



FORECLOSURE EVICTION MORATORIUM

Rent Stabilization Bulletin

What is a foreclosure?

A foreclosure is when a bank or lender takes back a property from a property owner when the owner falls behind on the mortgage payments. A bank or mortgage company which acquires a property through a foreclosure becomes a landlord as defined in the RSO.

Can the bank evict a tenant because they foreclose on a rental property?

Rent-Stabilized Properties

The Rent Stabilization Ordinance (RSO) protects tenants from arbitrary evictions and only permits evictions based on the legal reasons permitted under the RSO. Lenders and their agents violate the RSO when they attempt to evict tenants on the basis of foreclosure or in anticipation of the sale of the property. The sale or foreclosure of a residential rental property is not one of the legal reasons for eviction under the RSO.

The RSO became effective on May 1, 1979, and applies to all rental properties in the City of Los Angeles with an original or temporary Certificate of Occupancy dated on or before October 1, 1978, when there are two or more dwelling units on a lot. This includes multi-family apartments; as well as duplexes; townhomes; condominiums; mobile homes and pads; rooms in hotels/ motels and boarding houses occupied by the same tenant for 30 days or more. The RSO regulates rent increases and limits evictions. The fact that there is a change in ownership does not change the terms of the tenancy under the RSO and is not a lawful reason to evict tenants.

Other Rental Properties

The Los Angeles City Council enacted the Foreclosure Eviction Ordinance (Ordinance No. 180441) on December 17, 2008. This Ordinance provides that banks or lenders who foreclose on single family homes or new multi-family properties (those with a Certificate of Occupancy after October 1, 1978) cannot evict tenants merely because they foreclose on the property. They can only evict a tenant based on the legal reasons permitted under the RSO. This ordinance, which was adopted with an urgency clause, became effective December 23, 2008, and applies to any rental units to which title is obtained through a foreclosure on or after December 17, 2008.

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Los Angeles, CA 90010

East Regional Office
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Los Angeles, CA 90033

South Regional Office
690 Knox St., Suite 125
Los Angeles, CA 90502

CD-8 Satellite Office
8475 S. Vermont Ave., 2nd Floor
Los Angeles, CA 90044

West Regional Office
1645 Corinth Ave., Suite 104
Los Angeles, CA 90025

North (Valley) Regional Office
6400 Laurel Canyon Blvd., Suite 610
North Hollywood, CA 91606



CITY OF LOS ANGELES



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What should I do if I receive an eviction notice from the bank or lender?

Tenants who receive an eviction notice because the building is entering foreclosure need to know that a foreclosure or sale of a building is *not* a lawful reason to evict tenants under the Los Angeles Municipal Code. All written notices to terminate a tenancy must indicate one of the permitted reasons to evict under the RSO and must be served in accordance with Code of Civil Procedure Section 1162.

If a tenant receives a Summons and Complaint for an Unlawful Detainer, time is of the essence! It is important that the tenant respond to the summons within **five calendar days**. For legal assistance after receiving an eviction notice, tenants should contact an attorney or seek assistance from a legal aid agency. For a referral list of agencies, please see our Referral Information bulletin.

Once a tenant receives a notice from a financial institution informing them of the foreclosure and change in ownership, tenants should make every effort to contact the financial institution and inquire about how to make rent payments. Tenants who are uncertain of who is the legal landlord should save their rent and be prepared to pay upon proper notice.

For questions regarding evictions, please call the **Los Angeles Rent Stabilization Hotline at (213) 473-3231 or (866) 557-RENT (557-7368)**.

THIS INFORMATION IS OFFERED FREE OF CHARGE TO THE GENERAL PUBLIC.

While this publication is designed to provide accurate and current information about the law, readers should consult an attorney or other expert for advice in particular cases, and should also read the relevant statutes and court decisions when relying on cited material. Laws and guidelines are frequently amended. The HCIDLA recommends that you verify information in the event that new changes are not yet reflected in this publication. The HCIDLA does not assume and hereby disclaims any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident, or any other cause.

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