



Guide to Early Leasing and Right to Renew Ordinances

Sections 8:530 and 8:31 of Ann Arbor City Code Chapter 105

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What is the Early Leasing Ordinance (ELO)?

- ELO tells landlords when they can start showing occupied units to prospective tenants
- ELO tells landlords when they must provide current tenants with the terms and conditions (parties, lease term, rental unit address, and amount of rent) of a successive lease
 - Notice must specify the deadline for current tenant(s) to accept a successive lease
 - Notice must be provided to the tenant by email and U.S. mail or personal delivery

ELO and Right to Renew Timelines		
More than 240 Days before end of lease	Between 240-180 Days before end of lease	150 Days before end of lease
A landlord can send current tenants the terms and conditions of a successive lease at this time, but if the notice is sent earlier than 240 days before the end of the current lease, <u>a second notice must be sent to the tenants.</u>	Landlords must provide current tenants with the terms and conditions of a successive lease <u>no later than 180 days</u> before the end of the current lease period. Landlords must specify the deadline by which the current tenants must accept a successive lease.	The deadline by which the current tenants must accept a successive lease <u>cannot be sooner than 150 days</u> before the end of the current lease period. If a successive lease is not accepted, a landlord may lease the unit to another tenant <u>during the last 150 days</u> of the current lease term and the landlord may show prospective tenants an occupied unit <u>during the last 150 days</u> of the current lease.

*The requirements of this ordinance count back from the end of the current lease. (For ex. if a lease ends on August 28, 2024, the 150-day deadline is March 31, 2024)

What is the Right to Renew Ordinance?

- Right to Renew requires landlords to make a good faith offer (in writing) to current tenants unless the landlord has good cause not to renew.
- If a landlord is not offering a successive lease, they must notify the tenant in writing and include the grounds for good cause.
- If a landlord does not offer a successive lease, or show good cause not to renew, relocation assistance is mandated.



Good Cause:

- The tenant has not accepted the renewal offer in writing within the time required.
- The tenants who accepted the renewal offer, along with any replacement tenants acceptable to the landlord, have not returned a signed lease to the landlord within 10 days of receipt.
- The landlord can demonstrate a justification for not offering renewal (the same justification needed to evict a tenant: Summary Proceedings Act, MCL 600.5714.)
- The owner or a member of the owner's immediate family is going to occupy the unit for a succeeding term.
- The owner isn't going to rent the unit for a succeeding term.



Relocation Assistance

- Equal to 2-month's rent based upon the current lease.



What leases do these laws apply to?

- Lease terms that are 8 months or longer.
- Leases entered into, renewed, or renegotiated after October 16th, 2022. Leases for rental units that are located within the Ann Arbor city limits.



Remedies for violations may include civil infractions (\$500 for first offense, \$1,000 for subsequent offenses), private actions by tenants against the landlord, and relocation assistance.