

Fact Sheet:

Just Cause Eviction and Rent Increase Protections

Updated 3/7/19

The Oregon Legislature passed new laws to protect more renters from no-cause evictions and large rent increases. As of February 28, 2019, these laws are in effect.

SB 608 does two important things:

- 1. **Limits no-cause evictions.** Tenants who have been in their current home for a year or more can no longer be evicted without a reason. IMPORTANT: There are a few exceptions to the limit on no-cause evictions discussed below.
- 2. Limits how much landlords can increase the rent each year. The new laws limit rent increases to 7% plus the average amount of inflation over the past twelve months, as published in the prior September. For 2019, the applicable rate of inflation is 3.3%. That means your landlord cannot raise your rent more than 10.3% (7% + 3.3%) in 2019. IMPORTANT: The rent increase limit only applies to buildings that are 15 years old or older.

What the new laws mean for EVICTIONS:

Does the law ban no-cause evictions?

Yes, with two important exceptions. Under the new laws, the only times a landlord can now end your tenancy with a no-cause notice is:

- 1. During the first year that you have lived in the home; or
- 2. If the landlord lives on the property and the property has only 2 units (for example, a duplex or a house with an ADU where the landlord lives in one of the units). If this exception applies to you, then your landlord can use a no-cause notice no matter how long you have lived there and the below information about evictions does not apply to you. Your landlord is still able to give you a 30 day no-cause notice if you have lived there less than a year or a 60 day no-cause notice if you have lived there a year or longer.
 - * *Note*: Tenants who live in Portland, Milwaukie or Bend may be entitled to 90-day notice and, in Portland, relocation assistance. Tenants should consult with a lawyer or contact the City's Housing Bureau (Portland (503) 823-1303; Milwaukie (503) 786-7555; Bend (541) 388-5505).

After the first year of occupancy, how can a landlord terminate a tenancy?

After the first year, your landlord can only end your tenancy if:

- 1. You violated the lease and the landlord gives you a "for-cause" notice; or
- 2. For one of the four specific "landlord-based" reasons listed below.

After the first year of occupancy, when can a landlord evict a tenant when the tenant is not at fault?

If you have lived in your home for year or more, your landlord may end your tenancy for one of these four "landlord-based" reasons:

- 1. The landlord intends to either demolish the unit or use the unit for something other than a residence;
- 2. The landlord intends to make repairs or renovations to the unit, and property will be unsafe to live in;
- 3. The landlord or landlord's immediate family member plans to move in; or
- 4. The landlord has sold the unit to someone who plans to move in.

There are no other "landlord-based" reasons allowed under the new laws than the above four.

How much notice must tenants get for the above four "landlord-based" reasons?

Your landlord must give you 90-days' notice for any of the above four "landlord-based" reasons.

Is there any relocation assistance?

Yes. If your landlord uses any of the above four "landlord-based" reasons to evict you, your landlord must pay you one month rent as relocation assistance. (EXCEPTION: Landlords who have an ownership interest in four or fewer units do not have to pay relocation. However, they still have to give the 90-day notice.)

**Note*: Tenants who live in the City of Portland should consult with a lawyer or contact the Portland Housing Bureau's Rental Services Office at (503) 823-1303 because they may qualify for additional relocation assistance under the Mandatory Renter Relocation Assistance Ordinance.

What happens if a tenant violates the lease?

The new laws does not change how your landlord can end your tenancy if you violate the rental agreement (aka "for-cause evictions"). If you miss a rent payment or violate the lease, you can still be evicted with a "for-cause" notice.

What protections exist for tenants living in their home for less than one year?

Your landlord can still give you a no-cause notice if you have lived in your home for less than a year. The landlord may end the tenancy (or refuse to renew a fixed-term lease) with a 30-day notice. There is no relocation assistance with these notices under the state law.

* *Note*: Tenants who live in the City of Portland should consult with a lawyer or contact the Portland Housing Bureau's Rental Services Office at (503) 823-1303 because they may qualify for additional relocation assistance under the Mandatory Renter Relocation Assistance Ordinance.

After the first year, does it matter if a tenant has a fixed-term lease instead of a month-to-month lease?

Yes. Under a fixed-term tenancy, if the tenant violated the lease three times during the past 12 months, the landlord can refuse to renew the lease if the tenant has lived there longer than a year and if the landlord gave the tenant a written warning following each of the three violations. Each warning must:

- 1. Explain the lease violation; and
- 2. Tell the tenant that the landlord may terminate the tenancy at the end of the lease if there are three violations within 12 months of the lease ending.

If the landlord uses this type of termination, the landlord must give the tenant a 90-day notice of the termination, and no relocation assistance is required. This type of termination notice may not be used if the tenant has a month-to-month lease.

What does the new laws mean for RENT INCREASES:

How frequently and by how much can a landlord raise the rent?

A landlord may not increase the rent during the first year of tenancy. After the first year, landlords may not increase the rent above 7% plus the average amount of inflation over the past twelve months, as published in the prior September. The current limit on rent increases in a year is 10.3%. (See Office of Economic Analysis Maximum Allowable Rent Increase: <u>https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx</u>) Landlords must give the tenant 90-day notice of any rent increase.

The information contained in this flyer is intended to provide a basic overview of described changes to the law, but is not legal advice. Individuals with a specific legal question should consult an attorney.

Which tenants are protected?

All tenants living in buildings at least 15 years old or in mobile home parks (including tenants who own their home and rent a space in a park) are protected by the 10.3% limit. Renters living in subsidized affordable housing are not covered by the limits on rent increases, but they have other protections that limit their rent amount.

ENFORCEMENT of the new laws:

When do the new laws take effect?

These laws are in effect now. For month-to-month tenancies, all termination notices must follow the new law, except for termination notices that require a tenant to move out before March 30, 2019. If your notice requires you move out before March 30, 2019, the old no-cause laws still apply. For fixed-term tenancies, only new leases or new renewals need to follow the new law. Fixed-term tenancies entered into before February 28, 2019, no matter when they expire, do not need to comply with the new law until after they are renewed. This means that your landlord can chose to not renew the fixed-term lease you were in on February 28, 2019 for no cause regardless of how long you have lived there.

All rent increase notices issued on or after February 28, 2019 must follow with the new rent increase law. Rent increases notices that were issued before February 28, 2019 (even if they go into effect after February 28, 2019) do not need to follow the new rent increase law.

What should tenants do if they think their landlord has violated these new laws?

Tenants who have received a rent increase notice that is higher than the increase limit or tenants who receive a termination notice that they believe is in violation of the new laws should first contact their landlord (sample letter attached). If the landlord refuses to withdraw the notice, tenants should contact an attorney before taking any action to withhold rent or making a decision whether or not to move.

If a tenant brings legal claims in court and wins against the landlord for violating the new laws, the landlord will have to pay the tenant money damages. Generally, a legal claim for violation of either the just cause or the rent increase laws must be filed within one year of the violation. This time period can be extended in certain circumstances. If the court finds that the new law was violated, tenants may be awarded 3x the monthly rent plus actual damages from the landlord.

If a landlord files an eviction court case against a tenant using a termination notice that does not follow the new laws, the tenant has a defense that could allow the tenant to win and stay in their housing.

Landlord-Tenant Information and Resources

Renters Rights Hotline Community Alliance of Tenants (503) 288-0130	Legal assistance for low-income Oregonians https://oregonlawhelp.org//resourc e/oregon-legal-aid-offices	Oregon State Bar lawyer referral service (503) 684-3763
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Letter to Landlords Regarding Passage of 2019 Senate Bill 608

DATE: _____

Dear Landlord:

You may not know that Oregon passed a law that went into effect on February 28, 2019, that makes it unlawful for most landlords to use a no-cause notice to evict tenants after the first year of occupancy. The law also makes it unlawful, in most circumstances, to raise the rent by more than 7% over inflation in a 12-month period. Certain exceptions apply.

The new law applies to fixed-term leases entered into or renewed on or after February 28th, 2019, and to no-cause termination notices with termination dates after March 30th, 2019. The law applies to rent increase notices delivered on or after February 28th, 2019.

I believe that your recent eviction notice or rent increase notice violates this law. Therefore, I hereby request that you withdraw the notice, and confirm in writing that the notice has been withdrawn within 10 days of the date of this letter.

You may wish to consult these websites for more information: (Information for Landlords) Oregon Rental Housing Association: https://www.oregonrentalhousing.com/

Senate Bill 608:

https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB608/Enrolled

Summary of Senate Bill 608:

https://olis.leg.state.or.us/liz/2019R1/Downloads/CommitteeMeetingDocument/160089

Office of Economic Analysis Maximum Allowable Rent Increase:

https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx

Thank you.

Address: _____