

QUESTION 9 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK III

Julie and Nick both moved to Michigan in September 2010 in order to attend college. They entered into separate one-year lease agreements with the Caravaggio Apartment Complex (commonly known as the CAC) to rent adjoining apartments; the owner-manager of this complex is Michael.

Although neither tenant had problems moving into the complex and was generally satisfied with their apartments early in the leases, both started to notice that the CAC was not as great as it was held out to be. The breaking point came, however, in late December when each tenant noticed a serious mold infestation developing from within the walls of their apartments. Julie, who had allergies, became sick despite her best efforts to clean and clear the apartment of the presence of mold. Nick's efforts at clearing the problem also failed and he was forced to stay at a friend's house several days each week.

Both Julie and Nick reported these developments to Michael immediately, to no avail. Michael informed them that the presence of mold was not his fault, and because correction of the problem was not required by their lease contract, he would have to wait until spring in order for work crews to complete the structural work needed to rectify the problem. Julie informed Michael that this was unacceptable and that she was terminating her lease immediately. Julie vacated her apartment by the end of the month, paying no further rent. Nick instead refused to pay rent during the pendency of the problem and contacted the city's housing authority. The housing authority forced Michael to rectify the mold problem, which was completed by the end of January.

Although Michael was forced to correct the mold issue, he decided that Nick was a problematic tenant and decided to seek Nick's eviction. Michael served eviction papers on Nick on February 15, citing Nick's failure to pay rent for one month and new allegations that Nick hosted loud parties that had resulted in "many" complaints from "anonymous" sources; Nick retorted that Michael was just being "spiteful." Michael also decided to sue Julie for breach of contract, seeking to collect rent for the balance of the term of the lease agreement. Both Julie and Nick defended the actions asserting their rights to the fullest extent under Michigan law.

Discuss the rights and duties of the parties under Michigan law, and in particular address whether Michael may lawfully evict Nick and whether Julie is liable for breaking her lease.

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