

## **ATTENTION HOUSING CHOICE VOUCHER LANDLORDS**

### *New Law Regarding Foreclosed Homes*

On May 20, 2009 a new federal law protecting tenants' rights became law. Section 8 Housing Choice Voucher (HCV) tenants have new rights regarding eviction from units that have been foreclosed upon.

Section 703 of the Protecting Tenants at Foreclosure Act (PTFA), which is part of the Helping Families Save their Homes Act of 2009, amends the statute governing the HCV program by revising the Housing Assistance Payment (HAP) Contract to include the following additional requirements on the owner:

- In the case of an owner who is an immediate successor in interest pursuant to foreclosure during the term of the lease vacating the property prior to sale shall not constitute other good cause, except that the owner may terminate the tenancy effective on the date of the transfer of the unit to the owner if the owner:
  - a. Will occupy the unit as a primary residence; and
  - b. Has provided the tenant a notice to vacate at least 90 days before the effective date of such notice.
  
- In the case of any foreclosure on any federally-related mortgage loan (as that term is defined in section 3 of the Real Estate Settlement Procedures Act of 1974) or any residential real property in which a recipient of assistance under this subsection resides, the immediate successor in interest in such property pursuant to the foreclosure shall assume such interest subject to the lease between the prior owner and the tenant and to the HAP contract between the prior owner and the public housing agency for the occupied unit, except that this provision and the provisions related to foreclosure in subparagraph C shall not affect any State or local law that provides longer time periods or other additional protections for tenants.

These statutory provisions sunset on December 31, 2012.

For more information on the new law or to read the law in its entirety, please contact the National Low Income Housing Coalition at <http://www.nlihc.org/template/index.cfm>.