

TRUTH IN RENTING ACT (EXCERPT)
Act 454 of 1978

554.636 Actions; court costs and attorney fees; joinder; actual damages; effect of judicial construction; "tenant" defined.

Sec. 6.

(1) If a rental agreement contains a provision which violates section 3, and if the landlord fails to cure the violation by exercising the notice provisions of section 5 within 20 days after the tenant gives written notice to the landlord of the provision believed to be in violation and the reason therefor, a tenant may bring an action for any of the following relief:

(a) To void the rental agreement and terminate the tenancy.

(b) To enjoin the lessor from including the provision in any rental agreement subsequently entered into and to require the lessor to exercise the notice procedure provided in section 5 to cure the violation in all rental agreements in which the provision occurs and to which the lessor is currently a party.

(c) To recover damages in the amount of \$250.00 per action, or actual damages, whichever is greater.

(2) If a rental agreement fails to contain a provision as required by section 4 or contains a provision which is explicitly and unambiguously prohibited by section 3, and if the landlord fails to cure the violation by exercising the notice provisions of section 5 within 20 days after the tenant, or, where there is more than one plaintiff, each tenant, gives written notice to the landlord of the provision required by section 4 or absence of a provision believed to be in violation and the reason therefor, a tenant may bring an action for any of the following relief:

(a) To avoid the rental agreement and terminate the tenancy.

(b) To enjoin the lessor from including the provision which violates section 3 in any rental agreement subsequently entered into and to require the lessor to exercise the notice procedure provided in section 5 to cure the violation in all rental agreements in which the provision occurs and to which the lessor is currently a party.

(c) To enjoin the lessor from failing to comply with section 4 in any rental agreement subsequently entered into and to require the lessor to exercise the notice procedure provided in section 5 to cure the violation.

(d) To recover damages in the amount of \$500.00, or actual damages, whichever is greater.

(3) A tenant may exercise the remedies of this section without the prior notice to the landlord required by subsections (1) and (2) under any of the following circumstances:

(a) If a rental agreement contains a provision which has previously been determined by a court of record to be in violation of section 3 in an action to which the lessor was a party.

(b) If a rental agreement contains a provision which the lessor actually knew was in violation of section 3 at the time the rental agreement was entered into.

(c) If a rental agreement does not include a provision as required by section 4 and the lessor actually knew that the provision was not included as required at the time the rental agreement was entered into. As used in subdivisions (b) and (c), "actual knowledge" shall be established by written documentation, evidencing the actual knowledge, written or issued by the lessor or an agent of the lessor who is authorized to execute rental agreements or by an admission, evidencing the actual knowledge, made by the lessor or an agent of the lessor who is authorized to execute rental agreements or by showing the lessor has previously given notice under section 5 relating to the same provision which is the subject of the current action.

(4) A party who prevails in an action under this section is entitled to recover court costs plus statutory attorney fees.

(5) All actions brought under subsection (1) with respect to a particular provision of a rental agreement shall be joined, and only 1 judgment for damages of \$250.00 shall be awarded with respect to a particular provision even if there are multiple actions or multiple plaintiffs if, before judgment in the initial action and before the passage of 30 days after service of process in any second action, the lessor gives written notice to all tenants who are currently subject to that provision, stating that the enforceability of the provision is under dispute and may be determined by a court of law. However, this subsection does not prohibit a tenant from recovering actual damages, if any, with respect to an unlawful provision of a rental agreement. As used in this subsection, "action" means a court action instituted by a single plaintiff, a representative plaintiff, or multiple plaintiffs.

(6) If a rental agreement contains the provisions as required by section 4 but contains a provision which violates this act, solely because of a judicial construction by a court of record of a provision of a statute cited in section 3 in an action to which the lessor was a party, the lessor shall not be subject to the penalties of this act unless the lessor fails to cure the violation by exercising the notice provisions of section 5 within 30 days following the final determination by the court. For purposes of this subsection, section 39(2) of chapter 66 of the Revised Statutes of 1846, being section 554.139 of the Michigan Compiled Laws, shall not be considered to have been judicially construed as of the effective date of this act.

(7) For purposes of this section, "tenant" means a person who is currently a party to a rental agreement with the

lessor.

History: 1978, Act 454, Eff. July 1, 1979