California AB1482:

Tenant Protection Act of 2019

How it Affects Rental Properties

Effective January 1, 2020

This bill limits landlords in California by placing an upper limit on annual rent increases: 5% plus inflation. This bill also requires that a landlord have and state a just cause, as specified, in order to evict tenants who have occupied the premises for a year. Both the rent cap and the just cause provisions are subject to exemptions including, among others: housing built in the past 15 years, single family residences unless owned by a real estate trust or a corporation. This bill sunsets after ten years and does not preempt any local rent control or just cause ordinances.

The Senate Amendments:

- 1) Incorporate provisions requiring property owners to have a just cause to evict a tenant, as follows:
 - a) Specify that these provisions are effective after 12 months of tenancy, or up to 24 months in a circumstance where there is a change in the adult tenant;
 - **b)** Specify the specific kind of causes that are grounds for eviction, including "no-fault" and "at-fault" evictions;
 - c) Require one month's rent relocation payment or rent waiver in the case of a no-fault just cause eviction, such as owner move-in or capital improvements;
 - d) Specify that these provisions do not supersede any local just cause ordinance enacted before September 1, 2019; and,

- **e)** Specify that these provisions expire after 10 years.
- 2) Specify the units which are exempted from the rent cap and just cause provisions of this bill, including:
 - a) All single family homes not owned by a corporation or real estate investment trust;
 - **b)** All duplexes in which the owner occupies one of the units; and,
 - **c)** All units for 15 years after receiving their first certificate of occupancy.

The reader should consult with legal counsel familiar with the full text of the new law before taking action to respond to, or comply with, its many requirements.

To read the entire bill go to: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB1482

