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**Hayward Tenants Fights off Bank Eviction after Foreclosure:
Victory for Tenants and for City's Just Cause for Eviction Ordinance**

Tenants renting a home in Hayward, CA, successfully defended themselves against an illegal eviction lawsuit brought by HSBC Bank. The tenants prevailed in the lawsuit this week and will be able to stay in their homes indefinitely. Under Hayward's just cause for eviction law, blatantly violated by HSBC, a landlord must have a specified reason to evict a tenant, and foreclosure is not recognized as a legitimate basis for evicting a tenant.

The McHenry family has lived at their home in Hayward as tenants for the last 10 years. Despite always paying rent on time, their previous landlord failed to pay the mortgage and the house was foreclosed in July, 2009. HSBC Bank, which held the loan on the property, acquired the house through foreclosure and quickly moved to evict the McHenry's.

In October, the McHenry's were served with an eviction lawsuit, called an unlawful detainer, by HSBC's attorneys at the Endres Law Firm, a Sacramento-based law firm notorious for helping banks illegally evict tenants living from foreclosed properties. The eviction lawsuit was in direct violation of the city's just cause for eviction ordinance.

Ms. McHenry immediately called Tenants Together, California's statewide organization for renters' rights, which operates a free hotline for tenants in foreclosure situations. McHenry learned that she was protected by the Hayward Residential Rent Stabilization Ordinance.

Empowered by the information she received, McHenry contacted the Endres Law Firm to demand that it honor the city ordinance and dismiss the unlawful detainer action. The firm would not even give the courtesy of a response. As McHenry tells, "I called the Endres Law Firm repeatedly and demanded that they honor my rights under the city ordinance and dismiss the eviction, but they wouldn't even respond. Meanwhile, I was getting scary court notices that the eviction was moving forward to trial."

HSBC Bank's illegal eviction attempt came at a particularly stressful time for McHenry and her family because she is on leave from her work due to a disability. Still, McHenry found the strength to defend her rights in court. McHenry found an attorney, Sheena Wadhawan, who quickly agreed to take on her case. Wadhawan took a strong stand, demanding that the action be dismissed, and citing the Hayward law. Realizing that the McHenry's would not fold under the pressure and now had legal representation, the bank dismissed the eviction suit on the eve of trial.



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According to Gabe Treves, Tenants Together's Program Coordinator, "HSBC Bank and the Endres Law Firm knew that what they were doing was illegal, and that's why they wouldn't respond to all the inquiries. Clearly, their strategy is to prey on tenants who don't know their rights or who don't have the means or time to assert them. Despite the local law, they tried to bully the McHenry out of her home. But she asserted their rights, held her ground, and beat the bank."

Hayward is one of 15 cities in California with just cause eviction ordinances which, among other things, offer protection to tenants in foreclosure situations. However, as the incident with the McHenry's reveals, banks are all too willing to ignore these laws. As Gabe Treves explains, "cities with just cause ordinances need to take pro-active steps to educate residents living as tenants in foreclosed homes about their rights otherwise unscrupulous banks will continue to illegally evict them."

Relieved by the latest developments, McHenry commented: "Tenants are innocent victims of the foreclosure crisis. Most of us don't know that there are federal, state, and even city level laws that protect us. Fortunately, I got help and realized that I could stand up to the bank. Now my family gets to stay in our long-term home, which is all we wanted in the first place."