The Tenant Protection Act (AB 1482): Rent Caps and Just Cause Protections for California Tenants

The Basics:

- Effective 1/1/2020, the Tenant Protection Act provides an Annual Rent Cap (5% + Consumer Price Index) and Just Cause Protections for many residential tenancies.
- Just Cause Protection requires at least 12 months of tenancy.
- These laws do not apply to all housing - for example, rent-controlled housing in East Palo Alto, which has better local protection. See Excluded Housing to find out which kinds of housing are excluded from Rent Caps.

EXCLUDED HOUSING:

- New housing built within the past 15 years
- Housing with local rent control where the annual allowable increase is lower than 9%
- Government subsidized or below-market housing in which rent is set based on income level
- Single family homes or condos with no corporate ownership
- Duplexes - if the owner lives in the other unit
- College dorms
- Mobile homes and RVs in mobilehome parks that are owned by the occupant

ANNUAL RENT CAP

How does it work?

- Civil Code 1947.12 limits annual rent increases for covered tenancies to 5% + the change in the local Consumer Price Index, or 10%, whichever is lower.

For San Mateo County, the current annual rent increase limits are:

- 8.8% for increases between 4/1/21 and 3/31/22
- 10% for increases between 4/1/22 and 3/31/23

- Rent can not be increased more than twice in one year. The total of all rent increases within a 12 month period cannot exceed the Annual Rent Cap.
**JUST CAUSE**

**How does it work?**

- Landlords need a valid reason to evict under Civil Code 1946.2
- Begins to apply after 12 months of tenancy, or 24 months if a new tenant is added to the household
- If the valid reason is **No-Fault**, the owner must pay relocation

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**No-Fault Reasons for Eviction**

- Owner or family member intends to occupy the unit
- Withdrawal of unit from the rental market (Ellis Act)
- Compliance with a government, court order, or local ordinance that requires vacancy
- Intent to demolish or substantially remodel the unit, with permits

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**At-Fault Reasons for Eviction**

- Nonpayment of rent
- Breach of material lease term
- Nuisance
- Waste (damage to the property)
- Refusal to execute similar new lease
- Criminal activity
- Subletting in violation of the lease
- Denying access by landlord after proper notice of lawful entry
- Using the unit for unlawful purpose
- Employee, agent, or licensee’s failure to vacate after termination as employee, agent, or licensee
- Failure to vacate after tenant provides owner written notice of intent to terminate tenancy, or after making a written offer to terminate tenancy which is accepted by landlord

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**RELOCATION**

- Relocation payment is equal to one month’s rent.
- It must be made within 15 days of the no-fault termination notice
  - **Note:** local jurisdictions may require greater relocation amounts
- Instead of making a relocation payment, an owner can waive the last month’s rent in writing.
- If tenant receives a relocation payment but does not vacate, the owner can recover the payment in an eviction.

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**How must an owner notify tenants of their rights?**

- If the property is subject to just cause protections, the owners must give tenants written notice regarding those protections:
  - If the tenancy starts or renews on or after 7/1/20
    - Notice must be an addendum to the lease or a notice signed by tenants, who also receive a copy.
  - If the tenancy exists prior to 7/1/20
    - Notice must be given no later than 8/1/20 or as an addendum to the existing lease
- Owners must also notify tenants if they are **not covered** by just cause

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**EXCLUDED HOUSING:**

- New housing built within the past 15 years
- Government subsidized or below-market housing in which rent is set based on income level
- Single family homes or condos with no corporate ownership
- Owner-occupied single family homes with no more than two tenants (including ADUs)
- Duplexes if owner already lives in the other unit
- Short-term stay hotels, motels, and hostels
- Non-profit hospitals, religious facilities, care for the elderly, and adult residential facilities
- Tenants who share bathroom and kitchen facilities with the owner in the owner’s home
- K-12 or college dorms

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  9:00AM to 5:00PM
- Attend a clinic: https://www.legalaidsmc.org/homesavers-project