

AMENDED IN ASSEMBLY APRIL 19, 2012  
AMENDED IN ASSEMBLY MARCH 29, 2012  
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2610**

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**Introduced by Assembly Member Skinner**

February 24, 2012

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An act to amend Section 2924.8 of the Civil Code, and to amend ~~Section 1161b~~ *Sections 415.46, 1161b, and 1161c* of the Code of Civil Procedure, relating to ~~foreclosures~~ *tenants*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2610, as amended, Skinner. ~~Foreclosure: tenants.~~ *Tenants: foreclosure and unlawful detainer.*

**Existing**

(1) *Existing* law requires a notice of sale to be posted before any power of sale can be exercised under the power of sale contained in any deed of trust or mortgage. Existing law, until January 1, 2013, requires a resident of property upon which a notice of sale has been posted to be provided a specified notice advising the resident that, among other things, if the person is renting the property, the new property owner may either give the tenant a new lease or rental agreement, or provide the tenant with a 60-day eviction notice, and that other laws may prohibit the eviction or provide the tenant with a longer notice before eviction. Existing law makes it an infraction to tear down the notice within 72 hours of posting. Existing law requires a state government entity to make translations of the notice available in 5 specified languages, for use by a mortgagee, trustee, beneficiary, or authorized agent, in order to satisfy the notice requirements.

This bill would revise certain portions of the notice to instead require a resident of property upon which a notice of sale has been posted to be advised that if the person is renting the property, the new property owner may either give the tenant a new lease or rental agreement, or provide the tenant with a 90-day eviction notice. The bill would require the notice to advise a tenant who has a lease that the new property owner is required to honor the lease *unless the new owner will occupy the property as a primary residence or unless the lease was signed within the last 15 days* and that the tenant may have the right to stay in the property for longer than 90 days. The bill would require the Department of Consumer Affairs to make translations of the notice available, as described above. *The bill would provide that these changes to the notice would become operative on March 1, 2013, or 60 days following posting of a dated notice incorporating those amendments on the Department of Consumer Affairs Internet Web site, whichever date is later.* The bill would extend the operation of these provisions indefinitely.

By extending the operation of provisions establishing a crime, this bill would impose a state-mandated local program.

(2) *Existing law provides, that in an unlawful detainer action, if an owner or owner's agent has obtained service of a prejudgment claim of right to possession, as specified, no occupant of the premises, whether or not that occupant is named in the judgment for possession, may object to the enforcement of the judgment, as specified.*

*This bill would provide that those provisions do not limit the right of a tenant, subtenant, or occupant to file a prejudgment claim of right of possession or to object to enforcement of a judgment for possession, regardless of whether the tenant, subtenant, or occupant was served with a prejudgment claim of right to possession, as specified, in the case of an unlawful detainer arising out of, among other circumstances, a foreclosure sale.*

**Existing**

(3) *Existing law, until January 1, 2013, requires a tenant or subtenant in possession of a rental housing unit at the time that property is sold in foreclosure to be provided 60 days' written notice to quit before the tenant or subtenant may be removed from the property, as specified.*

This bill would instead require a tenant or subtenant in possession of a rental housing unit under a month-to-month lease at the time that property is sold in foreclosure to be provided 90 days' written notice to quit before the tenant or subtenant may be removed from the property. The bill would provide tenants or subtenants holding possession under

a residential lease with the right to possession until the end of the lease term *unless the new owner will occupy the property as a primary residence or unless the lease was signed within the last 15 days. The bill would require a residential lease that is entered into 75 days or more after a notice of default against the property has been recorded to contain a notice to advise the potential tenant that the foreclosure process has begun on the property, and that the property may be sold, which will terminate the lease.* The bill would also extend the operation of these provisions indefinitely.

*(4) Existing law, until January 1, 2013, and subject to exceptions, requires that in the case of any foreclosure on a residential property, the immediate successor in interest in the property pursuant to the foreclosure shall attach a cover sheet, as specified, to any notice of termination of tenancy served on a tenant of that property within the first year after the foreclosure sale.*

*This bill would extend the operation of these provisions indefinitely.*

~~The~~

*(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 2924.8 of the Civil Code is amended to  
2 read:

3 2924.8. (a) (1) Upon posting a notice of sale pursuant to  
4 Section 2924f, a trustee or authorized agent shall also post the  
5 following notice, in the manner required for posting the notice of  
6 sale on the property to be sold, and a mortgagee, trustee,  
7 beneficiary, or authorized agent, concurrently with the mailing of  
8 the notice of sale pursuant to Section 2924b, shall send by  
9 first-class mail in an envelope addressed to the “Resident of  
10 property subject to foreclosure sale” the following notice in English  
11 and the languages described in Section 1632:

12

13 “Foreclosure

1     *Foreclosure* process has begun on this property, which may  
2 affect your right to continue to live in this property. Twenty days  
3 or more after the date of this notice, this property may be sold at  
4 foreclosure. If you are renting this property, the new property  
5 owner may either give you a new lease or rental agreement or  
6 provide you with a 90-day eviction notice. *You may have a right*  
7 *to stay in your home for longer than 90 days.* If you have a lease,  
8 the new owner must honor the lease *unless the new owner will*  
9 *occupy the property as a primary residence or unless the lease*  
10 *was signed within the last 15 days.* ~~You may have the right to stay~~  
11 ~~in your home for longer than 90 days.~~ *Also, in some cases and in*  
12 *some cities with a “just cause for eviction” law, you may not have*  
13 *to move at all.* You may wish to contact a lawyer or your local  
14 legal aid office or housing counseling agency to discuss any rights  
15 you may ~~have.~~ *have.*

16

17     (2) *The amendments to the notice in this subdivision made by*  
18 *the act that added this paragraph shall become operative on March*  
19 *1, 2013, or 60 days following posting of a dated notice*  
20 *incorporating those amendments on the Department of Consumer*  
21 *Affairs Internet Web site, whichever date is later.*

22

23     (b) It shall be an infraction to tear down the notice described in  
24 subdivision (a) within 72 hours of posting. Violators shall be  
25 subject to a fine of one hundred dollars (\$100).

26     (c) The Department of Consumer Affairs shall make available  
27 translations of the notice described in subdivision (a) which may  
28 be used by a mortgagee, trustee, beneficiary, or authorized agent  
29 to satisfy the requirements of this section.

30     (d) This section shall only apply to loans secured by residential  
31 real property, and if the billing address for the mortgage note is  
32 different than the property address.

33     *SEC. 2. Section 415.46 of the Code of Civil Procedure is*  
34 *amended to read:*

35     415.46. (a) In addition to the service of a summons and  
36 complaint in an action for unlawful detainer upon a tenant and  
37 subtenant, if any, as prescribed by this article, a prejudgment claim  
38 of right to possession may also be served on any person who  
39 appears to be or who may claim to have occupied the premises at  
40 the time of the filing of the action. Service upon occupants shall

1 be made pursuant to subdivision (c) by serving a copy of a  
2 prejudgment claim of right to possession, as specified in  
3 subdivision (f), attached to a copy of the summons and complaint  
4 at the same time service is made upon the tenant and subtenant, if  
5 any.

6 (b) Service of the prejudgment claim of right to possession in  
7 this manner shall be effected by a marshal, sheriff, or registered  
8 process server.

9 (c) (1) When serving the summons and complaint upon a tenant  
10 and subtenant, if any, the marshal, sheriff, or registered process  
11 server shall make a reasonably diligent effort to ascertain whether  
12 there are other adult occupants of the premises who are not named  
13 in the summons and complaint by inquiring of the person or  
14 persons who are being personally served, or any person of suitable  
15 age and discretion who appears to reside upon the premises,  
16 whether there are other occupants of the premises.

17 ~~If~~

18 (2) *If* the identity of such an occupant is disclosed to the officer  
19 or process server and the occupant is present at the premises, the  
20 officer or process server shall serve that occupant with a copy of  
21 the prejudgment claim of right to possession attached to a copy of  
22 the summons and complaint. If personal service cannot be made  
23 upon that occupant at that time, service may be effected by ~~(1)~~  
24 leaving a copy of a prejudgment claim of right to possession  
25 attached to a copy of the summons and complaint addressed to  
26 that occupant with a person of suitable age and discretion at the  
27 premises, ~~(2)~~ affixing the same so that it is not readily removable  
28 in a conspicuous place on the premises in a manner most likely to  
29 give actual notice to that occupant, and ~~(3)~~ sending the same  
30 addressed to that occupant by first-class mail.

31 ~~If~~

32 (3) *In* addition to the service on an identified occupant, or if no  
33 occupant is disclosed to the officer or process server, or if  
34 substituted service is made upon the tenant and subtenant, if any,  
35 the officer or process server shall serve a prejudgment claim of  
36 right to possession for all other persons who may claim to occupy  
37 the premises at the time of the filing of the action by ~~(1)~~ leaving  
38 a copy of a prejudgment claim of right to possession attached to  
39 a copy of the summons and complaint at the premises at the same  
40 time service is made upon the tenant and subtenant, if any, ~~(2)~~

1 affixing the same so that it is not readily removable in a  
2 conspicuous place on the premises so that it is likely to give actual  
3 notice to an occupant, and ~~(3)~~ sending the same addressed to “all  
4 occupants in care of the named tenant” to the premises by first-class  
5 mail.

6 ~~The~~

7 (4) *The* person serving process shall state the date of service on  
8 the prejudgment claim of right to possession form. However, the  
9 absence of the date of service on the prejudgment claim of right  
10 to possession does not invalidate the claim.

11 (d) Proof of service under this section shall be filed with the  
12 court and shall include a statement that service was made pursuant  
13 to this section. Service on occupants in accordance with this section  
14 shall not alter or affect service upon the tenant or subtenant, if any.

15 (e) (1) If an owner or his or her agent has directed and obtained  
16 service of a prejudgment claim of right to possession in accordance  
17 with this section, no occupant of the premises, whether or not ~~such~~  
18 *that* occupant is named in the judgment for possession, may object  
19 to the enforcement of that judgment as prescribed in Section  
20 1174.3.

21 (2) *Paragraph (1) shall not limit the right of any tenant,*  
22 *subtenant, or occupant of the property to file a prejudgment claim*  
23 *of right of possession pursuant to Section 1174.25 at any time*  
24 *before judgment, or to object to enforcement of a judgment for*  
25 *possession as prescribed in Section 1174.3, whether or not the*  
26 *tenant, subtenant, or occupant was served with a prejudgment*  
27 *claim of right to possession, when the judgment for possession*  
28 *arises from an action for unlawful detainer pursuant to Section*  
29 *1161a.*

30 (f) The prejudgment claim of right to possession shall be made  
31 on the following form:



I DECLARE THE FOLLOWING UNDER PENALTY OF PERJURY:

1. My name is (specify):
2. I reside at (street address, unit no., city and ZIP code):
3. The address of “the premises” subject to this claim is (address):
4. On (insert date): , the landlord or the landlord’s authorized agent filed a complaint to recover possession of the premises. (This date is in the accompanying Summons and Complaint.)
5. I occupied the premises on the date the complaint was filed (the date in item 4). I have continued to occupy the premises ever since.
6. I was at least 18 years of age on the date the complaint was filed (the date in item 4).
7. I claim a right to possession of the premises because I occupied the premises on the date the complaint was filed (the date in item 4).
8. I was not named in the Summons and Complaint.
9. I understand that if I make this claim of possession, I will be added as a defendant to the unlawful detainer (eviction) action.
10. (Filing fee) I understand that I must go to the court and pay a filing fee of \$ \_\_\_\_\_ or file with the court “Application for Waiver of Court Fees and Costs.” I understand that if I don’t pay the filing fee or file the form for waiver of court fees within 10 days from the date of service on the form (excluding court holidays), I will not be entitled to make a claim of right to possession. I also understand that I will have 5 days (excluding court holidays) to file a response to the Summons and Complaint after I file this claim of possession.

NOTICE: If you fail to file this claim, you will be evicted without further hearing.



NOTICE TO OCCUPANTS

YOU MUST ACT AT ONCE IF ALL THE FOLLOWING ARE TRUE:

- (1) You are not named in the accompanying Summons and Complaint.
- (2) You occupied the premises on or before the date the unlawful detainer (eviction) complaint was filed.
- (3) You still occupy the premises.

You can complete and SUBMIT THIS CLAIM FORM within 10 days from the date of service (on the form) at the court where the unlawful detainer (eviction) complaint was filed.

If you do not complete and submit this form (and pay a filing fee or file the form for proceeding in forma pauperis if you cannot pay the fee), YOU WILL BE EVICTED.

After this form is properly filed, you will be added as a defendant in the unlawful detainer (eviction) action and your right to occupy the premises will be decided by the court. If you do not file this claim, you will be evicted without a hearing.

1     ~~SEC. 2.~~

2     SEC. 3. Section 1161b of the Code of Civil Procedure is  
3 amended to read:

4     1161b. (a) Notwithstanding Section 1161a, a tenant or  
5 subtenant in possession of a rental housing unit under a  
6 month-to-month lease at the time the property is sold in foreclosure  
7 shall be given 90 days' written notice to quit pursuant to Section  
8 1162 before the tenant or subtenant may be removed from the  
9 property as prescribed in this chapter. ~~Tenants~~

10     (b) (1) *Tenants* or subtenants holding possession under a  
11 residential lease of a rental housing unit at the time that the  
12 property is sold at foreclosure shall have the right to possession  
13 until the end of the lease term.

14     (2) *Paragraph (1) shall not apply if a new owner will occupy*  
15 *the unit as a primary residence or if the lease was entered into*  
16 *within 15 days prior to the posting of the notice of sale pursuant*  
17 *to Section 2924f, provided however, that in either case the new*  
18 *owner shall provide the notice described in subdivision (a).*

19     (3) *Every residential lease entered into 75 days or more after*  
20 *the recording of a notice of default for the property shall include*  
21 *the following notice in English and the languages described in*  
22 *Section 1632:*

23  
24     *Foreclosure proceedings have begun on this property, which*  
25 *may affect your right to continue to live in this property if you sign*  
26 *this lease. This property may be sold at a foreclosure sale in as*  
27 *soon as 20 days, which will terminate this lease. If you rent this*  
28 *property, the new owner may evict you after a 90-day eviction*  
29 *notice. In some cities with a "just cause for eviction" law, you*  
30 *may not have to move.*

31  
32     ~~(b)~~

33     (d) This section shall not apply if any party to the note remains  
34 in the property as a tenant, subtenant, or occupant.

35     (e) *This section shall not preempt any local ordinance and is*  
36 *in addition to any other rights and remedies available to tenants*  
37 *and owners as provided by federal, state, and local law.*

38     SEC. 4. Section 1161c of the Code of Civil Procedure is  
39 amended to read:

1 1161c. (a) In the case of any foreclosure on a residential  
2 property, the immediate successor in interest in the property  
3 pursuant to the foreclosure shall attach a cover sheet, in the form  
4 as set forth in subdivision (b), to any notice of termination of  
5 tenancy served on a tenant of that property within the first year  
6 after the foreclosure sale. This notice shall not be required if any  
7 of the following apply:

8 (1) The tenancy is terminated pursuant to Section 1161.  
9 (2) The successor in interest and the tenant have executed a  
10 written rental agreement or lease or a written acknowledgment of  
11 a preexisting rental agreement or lease.

12 (3) The tenant receiving the notice was not a tenant at the time  
13 of the foreclosure.

14 (b) The cover sheet shall consist of the following notice, in at  
15 least 12-point type:

16

17 Notice to Any Renters Living At  
18 [street address of the unit]

19 The attached notice means that your home was recently sold in  
20 foreclosure and the new owner plans to evict you.

21 You should talk to a lawyer NOW to see what your rights are.  
22 You may receive court papers in a few days. If your name is on  
23 the papers it may hurt your credit if you do not respond and simply  
24 move out.

25 Also, if you do not respond within five days of receiving the  
26 papers, even if you are not named in the papers, you will likely  
27 lose any rights you may have. In some cases, you can respond  
28 without hurting your credit. You should ask a lawyer about it.

29 You may have the right to stay in your home for 90 days or  
30 longer, regardless of any deadlines stated on any attached papers.  
31 In some cases and in some cities with a “just cause for eviction  
32 law,” you may not have to move at all. But you must take the  
33 proper legal steps in order to protect your rights.

34 How to Get Legal Help

35 If you cannot afford an attorney, you may be eligible for free  
36 legal services from a nonprofit legal services program. You can  
37 locate these nonprofit groups at the California Legal Services Web  
38 site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online  
39 Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting  
40 your local court or county bar association.

1  
2 (c) If the notice to quit specifies an effective date of at least 90  
3 days after the notice is served, without qualification, no cover sheet  
4 shall be required, provided that the notice incorporates the text of  
5 the cover sheet, as set forth in subdivision (b) in at least 10-point  
6 type. The incorporated text shall omit the caption and the first  
7 paragraph of the cover sheet and the fourth paragraph of the cover  
8 sheet shall be replaced by the following language:  
9

10 You may have the right to stay in your home for longer than 90  
11 days. If you have a lease that ends more than 90 days from now,  
12 the new owner must honor the lease under many circumstances.  
13 Also, in some cases and in some cities with a “just cause for  
14 eviction law,” you may not have to move at all. But you must take  
15 the proper legal steps in order to protect your rights.

16  
17 ~~(d) This section shall remain in effect only until January 1, 2013,~~  
18 ~~and as of that date is repealed, unless a later enacted statute, that~~  
19 ~~is enacted before January 1, 2013, deletes or extends that date.~~

20 ~~SEC. 3:~~

21 *SEC. 5.* No reimbursement is required by this act pursuant to  
22 Section 6 of Article XIII B of the California Constitution because  
23 the only costs that may be incurred by a local agency or school  
24 district will be incurred because this act creates a new crime or  
25 infraction, eliminates a crime or infraction, or changes the penalty  
26 for a crime or infraction, within the meaning of Section 17556 of  
27 the Government Code, or changes the definition of a crime within  
28 the meaning of Section 6 of Article XIII B of the California  
29 Constitution.