



### Landlords Information Sheet Updated to reflect February 1, 2021 changes

Adapted from Merced Superior Court Self Help Center. This is intended as legal informational not legal advice. Please consult with a private attorney if you need legal advice.

The passage of SB 91 has extended the COVID-19 Tenant Relief Act (AB 3088) a statewide law that imposes a temporary moratorium on certain evictions and changes the way other evictions work between March 1, 2020 and June 30, 2021.

Under this new law, as a landlord there are things that you **MUST** do depending on your specific scenario.

#### **For Unlawful Detainers based on notices to terminate the tenancy prior to March 1, 2020:**

- If the basis of the Unlawful Detainer is for a reason other than non-payment of rent, then you may be able to begin your case with the Court after 9/2/2020 if you have “just-cause”.
  - A Judgment cannot be entered until 7/1/2021 unless there is “just cause”. There are two types of ‘Just Cause’. At-fault and no-fault.
    - At-Fault Just Cause means any of the following: Material breach of lease; Nuisance; Committing waste; Refusal to renew or extend written lease; Criminal activity; Subletting in violation of lease; Tenant’s refusal to allow the owner to enter the premises; Failure to vacate at the end of lease term.
    - No-Fault Just Cause means any of the following: Occupation by owner or immediate family; Withdrawal of property from the rental market; Owner compliance with local ordinance or government agency or court order; Intent to demolish or substantially remodel the property – must be necessary to comply with habitability or health and safety codes (Civil Code 1941.1 or Health and Safety Codes 17920.3 or 19720.10); Entering into a contract for sale of the property with a buyer who intends to occupy the property (buyer cannot be real estate investment trust, a corporation, or an LLC in which at least one member is a corporation).

#### **If your tenant owes rent between March 1, 2020 and August 31, 2020 (Protected Period):**

- Before 9/30/2020, you **MUST** serve on each Tenant a notice from the State of California (state notice) that outlines the tenants’ rights and obligations.
- You may serve a 15-day Notice to Pay or Quit based on COVID-19 rental debt either with or after the state notice (but not before). Along with this notice you **MUST** also provide the tenants with an unsigned Declaration of COVID-19-Related Financial Distress.
- The tenant has 15 days to review and sign the declaration, under penalty of perjury, and return it to you.
- If your tenant is considered a high-income tenant, then you may demand proof of COVID-19-related hardship. A high-income tenant is someone who’s household income is more than 130% of the median income (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2020.pdf>) and more than \$100,000. Some examples of documents you can expect are: tax returns, W-2 forms, a letter from an employer, or documentation from a government agency.

- If the Tenant returns the declaration within 15 days, you cannot evict the tenant for failure to pay this debt.
- If the Tenant fails to return the declaration within 15 days, you can begin an unlawful detainer action after 10/5/2020. Your complaint **MUST** include allegations of serving each of the required notices, an allegation that the tenant did not timely return the declaration of financial distress or, for high income tenants, the documentation in support.

**If your tenant owes between September 1, 2020 and June 30, 2021 (Transitional Period):**

- If rent is owed as of February 1, 2021 you **MUST** serve on each Tenant a notice from the State of California (state notice) that outlines the tenants' rights and obligations. This notice has changed. Even if you served one previously, you must serve a new notice.
- You **MUST** serve a 15-day Notice to Pay or Quit based on COVID-19 rental debt. The language required in this Notice is different from the Notice required during the Protected Period. Along with this notice you **MUST** also provide the tenants with an unsigned Declaration of COVID-19-Related Financial Distress.
- The tenant has 15 days to review and sign the declaration, under penalty of perjury, and return it to you.
- If your tenant is considered a high-income tenant, then you may demand proof of COVID-19-related hardship. A high-income tenant is someone who's household income is more than 130% of the median income (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2020.pdf>) and more than \$100,000. Some examples of documents you can expect are: tax returns, W-2 forms, a letter from an employer, or documentation from a government agency.
- If the Tenant returns the declaration within 15 days, you cannot evict the tenant for failure to pay this debt if the tenant pays at least 25% of the total rent that is owed between September 1, 2020 – June 30, 2021. This amount is due on or before June 30, 2021, so it can be paid monthly or as a lump sum.
- If the Tenant returns the declaration within 15 days but fails to pay 25% of the total rent that is owed between September 1, 2020 – June 30, 2021, you can begin an unlawful detainer action after July 1, 2021.
- If the Tenant fails to return the declaration within 15 days, you can begin an unlawful detainer action. The Plaintiff's Mandatory Cover Sheet and Supplemental Allegations UD-101 **MUST** include allegations of serving each of the required notices, an allegation that the tenant did not timely return the declaration of financial distress or, for high income tenants, the documentation in support.

**For Tenants who are to be evicted for reasons other than non-payment of rent, that accrued after March 1, 2020:**

- Until July 1, 2021, you can only obtain a Judgment to evict tenants for "Just Cause" as outlined in California Civil Code §1946.2.
  - There are two types of 'Just Cause'. At-fault and no-fault.
    - At-Fault Just Cause means any of the following: Material breach of lease; Nuisance; Committing waste; Refusal to renew or extend written lease; Criminal activity; Subletting in violation of lease; Tenant's refusal to allow the owner to enter the premises; Failure to vacate at the end of lease term.
    - No-Fault Just Cause means any of the following: Occupation by owner or immediate family; Withdrawal of property from the rental market; Owner compliance with local ordinance or government agency or court order; Intent to demolish or substantially remodel the property – must be necessary to comply with habitability or health and safety codes (Civil Code 1941.1 or Health and Safety Codes 17920.3 or 19720.10); Entering into a contract for sale of the property with a buyer who intends to occupy the

property (buyer cannot be real estate investment trust, a corporation, or an LLC in which at least one member is a corporation).

### **IMPORTANT INFORMATION**

- Tenants are still responsible for the back rent that is owed. Beginning August 1, 2021, you can file in small claims court to collect the unpaid rent.
- Landlords who try to evict tenants illegally, such as changing the locks, removing personal property, or shutting off utility services, can face fines of between \$1,000 and \$2,500. You can also be liable for such fines if the Court believes an eviction for reasons other than non-payment of rent is retaliatory against a tenant who claims COVID-19-related financial distress.
- COVID-19-related financial distress means ANY of the following:
  - Loss of income caused by the COVID-19 pandemic.
  - Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
  - Increased expenses directly related to the health impact of the COVID-19 pandemic.
  - Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit a tenant's ability to earn income.
  - Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
  - Other circumstances related to the COVID-19 pandemic that have reduced a tenant's income or increased a tenant's expenses.

### **FOR ADDITIONAL HELP:**

- E-mail us at [selfhelp.information@santacruzcourt.org](mailto:selfhelp.information@santacruzcourt.org)
- Interactive tool to see what is applicable to your situation: <https://ucilaw.neotalogic.com/a/Cal-Covid-Info-App-for-Tenants-and-Landlords>
- California Department of Real Estate <https://landlordtenant.dre.ca.gov/>
- Lawyer Referral Service <https://lawyerreferralsantacruz.org/> 831-425-4755