
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Julie J. Baxter.

DIGEST

Proposed law provides for residential lessee's right to notification of foreclosure actions.

Proposed law provides that, prior to entering into a lease agreement for a residential dwelling unit, the owner or lessor shall disclose in writing whether the premises of the unit is subject to any pending foreclosure procedure, and the right of the lessee to receive notification of a foreclosure action pursuant to proposed law.

Proposed law provides that, within seven calendar days after being served pursuant to Code of Civil Procedure Article 2293 with a notice of seizure in a foreclosure action, an owner or lessor of residential premises being seized shall provide a written disclosure of such seizure to all lessees or tenants of the premises, and to any third party who has a consistent pattern and practice of paying rent to the owner or lessor on behalf of the lessee or tenant.

Proposed law provides that the written disclosure required under proposed law shall be signed by the owner or lessor and shall include the name of the district court in which the foreclosure action is pending, the case name and docket number and the following statement:

"This is not a notice to vacate the premises. This notice does not mean ownership of the building has changed. All lessees or tenants are still responsible for payment of rent and other obligations under the rental agreement. The owner or lessor is still responsible for his obligations under the rental agreement. You will receive additional notice if there is a change in owner".

Proposed law provides that the lessee or tenant may in writing terminate the lease agreement if the owner or lessor does not provide the written disclosures required under proposed law.

Proposed law provides that such termination notice shall specify the date of termination no later than 30 days from the date of the termination notice. Proposed law further provides that, if a lessee or tenant in a civil legal proceeding against an owner or lessor establishes that a violation of this Section occurred, the lessee or tenant shall be entitled to recover two hundred dollars in damages, in addition to any other damages or remedies and costs to which the lessee or tenant may also be entitled.

Proposed law further provides that the requirements of proposed law shall apply to all owners or lessors in residential leases, including owners or lessors who are leasing residential properties subject to a federally-related mortgage loan, and to all residential lessees or tenants, including lessees or tenants receiving vouchers or housing assistance dollars pursuant to Section 8 of the United States Housing Act of 1937.

Effective August 1, 2013.

(Adds R.S. 9:3260.1)