

TENANTS: YOU DON'T HAVE TO MOVE WHEN YOUR BUILDING IS FORECLOSED. YOU ARE PROTECTED BY STATE AND FEDERAL LAWS.

A new federal law protecting tenants in foreclosed properties was signed by President Obama on May 20, 2009. The *Protecting Tenants at Foreclosure Act of 2009* adds to the protections that already exist in Massachusetts, is a temporary measure in response to the foreclosure crisis, and stays in effect until the end of 2012.

What are the rights of tenants after foreclosure?

Whoever buys your building at foreclosure sale becomes your new landlord/owner. The new owner might be a bank, an investor, or an individual who wants to move into the property. Although the new owner may want you to leave as quickly as possible, you have rights as a tenant. **Remember: You don't have to move unless a judge in an eviction case tells you that you must.**

How much notice of eviction will I get?

In buildings where the foreclosure sale was on or after May 20, 2009, all tenants, with or without a lease, get **90 days notice**. This 'notice to quit' or 'notice to vacate' must be in writing.

What if I need more time or don't want to leave at all?

If you don't leave within the 90 day period, the new owner may begin a court eviction which starts with a "summons and complaint" giving you the court date and an opportunity to file a response.

Don't be afraid to go to court. This is your opportunity to defend against eviction, raise any claims you may have for improper conduct by the new owner or for bad conditions that the new owner didn't repair. This is also your opportunity to ask for more time to move. You can ask the court for up to six months (or up to a year if you are disabled or aged 60+).

Sample forms and additional information about evictions are available at www.masslegalhelp.org. In many areas of the state, if your case was filed in a District Court, you have a right to have it transferred to Housing Court which specializes in this area of law.

What if I have a Section 8 or other subsidized tenancy?

If you have a state or federal housing subsidy like Section 8 or MRVP, your lease remains valid after foreclosure. For Section 8, the new owner must take over your lease and the contract with the housing authority. The new owner cannot evict you before your lease is up unless you violate one of the lease terms, or unless the new owner is planning to live in the unit as his or her primary residence, in which case the lease can be terminated with 90 days notice.

What if I have a private (non-subsidized) lease?

Under the new federal law, private leases that were part of a routine rental transaction with the prior owner do not automatically end at foreclosure. After foreclosure, your lease continues through the end of the lease term, unless you violate the lease, or unless the buyer at foreclosure is planning to live there as his or her primary residence, in which case the lease can be terminated with 90 days notice.

What are the responsibilities of the new owner?

The new owner has the same responsibilities as the previous owner. It does not matter if the new owner is a bank, an investor, or an individual buyer.

The new owner must tell you in writing who to call for repairs and maintenance. If repairs are needed, call or write that person or the owner. If the new owner does not make the repairs call your local code inspection department for assistance.

The new owner must provide the same utilities as your previous landlord. If the new owner stops paying for utilities and you get a shutoff notice, contact the utility company right away. If you need help, you can call the Consumer Division of the Department of Telecommunications and Energy (DTE) at 1-800-392-6066.

Should I pay rent to the new owner after foreclosure?

You should not pay rent to your old landlord, but to the new owner (unless you are withholding for bad conditions).

If you cannot find out who owns the building, or if the new owner does not ask for or accept your rent payment, keep a record showing that you tried to pay the rent. Save the rent money in a bank account or other safe place. If the owner later tries to evict you for not paying the rent, you will have the money to show at your court hearing.

You don't have to accept a "cash for keys" offer.

The new owner may offer you money to leave right away, sometimes called "cash for keys." It usually is not enough money to move. It is your choice and you don't have to take it.

Do not accept "cash for keys," unless you have another place to live and the money offered covers at least your moving costs, first month's rent, last month's rent, security deposit and other housing-related expenses. Otherwise, going to court may be a better option.

This notice was prepared on June 10, 2009 by Massachusetts Law Reform Institute. For more information go to masslegalhelp.org, then go to Housing, then to Tenants Facing Foreclosure.