

STATE OF MICHIGAN
IN THE 30TH JUDICIAL CIRCUIT COURT FOR THE COUNTY OF INGHAM

THE PEOPLE OF THE STATE OF
MICHIGAN,

Petitioner,

No. 25-450-CP

v

HON. MORGAN E. COLE

MRD APARTMENTS, LLC, d/b/a, MRD
APARTMENTS,

Respondent.

Nicholas R. Tloczynski (P79148)
Assistant Attorney General
Michigan Dep't of Attorney General
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RECEIVED
MAY 29 2025
30TH CIRCUIT COURT

NOTICE OF FILING ASSURANCE OF VOLUNTARY COMPLIANCE
PURSUANT TO MCL 445.906(2)

This Office is filing the attached Assurance of Voluntary Compliance under
the Michigan Consumer Protection Act, MCL 445.906(2).

Respectfully submitted,



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Dated: May 29, 2025

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ASSURANCE OF VOLUNTARY COMPLIANCE AND DISCONTINUANCE

The People of the State of Michigan represented by Attorney General Dana Nessel ("Petitioner"), and MRD Apartments, LLC, hereby execute and agree to be bound by this Assurance of Voluntary Compliance and Discontinuance. This Assurance concerns the resolution of alleged violations of the Michigan Consumer Protection Act, 1976 PA 331, as amended, MCL 445.901 *et seq.* ("MCPA").

Based on the foregoing, the Parties agree as follows:

I. Definitions

1.1 “Assurance” means this Assurance of Voluntary Compliance and Discontinuance.

1.2 “COD” means the Michigan Department of Attorney General, Corporate Oversight Division.

1.3 “Prentis Estates Apartments” refers to the multi-unit apartment building complex located at 1103 S. Latson Rd., Howell, Michigan 48843.

1.4 “Respondent” means MRD Apartments, LLC, a Michigan limited liability company that does business as MRD Apartments and currently serves as the property manager for Prentis Estates Apartments.

1.5 “Parties” means COD and Respondent, collectively.

1.6 All other terms shall have the meaning specifically defined in the MCPA.

II. COD investigation of Respondent

2.1 On March 27, 2025, the Attorney General’s Office received a consumer complaint from [REDACTED] a resident of Building 1137 of Prentis Estates Apartments, which is operated by Respondent. [REDACTED] reported that beginning on March 2, 2025, she experienced low water pressure and temperature issues in her apartment on a daily basis, resulting in her submitting multiple work orders. A maintenance worker responded to the work orders with short-term fixes such as resetting the boiler, but the water pressure and temperature issues quickly returned. On March 24, 2025, one of Respondent’s employees acknowledged [REDACTED] frustration with the recurring issues but could not give her an anticipated

date of resolution. When [REDACTED] filed her consumer complaint on March 27, 2025, she did not have water pressure in her kitchen sink and lacked hot water in her bathroom.

2.2 On March 28, 2025, the Attorney General's Office received a consumer complaint from [REDACTED], another resident of Building 1137 of Prentis Estates Apartments who reported ongoing water pressure and temperature issues in her apartment.

2.3 COD immediately commenced a preliminary investigation that included contacting state and local governmental agencies regarding the performance and safety of the well water system used by Prentis Estates Apartments. COD then sent a letter of inquiry to Respondent to better understand the underlying causes of the water issues, the measures taken to resolve them, and the number of affected residents.

2.4 Respondent advised COD that the low water pressure and temperature issues arising in March 2025 were because of a water softener malfunction that affected only the residents of Building 1137. Initially, Respondent addressed the work orders submitted for water issues on an individual basis. When the issues persisted, Respondent contacted vendors to inspect the water softener system. A vendor diagnosed an issue with the water softener on April 7, 2025, and completed repairs the next day. On April 10, 2025, Respondent conducted a unit-by-unit inspection to ensure proper functionality for all residents. These efforts resolved the residents' complaints. On April 23, 2025, Respondent provided a \$500 rent

credit to each apartment unit of Building 1137 for the issues caused by the water softener malfunction.

2.5 Respondent also advised COD of a separate issue occurring in late 2024 when one of the two wells supplying water to Prentis Estates Apartments malfunctioned and the backup well became temporarily non-operational for a 12-hour period. These events required tests to ensure the water was safe for drinking, and residents were advised to boil water until the tests were completed. Residents were offered reimbursement via rent credit for any cases of water purchased during that time. After tests were completed between December 28, 2024, and January 3, 2025, showing that the water was safe for drinking, residents were told they no longer needed to boil the water.

2.6 After reviewing the information provided by Respondent, COD remained concerned about what it believed to be a lack of communication with the residents of Building 1137 regarding the water softener malfunction in March 2025. Further, COD found Respondent's compensation to the consumer complainants insufficient given the multiple work orders submitted by those two residents in March and April of 2025 indicating substantial interference with the beneficial enjoyment and use of the premises. This Assurance is designed to address these concerns.

2.7 In entering into the Assurance, the mutual objective of the Parties is to resolve, without litigation, COD's potential claims under the MCPA for preliminary and permanent injunctive relief, as well as the potential claims for payment of damages and reimbursement of COD's costs and expenses related to COD's

enforcement action. The entry into this Agreement by Respondent is not an admission of liability with respect to any issue addressed in this Agreement, nor is it an admission of any factual allegations or legal conclusions stated or implied herein.

III. Jurisdiction

3.1 The Department of Attorney General ("the Department") has jurisdiction over the subject matter of this Assurance pursuant to MCL 445.905 and 445.910. Respondent waives all objections and defenses that it may have as to the jurisdiction of the Department over the matters covered by this Assurance.

IV. Parties Bound

4.1 This Assurance binds Respondent, whether acting through associates, principals, officers, directors, employees, representatives, successors or assigns, or through any other subsidiary, corporation, assumed name or business entity. Respondent is responsible for compliance with the terms of this Assurance, and must ensure that all of Respondent's employees, agents, and representatives comply with the terms of this Assurance.

V. Implementation of Compliance Measures

5.1 To the extent that Respondent may have engaged in any unfair or deceptive business practices in the State of Michigan, Respondent shall immediately cease and desist such practices and will comply with the MCPA going forward.

5.2 Respondent assures COD that it will develop and implement a method of providing accurate information and updates to any residents of Prentis Estates Apartments affected by interruptions in, or the compromised quality of, heat, air conditioning, electrical, water service, or any other matters affecting the habitability of tenants' dwellings. Notice may be accomplished through public postings clearly visible to all tenants upon entering or exiting affected buildings, or by providing written notice to each tenant through a hard copy document delivered to each affected apartment. At a minimum, these notices should describe the basic nature of the service issue, and the time and date at/upon which the problem is reasonably expected to be resolved. Respondent may augment such communication through use of electronic media or communications that provide additional information. This section does not apply to gas, electrical, or water service issues affecting a population of consumers beyond those who are Respondent's tenants.

VI. Financial obligations

In addition to the \$500 rent credit provided to the residents of Building 1137, Respondent will provide additional compensation in the amount of \$200 to each of the tenants who filed consumer complaints with the Attorney General's office, identified in this Assurance as [REDACTED] and [REDACTED]. If the consumers are current tenants of Prentis Estates Apartments, they will receive this compensation in the form of a rent credit. If the consumers are no longer tenants of Prentis Estates Apartments, they will be paid by a check sent by Respondent through standard United States mail. Within fourteen days of the Effective Date,

Respondent shall provide COD documentation showing the payment made to each tenant in compliance with this subsection.

VII. Release

7.1 Upon the Effective Date, COD hereby releases and discharges Respondent and any of its parent entities, affiliates, subsidiaries, predecessors, successors or assigns, and each and all of its past or present officers, directors, associates, shareholders, controlling persons, representatives, employees, attorneys, counselors, advisors, or agents, from any and all civil or administrative claims, demands, rights, actions, causes of action, and liabilities, of any kind or nature whatsoever, that are based directly or indirectly on the Attorney General's consumer protection investigation as identified in this Assurance, including the alleged acts, failures to act, omissions, misrepresentations, facts, events, transactions, statement, occurrences or other subject matter which were or could have been set forth, alleged, complained of or otherwise referred to in the Assurance. Nothing herein shall be construed as a waiver or release of claims asserted or that may be asserted by individual consumers, other divisions of the Attorney General's office, or other state or federal agencies. Furthermore, this release is wholly contingent upon Respondent's continued compliance with the terms of this Assurance. Should COD have reasonable cause to believe that Respondent has failed or ceased to comply with any provision herein, this Assurance shall be voidable by COD at its option.

VIII. General Provisions

8.1 This Assurance is binding upon, inures to the benefit of, and applies to the Parties and their successors-in-interest. This Assurance does not bind any Division of the Michigan Department of the Attorney General other than COD, or any state, local, federal, or other governmental agency.

8.2 This Assurance does not create any private right or cause of action to any third party.

8.3 This Assurance does not constitute an approval by the Attorney General of any of Respondent's business practices and Respondent must not make any representation to the contrary.

8.4 No modification of this Assurance is valid unless in writing and signed by all Parties.

8.5 Within seven business days of the Effective Date of this Assurance, COD will file a copy of this Assurance with the Ingham County Circuit Court, as described in MCL 445.906(2).

8.6 Unless a temporary restraining order is sought, COD will make reasonable efforts to provide written notice in the event that COD believes Respondent to be in noncompliance with any provision of this Assurance, setting forth the basis for such belief.

IX. Signatories, Execution in Counterparts, and Electronic Signatures

9.1 Each undersigned individual represents and warrants that he or she is fully authorized by the Party he or she represents to enter into this Assurance and to legally bind such Party to the terms and conditions of this Assurance.

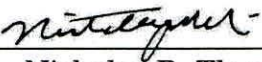
9.2 This Assurance may be executed in counterparts, each of which is deemed an original hereof, but which together constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be submitted in connection with this Assurance and are binding on that Party to the same extent as an original signature.

X. Effective Date

10.1 The effective date of this Assurance is the date upon which the COD representative signs this Assurance.

The People of the State of Michigan

Dated: May 28, 2025

By: 
Nicholas R. Tloczynski (P79148)
Assistant Attorney General
Corporate Oversight Division
P.O. Box 30736
Lansing, MI 48909

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MAY 29 2025
30TH CIRCUIT COURT

**MRD Apartments, LLC, d/b/a,
MRD Apartments**

Dated: May 28, 2025

By: 
Abigail Diller
Its: Executive Director of Operations