

ADDENDUM TO OCCUPANCY AGREEMENT

THIS ADDENDUM to occupancy agreement entered into between the parties subscribing below, which addendum is entered into concurrent with execution of the occupancy agreement to which this Addendum is attached, and is supported by the same consideration which supports the aforesaid occupancy agreement

1. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE AFORESAID OCCUPANCY AGREEMENT, THE PROVISIONS OF THIS ADDENDUM SHALL SUPERSEDE ANY PROVISIONS IN THE ATTACHED OCCUPANCY AGREEMENT WHICH ARE INCONSISTENT OR CONTRARY TO THE TERMS, COVENANTS AND CONDITIONS HEREIN CONTAINED.

2. It is the intention of this Addendum to conform the attached occupancy agreement to the provisions of the "Truth in Renting Act" (Mich. Stat. Ann 26.1138) (31), at seq. Therefore, to the extent that any provision of the occupancy agreement or this addendum violates said act, such provision is null and void and of no further force or effect and the occupancy agreement and addendum shall be read and interpreted thereafter as if such offending provision does not exist, but the balance of the provisions (which are legal) shall remain in full force and effect. Specifically, any provision, paragraph, clause and/or sentence contained in the attached occupancy agreement which does the following shall be of no further force and effect and is null and void. Such void provisions, paragraphs, clauses and/or sentences are ones which:

a. Require a party to waive or alter a remedy available to him or her when the premises are in a condition which violates the covenants set forth and required pursuant to Section 39 of Chapter 66 of the Revised Statutes of 1846, being 554.601 to 554.616 of Michigan Compiled Laws.

b. Provide that a party waive a right established by Act 348 of the Public Acts of 1972, being 554.601 to 554.616 of Michigan Compiled Laws.

c. Exclude or discriminated against a person in violation of Act 453 of Public Acts of 1976 as amended, being sections 37.2101 to 37.2804 of Michigan Compiled Laws, or Act 220 of Public Acts of 1976, being sections 37.1101 to 37.1605 of Michigan Compiled Laws.

d. Provide for a confession of judgment by a party.

e. Exculpate the Cooperative or its agents from liability for the Cooperative's or agent's failure to perform, or negligent performance of a duty imposed by law. This provision does not apply if there is a waiver of subrogation clause and the insurance policy involved permits such waiver.

f. Waive or alter a party's right to demand a trial by jury or any other right of notice or procedure required by law in a judicial proceeding arising under the occupancy.

g. Provide that a party is liable for legal costs or attorney's fees in connection with a dispute arising under the occupancy agreement in excess of costs or fees specifically permitted by statute.

h. Provide for the acquisition by the Cooperative of a security interest in any personal property of the Lessee-member to assure payment of rent or other charges arising under the rental agreement except as specifically permitted by law. It being recognized that in certain regards a special relationship exists as the lessee also holds a membership in the Cooperative, entitling the Cooperative to certain off-set rights not otherwise available to a landlord.

i. Provide that carrying charges may be accelerated if the rental agreement is breached by the occupier. However, the Cooperative may acc charges due or to become due subject to the Cooperative's obligation to minimize damages, and the parties hereto may have a court determine the actual amount owed, if any.

j. Waive or alter a party's rights provided in Section 2918 of Act 236 of Public Acts of 1961, as amended, being section 600.2918 of Michigan Compiled Laws, or the rights provided in Chapter 57 of Act 236 of Public Acts of 1961, being sanctions 600.5701 to 600.5759 of Michigan Compiled Laws.

k. Release a party from the duty to mitigate damages.

l. Provide that the Lessor may alter a provision of the occupancy agreement during its term subsequent hereto without the written consent of the occupier except that the following adjustments may be made upon written notice of not less than thirty (30) days:

- (i) Changes required by federal, state or local law or rule or regulations.
- (ii) Changes in rules relating to the property which are required to protect the physical health, safety or peaceful enjoyment of the occupants and guests.

(iii) Changes in the amount of carrying charges to cover additional costs in operating the premises because of increases in ad valorem property taxes, charges for electricity, heating, fuel, water or sanitary sewer services consumed at the property, or increases in the premiums paid for liability, fire, or worker compensation

(m) Violate Act 331 of the Public Acts of 1976, being sections 445.901 to 445.922 of Michigan Compiled Laws.

3. No clauses or provision in the lease, rental or occupancy agreement shall be valid or enforceable which not less than ninety (90) days before execution of the agreement has been prohibited by statute or declared unenforceable by a published decision of the Supreme Court of the State of Michigan or the United States Supreme Court relating to the laws of the State of Michigan.

4. Even if a contrary or different term is set forth in the occupancy agreement, this Addendum shall be controlling for purposes of determining the relationship between the parties and the term of occupancy. The term of this agreement shall commence on the first day of the first full calendar month of occupancy following execution of this addendum and shall terminate as of the last day of the first full calendar month of occupancy following execution of this agreement. (For example only, if the agreement were executed 08-20-79 and occupancy commenced 08-25-79, then the term of this agreement would be 09-01-79 through 09-30-79.) The term of this contract shall automatically renew itself each calendar month thereafter unless the following should occur:

(a) Notice is given by the occupant that the option to renew for an additional term or terms is waived. In order to be effective such notice shall be in writing and shall be delivered to the Cooperative or its agent thirty (30) days in advance of the first effective day of any renewal period and the occupant vacates the subject premises on or before the first day of the automatic renewal period following the 30-day notice, and the member has endorsed his membership certificate in blank and delivered same to the corporation for purposes of evidencing a member's rights on the books of the corporation. If compliance is had with all the provisions hereunder except the vacating of the premises by the occupant the Cooperative and the occupant may make arrangements for the occupant vacating at such other extended time as is mutually agreeable, but such extended time shall not create a new lease arrangement but shall make occupant a tenant at will subject to the applicable laws of the State of Michigan regarding the rights, duties and obligations of a tenant so situated. The rights or obligations to pay occupancy charges, transfer values, entitlement to return membership costs, etc. shall be governed by the occupancy agreement, the corporation By-Laws, and this Addendum, where applicable.

(b) Occupant is notified by the Cooperative in writing at least thirty (30) days in advance of the first day of a renewal period that a lease term will not be renewed because of previous or continuing defaults by a member under the occupancy agreement, except in the case of non-payment of carrying charges in which event a statutory notice of a lesser time period shall be sufficient.

(c) Occupant is notified by the Cooperative in writing at least thirty (30) days in advance of the first day of a subsequent renewal period that due to a new annual budget requirements, the base rate for carrying charges will be increased or decreased as the case may be. Unless notice of objection is given, the renewal periods thereafter will be at the new rate disclosed in the aforesaid notice. If objection is given, such objection shall be treated as a notice by occupant not to renew. Thereafter, the provisions of sub-paragraph (a) above shall apply, that is, that no occupancy agreement shall thereafter be effective as of the last date of the last renewal period, and member shall become a tenant at will whose right of continued occupancy shall exist only by the mutual consent of both the Cooperative and the member.

5. That this Cooperative is affected by legislation being passed by the State Legislature exempting cooperative housing projects from the provisions of section 3 (L) (iii) of the Truth in Renting Act, or regulation, rules or law specifically directing that the cooperative housing projects similarly situated under its or their auspices (directly or indirectly) shall increase or decrease base carrying charges annually to reflect changes in budget requirements. In such event, this occupancy agreement shall not be renewed for successive periods. This non-renewal is self-executing without further notice. The occupant may thereafter have the option to execute an occupancy agreement calling for a 3-year term automatically renewable by the member consistent in relevant part (subject to changes required by law) with occupancy agreements used by the Cooperative before July 1, 1979 or become a tenant at will subject to eviction in accordance with the laws of the State of Michigan.

6. Except as herein provided, a member's right to renew for successive calendar months shall not be denied without cause.

7. All notices required under the "Truth in Renting Act" shall be given to the Cooperative (Lessor) at:

**Wellesley Townhouses Cooperative
35661 Smith Rd.
Romulus, MI. 48174**

NOTICE: MICHIGAN LAW ESTABLISHES RIGHTS AND OBLIGATIONS FOR PARTIES TO RENTAL AGREEMENTS. THIS AGREEMENT AND ADDENDUM IS REQUIRED TO COMPLY WITH THE "TRUTH IN RENTING ACT". IF YOU HAVE A QUESTION ABOUT INTERPRETATION OR LEGALITY OF A PROVISION OF THIS AGREEMENT (OR THE ATTACHED AND/OR RENTAL OR OCCUPANCY AGREEMENT), YOU MAY WANT TO SEEK ASSISTANCE FROM A LAWYER OR OTHER QUALIFIED PERSON.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this -- day of

Wellesley Townhouses Cooperative

Signature of Member/Occupant

By: _____
Duly Authorized Representative

Spouse