



OFFICE OF THE SHERIFF COUNTY OF HUNTERDON

Notice to residential tenants of rights during foreclosure:

The following information is provided as a service to the public by the Sheriff of Hunterdon County. It is informational only and not intended to be relied upon by tenants as a basis for legal action or inaction. If you are a tenant and have legal questions regarding the status of your tenancy during foreclosure proceedings or after the transfer of ownership of the property either through Sheriff's Sale or a deed in lieu of foreclosure, you should contact an attorney or, if appropriate, Legal Services of Northwest Jersey, Hunterdon Division, at (908) 782-7979.

Once a foreclosure action has been filed concerning the property where you are a residential tenant (a renter), you should be aware that the ownership of the property may change as a result. However, until the ownership of the property changes or you are otherwise informed by the court or the mortgage holder, you should continue to pay rent to the landlord or to a rent receiver, if one is appointed by the court. You should keep receipts or canceled checks as proof of your rent payments. If you are not sure how or where to pay rent, save your rent money so that you will have it when the owner demands it. Nonpayment of rent is grounds for eviction.

Foreclosure alone is generally not grounds to remove a bona fide residential tenant. Tenants (renters) who want to stay in their homes can be removed only through a court process. With limited exceptions, the New Jersey "Anti-Eviction Act" protects residential tenants' rights to remain in their homes. This law also includes protection for tenants who do not have written leases. Be aware - it is unlawful for anyone to try to force you to leave your home outside of the court process, including, for example, shutting off utilities, failing to maintain the premises, changing locks, etc.

New laws require that the plaintiff, the foreclosing creditor, provide notification of the tenants' rights discussed above. The first notification to tenants is to be made, in English and Spanish, at the time of the service of the initial summons and complaint notification. Any and all tenants of a residential property that is subject to foreclosure proceedings are to be made aware of the following:

- That a foreclosure action has been initiated;
- That the ownership of the property may change;
- That until such time as the ownership changes, the tenant should continue to pay rent to the landlord;
- That the tenant should get and keep records of rental payments, such as receipts or canceled checks;
- That if the tenant is unsure about who is the landlord or to whom to pay the rent, the tenant should save the rent money so that the tenant will have it when the owner demands the rent; and
- that nonpayment of rent is grounds for eviction.

Once the foreclosure is complete and a new owner takes title to a residential property which is occupied by residential tenants (renters), the new owner must provide notice, in both English and Spanish, to the tenants no later than ten (10) days after the sale. The notice must contain the following information:

- That the former owner has lost the property as a result of foreclosure;
- Instructs tenants to whom, to where, by what method and by what date rent is due;
- Informs tenants that the New Jersey Anti-Eviction Act protects tenants' right to remain in their homes, even if they do not have a written lease;
- Advises tenants that the new owner cannot evict them without "good cause" as determined by a court and only through a court process;
- Informs tenants that residential tenants can only be removed with a court order and only after the tenant has been given the opportunity to defend him/herself in court;
- Notifies tenants that it is illegal for the new owner to force a tenant to leave his/her home in any manner, such as shutting off utilities or other vital services, or by failing to maintain the property, and directs tenants to consult an attorney or to file a complaint with the local prosecutor if someone is pressuring them to leave the residence; and
- Informs tenants that they may accept financial compensation for leaving voluntarily if the new owner offers such compensation.