

ACCEPTANCE OF PARTIAL PAYMENT BY LANDLORDS

Scenario #1 – Notice to Quit (Termination of Tenancy)

- When a notice to terminate the tenancy is sent (not merely a notice for non-payment of rent), any acceptance of rent for any time *past* the expiration date of the notice will “reset the clock” and void your notice.

EX: Larry Landlord sends Tina Tenant a Notice to Quit / Termination of Tenancy on March 7th, 2020. This notice states that Tina’s tenancy is being terminated and Tina must vacate the premises no later than April 8, 2020.

1. Larry can accept March’s rent without jeopardizing his right to evict Tina.
2. Larry can absolutely **NOT** accept any rental amount for a time period after April 8, 2020, otherwise Larry’s notice to Tina has been waived. For example, if Tina tenders payment of April’s rent in full and Larry accepts it, Michigan Courts have concluded that Larry has implicitly voided his notice and agreed to allow Tina to remain on the property.

Scenario #2 – Demand for Possession for Non-Payment of Rent

- If this type of demand is sent out, which by its nature is for *back* rent, the acceptance of a partial sum of that *back* rent will NOT “reset the clock.”

EX: Larry Landlord sends a Demand for Possession for Non-Payment on October 1st for *back* rent (say for August, September, and October). If Larry Landlord accepted partial payments covering only August rent, but not September or October, you could still proceed to court based on the October 1st Demand.

- In essence, only payment in full of the Demand amount will negate your notice to the tenant and prevent you from proceeding with your case.

Scenario #3 – Complaint filed for Termination of Tenancy

- The same rules apply as set forth in scenario #1. Landlord's cannot accept rent for any time period exceeding the notice except by order of the court.

Scenario #4 – Complaint filed for Non-Payment of Rent

- Once the complaint has been filed with the court only payment in full of all amounts due and owing as of the date of the scheduled court hearing will prevent you from proceeding with your case. See MCL 600.5741.

EX: Larry Landlord files a summons and complaint for non-payment of rent alleging Tina Tenant owes September and October rent; the scheduled court hearing is on November 15th. On November 7th Tina Tenant pays Larry Landlord September and October rent in full. Larry Landlord can still pursue his case for November's rent and any court costs even though November's rent was not due when the demand was sent nor was it due when the Complaint was filed.

* This letter is intended only as a cursory review of a portion of the laws applicable to landlord and tenant dealings and is not intended to replace the counsel of an attorney. Before taking any action in any landlord-tenant matter; contact an attorney.

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