

REALTAC  
Staff Contact: Linda Littlefield  
June 3, 2009

## Minutes

PRESENT: Angie Austin, Sandra Bandfield, Enid Beitzel, Willie Bridgeforth, Susan Craig, Paul Goldenbogen, Heather Hayes, Wini Hulterstrom, Linda Littlefield, Randy Morrow, Paul Murphy, Shelly Pelle, Cheryl Pixley, Irina Riley, Carolyn Rogers, Holly Skelton, Ann Spiegel, Terry Storm, Jill Webb, Dawn White, Sandy Wickham, Greg Wolff

Meeting called to order: 8:03 am

Reports:

### **Pikes Peak Association of REALTORS®**

- Wynne Palermo's year as Chairman of PPAR is ½ over
- Preparations for next year are under way
- PPAR is accepting Nominations for Board of Directors.
- Randy Reynolds is running for CAR President-Elect for 2009
- New Supra key is on hold

### **Government Affairs**

- November City Elections
- Working of Randy Reynolds Campaign for CAR President-Elect for 2009

### **Home Inspectors**

- June is National Home Inspectors Month
- Membership is down slightly

### **Housing & Building Association:**

- For event information and HBA information, <http://www.cshba.com>
- 2009 Remodeled Homes Tour scheduled for June 6<sup>th</sup> & 7<sup>th</sup>
- Parade of Homes is set for August 7<sup>th</sup> -23rd

### **Property Management**

- Code Enforcement has a Task Force in place to create revenue for the city to fund programs cut from the budget, such as maintain watering in city parks .

### **REALTOR® Legal Questions (Paul Murphy, Attorney)**

- The Protecting Tenants at Foreclosure Act of 2009, which is Sections 701-704 of Title VII of Division A of the Helping Families Save Their Homes Act of 2009, Public Law No. 111-22 (Bill No. S-896), was signed by the President on May 20, 2009. The new federal tenant protections were effective immediately upon enactment, and automatically are repealed, on Dec. 31, 2012, at which latter date the notice requirement of the Act is terminated.

The Act gives certain protection to tenants under a bona fide lease or tenancy living in foreclosed property if (1) the mortgage loan was "federally related," or the property is a dwelling or residential real property and (2) if the lease or tenancy was entered into before the "notice of foreclosure." "Notice of foreclosure" is not a term defined by the Act, but a "bona fide lease or tenancy" is specially defined.

The new law effectively requires that any such residential tenant be given a minimum of 90 days notice to vacate before the tenant must vacate a property which was foreclosed.

For tenancies at will, or month to month tenancies or any other periodic tenancy, the tenant is entitled to at least 90 days notice to vacate.

If the lease contains a set term with a definite termination date, the tenant will be allowed to stay for the duration of the lease term, even if it exceeds 90 days, unless a buyer of the foreclosed property will use the property as his primary residence, in which latter case a 90 day notice to vacate is required.

The act does not require 90 days prior notice in the event of an eviction for non-payment of rent or other lease defaults.

If state law requires longer notice or provides additional protections, the longer notice requirement or additional protections under state law will apply. Colorado law does not require a longer notice except for tenancies of year to year or longer (without a set termination date), which require a 3 month notice to vacate, which in some cases could be longer than the federal 90 days notice.

The act appears to grant some tenants in foreclosed property greater rights than they would have in property which was not foreclosed. The act could discourage bidders at foreclosure sales who want to purchase the property for their own residence if they are not willing to wait 90 additional days to get possession. Some issues of constitutionality may be raised by the legislation although legislation imposing temporary moratoriums and the like is constitutional if it meets certain tests.

The entire text of the Helping Families Save Their Homes Act of 2009 can be accessed at:

[http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111\\_cong\\_bills&docid=f:s896enr.txt.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:s896enr.txt.pdf)

**Other Business:**

Next Meeting July 1st at 8:00 am at PPAR

Meeting adjourned 9:00 am

Respectfully submitted: Linda Littlefield