



Lunch with Lisa



SMALL BITES OF KNOWLEDGE

New Tenant Protective Act AB 1482

When does it apply?

AB 1482 applies to tenants that have occupied a dwelling unit for more than 12 consecutive months. If additional adult tenants are added during the lease term, it applies once the new tenant has occupied for 12 months, or one of the existing tenants has occupied the unit for 24 or more consecutive months.

What properties are exempt?

AB 1482 applies to all residential properties in California, excluding the following:

- Housing that has been built within the previous 15 years and issued a certificate of occupancy.
- Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.
- Single-family owner-occupied residences, as long as the owner does not lease more than 2 units (including ADUs).
- A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.
- Residential real property that is alienable separate from the title to any other dwelling unit, provided the owner is not a REIT, corporation or limited liability company in which at least one member is a corporation, and further subject to certain tenant notice requirements.
- Transient and tourist hotel occupancy.
- Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly or an adult residential facility.
- Dormitories owned and operated by colleges or schools.

SPECIFIC DISCLOSURES MUST BE GIVEN TO CURRENT TENANTS AND INCORPORATED INTO FUTURE LEASES. FAILING TO DO SO WOULD TAKE YOU OFF THIS EXEMPT LIST.



What are the limitations on increasing rent?

The bill restricts the owner of residential real property from increasing rent during any 12-month period by more than the lesser of (i) 5% plus a cost of living adjustment based on the California CPI, or (ii) 10%. The percentage increase in any 12-month period is based on the lowest applicable rate during the preceding 12-month period, but the value of any rent discounts, incentives or other concessions made by the landlord are not taken into account when determining the lowest rate in effect during such period.

RENTS WILL BE ROLLED BACK TO MARCH 15, 2019

When the bill goes into effect on January 1, 2020, rents will be rolled back to March 15, 2019. From that point forward, the 5 percent annual rent cap plus CPI will be instituted.

When can a landlord terminate a lease?

A landlord can terminate the lease for at-fault just cause for (i) defaults in the payment of rent, (ii) a material breach of the lease, (iii) nuisance uses, (iv) illegal or criminal activities, (v) committing waste, (vi) refusal by the tenant to sign a lease extension, (vii) refusal by the tenant to allow owner entry as required by law, (viii) assignment or subletting in violation of the lease, (ix) failure to vacate after signing a vacation agreement, or (x) failure to vacate upon termination of employment.

A landlord can also terminate for no-fault just cause if (i) the owner or certain family members intend to occupy the property (for leases entered into after July 1, 2020 other requirements must be satisfied), (ii) the property is withdrawn from the rental market (for a considerable amount of time though no specified amount. Future lawsuits or a revisal may clarify this), (iii) the owner is required by law to vacate the property (and if the tenant was the cause, the tenant will not be entitled to relocation assistance), or (iv) the owner intends to demolish or substantially remodel the property. Definition of substantially remodel is not clear, but if you do remove the tenants to remodel with the intention that they were to come back, you are obligated to honor their previous lease and not raise the rent.

For any no-fault just cause termination, the landlord must provide the tenant with relocation assistance by either paying the tenant an amount equal to one month's rent or waiving in writing the final month's rent before the same is due. A landlord's failure to strictly comply with the provisions relating to a no fault just cause termination renders the termination void.



Sign up for a FREE lunch with me!

Once a week I would love to have lunch with a reader! It can be a learning lunch, a shoot the breeze lunch or just munching in silence (a meditative lunch). Shoot me a message to reserve a time!

EMAIL sendtolisa@att.net (707) 688-4694 TEXT





Section 8 changes

Landlords can no longer:

- Advertise as “No Section 8 Accepted;”
- Refuse to make repairs required by the Housing Authority.
- Treat Section 8 recipients differently from other applicants/tenants.

Military Tenants and Security Deposits

- Landlords cannot charge a military member more than one-month’s rent as a security deposit, if unfurnished unit, or two-month’s rent as security deposit for furnished units.
- Applies to new security deposit at the commencement of the lease (or increases made to security by way of a change in terms of tenancy).
- Applies to active or reserve members of the Armed Forces, or National Guard, National Militia, or State Military Reserves.

Family Day Care Homes

- Owner/Landlord cannot refuse to rent or impose additional requirements because tenant uses or intends to use home as a day care.
- Are treated as residential use (not a business use) and are permitted to have up to 14 children or 6 adults.
- Applies to single family residential, townhomes, and multi-family such as apartments.
- May be limited by local fire marshal restrictions.

At my website www.LisaHMcGee.com you can find more information provided by the California Association of REALTORS. Click RESOURCES and scroll down the list.

What to look forward to in my Next Issue...

ADUs (Accessory Dwelling Units)

Previously considered as being under county, HOA or city regulation, ADUs are now regulated by California statewide laws. Read about how this may affect communities, aging parents, future investments and your pocket!



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Also inside...Free Lunch!

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