

UPC BUSINESS SOLUTIONS TENANT RIGHTS PROGRAM

UPC offers a complete consulting procedure to help walk you through the steps of the Tenant Rights program. This program affects EVERY tenant that is or will be in a Foreclosed Property.

We are the only company in Nevada to offer a specific program for helping Tenants in Foreclosed Properties. We have provided the specific information above for YOU to handle your own situation. However, if you feel you need assistance, we will be more than happy to help. Please review our Program Levels below to see how we can be of service.

Tenant Rights Program Fees: Our Fees are based on levels so you do not over pay for services

- Level 1: Initial Property Consultation (one time only): **FREE OF CHARGE**– Includes:
 1. We will review your property records for any liens, breech's or foreclosure activity.
 2. We will review and disclose the Property owner and any Lender information.
 3. We will review and discuss any Legal letters or phone correspondences you have received about the property.
 4. We will provide you with a check list of possible alternatives to your situation.

- Level 2: Property Watch : \$100.00 Membership / Per Year – Includes:
 1. This Level includes all the points in Level 1.
 2. We will review your property records at the beginning of each month for any changes.
 3. We will review property records (up to 3) for any address you are interested.

- Level 3: : 20 % (percent) of the Cash for Keys Fee / or \$250 if you take the Lease option – Includes:
 1. This level includes all the points in Level 1.
 2. We will start contacting the Lender or Servicer of the Property Loan before the Foreclosure process happens.
 3. We will act as your Power of Attorney for the entire process.
 4. We will negotiate on your behalf for any extended rental periods.
 5. We will negotiate on your behalf for any cash for keys program.
 6. We will consult with YOUR choice of Rental Real Estate Agent for location of a new rental property.
 7. We will help you secure a reputable moving company.
 8. We will be with you in person for any lease extension signings or cash for keys transactions.

As you can see, each level has its own pricing structure. This will insure you that you will never pay for more than you receive.

We have provided all the information you need to make an informed decision about your specific situation without spending any money for professional services. However, if you do have any general questions about the Tenant Right program and our services, please feel free to contact us.

PLEASE READ THE FOLLOWING ABOUT YOUR RIGHTS!!!

TENANTS RIGHTS IN A FORECLOSED PROPERTY

(The Protecting Tenants at Foreclosure Act 2009)

Renters and tenants whose landlords have lost their properties through foreclosure now have important rights.

Renters and tenants are now being affected by foreclosures almost as often as homeowners. The mortgage industry crisis that started in 2006 has resulted in thousands -- no, make that millions -- of foreclosed homes. Most of the occupants are the homeowners themselves, who must scramble to find alternate housing with very little notice. They're being joined by scores of renters who discover, often with no warning, that their rented house or apartment is now owned by a bank, which wants them out.

Who Are the Renters?

Renters who lose their homes to foreclosures don't fit a single profile. Many of them live in smaller buildings, condos, and single-family homes. They're located in cities and surrounding suburbs, in low-income and upscale neighborhoods. In short, foreclosed homes are everywhere, and they're rented by people with widely varying incomes, including some with "Section 8" (federal housing assistance) vouchers.

Who Are the Defaulting Owners?

The typical foreclosed home may have originally been owner-occupied, but more often it's owned by investors and speculators who were hoping to profit from the rents. Caught between the slump in housing values and the rise of mortgage interest rates, these owners could not feasibly sell or extract enough rent to cover their monthly costs. In droves, they lost their investments. For example, in Minneapolis and its surrounding suburbs, 38% of the 2006 foreclosures involved rental properties; in Minneapolis alone, 65% were rentals.

Who Are the New Landlords?

When an owner defaults on a mortgage, the mortgage holder, often a bank, either becomes the new owner or sells the property at a public sale. If the bank becomes the owner, it may pay a servicing company to handle the property. But don't expect close attention -- these companies are focused on financial matters, not mundane things like maintenance.

Some renters find themselves with a new owner even before the foreclosure. Lawyers in Massachusetts, for example, contend that many new rental property owners are investment trusts that specialize in purchasing troubled loans directly from banks, then foreclosing, evicting, and selling.

Many tenants have no idea that their building has been taken at foreclosure. They continue to pay rent to the former owner, who often pockets the money but is hardly inclined to maintain the building it no longer owns. In the meantime, the new owners simply refuse to be landlords, never making repairs or

even paying utility bills. Because the banks are stuck with increasing numbers of foreclosed properties that they can't sell, they remain non-landlords for some time, making life impossible for their tenants until those tenants are evicted.

Does It Make Sense to Evict Tenants?

New owners may want to terminate existing tenants because they believe that vacant properties are easier to sell. Common sense suggests otherwise. In many situations a building full of stable, rent-paying tenants will be more valuable (and command a higher price) than an empty building. Emptied buildings are also prone to vandalism and other deterioration -- after all, no one is on site to monitor their condition. When entire neighborhoods become a wasteland of empty foreclosed multifamily buildings, their value drops even further. It's hard to understand why new owners choose to pay lawyers to start eviction procedures instead of paying a modest fee to a management company to collect rent and manage the property while they wait to sell.

To encourage tenants to leave quickly and save on the court costs associated with an eviction, banks offer tenants a cash payout in exchange for their rapid departure. Thinking that they have little choice, many tenants -- even Section 8, protected tenants -- take the deal. It doesn't help them much as they join the swelling ranks of newly displaced tenants (and former homeowners) that are competing to find an affordable new rental.

How Does the New Law Work?

All tenants in buildings or homes foreclosed on or after May 20th, 2009, have the following new rights under the "Helping Families Save Their Home Act of 2009":

- Tenants with a lease have a right to stay in the unit until the end of lease, although the lease may be terminated on 90 day's notice by a purchaser who will occupy the unit as his/her primary residence.
- Tenants with expiring or month-to-month leases are entitled to a 90 day notice to quit before the new owner is permitted to file an eviction action in court.
- For Section 8 tenants, foreclosure is not good cause to evict. The new owner must respect existing Section 8 leases and give a 90 day notice to quit to Section 8 tenants with expiring leases. The contract with the Housing Agency remains in effect as to the successor in interest (new owner of the property) after foreclosure.

What if Fannie Mae Becomes the New Owner?

Fannie Mae will consider renting to tenants of its foreclosed on properties. This includes two-to-four unit properties, condos, co-op, single-family detached homes, and manufactured housing, where the homeowners associations (HOA's) do not prohibit rentals.

What if Freddie Mac Becomes the New Owner?

Freddie Mac will contact tenants (and former owners) of its foreclosed on properties to discuss the possibility of renting from Freddie Mac

Right to Utility Service

The new property owner must maintain your utility service, even if it is the bank that foreclosed. If the new owner does not do so, contact your local legal services office.

No Lock-Outs

It is illegal to change tenant's locks without a court order. To get a court order, the property owner must take the renter through the formal eviction process. For a formal eviction, the property owner must serve the renter with a written notice, and then must file a Summons and Complaint with the court and serve a copy on the renter. The renter then has five days to respond in writing and file the response with the court.

Make Sure You Know Who You Are Talking To

Whoever knocks on your door or sends you a notice asking for rent might not be the new owner. Make sure they provide you with proof. Ask for a copy of a recorded Trustee's Deed. You should also go yourself to the county recorder's office to double-check on who the new owner is. Through our experience, it is very rare that the Bank, Lender or Processor is aware that there are Tenants in the property.

Property Conditions Post-Foreclosure: Who is Responsible?

The new property owner is responsible for the conditions of the property. You are entitled to request repairs from the new owner, even if it is the bank that foreclosed.

Cash for Keys

When lenders foreclose on a property, they may not be able to sell the property to someone else. If not, then they or their representative become the owners of the property, and they often hire a management company or law firm to deal with tenants. Right after foreclosure, real estate management companies may knock on your door or leave a notice offering "cash for keys". They may sound threatening and tell you that you have to leave the property in 5-10 days. They may offer to pay you a small amount of cash if you leave. What do you do?

- You may decide to use our services to help you through this process.
- Do not be intimidated. Call the police if you feel unsafe. You have a right to receive proper notice, which will be a 90 day notice if the foreclosure happened after May 20, 2009, and 60 day notice if the foreclosure happened earlier. In some cases, the new owner might not be entitled to evict you at all.

- Remember, if you live in a city with good cause eviction protections, you may not be evicted after foreclosure unless there is “good cause”. The foreclosure does not constitute “good cause”.
- Verify who you are talking to. Because the foreclosure is a public record, scam artists may knock on your door and try to get you to let them in, or may try to frighten you out of your home. You can verify who the new property owner is at the county recorder’s office. You should also ask the person who claims to represent the property owner to provide you with a written letter with contact information for the new owner, and a copy of a recorded document showing that the new owner has title to the property. You can take that copy to the county office and make sure that it is accurate.

Suing in Small Claims Court

A lease-holding tenant who has to move out so that new owners may move in might consider suing their former landlord in small claims court. Here's how it works.

After signing a lease, the landlord is legally bound to deliver the rental for the entire lease term. In legalese, this duty is known as the "covenant of quiet enjoyment." A landlord who defaults on a mortgage, which sets in motion the loss of the lease, violates this covenant, and the tenant can sue for the damages it causes.

Small claims court is a perfect place to bring such a lawsuit. The tenant can sue the original landlord for moving and apartment-searching costs, application fees, and the difference, if any, between the new rent for a comparable rental and the rent under the old lease. Though the former owner is probably not flush with money, the awards in these cases won't be very much, and the court judgment and award will stay on the books for many years. A persistent tenant can probably collect what's owed eventually.

Click here to read the official law:

TITLE VII – PROTECTINGTENANTS AT FORECLOSURE ACT