

# Real Estate Rental Rules

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Tips and Key Points

# California Landlord & Tenant Law

- One of the most extensive laws in America
  - Cities may have even more specific/strict guidelines
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# At Federal Level, It is Against Law to Discriminate Against

1. Race
  2. Color
  3. National Origin
  4. Religion
  5. Sex
  6. Family Status
  7. Disability – Animal vs Pet
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# Animal vs. Pet

- Pet – landlord can setup any rules, fees
  - (Service) Animals:
    - Handle like wheelchair (disability)
    - Must follow municipality/local rules
    - Landlord can require notes from tenant to prove it is a service animal
    - Note can come from any licensed professional related to the matter including realtors
    - Kaiser no longer writes notes.
    - If animal becomes nuisance, serve notice – you can have service animals but just not that one
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# Rental Agreement

- More than 12 months term – Must be Written
  - Disclosures Required:
    - BBD
    - ESD or SPQ
    - TFHD
    - WHSD
    - AD
    - 그외
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# Security Deposit

- Furnished vs Unfurnished – 2 months vs 3 months
  - Interest on Security Deposit – Yes in Rent Controlled Properties in LA. 0.7% 17 & 18
  - Security Deposit Return – within 21 days after move out
  - Deduction:
    - Tenant owes rent
    - Damages beyond normal wear and tear
    - Cleaning – as it was when tenant moved in
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# Security Deposit

- Deduction \$
    - Cost of Repairing, Cleaning – Itemized Receipt
    - Useful Life – Carpet 10 Years
    - Painting – 3 Years
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# Rent Increase

- Requires – 30 day notice
  - If more than 10% Increase – Requires 60 day notice
  - Rent Control LA %?
    - 3% until June 2019
    - 4% from July 2019
    - 1% Gas, 1% Electricity. 2% if both
    - 1% per additional tenant unless minors. Handle with care
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# Rent Control Cities

- Los Angeles
  - Santa Monica
  - West Hollywood
  - Beverly Hills
  - Thousand Oaks
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# Entry to Property

- Emergency
  - Agreed Repairs
  - Showing to new tenants
  - Unit is abandoned
  - By court order
  - 24 Hour Written Notice, Between 8 to 5 weekdays
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# Termination

- Tenant at Fault:
    - Fail to pay rent
    - Violated lease agreement
    - Nuisance
    - Illegal purpose
    - Refused reasonable access
    - Refused to write written lease renewal/extension after written lease is terminated
  - Tenant Not at Fault: 30 days or 60 days notice
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# LA Rent Control

- Governed by HCIDLA (Housing & Community Investment Dev. Dept.)
  - Applies to:
    - 'Rental' properties built on or before 10/1/1978
    - Apartments
    - Condominiums – Moved in before 96: Full RSO, Moved in after 96: Eviction RSO only
    - 2 or more SFRs built on a single parcel
    - Rooms in a hotel, motel, rooming house for 30 or more consecutive days
    - Residential unit(s) attached to a commercial building
    - Mobile homes and recreational vehicles in mobile home park
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# LA Rent Control - Covers

1. Allowable Rent Increases
  2. Registration of Rental Properties/Units
    - Annually register and pay \$24.51 per unit – RSO
    - \$43.32 – SCEP
  3. Legal Reasons for Eviction
  4. Types of Eviction Requiring Tenant Relocation Payment
    - Tenant Not At Fault
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# LA Rent Control – Tenant Not at Fault

- Own or Family Member use
  - Demolish or Permanently Remove from Rental Housing – Ellis Act
    - 120 days notice
    - 365 Days if disabled or 62 older
    - 5 Years Waiting Period or rent control re-applies
  - Order to Vacate by the Government (i.e. safety)
  - Need to Pay Relocation Assistance \$
    - [Fee Schedule](#)
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# LA Rent Control – Buy Out

- Voluntary move out of a RSO unit by the tenant (Not Eviction)
  - Agreement to pay money (or other consideration)
  - Requirements to follow
  - Amount not set
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# Capital Improvements

- Splits 50/50 between Landlord and Tenant
  - Improvements have to benefit tenants, permanently (or hard to remove) attached, last 5 or more years, cannot be regular maintenance
  - Must apply with Housing Department “Capital Improvements Cost Recovery Application”
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# Trivia

- No max occupant limits per RSO
- CA – 9 people in 690 SqFt. If you want less, put it in all publications & ads “occupancy limits are xx people for this unit”. Otherwise, cannot deny.
- Attorney’s Fees Clause
  - If legal actions, prevailing party will collect attorney’s fees and costs
  - Put attorneys fees cap – limit the amount landlord is responsible if loose.

*“In any legal action brought by either party to enforce the terms of this agreement or relating to the Premises, whether based in contract or in tort, the prevailing party will be entitled to reasonable attorney’s fees (not to exceed \$\_\_\_\_\_), costs, and expenses incurred in connection with that action”.*

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