

STATE SENATOR • HANSEN CLARKE • 1ST DISTRICT

Clarke Press Release

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Clarke Calls for Protection for Tenants Facing Foreclosure Evictions

New legislation would prevent sudden evictions of tenants when a rental property goes into foreclosure

DETROIT - Today Sen. Hansen Clarke (D-Detroit) introduced two bills that will protect tenants who face eviction because of a landlord's foreclosure. Sen. Clarke was joined by Leonard A. Sanchez, Executive Director of Neighborhood Legal Services Michigan, staff from NLSM, and tenants who demand legislative relief from foreclosure evictions.

"It's unfair for a family living in an apartment or rental unit, who has never missed a rent payment, who has kept the terms of their lease, to suddenly be evicted from their home because their landlord didn't pay the mortgage company," said Sen. Clarke. "I want to make sure that when a bank or new owner takes possession of a property, the families living there will be treated respectfully and will either be able to stay in their home or be given enough notice to find a new place to live."

Banks and mortgage companies are supposed to conduct a basic due diligence investigation before requesting eviction of a tenant, but it is not required by law. Landlords don't always notify tenants when they go into foreclosure, which has also caused families to be evicted without time to find other accommodations. Many tenants first hear of a landlord's foreclosure when a police officer shows up on their doorstep and asks them to immediately vacate the premises.

Sen. Clarke's legislation would provide relief for tenants who might otherwise be sideswiped by news that they may no longer stay in their home. SB 1644 will require that tenants be given 90 days notice before an eviction when a property goes into foreclosure. SB 1645 will require a landlord to notify tenants of a pending foreclosure, and when a new owner, bank or otherwise, takes over the property, they must honor the terms of the tenant's original lease until the lease expires if the tenant has kept those terms. A tenant may only be evicted if the new owner can prove that the current occupant has no legal right to be there. Currently, the tenant's lease would dissolve at the time of foreclosure and the tenant would lose their home.

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