

California Rental Housing Laws: Tenant Protection Act



The Tenant Protection Act (TPA) regulates rent increases and terminations/ evictions, and applies generally to multi-family properties built more than 15 years ago.

NOTICE REQUIREMENTS

(Must include in rental agreements after July 2020):

- Landlords must give tenants written notice of being covered by TPA.
- Landlords of single-family houses or condos, with no corporate owners, must give tenants written exemption notice. If no notice, then TPA applies unless property built less than 15 years ago.

RENT CAP

(Civil Code 1947.12)

- Bay Area: Rent increases cannot exceed 6.3%. [bit.ly/CARentCap8_24]
- Other counties: Rent increases cannot exceed 7.7%. [bit.ly/CARentCap8_24]
- No more than 2 rent increases within 12 months that do not exceed the max allowed.

HOUSING EXEMPT FROM TPA:

- All housing built less than 15 years ago
- Single-family house or condo with no corporate owner
- Affordable housing (except Housing Choice Voucher tenants are covered by TPA unless another exemption applies) [bit.ly/PS_TPA]
- See more exemptions here: [bit.ly/PS_194712] [bit.ly/PS_19462]

****Note:** Local ordinances more protective than TPA may apply in:

Redwood City [bit.ly/RC_TP]; East Palo Alto [bit.ly/EPA_RS]; Menlo Park [bit.ly/MP_AB]; Mountain View [bit.ly/MV_RC]; Hayward [bit.ly/Hayward_RC]; Los Gatos [bit.ly/LG_RC]

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TERMINATIONS/EVICTIONS REQUIRE JUST CAUSE

(Civil Code 1946.2) [bit.ly/PS_19462]

- “Just Cause” protections apply only after 12 months of tenancy.
- Written notice must specify a valid reason to terminate tenancy, either “At-fault” or “No-fault.”
- At-fault just cause is violation of rental agreement (if not cured after notice).
- No-fault just cause is:
 - Withdrawal of unit from rental market.
 - Owner or family member intends to occupy unit.
 - Intent to demolish or substantially remodel unit.
 - Government order to vacate unit.
- No-Fault termination requires relocation payment to tenant equal to one month’s rent (stated in written notice).

JUST CAUSE PENALTIES FOR NON-COMPLIANCE

- Termination notice is void; and owner may be liable for actual damages, attorney’s fees; or triple damages and punitive damages if owner acted willfully, or with oppression, fraud, or malice.

RENT CAP PENALTIES FOR EXCESS RENT PAYMENTS

- Injunctive relief; and actual damages, attorney’s fees; or triple damages and punitive damages if owner acted willfully, or with oppression, fraud, or malice.

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REQUIREMENTS FOR “NO-FAULT” TENANCY TERMINATIONS

1. Owner or family member intends to occupy the unit

- For at least 12 continuous months as primary residence.
- Not applicable if a similar vacant unit exists at property, or if intended occupant already occupies a unit at property.
- Only if allowed by lease, or tenant agrees (for leases after July 2020).
- **Termination notice must include:**
 - 1) Intended occupant’s name and relationship to owner; **and**
 - 2) Notice that tenant may request proof that intended occupant is an owner or related to owner.
- Intended occupant must occupy unit within 90 days, as primary residence, for at least 12 consecutive months. If not, owner must offer the unit to the tenant at the same rent and terms in effect when vacated, and must reimburse tenant for moving expenses.

2. Intent to demolish or substantially remodel unit

- **Termination notice must include:**
 - Statement of owner’s intent to demolish or substantially remodel unit.
 - Statement that owner must offer to re-rent the unit to tenant at the same rent and terms if remodel or demolition is not commenced or completed.
 - Description of the remodel and expected duration; or expected date property will be demolished, and one of the following:
 - Copy of permits required for remodel or demolition; or
 - Copy of signed contract that details the hazardous materials abatement work to be done.
 - Notice that tenant may reoccupy unit after remodel.

UPDATES TO STATE HOUSING LAWS

- **CA Consumer Price Index – [bit.ly/3HoWCgw]**
 - The California CPI is updated on even-numbered months (mid-February, mid-April, mid-June, etc.)
- **AB2801 - Security Deposits – (Civil Code 1950.5) [bit.ly/PS_19505]**
 - Effective July 1, 2025 - landlord must take photos of unit at start of tenancy.
 - Effective April 1, 2025 - after tenant moves out, landlord must take photos before and after any repairs or cleaning to be deducted from security deposit and provide photos to the tenant along with itemized statement.
 - Tenant cannot be required to pay for professional cleaning unless reasonably necessary.
 - Maximum security deposit equal to one month's rent.
 - Exception: Landlord may collect deposit of two months' rent if:
 - Landlord owns no more than 2 rental properties with no more than 4 dwelling units.
 - Landlord is a natural person.
 - Tenant is not a military service member.
- **AB2493 - Application Screening Fees – (Civil Code 1950.6)**
 - No application screening fee if no unit is available within a reasonable period of time.
 - Application screening fees may be charged only if:
 1. Landlord returns the entire screening fee to any applicant who is not selected for tenancy; or
 2. Applications are approved in the order received based on the first applicant to meet the landlord's established screening criteria; and Applicant receives a copy of the screening criteria at the time the application is requested; and the application is actually considered.

UPDATES TO STATE HOUSING LAWS (CONT.)

- **AB 2747 - Positive Rental Payment Reporting – (Civil Code 1954.07)**
 - Exemptions: Properties with less than 16 units unless corporate landlord owns more than 1 building.
 - Tenant must be offered the option of having their positive rental payment information reported to at least one credit reporting agency.
 - Landlord may charge a fee to cover actual cost not to exceed \$10 per month.
- **SB 611 - No Fees for Check Payments; No Fees for Notices – [bit.ly/43gXMTS]**
 - Prohibits charging any fee for payment by check for rent or security deposit.
 - Prohibits charging a fee for serving, posting, or delivering a termination notice.
- **SB 1051 - Victims of Abuse or Violence – [bit.ly/44Tg0Mr]**
 - Landlord required to change locks at own expense within 24 hours of receiving documentation that tenant or household member has been a victim of abuse or violence.
 - If landlord fails to change the locks, landlord must reimburse the tenant within 21 days if tenant changes the locks.
 - For the purpose of tenant screening, landlord is prohibited from making an adverse action against a prospective tenant for having been a victim of abuse or violence.
- **Section 8 Discrimination Prohibited – (Gov. Code 12955) [bit.ly/PS_12955]**
 - Landlords required to accept Section 8 vouchers if unit qualifies.
 - Landlords must base income eligibility on the portion of rent paid by tenant.
 - Landlords must reasonably consider alternative evidence of ability to pay instead of an applicant's credit history.