



**TENANTS
TOGETHER**

California's
Statewide Organization
for Renters' Rights

FAQ: Dealing with Realtors After Foreclosure

Who are these real estate agents and why are they bothering me?

- The owner after foreclosure, usually a bank, will often hire a real estate agent to market the property.
- These agents generally try to get all tenants out of the property as quickly as possible. Remember, their goal is to get you out.

I don't get it. Why do they want this property vacant?

- Banks and agents claim that it is easier for them to sell the property if it is vacant. It doesn't make much sense. Vacant properties attract vandals, contribute to neighborhood blight, and bring down property values. Plus the owner is giving up rental income by throwing out tenants.
- The California Association of Realtors has opposed recent legislative efforts to protect tenants after foreclosure. It may not make sense, but unfortunately, that's their position.

A real estate agent is pressuring me to move. What should I do?

- If someone is telling you to move out but doesn't serve a written notice, you don't have to do anything.
- Tell the real estate agent (or other bank representative) to put any communications about your tenancy in writing.
- To be safe, inform the bank and its representatives in writing that you are a tenant, so they don't move forward with an eviction claiming they didn't know a tenant lived at the property.

The real estate agent is lying to me about my rights. What are my options?

- Stop talking to the agent. Demand all communication in writing.
- Contact a tenant organization or legal aid to learn about your rights from a reliable source.
- File a complaint with the Department of Real Estate against any real estate agent that lies to you about your rights. The agent could lose his or her license for this.

The agent keeps talking about "cash for keys". What does this mean?

- These are agreements that banks/agents want you to sign in which you give up your rights as a tenant in exchange for money. In the typical agreement, the tenant is paid money to agree to move out sooner than required by law.
- You are under no obligation to accept these "cash for keys" offers.
- If you want to work out a deal in which you move, negotiate the terms of the agreement to your satisfaction.
- Get help before signing any agreement. There may be legal consequence and you need to know what you are getting into.

Are there any special things to keep in mind when negotiating cash for keys agreements?

- Carefully balance whether you are better off accepting a deal or staying in your home as long as possible.
- Do everything in writing and keep copies.
- Make sure that the person signing any agreement for the owner is an authorized representative for the owner.
- Get as much of the money up front as you can, and the rest when you turn over the keys.
- Consider adding a provision requiring the bank to return your deposit on the same day you turn over the keys.

I had an agreement, but now the agent won't honor it.

- Unfortunately, many tenants report that agents and banks do not comply with their end of the deal. Some tenants move out in reliance on a deal, but then are left with nothing. Tenants who are stiffed can sue, but it may take months to get the money.
- Always insist on getting some of the money up front, and the rest at the time you turn over your keys, to avoid problems.

Call Tenants Together for more information. **Our Tenant Foreclosure Hotline is 415.495.8012.** If you need legal assistance, please contact your local legal aid office.