

# SF ANTI-DISPLACEMENT COALITION KNOW YOUR RIGHTS GUIDE

## MY BUILDING IS FOR SALE

### YOUR RIGHTS DON'T CHANGE JUST BECAUSE YOUR LANDLORD DOES!

You can't be evicted, have your rent raised, or have your rental agreement changed just because your building was sold. Don't panic! This is a time when knowing your rights is important, but there are certain steps you can take to protect yourself and stay in your home. **Talk to a tenants rights counselor if your building is for sale.** Don't sign anything before talking to a counselor! Visit [SFADC.org](http://SFADC.org) for a list of tenants rights groups in San Francisco.

### WHEN A BUILDING IS SOLD. TYPICALLY ONE OF THREE THINGS HAPPENS:

1. The building is converted into condos or a form of joint ownership called "tenancy in common (TIC)" for sale as homes for buyers.
2. The landlord seeks to live in one or more of the units and may want family members to live in other units. The landlord might be able to do an owner move-in (OMI) to move into your apartment, but they must follow the legal OMI process. Many OMI evictions are fake and apartments are found vacant or re-rented to new tenants at market-rate, illegally.
3. The building continues as investment rental property (the landlord lives elsewhere). Buying a building in today's market is expensive, and new landlords may be looking for ways to increase their profits:
  - They may try to get tenants to sign new, more restrictive rental agreements or they may try to take away services to get more out of your rent money.
  - They may encourage tenants to move out by offering money to leave (a buyout offer). You do not have to accept this offer. It likely will not be a good deal for you.
  - Sometimes harassment is aimed at longer-term tenants paying affordable rents, because once a long-term tenant is out, they will be able to raise the rent to whatever they like.

### DO I HAVE TO SIGN A NEW LEASE?

Many new landlords try to force tenants to sign a new rental agreement. You do not have to sign a new agreement which is significantly different from your current agreement!! Only if your landlord offers you the same agreement which you now have could you be forced to sign it. If you had a lease when you moved in, but are now on a month-to-month agreement, it may be safer to sign another lease. Also, it may be to your advantage to sign a lease that will protect you from the no-fault evictions (such as the Ellis act evictions or OMI) during the period of the lease.

## **WHAT IS AN "ESTOPPEL AGREEMENT" OR "RENTAL QUESTIONNAIRE"? SHOULD I SIGN IT?**

When a building is for sale, the realtor often gives tenants an “estoppel agreement” or “rental questionnaire” to sign. The landlord is seeking information in this form to solidify what you do and don’t have access to and what you can and can’t do on the property. You do not have to fill out or sign this form unless your rental agreement requires you to. You might want to write your own informal letter instead, which will be less likely to be held against you if you left something out, and could allow you to document verbal agreements such as additional roommates, pets, parking, use of the backyard, etc.

If the landlord questions whether you are a “protected tenant” for purposes of owner move-in evictions (i.e., senior, disabled, or family with children), you must answer this within thirty days of the landlord’s request in order to assert your protected status later.

## **CAN THE NEW LANDLORD RAISE MY RENT?**

A new landlord cannot raise the rent above the allowable amount. Most San Francisco tenants are protected by local rent control. The exemptions are “new” housing built after 1979, subsidized housing and single-family homes. If S.F. rent control applies the rent can only be raised once a year, in a small amount tied to inflation (CPI - consumer price index). A new landlord must charge this same rent, unless they are ‘banking’ on rent increases the previous landlord did not take. Those increases must be the allowable ones for the years in question.

Even if exempt from local rent control you may be protected. If your rent is government subsidized, your rent will be based on your income and the new landlord must honor the subsidy. State rent control will apply if your home was built after 1979 but is at least 15 years old. State rent control will also protect you if you live in a single-family home if the landlord is a corporate entity. The state law limits rent increases to CPI plus 5%. The rent increase requires a written 30-day notice. If the total rent increase is more than 10%, a 60-day written notice is needed.

## **WHAT IS THE ELLIS ACT?**

If your building is for sale, you should know about the Ellis Act. This is a state law that allows landlords to go out of the rental business by evicting all the tenants and taking the building off the market. This law gets used as a loophole around rent control, by getting new tenants in a building paying market rents. It also increases the sale of a building as property sells for more without tenants in it.

Tenants facing an Ellis Act eviction have 120 days to move, unless they’re seniors or disabled, in which case they have one year. They also receive relocation money. It is possible to fight an Ellis Act eviction by drawing attention to its dishonest usage.