



March 15, 2010

By Fax & U.S. Mail

Edmund G. Brown, Jr.
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California Department of Justice
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Dear Attorney General Brown:

The undersigned organizations write to bring your attention to a pattern of illegal conduct by banks and their agents in their treatment of tenants living in foreclosed properties. We urge you to take action to address this situation.

Tenants are innocent victims in a foreclosure crisis they did nothing to create. Tenants Together estimates that at least one third of foreclosed housing units in California are rentals. The results have been devastating, with hundreds of thousands of tenants needlessly displaced, many into homelessness, and communities left with vacant homes and blight.

In May of 2009, President Obama signed into law the Protecting Tenants at Foreclosure Act of 2009 (PTFA). The PTFA provides tenants with the right to 90 days notice to vacate after foreclosure. The Act also requires new owners after foreclosure (usually banks) to allow tenants with leases which extend beyond 90 days to continue occupying the property until the end of the lease term, with the exception that such a lease can be terminated on 90 days notice if the unit is sold to a buyer who intends to make the property his or her primary residence. The Act expressly does not preempt additional local protections, which many California cities have. Specifically, in the California cities with just cause for eviction laws, tenants covered by these laws cannot be evicted based on foreclosure.

Real estate agents and lawyers working for banks routinely violate these tenant protections. Every day, tenants across the state are being illegally displaced from their homes by overzealous bank lawyers and real estate agents. These are not isolated incidents, but instead reflect a pattern of conduct occurring across California. The objectionable practices by banks, their lawyers and real estate agents include:

- Filing unlawful detainer actions to displace tenants before expiration of the 90 day notice to quit
- Filing unlawful detainer actions against tenants who have valid unexpired leases
- Evicting tenants in violation of local just cause for eviction laws

