

**QUESTION 14 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK
V OR IN EXAMPLIFY ANSWER SCREEN 14**

A roofing company contracted with a government housing agency in Michigan to provide roofing services for indigent homeowners. The contract includes the following provisions:

1. The agency will pay the roofer \$250,000 to replace 50 leaking roofs on the homes of the agency's "clients," defined as indigent homeowners who need assistance from the agency.
2. The roofer must inspect each home after completing the roofing work and give "both agency and client" a written guarantee regarding the quality of the work.
3. The agency will pay the roofer an additional \$25,000 for replacing the gutters on clients' homes with Drain-Rite, a new brand of gutter system.

After execution of the contract, it was discovered that the owner of Drain-Rite was the spouse of the agency employee who drafted the contract. In a lawsuit brought by a Drain-Rite competitor, a Michigan court held that any agency contract provisions calling for the use of Drain-Rite violate public policy.

Hans, a homeowner whose roof was replaced pursuant to the contract, alleges that his new roof leaked, causing toxic mold that damaged his house and caused respiratory problems. His friend Franz, who frequently stays at Hans' house while traveling for work, alleges that the toxic mold damaged his clothing and exacerbated his asthma. Hans and Franz have sued the roofing company for damage to their property and health, claiming the company's substandard performance of roofing services breached the contract.

The roofer argues that the contract is void and unenforceable because the provision requiring installation of Drain-Rite violates public policy. The roofer further argues that neither Hans nor Franz is a party to the contract, so neither can sue to enforce it.

Applying Michigan contract law, evaluate the roofer's arguments.

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