

Renters' Rights in Property Being Foreclosed

The following information is intended as general information only and is not meant as legal advice for any specific situation. If you need legal advice, consult an attorney.

Q: What are my rights during the time my landlord's property is being foreclosed?

A: You can remain in the rental property during the foreclosure. If you receive a Notice of Right to Cure/Redeem by mail, indicating that the property is in the foreclosure process, you can find out the date of the foreclosure sale by checking with the Public Trustee in your county. The Boulder County Public Trustee's website is www.bouldercountypt.org. Even after the foreclosure sale, the lien holders on a property have the right to redeem. The time granted to the various lien holders to redeem can vary, based on the number of lien holders. During that time, you may remain in the rental property, but once the redemption periods are over, there will be a new owner of the property. You should understand that the new owner does not have to continue renting to you. However, the new owner may be willing to discuss a new rental agreement with you, or may negotiate for additional time for you to move. Any agreement you make should be put in writing and signed by both you and the new owner.

Q: What are my responsibilities?

A: Even though the property you are renting is in foreclosure, you are still responsible for paying rent to your original landlord. However, if the mortgage company has a written assignment of rents from your landlord, it may try to collect rent from you. If the mortgage company does attempt to collect your rent, always ask for a copy of a written document giving the mortgage company the authority to do so before paying. If the mortgage company cannot show you such a written document, continue paying rent to your original landlord.

Q: What about my security deposit?

A: Landlords who do not have the money to the mortgage payments on their rental property frequently will not have enough money to return your security deposit. Colorado law requires your landlord to either return your security deposit or send you a letter explaining why it is being withheld within 30 days after you move out, or 60 days if your lease gives your landlord the extra time. If you are worried that your landlord will not have the funds to return your security deposit when you do finally move out, you could try to negotiate immediate return of the deposit. You could also ask your landlord to apply the security deposit towards your last month's rent. Any agreement you make should be put in writing and signed by both you and the landlord.

Q: The new owner wants me to leave the property. What rights do I have?

A: When the new owner(s) takes title to the property (they now own the property), you may be asked to leave. If they are not willing to enter into a new lease with you and wants you to move, the new owner(s) will give you a three day notice to move and if you don't, can evict you. If this happens you will get a "Summons and Complaint" from the court and will have an opportunity to "Answer" it and appear in court.

If you need advice on this or any other legal problem, contact an attorney of your own choosing. If you cannot afford an attorney, talk to Colorado Legal Services: 303-837-1321.

Additional information about the Colorado foreclosure process can be obtained from the **Boulder County Office of the Public Trustee** or the **Colorado Revised Statutes, Articles 37, 38, and 39** which may be obtained by accessing www.courts.state.co.us.

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