

New Protection for Tenants in Foreclosed Properties

On May 20, 2009 the President signed into law the Protecting Tenants at Foreclosure Act which requires that new owners, who take possession of property through foreclosure, must take such possession subject to any existing Section 8 leases and Housing Assistance Payment contracts attached to that property. Simply put, this means that Section 8 Housing Choice Voucher holders have new rights regarding eviction from units that have been foreclosed upon.

The new person or corporation, who owns residential property as a result of foreclosure, must follow these rules:

- Section 8 tenants who have a lease for a fixed term, such as one year, and the lease has not yet expired, have a right to remain in the unit and cannot be evicted (except for good cause actions that apply to any lease) until the end of the lease term.
- If a tenant's lease ends in less than 90 days the new owner may not evict the tenant without giving a **minimum of 90 days notice**.
- Because the new owner wants the property vacant is not a good cause (legal reason) for terminating tenancy or evicting.

There is one exception to the rule that a tenant may not be evicted during the term of the lease: If the new owner who acquired the property at foreclosure wants to occupy the unit as his or her primary residence, that owner may provide a 90 day notice to the tenant to vacate the home even if the tenant's lease extends longer than 90 days.

If you happen to be in this situation and a new owner tells you that you must leave, offers you money to leave, or gives you a notice of eviction, you should contact the Housing Authority as soon as possible to tell us what is happening and give us a copy of any notice. Above all... please remember that you must pay your rent to the new owner the same as you would to the previous owner. Nonpayment of rent is a surefire way for you to be evicted.