

**LANDLORD AND TENANT RELATIONSHIPS (EXCERPT)**  
**Act 348 of 1972**

**554.601 Definitions.**

Sec. 1. As used in this act:

(a) "Landlord" means any of the following:

(i) The owner, lessor, or sublessor of a rental unit or the property of which it is a part.

(ii) A person authorized to exercise any aspect of the management of the premises, including a person that, directly or indirectly, acts as a rental agent or receives rent, other than as a bona fide purchaser, and that has no obligation to deliver the receipts to another person.

(b) "Rental agreement" means an agreement that establishes or modifies the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a rental unit.

(c) "Rental unit" means a structure or part of a structure used as a home, residence, or sleeping unit by a single person or household unit, or any grounds, or other facilities or area promised for the use of a residential tenant. Rental unit includes, but is not limited to, apartment units, boarding houses, rooming houses, mobile home spaces, and single and 2-family dwellings.

(d) "Security deposit" means a deposit, in any amount, paid by the tenant to the landlord or the landlord's agent to be held for the term of the rental agreement, or any part of the term, and includes any required prepayment of rent other than the first full rental period of the lease agreement; any sum required to be paid as rent in any rental period in excess of the average rent for the term; and any other amount of money or property returnable to the tenant on condition of return of the rental unit by the tenant in condition as required by the rental agreement. Security deposit does not include either of the following:

(i) An amount paid for an option to purchase, pursuant to a lease with an option to purchase, unless it is shown the intent was to evade this act.

(ii) An amount paid as a subscription for or purchase of a membership in a cooperative housing association incorporated under the laws of this state. As used in this subparagraph, "cooperative housing association" means a consumer cooperative that provides dwelling units to its members.

(e) "Senior citizen housing" means housing for individuals 62 years of age or older that is subsidized in whole or in part under any local, state, or federal program.

(f) "Source of income" includes benefits or subsidy programs including housing assistance, housing choice vouchers provided under 42 USC 1437f, public assistance, veterans' benefits, Social Security, supplemental security income or other retirement programs, and other programs administered by any federal, state, local, or nonprofit entity. Source of income does not include either of the following:

(i) Income that a prospective tenant cannot demonstrate is derived from sources and activities permitted by law and is provided on an ongoing basis.

(ii) Housing assistance that is not approved by the appropriate agency within 30 days after the landlord provides all information required as a condition of the agency's approval, including evidence that all repairs required before occupancy have been completed.

(g) "Tenant" means an individual who occupies a rental unit for residential purposes with the landlord's consent for an agreed upon consideration.

**History:** 1972, Act 348, Eff. Apr. 1, 1973;—Am. 1984, Act 297, Imd. Eff. Dec. 21, 1984;—Am. 1995, Act 79, Imd. Eff. June 15, 1995;—Am. 2024, Act 179, Eff. Apr. 2, 2025.

**Popular name:** Landlord-Tenant Act