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Renters in Foreclosure

Urge Congress to:

- Cosponsor H.R. 4766, the Permanent Protecting Tenants at Foreclosure Act of 2010.

Issue Summary:

As the foreclosure crisis has taken hold, experience and research have revealed that rental properties and renters are at significant risk, with renters comprising 40% of the families affected by foreclosure. These families often have no idea that their landlord has fallen behind on mortgage payments, and have usually continued to pay their rent even as their landlord has failed to pay the mortgage. Under most state laws, these tenants were often required to move on only a few days' notice.

However, with the enactment of the Protecting Tenants at Foreclosure Act (PTFA) in May 2009, most tenants now have the right to remain in the home for the remainder of their lease, or at least 90 days. The PTFA requires the immediate successor in interest at foreclosure to provide bona fide tenants with a notice 90 days before requiring them to vacate the property, and allows tenants with leases to occupy the property until the end of the lease term.

PTFA is set to expire at the end of 2012. Representative Keith Ellison (D-MN) has introduced H.R. 4766, the Permanently Protecting Tenants at Foreclosure Act of 2010, to eliminate the sunset in the current law and extend the PTFA protections indefinitely. Representatives Maxine Waters (D-CA), Michael Capuano (D-MA), and Carolyn Maloney (D-NY) joined Mr. Ellison in introducing this bill.

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