# Los Angeles Housing Department

1200 W. 7<sup>th</sup> Street, Suite 100 Los Angeles, CA 90017



# DISCLOSURE NOTICE - TENANT RIGHTS RENT STABILIZATION ORDINANCE (RSO) BUYOUT OFFERS & AGREEMENTS "Cash for Keys"

### THIS NOTICE IS REQUIRED PER LOS ANGELES MUNICIPAL CODE (LAMC) 151.31

Tenants are not required to accept a "Cash for Keys" Buyout Offer or Agreement to move out of their rental unit. The Rent Stabilization Ordinance (RSO) allows 14 legal reasons for eviction. Refusing compensation (money, free rent, etc.) to move-out is NOT a legal reason for eviction under the RSO. RSO rights apply to all tenants regardless of immigration status.

The Los Angeles City Council amended the RSO (Ordinance #184673) effective January 25, 2017, to provide that all landlords must do the following if they wish to offer a tenant compensation (money, free rent, etc.) to vacate their rental unit.

- The landlord must give both pages of this Disclosure Notice to the tenant prior to executing a Buyout Agreement.
- The landlord must file this 2-page Disclosure Notice and the executed Buyout Agreement with the Housing Department (LAHD) within 60 days of the tenant and landlord signing the Buyout Agreement. Landlords should file via our Tenant Buyout Online System <a href="https://lahd.service-now.com/tb">https://lahd.service-now.com/tb</a>.
- The Buyout Agreement must be in the primary language of the tenant and must state above the signature line: "You, (tenant name), may cancel this Buyout Agreement any time up to 30 days after all parties have signed this Agreement without any obligation or penalty."

Negotiating the terms is a normal part of the process for both parties, but landlords should be sure to review the <u>Tenant Anti-Harassment Ordinance 187109</u> to understand the rules when communicating the offer to a tenant and seek legal advice if necessary.

Under LAMC 151.31, a tenant has the following rights when considering a Buyout Offer:

<u>The right to not accept</u> – A tenant is not required to accept a Buyout Offer and the landlord may not retaliate against a tenant for not accepting the offer.

<u>The right to consult an attorney and/or LAHD</u> – A tenant has the right to consult an attorney, legal agency or LAHD before deciding to accept a Buyout Offer or to seek assistance to cancel it.

**30 day right to rescind** – A tenant may rescind the Buyout Agreement at any time during the thirty days after the agreement has been signed by both the landlord and tenant.

The right to rescind at any time if the Buyout Agreement does not comply with the LAMC Section 151.31 - A Buyout Agreement can be rescinded, if it does not meet the specifications required under LAMC 151.31 and if this Disclosure Notice is not signed by the landlord and the tenant.

| Tenant initials | (Confirming | receipt of I | Page 1 an | d 2 of this fo | rm): |
|-----------------|-------------|--------------|-----------|----------------|------|
|                 |             | •            | _         |                | -    |

For more information or questions regarding this notice, please visit webpage <a href="https://housing.lacity.org/rental-property-owners/tenant-buyout-notification-program">https://housing.lacity.org/ask-housing</a>. For Affordable Housing listings call (877) 428-8844.

## THIS NOTICE IS REQUIRED PER LOS ANGELES MUNICIPAL CODE (LAMC) 151.31

TENANT RELOCATION ASSISTANCE AMOUNTS EFFECTIVE JULY 1, 2023 TO JUNE 30, 2024

Tenant relocation is due if a tenant is evicted for a no-fault reason allowed by the RSO (LAMC

Tenant relocation is due if a tenant is evicted for a no-fault reason allowed by the RSO (LAMC 151.09.A). For no-fault evictions, the landlord must fill out an application with LAHD to determine the amount of relocation assistance. An Ellis eviction requires at least 120-day notice and may extend to 365 days for some tenants, or longer if the project is subject to SB 8. In an Ellis or SB 8 eviction, all tenants have a right to return to the same unit if it is not demolished and it is re-rented and if SB 8 applies a right of first refusal to the newly constructed unit if the household is low income. In contrast, if you voluntarily move out with a buyout agreement, then you will not have a right to return. The amount of relocation depends on whether the tenant is an Eligible or Qualified tenant, the length of tenancy, and the tenant's income. Qualified tenants are seniors (aged 62 or older), disabled, or families with a minor dependent child. Please visit https://lahd.service-now.com/plu for important LAHD property information, including applications for no-fault eviction.

|                  | Tenants with Less Than 3 Years | Tenants with 3 or More Years | Income Below 80% of Area Median Income* |
|------------------|--------------------------------|------------------------------|---|
| Eligible Tenant  | \$ 9,900                       | \$ 12,950                    | \$ 12,950                               |
| Qualified Tenant | \$ 20,850                      | \$ 24,650                    | \$ 24,650                               |

Under the RSO, relocation assistance is not due if a tenant is evicted for non-payment of rent, violation of their rental agreement/lease, nuisance, using unit for an illegal purpose, refusal to sign a new lease with similar terms or not providing the landlord access to the unit after proper notification.

#### DISCLOSURE NOTICE OF TENANT RIGHTS UNDER THE RSO & BUYOUT OFFERS & AGREEMENTS

| 1. Address of the rental unit that is the subject of a   | Buyout Offer and Buyout Agreement:                    |
|--|---|
|  |   |
| Landlord's name, business name, business emai cancellation notice and business telephone numbers.  |   |
|  |   |
| 3. Name, telephone #, and email address of each t<br>may enter into a Buyout Agreement:  | enant who is given a Buyout Offer and who             |
|  |   |
|  |   |
| Your email will be used by LAHD to send you important  | notices. Please monitor your emails for our notices.  |
| DECLARATION OF LANDLORD:  I hereby declare, under penalty of perjury under the provided in this form is true and correct to the best of r copy of this notice of a tenant's rights under the RSO conditions. | ny knowledge and belief. I verify that I have given a |
| Signature of Landlord:   | Date Signed:  |
| ACKNOWLEDGMENT OF TENANT(S):   | -   |
| I verify that I have received a copy of the Disclosure No Buyout Offers & Agreements.  | tice of Tenants Rights under the RSO concerning       |
| Signature of Tenant:   | Date this Notice was Received:                        |
| Signature of Tenant:   | Date this Notice was Received:                        |
| Signature of Tenant:   | Date this Notice was Received:                        |

For more information regarding your rights under the RSO, please visit <a href="https://housing.lacity.org">housing.lacity.org</a> or call (866) 557-7368.

Rev. 07.26.23