

What You Need to Know About Foreclosure



Renters Have Rights When Their Landlord is Facing Foreclosure



The Capital Area Foreclosure Network (CAFN) is a partnership of the Metropolitan Washington Council of Governments and The Nonprofit Roundtable of Greater Washington. A special thanks to the Baltimore Homeownership Preservation Coalition for their assistance. CAFN enjoys support from Fannie Mae and Freddie Mac.



Printing was made possible by The Federal Reserve Bank of Richmond.

If you live in Washington D.C., what you need to know when your landlord is facing foreclosure

If your landlord has not paid the mortgage and the bank wants to foreclose on the property, you have the right to stay as a tenant. Here is some information to help you figure out what is going on, what you can do, and where to find referrals for legal advice and other assistance.

Q: How will I know if my landlord is in trouble?

A: Open all mail addressed to “occupant,” “current resident,” or “tenant,” especially if it is from a law firm, bank, or finance company. Be aware of any additional notices. In D.C., a bank is not required to notify tenants of a foreclosure, but if you get documents you should contact a tenant advocate to help you figure out if you need to change who you pay rent to.

Q: What about my rent payments?

A: You must pay your old landlord until the new owner takes title to the property. Once there is a new owner (usually a bank), the new owner has the right to receive your rent payments. If you find out that your property has been foreclosed, you should ask the new owner where you can send your rent payments.

Q: What should I do to protect myself?

A: First, get legal advice. (See back cover for a list of referrals.) Sometimes, the new owner will send a real estate agent to the property to talk to tenants. This agent may give you false or misleading information about your rights. Protect yourself by learning about your rights.

Second, make sure the new owner knows that you are renting the property. The notices

you receive by mail should have contact information. Let the new owner know you are a tenant living in the property and that you want to stay. Ask the new owner who you should contact about repairs and where you should send your rent payments. Keep copies of all of the letters that you send to the new owner.

Q: What happens to my security deposit?

A: If you live in a multi-family building and the security deposit was being handled by a management company, the management company is responsible for holding your security deposit, and must return it to you minus any deductions for unpaid rent or damages beyond normal wear and tear. If there is no management company, the new owner is not responsible for your security deposit.

Get legal advice. You may need to go to small claims court to sue your old landlord for your security deposit.

Q: Do I have the right to stay in the property after a foreclosure?

A: Yes, you have the same rights as any other tenant.

Tenants’ rights are protected after foreclosure under D.C. law. Tenants have the right to remain in the property after foreclosure. Just like any other tenant, the new owner can give you a notice terminating your tenancy for a limited number of reasons:

a) If the buyer wants to live in the property, then the tenant must be given a 90-day notice.

b) If a tenant has violated the lease terms, for instance by not paying rent, then the tenant usually must be given a 30-day notice to cure or quit;

c) If the new owner wants to make substantial renovations that cannot be made while the tenant is living on the property, a 120-day notice is required to the tenant. The tenant has right to re-rent after renovations are completed;

d) If the new owner wants to replace the property with new construction (non-rental) or demolish the property, then the tenant must receive a 180-day notice.

Q: Can I still be evicted?

A: To evict a tenant, the new owner must take the tenant to court and prove that the tenant has been given a proper notice and that the landlord has a proper reason to end the tenancy. For example, if the new owner says that the tenant has not paid the rent, then the owner will have to prove that to a judge or jury. You may have defenses against the owner's lawsuit. It is very important to talk to an attorney about your rights. (See back cover for a list of referrals.)

Q: How will I know that my landlord is trying to evict me?

A: You should receive a notice. After the notice expires, you should receive a summons telling you to come to court. Sometimes the new owner will file a lawsuit in Landlord Tenant Court against the old landlord. If you receive court papers at the property with the old landlord's name, it is very important that you go to court. You could be evicted for no reason if you do not appear in court, even if the court papers are in the name of the old landlord.

Q: What happens if I have a voucher with the D.C. Housing Authority?

A: The new owner must accept payments from the D.C. Housing Authority. You should tell the Housing Authority that the property has been foreclosed. The Housing Authority will contact the new owner, so that they can get signed up with the Housing Authority to receive payments. If you decide that you want to move, you can request a transfer voucher from the Housing Authority. However, you do not have to move – it is your choice.

Q: If I have other questions, who should I contact?

A: Tenant advocates can assist you in understanding your rights. Ask to speak to a tenant advocate at Housing Counseling Services at (202) 667-7006; Latino Economic Development Corporation 1-866-977-LEDC (5332); or the D.C. Office of the Tenant Advocate, (202) 719-6560 or www.ota.D.C.gov. You can also seek free legal advice from the organizations listed on the back.

Disclaimer: This brochure offers consumer information only and is not intended to provide legal advice. Every effort has been made to ensure the accuracy of this information. To understand how the law applies to your individual circumstances, you should consult an attorney.

Where to find assistance in Washington, D.C.

Bread for the City

1525 7th Street, NW
Washington, D.C. 20001
(202) 265-2400
www.breadforthecity.org

Bread for the City

1640 Good Hope Road, SE
Washington, D.C. 20020
(202) 561-8587
www.breadforthecity.org

D.C. Law Student in Court Program

Court Building B,
616 H St., NW, Suite 500
Washington, D.C. 20001
(202) 638-4798
www.dclawstudents.org

Neighborhood Legal Services Program

3101 Martin Luther King Jr. Ave., SE
3rd Floor
Washington, D.C. 20032
(202) 678-2000
www.nlsp.org

Neighborhood Legal Services Program

4645 Nannie Helen Burroughs Ave., NE
Washington, D.C. 20019
(202) 399-1346
www.nlsp.org

Legal Aid Society of the D.C.

1331 H Street NW, Suite 350
Washington, D.C. 20005
(202) 628-1161
www.legalaiddc.org

**Asian Pacific American
Legal Resource Center**

1600 K Street NW Mezzanine Level
Washington, D.C. 20006
(202) 393-3572
www.apalrc.org

**ARRP Legal Counsel for the Elderly
(age 55 and over)**

601 E Street NW, Building A, 4th Floor,
Washington, D.C. 20049
(202) 434-2120
www.aarp.org/states/dc

D.C. Bar - Pro Bono

1101 K Street NW, Suite 200
Washington, D.C. 20005
(202) 737-4700, ext. 3290
www.dcbar.org

Landlord Tenant Resource Center

Court Building B,
510 4th ST NW, Room 115
Washington, D.C. 20001
(202) 508-1710
www.dcbar.org