

## **RENT CAP AND JUST CAUSE EVICTION FORM**

This is to clear up confusion regarding this form and its required use on a Lease.

### **RENT CAP**

Civil Code Section 1947.12 is a State Law and it limits rent increases. Your landlord clients should be familiar with this as it directly affects them under certain circumstances. Essentially, as the form states, that Civil Code Section limits rent increases of more than 5% plus the percentage change in the cost of living, or 10% whichever is lower. It also states that if the same Tenant remains for over any 12 month period, the gross rental rate shall not be increased in more than 2 increments over that 12 month period. This pertains to Tenants that continue in possession since if there is no prior tenant remaining on the property and it is a new tenancy the Owner may establish a new rent rate not subject to the limitations until there is a need or desire to make subsequent increases.

### **JUST CAUSE EVICTIONS**

Just Cause Eviction requirements relate to the need by the Landlord to provide a Just Cause reason for Eviction. The form details in Items V1 A. To J. What is just cause. Item V2 A. To D. Details No-Fault reasons to Evict. Item V3 A. And B. detail what must be contained in a Just Cause Notice.

### **TAKE NOTICE**

**NONE OF THIS CHANGES ANY LOCAL RENT CAPS OR JUST CAUSE EVICTION CONTROLS THAT MAY EXIST IN LOCAL RENT ORDINANCES. A LANDLORD CLIENT SHOULD BE ENCOURAGED TO GET ADVICE FROM A LANDLORD TENANT LAWYER FAMILIAR WITH THESE VARIOUS STATE AND LOCAL LANDLORD TENANT RULES.**

### **EXEMPTIONS**

Section II of the form relates to Exemptions to the Rent Cap and Just Cause Eviction requirements. This Section contains a box to check if the Landlord is Exempt. Since this form comes up with the Lease and is submitted to the Landlord with the Lease, the only thing that the Landlord must do is determine if the property being leased is exempt. This is tricky and it is not for you as an agent to determine. It must be determined by the Landlord Owner.

Some of this is pretty clear. For instance, if the rental has been issued a Certificate of Occupancy in the previous 15 years, it is exempt. If the property has 2 separate dwelling units within a single structure in which one of the units is occupied by the owner, it is exempt. Note, however, this exemption does **not** apply to ADUs. If the

property is a Single Family Residential property (including condo units and units in a planned development) that is alienable (saleable) separate from title to any other dwelling, the box should be checked and delivered to the Tenant at the time the Lease is executed.

There are some other exemptions in Section III which only apply to the Just Cause Eviction requirements. Those are Items III 1 and 2. This is easy to understand. If the house is one where the tenant shares a bath or kitchen facilities with the owner and the owner uses the house as his or her or their primary residence, the Just Cause does not apply. If the Single Family owner occupied residence, and the owner occupant rents no more than 2 units or bedrooms, including an ADU, the Just Cause Eviction provisions do not apply. For this Section, however, there is no box to check.

**REMEMBER. IF IN DOUBT, ASK.**