



YOUR RIGHTS WHEN YOUR RENTAL UNIT IS BEING CONVERTED TO A CONDO

State law does not directly prohibit the conversion of rental units to condominiums. Except as explained below, there is no right to financial compensation for losing the rental unit. However, the law does establish a procedure for any property owner seeking to convert.

The owner wishing to convert must file a map of the proposed conversion with the Department of Real Estate and must obtain a use permit from the local city or jurisdiction in which the property is located. The local jurisdiction may have some discretion to attach terms to the use permit approval. The local jurisdiction may also have a more restrictive conversion ordinance.

Under the state law, tenants must receive,

- ✓ Written notice by mail of the owner's intention to convert, 60 days prior to the filing of the map with the state Department of Real Estate
- ✓ Subsequent written notice within 10 days after the map has been approved by the state, and a public report has been made available
- ✓ Ten days notice of the local hearing for the conversion use permit, with an explanation of the tenants' right to appear and to speak
- ✓ At least 180 days overall notice of the intent to convert before the tenancy is terminated. Once the initial application to convert is granted, tenants whose units are being sold after the initial 180 days has passed, are not entitled to an additional 180 day notice. All normal rights of a tenant will continue to apply.
- ✓ Tenants who are age 62 or older or who are disabled must be given 365 days notice of termination of their tenancy, unless they reach a mutual agreement to the contrary.
- ✓ Existing leases must be honored until they expire even if the term is longer than 180 days, unless the tenant reaches a mutual agreement with the owner to leave sooner.
- ✓ Written notice of a 90-day right to first refusal to purchase the converted units on the same terms that will be offered in the initial offering advertised to the general public.

The owner's failure to comply with these time limits cannot be grounds for the local jurisdiction to deny the conversion, unless there is some separate reason for disapproval.

Tenants who apply to rent a unit 60 days after the tentative map is filed, must receive,

A written notice that there is a proposal to convert or that conversion has been approved. Failure to give this notice to subsequent tenants who are forced to leave because their unit has been sold, entitles them to moving expenses of up to \$500 and a payment toward the first month's relocation rent, not to exceed an additional \$500.

For assistance contact Project Sentinel (408) 720-9888