

Starting January 1, 2020

## RENT CAP & JUST CAUSE FOR ALL CA TENANTS!



Beginning January 1, 2020, CA tenants have new protections:

- Annual Rent Cap (5% + Consumer Price Index) & Just Cause Protections
- Rent Cap effective on 1/1/20 with a rent rollback to March 15, 2019
- **KEEP ALL NOTICES & RECEIPTS OF RENT INCREASES!**
- Just Cause requires at least 12 months of tenancy *(Just Cause on the other side!)*
- If your unit is covered by a local rent stabilization ordinance, these rules may not apply.

# RENT CAP

## HOW IT WORKS

- Rent increases are limited to 5% + CPI *or* 10%, whichever is lower (**8.3%** initially), in one year.
- Rent cannot be raised more than 2 times in one year. Total increase over 12 months can't exceed the Annual Rent Cap.

## RENT ROLLBACK





### YOUR RENT MAY GO DOWN ON 1/1/20

- If your rent has increased MORE THAN 8.3% between 3/15/19 and 1/1/20:
  - Starting 1/1/20, your rent reduces to your rent on 3/15/19, plus 8.3%.
- If your rent increased LESS THAN 8.3% between 3/15/19 and 1/1/20:
  - Your rent on 1/1/20 stays the same. You can get up to 2 more increases before 3/15/20, not to exceed 8.3% above your 3/15/19 rent.

## Excluded Housing:

- Housing with a Certificate of Occupancy within the past 15 years (rolling)
- Housing with local rent control where the annual allowable increase is lower than 8.3%
- Affordable housing/housing restricted by recorded documents
- Single family homes or condos with no corporate ownership
- Owner-occupied single family homes
- Duplexes—if owner lives in the other unit
- College dorms

## GET FREE LEGAL SERVICES AT LAFLA

-  APPLY ONLINE: <http://lafla.org/help>
-  CALL US AT **800-399-4529** Monday - Friday from 9:00 a.m. to 12:00 p.m.
-  ATTEND A LAFLA CLINIC: <http://lafla.org/self-help/calendar>
-  VISIT A LAFLA OFFICE: <http://lafla.org/about-us/locations>

# JUST CAUSE

## HOW IT WORKS

- Owner needs a valid reason to evict
- Begins to apply after 12 months of tenancy
  - Or 24 months if a new tenant is added
- If the valid reason is No-Fault, the owner must pay relocation

### At-Fault Reasons for Eviction

- Nonpayment of rent
- Breach of material lease term
- Nuisance
- Waste
- Failure to execute similar new lease
- Criminal activity
- Subletting in violation of the lease
- Denying entry to landlord
- Using the unit for an unlawful purpose
- Employee, agent, or licensee's failure to vacate after termination as employee, agent, or licensee
- Failure to vacate after providing owner written notice of intent to terminate tenancy, or after making a written offer to terminate tenancy which is accepted by landlord

### No-Fault Reasons for Eviction

- Owner (or their spouse, domestic partner, children, grandchildren, parents, or grandparents) intent to occupy unit
- Withdrawal of unit from rental market (Ellis)
- Compliance with a government order, court order, or local ordinance that requires vacancy
- Intent to demolish or substantially remodel the unit

## RELOCATION

Relocation payment is equal to one month's rent. It must be paid within 15 days of the no-fault eviction notice. Note: local jurisdictions may require greater relocation amounts, so check local laws.

If a tenant receives a relocation payment but does not vacate, the owner can recover the payment in an eviction.

Instead of making a relocation payment, an owner can waive the last month's rent in writing.

### Excluded Housing:

- Housing with a Certificate of Occupancy within the past 15 years (rolling)
- Affordable housing/housing restricted by recorded documents
- Single family homes or condos with no corporate ownership
- Owner-occupied single family homes
- Duplexes—if owner lives in the other unit
- Hotels, motels, and hostels used only for short-term use
- Nonprofit hospitals, religious facilities, extended care facilities for the elderly, and adult residential facilities
- Tenants who share bathroom and kitchen facilities with the owner at the owner's primary place of residence
- K-12 or college dorms

## Notice to Tenants

If a property is subject to Just Cause protections, owners must give tenants written notice:

- If a tenancy starts or renews on or after 7/1/20
  - Notice must be an addendum to the lease OR a notice signed by tenants, who receive a copy
- If a tenancy exists prior to 7/1/20
  - Notice must be given no later than 8/1/20 OR as an addendum to the lease

Notice must be in 12 point font and in the language the lease was negotiated in

Owners must also notify tenants if they are NOT covered by Just Cause

Please read the full text of the new rules for more details:

Cal. Civ. Code § 1946.2 (Just Cause) | Cal. Civ. Code § 1947.12 (Rent Cap & Rollback)