As Introduced

129th General Assembly Regular Session 2011-2012

H. B. No. 181

Representatives Celeste, Foley

Cosponsors: Representatives Antonio, Ashford, Driehaus, Garland, Hagan, R., Letson, Murray, Okey, Phillips, Pillich, Ramos, Weddington, Williams, Yuko

A BILL

| То | amend section 5321.04 and to enact section 5321.20 | 1 |
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| | of the Revised Code to require that notice of | 2 |
| | foreclosure and related sale of residential rental | 3 |
| | property be given to tenants at that property and | 4 |
| | to specify that a rental agreement for a | 5 |
| | residential property that is sold pursuant to a | 6 |
| | foreclosure action converts to a month-to-month | 7 |
| | rental agreement. | 8 |

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

| Section 1. That section 5321.04 be amended and section | 9 |
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| 5321.20 of the Revised Code be enacted to read as follows: | 10 |
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| Sec. 5321.04. (A) A landlord who is a party to a rental | 11 |
| agreement shall do all of the following: | 12 |
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| (1) Comply with the requirements of all applicable building, | 13 |
| housing, health, and safety codes that materially affect health | 14 |
| and safety; | 15 |
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| (2) Make all repairs and do whatever is reasonably necessary | 16 |

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to put and keep the premises in a fit and habitable condition; 17 (3) Keep all common areas of the premises in a safe and 18 sanitary condition; 19

(4) Maintain in good and safe working order and condition all 20 electrical, plumbing, sanitary, heating, ventilating, and air 21 conditioning fixtures and appliances, and elevators, supplied or 22 required to be supplied by him the landlord; 23

(5) When he the landlord is a party to any rental agreements 24 that cover four or more dwelling units in the same structure, 25 provide and maintain appropriate receptacles for the removal of 26 ashes, garbage, rubbish, and other waste incidental to the 27 occupancy of a dwelling unit, and arrange for their removal; 28

(6) Supply running water, reasonable amounts of hot water, and reasonable heat at all times, except where the building that 30 includes the dwelling unit is not required by law to be equipped 31 for that purpose, or the dwelling unit is so constructed that heat 32 or hot water is generated by an installation within the exclusive control of the tenant and supplied by a direct public utility 34 connection; 35

(7) Not abuse the right of access conferred by division (B) of section 5321.05 of the Revised Code;

(8) Except in the case of emergency or if it is impracticable to do so, give the tenant reasonable notice of his the landlord's intent to enter and enter only at reasonable times. Twenty-four hours is presumed to be a reasonable notice in the absence of evidence to the contrary.

(9) Promptly commence an action under Chapter 1923. of the 43 Revised Code, after complying with division (C) of section 5321.17 44 of the Revised Code, to remove a tenant from particular 45 residential premises, if the tenant fails to vacate the premises 46 within three days after the giving of the notice required by that 47 division and if the landlord has actual knowledge of or has 48 reasonable cause to believe that the tenant, any person in the 49 tenant's household, or any person on the premises with the consent 50 of the tenant previously has or presently is engaged in a 51 violation as described in division (A)(6)(a)(i) of section 1923.02 52 of the Revised Code, whether or not the tenant or other person has 53 been charged with, has pleaded guilty to or been convicted of, or 54 has been determined to be a delinquent child for an act that, if 55 committed by an adult, would be a violation as described in that 56 division. Such actual knowledge or reasonable cause to believe 57 shall be determined in accordance with that division. 58

(10) Include a provision in any written rental agreement that59informs the tenant of the landlord's obligations under section605321.20 of the Revised Code. The provision should substantially61conform to the following:62

"The landlord must notify you within sixty days after a 63 foreclosure action is filed that the property you reside in may be 64 sold at auction pursuant to that action. The landlord must also 65 notify you of the date, time, and place of the sale at least 66 twenty-one days before the date of the sale at auction. If the 67 property is sold at auction, the new owner will become your 68 landlord, the rental agreement will convert to a month-to-month 69 rental agreement, and the previous owner is required to remit to 70 the new owner any security deposits that you have paid." 71

(B) If the landlord makes an entry in violation of division 72 (A)(8) of this section, makes a lawful entry in an unreasonable 73 manner, or makes repeated demands for entry otherwise lawful that 74 have the effect of harassing the tenant, the tenant may recover 75 actual damages resulting from the entry or demands, obtain 76 injunctive relief to prevent the recurrence of the conduct, and 77 obtain a judgment for reasonable attorney's fees, or may terminate 78 79 the rental agreement.

| Sec. 5321.20. (A) Any rental agreement for a residential | 80 |
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| property that has been sold pursuant to a court order under a | 81 |
| foreclosure action shall convert to a month-to-month rental | 82 |
| agreement when the court has confirmed the sale pursuant to | 83 |
| section 2329.31 of the Revised Code. Upon confirmation, the | 84 |
| successor in interest to the property shall assume interest in the | 85 |
| rental agreement and shall be the landlord under the rental | 86 |
| agreement. | 87 |
| (B)(1) Any landlord of a residential property that has been | 88 |
| notified by a court that the property is the subject of a | 89 |
| foreclosure action shall provide each tenant at that property with | 90 |
| written notice of the foreclosure action. The notice shall include | 91 |
| a statement in substantially the following form and printed in | 92 |
| <u>fourteen-point, times new roman font:</u> | 93 |
| "This property is undergoing foreclosure. For more | 94 |
| information on this action, you should contact the(your | 95 |
| county) Clerk of Courts for the Court of Common Pleas, | 96 |
| (address), at(phone number). | 97 |
| <u>A sale at auction may or may not occur as a result of this</u> | 98 |
| foreclosure. Currently, [the sale of this property has been set | 99 |
| for(time, date, and place)] or [no date for sale of | 100 |
| this property has been established]. You will receive written | 101 |
| notice of the sale at least twenty-one days before it takes place. | 102 |
| | 103 |
| If there is a sale of this property at auction, your current | 104 |
| rental agreement will convert to a month-to-month rental agreement | 105 |
| upon the sale of the property. | 106 |
| Note: With a month-to-month rental agreement, either the | 107 |
| tenant or the landlord may terminate the agreement by providing | 108 |
| written notice of termination to the other at least thirty days | 109 |
| prior to a date on which the rent payment normally is due. The | 110 |

| rental agreement then terminates on that date." | 111 |
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| (2) If the rental agreement is entered into before the | 112 |
| foreclosure action is initiated, the landlord shall provide the | 113 |
| written notice of the foreclosure action within sixty days after | 114 |
| having been notified by the court that the foreclosure action has | 115 |
| been filed. If the rental agreement is entered into after the | 116 |
| foreclosure action is initiated, the landlord shall include the | 117 |
| written notice of the foreclosure action in the rental agreement. | 118 |
| (C) Any landlord of a residential property that is the | 119 |
| subject of a foreclosure action shall provide each tenant at that | 120 |
| property with written notice of the date, time, and place of the | 121 |
| sale of the foreclosed property at least twenty-one days before | 122 |
| the date of the sale at auction. | 123 |
| (D) Within seven days after the court, pursuant to section | 124 |
| 2329.31 of the Revised Code, confirms the foreclosure sale, the | 125 |
| previous owner who was subject to the foreclosure action shall | 126 |
| forward to the successor in interest an amount equal to any | 127 |
| security deposits paid by the tenant to the previous owner on the | 128 |
| subject property. The successor shall be liable, as the landlord, | 129 |
| only for the security deposits that the successor receives. Each | 130 |
| such security deposit that the successor receives shall be a | 131 |
| security deposit, under the rental agreement that is referenced in | 132 |
| this section, for the tenant who paid the security deposit. | 133 |
| Notwithstanding the other provisions of this section, the | 134 |
| tenant and the successor may mutually agree that the tenant's | 135 |
| rental agreement, as of the date the foreclosure sale is | 136 |
| confirmed, shall continue in effect with the successor as the | 137 |
| landlord, not convert to a month-to-month rental agreement, and be | 138 |
| enforceable. | |
| (E) In addition to any other remedy under law, a tenant may | 140 |
| recover the greater of actual damages or one month's rent plus the | 141 |

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| security deposit amount and reasonable attorney's fees, obtain | 142 |
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| injunctive relief to enforce the rental agreement, or both, if a | 143 |
| landlord or a successor in interest does either of the following: | |
| (1) Fails to honor a rental agreement as division (A) of this | 145 |
| section requires; | 146 |
| (2) Fails to provide the written notices that divisions (B) | 147 |
| and (C) of this section require. | 148 |
| (F) The rights and remedies provided for in this section are | 149 |
| in addition to, and do not preempt, any other rights and remedies | 150 |
| that a tenant or landlord may be entitled to under law. | 151 |
| (G) The successor in interest pursuant to division (A) of | 152 |
| this section assumes the right to enter the property subject to | 153 |
| division (A)(8) of section 5321.04 of the Revised Code. | 154 |
| Section 2. That existing section 5321.04 of the Revised Code | 155 |
| is hereby repealed. | 156 |