RELOCATIONS FOLLOWING FORECLOSURES IN CONDOMINIUMS AND SINGLE FAMILY PROPERTIES

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Tenant Relocations in Condominiums and Single-Family Properties Following Foreclosure

Tenants in the City of West Hollywood are protected from most evictions. However, a tenant may be evicted for nonpayment of rent; for violating valid conditions of a lease; failing to provide the landlord with reasonable access; causing a nuisance; using the unit for illegal purposes; and other specific issues listed in the Rent Stabilization Ordinance (RSO).

Tenancies may also be terminated through no fault of the tenants for an owner or relative occupancy, certain corrections of violations ordered by governmental agencies, or foreclosures.

This fact sheet answers some basic questions about one type of termination: the relocation of tenants living in condominium units or single-family properties following a foreclosure [Section 17.52.010(14)], in the City of West Hollywood.

When a foreclosure has occurred on a property, can the tenants be relocated?

Relocations for foreclosures are allowed in the City of West Hollywood for properties that have one unit on the entire parcel. This means only single-unit properties and condominiums.

Under the West Hollywood RSO, tenants may be relocated following a foreclosure sale only if:

- a. They live in a condominium unit or on a single-unit property. The RSO defines a single-family dwelling as a property where there is *only* <u>one</u> unit on the entire parcel. So, if there is a main house and a guesthouse with a rental history, the property is multi-unit and the tenants may not be relocated because a foreclosure has occurred.
- b. The landlord commences the process no more than thirty (30) days after obtaining title through the foreclosure sale:
- The tenant took occupancy <u>after</u> the date the mortgage was recorded;

The tenant *may not* be relocated following foreclosure if the notice is given later than 30 days after the owner obtains title through the sale or if the specific loan leading to the foreclosure was recorded after the tenant moved in.

Who May Relocate Tenants Due to Foreclosure?

Besides owners who are natural persons, corporations companies, partnerships and other legal persons who hold title may relocate tenants for foreclosure.

Noticing Requirements

The landlord must give the tenant in a condominium or single-family property at least sixty (60) days written notice that the tenant is being evicted following foreclosure. The relocation fee must be paid at the time the notice is issued to the tenant.

The notice must include the cause for the relocation and recite Subsection 17.52.010(14) under which the tenancy is being terminated.

Relocation Fees

When an owner is relocating a tenant for foreclosure, relocation fees must be paid at the time of notice. Tenant households receive the greatest of the following relocations fee for which they qualify:

Qualified Tenant/Moderate Income Households

Qualified Tenants are households that are Moderate Income (120% AMI—see Income Chart Below), or include seniors (62 years or older), disabled, minor dependent(s) living with tenants, or terminally ill. These households receive \$13,500 in relocation fees.

Moderate Income households earn between the following incomes based on the number of person in the household:

Persons in Household	Moderate Income Standard
1	\$45,651 to \$68,475
2	\$52,201 to \$78,300
3	\$58,701 to \$88,050
4	\$65,201 to \$97,800
5	\$70,451 to \$105,675

Lower-Income Household

Lower income for tenants in the City of West Hollywood is based on the gross annual household income for the number of persons occupying the unit. Low-income households receive **\$17,000** in relocation fees.

Households earning the following amounts or less, for their size, are eligible for low-income relocation fees:

Persons in Household	Lower Income Standard
1	\$45,650
2	\$52,200
3	\$58,700
4	\$65,200
5	\$70,450

All Other Households

All other households receive a relocation fee based on the number of bedrooms in their unit:

Number of Bedrooms	Relocation Fee
Bachelor/Single	\$5,100
One Bedroom	\$7,200
Two Bedroom	\$9,700
Three Bedroom or more	\$12,800

Relocation Fee is Due at Time of Noticing

The relocation fee is due when the tenant is given the termination notice. The sixty (60) day notice is not valid until the appropriate relocation fee is paid to the tenant household.

Landlord Must File Copy of Termination Notice with City

The landlord must file a copy of the notice to the tenant with the Rent Stabilization & Housing Division.

Landlord Must Apply for Relocation Counseling and Pay Fee Through City

The landlord must also file a "Relocation Counseling Assistance" form with the Rent Stabilization & Housing Division, when giving notice to the displaced tenant. A fee is collected from the landlord to cover the costs of relocation services which are provided to the tenant through an outside agency. The fee for households with seniors, disabled persons, minor dependents or that are lower-income is \$640. For all other households the fee is \$400.

What happens if the tenant refuses to move at the end of the sixty (60) days, when they have been given proper notice and the relocation fee?

If the tenant does not vacate the unit within the sixty (60) day period, they may be taken to court for eviction. In addition, the tenant may have to refund the relocation fees paid by the landlord.

Need Further Assistance?

If you have any questions please contact the Rent Stabilization and Housing Division by calling (323)848-6450 during normal business hours: Monday - Thursday, 8:00 a.m. to 5:00 p.m. and Fridays 8:00 a.m. to 4:30 p.m., or visit the City's website at www.webo.org.

The Rent Stabilization Ordinance is amended periodically. Tenants and landlords are encouraged to contact the West Hollywood Rent Stabilization & Housing Division for the most current version of the Ordinance.