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[What Landlords Do Not Tell Tenants Most Often](#)

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There are many issues landlords are under no legal obligation to divulge to tenants. Such issues often range from if the rental property is being foreclosed upon to promises to renovate or remodel the building. Let us explore some of the salient issues bedeviling tenants in such harsh economic times and some possibilities to eschew such problems.

1. FORECLOSURE IS IMMINENT

Landlords first hear about the imminence of foreclosure from banks through a Notice of Trustee's Sale not from landlords. In fact, landlords have a vested interest in keeping tenants in dark about specter of imminent foreclosures. Landlords naturally desire to collect rent until the collection is possible and the remote possibility they could come up with the required money to forestall foreclosure at the last minute.

A. *HELP*: "PROTECTING TENANTS AT FORECLOSURE ACT"

Congress in response to flagrant and pervasive use of this stratagem by landlords not to give notice of impending foreclosure to tenants, passed Protecting Tenants at Foreclosure Act (PTFA).

B. EFFECTS OF PTFA

- **BONA FIDE LEASE:** PTFA seeks to protect tenants with bona fide lease whose rental premises go into foreclosure.
- **PREEMPTION OF STATE LAW:** PTFA PREEMPTS state law unless the state law affords greater protections to tenants.
- **RIGHT TO LIVE UNTIL THE END OF THE BONA FIDE LEASE:** PTFA affords tenants with bona fide lease to be able to live in the premises until the end of their lease unless the bank sells the foreclosed property to owners for their primary residence. In that

case, the new owners intending to live in the premises as their primary residence MUST give the tenants with bona fide lease 90-day notice before start of eviction proceedings.

C. SOME SPECIFICS OF PTFA

To ascertain who is protected under PTFA, the lease MUST be bona fide. For purposes of PTFA, a bona fide lease is DEFINED in the law as one in which:

1. The mortgagor (i.e. the borrower of mortgage), the child, spouse or parent of the mortgagor under the contract is not the tenant.
2. The lease or tenancy was a result of arms length transaction. And,
3. The lease or tenancy requires the receipt of rent not substantially less than the fair market rent of the property OR the unit's rent is reduced because of a local, state or federal subsidy.

2. RENOVATION OR MAINTENANCE OF THE BUILDING IS NOT AS IMMINENT

Landlord may promise you to renovate the building pretty soon or replace your old refrigerator. Nonetheless, given the economic conditions, it is very likely the landlord won't keep the promise.

A. HELP: HAVE THE PROMISE IN WRITING

Probably, the most effective way of ensuring promises are kept, is to have them in writing. Many landlords are "accidental" landlords, nowadays. They have become landlords because they are snapping up relatively low real estate prices or cannot find sellers for their properties.

Other landlords just do not have the money to keep the promises or are afraid to spend, saving for the "rainy day".

There are some questions tenants should ask of their landlords:

- 1. Reason for Rent:** Why is the landlord renting out the property?
- 2. Length of Rent:** How long has the property been a rental?

If any answers to these questions reflect on recession such as the landlord need for extra money or the landlord cannot find a seller in this market, be extremely cautious.

2. HELP: USUALLY WHAT YOU SEE IS WHAT YOU GET

Mostly, landlords make some oral pronouncements and you might not have the leverage to ask for a written obligation. This means what you see is usually what you get, especially in places where people cannot afford to buy and eventually have to rent.

Often, even smaller repairs or renovations are not made, unless you can have them in writing. Even if you have such promises in writing, probably enforcing them will cost you invaluable time, effort and probably psychological comfort.

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