THE REQUIRED NOTICE.

8 (2) A LANDLORD WHO LEASES A PROPERTY TO A TENANT DURING THE
9 PERIOD OF REDEMPTION OF THAT PROPERTY SHALL GIVE WRITTEN NOTICE TO
10 THE TENANT BEFORE THE LEASE IS ENTERED INTO THAT THE PROPERTY HAS
11 BEEN FORECLOSED ON. THE WRITTEN NOTICE SHALL NOTIFY THE POTENTIAL
12 TENANT OF THE NUMBER OF DAYS REMAINING IN THE REDEMPTION PERIOD.

13 (3) THIS SECTION ONLY APPLIES TO RENTAL AGREEMENTS ENTERED
14 INTO ON AND AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
15 ADDED THIS SECTION.

16 (4) A LANDLORD WHO VIOLATES THIS SECTION IS LIABLE TO THE
17 TENANT FOR DAMAGES AND IS RESPONSIBLE FOR A CIVIL INFRACTION AND IS
18 LIABLE FOR A FINE OF NOT MORE THAN \$500.00.