2H: 18.-6:01

LEGISLATIVE FACT SHEET on Est. grounds for eviction. N.J.R.S. 2A: 18-61.1, 61.2, 61.6to 61.12 (1975 Amendment) CHAPTER 311 Feb. 19, 1976 LAWS OF 1975 ASSEMBLY BILL 3570 (2nd ocr) SENATE BILL INTRODUCED July 16, 1975 BY Baer and others SPONSOR'S STATEMENT (YES) NO YÉS ASSEMBLY COMMITTEE STATEMENT VES Spp. NO SENATE COMMITTEE STATEMENT FISCAL NOTE YES (NO)AMENDED DURING PASSAGE YES NO HEARING More discovered GOV'N MUSSOUL VETO Yes See also New Jersey Durinon of Housing and Un Duringm dend - to 974.90 se la H842 file Welk, Mary 19758 Ju, il a Incarge

SPONSOR'S STATEMENT to Assembly, No. 3570 This bill details further grounds for evicting tenants and the notice provisions required. It also concerns tenants rights in the conversion of a multiple dwelling into a condominium or cooperative.

JA/PC 11/7/75

[SECOND OFFICIAL COPY REPRINT] ASSEMBLY, No. 3570

CHAPTER 3// LAND OF N. J. 19 75

2-19.26

STATE OF NEW JERSEY

INTRODUCED JULY 16, 1975

By Assemblyman BAER, Assemblywoman WILSON, Assemblymen SALKIND, RYS, HAWKINS, BURSTEIN, JACKMAN, CALI, ADUBATO, PERKINS, VISOTCKY, CONTILLO, HOLLEN-BECK, OWENS, BROWN, PATERO, DEVERIN, LEFANTE and GLADSTONE

(Without Reference)

AN ACT concerning tenant-landlord relations and amending "An act establishing grounds for evicting tenants and lessees of certain residential property, amending N. J. S. 2A:18-53 and repealing section 1 of P. L. 1973, c. 153 (C. 46:8C-1)," approved June 25, 1974 (P. L. 1974, c. 49).

1 BE IT ENACTED by the Senate and General Assembly of the State 2 of New Jersey:

1 1. Section 2 of P. L. 1974, c. 49 (C. 2A:18-61.1) is amended to 2 read as follows:

3 2. No lessee or tenant or the assigns, under-tenants or legal representatives of such lessee or tenant may be removed by the 4 county district court or the Superior Court from any house, build-5 ing, mobile home or land in a mobile home park or tenement leased 6 7 for residential purposes, other than owner-occupied premises with not more than two rental units or a hotel, motel or other guest 8 house or part thereof rented to a transient guest or seasonal 9 tenant, except upon establishment of one of the following grounds 10as good cause: 11

a. The person fails to pay rent due and owing under the leasewhether the same be oral or written;

b. The person has continued to be, after written notice to
cease, so disorderly as to destroy the peace and quiet of the occupants or other tenants living in said house or neighborhood;

c. The person has willfully or by reason of gross negligence
 caused or allowed destruction, damage or injury to the premises;
 EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

d. The person has continued, after written notice to cease, to substantially violate or breach any of the landlord's rules and regulations governing said premises, provided such rules and regulations are reasonable and have been accepted in writing by the tenant or made a part of the lease at the beginning of the lease term;

e. The person has continued, after written notice to cease, to substantially violate or breach any of the covenants or agreements contained in the lease for the premises where a right of reentry is reserved to the landlord in the lease for a violation of such covenant or agreement, provided that such covenant or agreement is reasonable and was contained in the lease at the beginning of the lease term;

32 f. The person has failed to pay rent after a valid notice to 33 quit and notice of increase of said rent, provided the increase in 34 rent is not unconscionable and complies with any and all other 35 laws or municipal ordinances governing rent increases.

g. The landlord or owner (1) seeks to permanently board up or 36 demolish the premises because he has been cited by local or State 37 housing inspectors for substantial violations affecting the health 38 39 and safety of tenants and it is economically unfeasible for the owner to eliminate the violations, (2) seeks to comply with local or **4**0 State housing inspectors who have cited him for substantial viola-41 **4**2 tions affecting the health and safety of tenants and it is unfeasible 43 to so comply without removing the tenant; **simultaneously with service of notice of eviction pursuant to this clause, the landlord 44 shall notify the Department of Community Affairs of the intention 45 to institute proceedings and shall provide the department with **4**6 47 such other information as it may require pursuant to rules and **4**8 regulations. The department shall inform all parties and the court 49 of its view with respect to the feasibility of compliance without removal of the tenant and may in its discretion appear and present 50 evidence;** (3) seeks to correct an illegal occupancy because he has 5152been cited by local or State housing inspectors and it is unfeasible to correct such illegal occupancy without removing the tenant or; 53 (4) is a governmental agency which seeks to permanently retire 54 54A the premises from the rental market pursuant to a redevelopment 54B or land clearance plan in a blighted area. In those cases where the 54c tenant is being removed [because of the existence of substantial 54D violations of law affecting health and safety] for any reason 54E specified in this subsection, no warrant for possession shall be 54F issued until P. L. 1967, c. 79 (C. 52:31B-1 et seq.) and P. L. 1971, 54G c. 362 (C. 20:4-1 et seq.) [has] have been complied with.

55 h. The owner seeks to retire permanently the residential build-56 ing or the mobile home park from [the rental housing market] 57 residential use or use as a mobile home park, provided this para-58 graph shall not apply to circumstances covered under paragraph g. 59 of this section.

i. The landlord or owner proposes, at the termination of a
lease, reasonable changes of substance in the terms and conditions
of the lease, including specifically any change in the term thereof,
which the tenant, after written notice, refuses to accept.

64 j. The person, after written notice to cease, has habitually and without legal justification failed to pay rent which is due and owing. 65 k. The landlord or owner of the building is converting from the 66 rental market to a condominium or a cooperative. Where the 67 tenant is being removed pursuant to this subsection, no warrant 68 for possession shall be issued until this act has been complied with. 69 70 l. (1) The owner of a building which is constructed as or being converted to a condominium or cooperative seeks to evict a tenant $\overline{71}$ or sublessee whose initial tenancy began after the master deed or 72agreement establishing the cooperative was recorded, because the 73 74 owner has contracted to sell the unit to a buyer who seeks to per-75 sonally occupy it and the contract for sale calls for the unit to be vacant at the time of closing. However, no action shall be brought 76 against a tenant under ** paragraph (1) of ** this subsection unless 77 78 the tenant was given a statement in accordance with section 6 of 78A this amendatory act.

(2) The owner of three or lcss condominium or cooperative units seeks to evict a tenant whose initial tenancy began by rental from an owner of three or less units after the master deed or agreement establishing the cooperative was recorded, because the owner seeks to personally occupy the unit, or has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract \$5-86 for sale calls for the unit to be vacant at the time of closing.

(3) The owner of a building of three residential units or less seeks to personally occupy a unit, or has contracted to sell the residential unit to a buyer who wishes to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing.

92 m. The landlord or owner conditioned the tenancy upon and in 93 consideration for the tenant's employment by the landlord or 94 owner as superintendent, janitor or in some other capacity and 95 such employment is being terminated.

1 2. Section 3 of P. L. 1974, c. 49 (C. 2A:18-61.2) is amended to 2 read as follows:

3 3. No judgment of possession shall be entered for any premises 4 covered by section 2 of this act, except in the nonpayment of 5 rent under paragraphs a. or f. of section 2, unless the landlord 6 has made written demand and given written notice for delivery 7 of possession of the premises. The following notice shall be 8 required:

9 a. For an action alleging disorderly conduct under paragraph
10 b. of section 2, or injury to the premises under paragraph c. of
11 section 2 or any grounds under paragraph m. of section 2, 3 days'
12 notice prior to the institution of the action for possession;

b. For an action alleging continued violation of rules and
regulations under paragraph d. of section 2, or substantial breach
of covenant under paragraph e. of section 2, or habitual failure to
pay rent, 1 month's notice prior to the institution of the action
for possession;

c. For an action alleging [boarding up because of health violations] any grounds under paragraph g. of section 2, 3 months'
notice prior to the institution of the action;

d. For an action alleging permanent retirement under paragraph h. of section 2, 6 months' notice prior to the institution of the action *and*, provided that, where there is a lease in effect [for a period of 1 year or longer], no action may be instituted until the lease expires.

e. For an action alleging refusal of acceptance of reasonable
lease changes under paragraph i. of section 2, 1 month's notice
prior to institution of action.

f. For an action alleging any grounds under paragraph **[1]**
l of section 2, 2 months' notice prior to the institution of the
action and, provided that where there is a written lease in effect no
action shall be instituted unil the lease expires.

g. For an action alleging any grounds under paragraph k. of
section 2, 3 years' notice prior to the institution of action, and
provided that where there is a written lease in effect, no action
shall be instituted until the lease expires.

The notice in each of the foregoing instances shall specify in detail the cause of the termination of the tenancy and shall be served either personally upon the tenant or lessee or such person in possession by giving him a copy thereof, or by leaving a copy thereof at his usual place of abode with some member of his family above the age of 14 years, or by certified mail; if the certified letter is not claimed, notice shall be sent by regular mail.

3. (New section) a. Where a tenant vacates the premises after 1 being given a notice alleging the owner seeks to personally occupy 2 the premises under section 2 l. of P. L. 1974, c. 49 and the owner 3 thereafter arbitrarily fails to personally occupy the premises for 4 a total of at least 6 months, or arbitrarily fails to execute the con-5 tract for sale, but instead permits personal occupancy of the 6 premises by another tenant, such owner shall be liable to the former 7 tenant in a civil action for three times the damages plus the ten-8 9 ant's attorney fees and costs.

b. If an owner purchases the premises pursuant to a contract 10 requiring the tenant to vacate in accordance with section 2 l. of 11 P. L. 1974, c. 49 and thereafter arbitrarily fails to personally occupy 12the premises for a total of at least 6 months, **but instead permits 13 personal occupancy of the premises by another tenant,** such 14 owner-purchaser shall be liable to the former tenant in a civil 15 action for three times the damages plus the tenant's attorney fees 16 17 and costs.

c. Where a tenant vacates the premises after being given a 18 notice alleging the owner seeks to permanently board up or 19 demolish the premises or retire the premises from residential use 20under subsection 2g (1) or 2h of P. L. 1974, c. 49 and the owner 21 thereafter permits personal occupancy of the premises by another 22tenant within 6 months of such vacancy, such owner shall be liable 23to the former tenant in a civil action for three times the damages 24 25plus the tenant's attorney fees and costs.

1 4. (New section) As used in this act:

a. "Comparable housing" means housing that is (1) decent, safe, $\mathbf{2}$ sanitary, and in compliance with all local and State housing codes; 3 4 (2) open to all persons regardless of race, creed, national origin, ancestry, marital status or sex; and (3) provided with facilities 5 equivalent to that provided by the landlord in the dwelling unit 6 in which the tenant then resides in regard to each of the following: 7 (a) apartment size including number of rooms, (b) rent range, (c) 8 9 major kitchen and bathroom facilities, and (d) special facilities necessary for the handicapped or infirmed; (4) located in an area 10 not less desirable than the area in which the tenant then resides in 11 regard to each of the following: (a) accessibility to the tenant's 12place of employment, (b) accessibility of community and commer-13 cial facilities, and (c) environmental quality and conditions; and 14 (5) in accordance with additional reasonable criteria which the 1516 tenant has requested in writing at the time of making any request 17under this act.

b. "Condominium" means a condominium as defined in the "Condominium Act," P. L. 1969, c. 257 (C. 46:8B-1 et seq.).

c. "Cooperative" means a housing corporation or association which entitles the holder of a share or membership interest thereof to possess and occupy for dwelling purposes a house, apartment or other structure owned or leased by said corporation or association, or to lease or purchase a dwelling constructed or to be constructed by said corporation or association.

1 5. (New section) Any owner who intends to convert a multiple dwelling as defined in P. L. 1967, c. 76 (C. 55:13A-1 et seq.), other $\mathbf{2}$ than a hotel or motel, **or a mobile home park** into a condomin-3 ium or cooperative shall give the tenants 60 days' notice of his 4 intention to convert and the full plan of the conversion prior to 5 serving notice, provided for in section 3 of P. L. 1974, c. 49 6 7 (C. 2A:18-61.2). A duplicate of the first such 60-day notice and full plan shall be transmitted to the clerk of the municipality at 8 the same time. In the notice of intention to convert tenants shall 9 be notified of their right to purchase ownership in the premises at 10a specified price in accordance with this section, and their other 11 $\mathbf{12}$ rights as tenants under this act in relation to the conversion of a 13 building to a condominium or a cooperative. A tenant in occupancy at the time of the notice of intention to convert shall have the $\mathbf{14}$ exclusive right to purchase his unit or the shares of stock allocated 15thereto for the first 90 days after such notice that such purchase 1617could be made during which time the unit shall not be shown to a third party unless the tenant has in writing waived the right to 18 19 purchase.

6. (New section) Any owner who establishes with a person an initial tenancy after the master deed or agreement establishing the cooperative was recorded shall provide to such person at the time of applying for tenancy and at the time of establishing any rental agreement a separate written statement as follows:

"STATEMENT

THIS BUILDING IS BEING CONVERTED TO **OR IS** 6 $\mathbf{7}$ A CONDOMINIUM OR COOPERATIVE. YOUR TENANCY CAN BE TERMINATED UPON 60 DAYS' NOTICE IF 8 9 YOUR APARTMENT IS SOLD TO A BUYER WHO SEEKS TO PERSONALLY OCCUPY IT. IF YOU MOVE OUT AS A 10 RESULT OF RECEIVING SUCH A NOTICE, AND THE 11 LANDLORD ARBITRARILY FAILS TO COMPLETE THE 1213 SALE, THE LANDLORD SHALL BE LIABLE FOR 14 TREBLE DAMAGES AND COURT COSTS."

15 Such statement shall also be reproduced as the first clause in any16 written lease provided to such person.

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7. (New section) Any tenant receiving notice under section 3 g.
 of P. L. 1974, c. 49 who is not evicted for any cause under this act
 other than under section 3 g. shall receive from the owner moving
 expense compensation of waiver of payment of 1 month's rent.

8. (New section) Tenants receiving notice under section 3 g. of 1 P. L. 1974, c. 49 may request of the landlord within 18 full months $\mathbf{2}$ after receipt of such notice, and the landlord shall offer to the 3 tenant, personally or through an agent, the rental of comparable 4 housing and a reasonable opportunity to examine and rent such 5 comparable housing. In any proceeding under subsection 2 k. of 6 P. L. 1974, c. 49 instituted following the expiration of notice re- $\mathbf{7}$ 8 quired under section 3 g. of P. L. 1974, c. 49, the owner shall prove that a tenant was offered such comparable housing and provided 9 such reasonable opportunity to examine and rent such housing 10 as requested pursuant to this ******[subsection]**** ****section******. The 11 12court shall authorize 1-year stays of eviction with reasonable rent 13 increases until such time as the court is satisfied that the tenant has been offered comparable housing and provided a reasonable oppor-14 tunity to examine and rent such housing as requested pursuant to 1516 this section. However, in no case shall more than five such stays 17 be granted.

18 The court shall automatically renew any 1-year stay of eviction 19 in any case where the landlord failed to allege to the court within 20 1 year of a prior stay that the tenant was offered a reasonable 21 opportunity to examine and rent comparable housing within such 22 prior year.

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However the court shall not authorize any further stays at any
time after one such stay has been authorized when the owner
has also provided a tenant with hardship relocation compensation
of waiver of payment of 5 months' rent.

1 9. (New section) In accordance with the "Administrative Pro- $\mathbf{2}$ cedure Act'' (P. L. 1968, c. 410, C. 52:14B-1 et seq.), the * [depart-3 ment] * *Department of Community Affairs* shall adopt rules and 4 regulations setting forth procedures required to be followed by $\mathbf{5}$ landlords in providing tenants a reasonable opportunity to examine and rent comparable housing and setting forth procedures and 6 7 content for information required to be disclosed to tenants regarding such procedures, the rights and responsibilities of tenants under 8 this act, and the plans and proposals of landlords which may effect 9 10 any tenant in order to maximize tenants' ability to exercise rights

provided under this act. Any rules and regulations adopted under
this section shall only be applicable to tenants and owners of a
building or mobile home park which is being, or is about to be converted from the rental market to a condominium or a cooperative.
10. This act shall take effect immediately.

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ASSEMBLY, No. 3570

STATE OF NEW JERSEY

INTRODUCED JULY 16, 1975

By Assemblyman BAER, Assemblywoman WILSON, Assemblymen SALKIND, RYS, HAWKINS, BURSTEIN, JACKMAN, CALI, ADUBATO, PERKINS, VISOTCKY, CONTILLO, HOLLEN-BECK, OWENS, BROWN, PATERO, DEVERIN, LEFANTE and GLADSTONE

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1 BE IT ENACTED by the Senate and General Assembly of the State 2 of New Jersey:

1 1. Section 2 of P. L. 1974, c. 49 (C. 2A:18-61.1) is amended to 2 read as follows:

3 2. No lessee or tenant or the assigns, under-tenants or legal representatives of such lessee or tenant may be removed by the 4 $\mathbf{5}$ county district court or the Superior Court from any house, building, mobile home or land in a mobile home park or tenement leased 6 for residential purposes, other than owner-occupied premises with 7 not more than two rental units or a hotel, motel or other guest 8 9 house or part thereof rented to a transient guest or seasonal 10tenant, except upon establishment of one of the following grounds 11 as good cause:

a. The person fails to pay rent due and owing under the leasewhether the same be oral or written;

b. The person has continued to be, after written notice to
cease, so disorderly as to destroy the peace and quiet of the occupants or other tenants living in said house or neighborhood;

c. The person has willfully or by reason of gross negligence
caused or allowed destruction, damage or injury to the premises;
d. The person has continued, after written notice to cease, to

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law. 20 substantially violate or breach any of the landlord's rules and 21 regulations governing said premises, provided such rules and 22 regulations are reasonable and have been accepted in writing by the 23 tenant or made a part of the lease at the beginning of the lease 24 term;

e. The person has continued, after written notice to cease, to substantially violate or breach any of the covenants or agreements contained in the lease for the premises where a right of reentry is reserved to the landlord in the lease for a violation of such covenant or agreement, provided that such covenant or agreement is reasonable and was contained in the lease at the beginning of the lease term;

32 f. The person has failed to pay rent after a valid notice to 33 quit and notice of increase of said rent, provided the increase in 34 rent is not unconscionable and complies with any and all other 35 laws or municipal ordinances governing rent increases.

36g. The landlord or owner (1) seeks to permanently board up or demolish the premises because he has been cited by local or State 37 housing inspectors for substantial violations affecting the health 38 39 and safety of tenants and it is economically unfeasible for the 40owner to eliminate the violations; (2) seeks to comply with local or 41State housing inspectors who have cited him for substantial violations affecting the health and safety of tenants and it is unfeasible 42to so comply without removing the tenant; (3) seeks to correct an 43illegal occupancy because he has been cited by local or State 44 housing inspectors and it is unfeasible to correct such illegal 45occupancy without removing the tenant or; (4) is a governmental 46agency which seeks to permanently retire the premises from the 47 rental market pursuant to a redevelopment or land clearance plan 48in a blighted area. In those cases where the tenant is being re-4950moved [because of the existence of substantial violations of law 51affecting health and safety] for any reason specified in this subsection, no warrant for possession shall be issued until P. L. 1967, 52c. 79 (C. 52:31B-1 et seq.) and P. L. 1971, c. 362 (C. 20:4-1 et seq.) 53[has] have been complied with. 54

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h. The owner seeks to retire permanently the *residential* building or the mobile home park from [the rental housing market] *residential use or use as a mobile home park, provided this paragraph shall not apply to circumstances covered under paragraph g.* of this section.

60 i. The landlord or owner proposes, at the termination of a 61 lease, reasonable changes of substance in the terms and conditions

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of the lease, including specifically any change in the term thereof,which the tenant, after written notice, refuses to accept.

j. The person, after written notice to cease, has habitually and
without legal justification failed to pay rent which is due and owing.
k. The landlord or owner of the building is converting from the
rental market to a condominium or a cooperative. Where the
tenant is being removed pursuant to this subsection, no warrant

for possession shall be issued until this act has been complied with. 69 70l. (1) The owner of a building which is constructed as or being converted to a condominium or cooperative seeks to evict a tenant 7172or sublessee whose initial tenancy began after the master deed or agreement establishing the cooperative was recorded, because the 73owner has contracted to sell the unit to a buyer who seeks to per-74sonally occupy it and the contract for sale calls for the unit to be 75vacant at the time of closing. However, no action shall be brought 76 against a tenant under this subsection unless the tenant was given 77a statement in accordance with section 6 of this amendatory act. 78

(2) The owner of three or less condominium or cooperative units seeks to evict a tenant whose initial tenancy began by rental from an owner of three or less units after the master deed or agreement establishing the cooperative was recorded, because the owner seeks to personally occupy the unit, or has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract S5-86 for sale calls for the unit to be vacant at the time of closing.

(3) The owner of a building of three residential units or less
seeks to personally occupy a unit, or has contracted to sell the
residential unit to a buyer who wishes to personally occupy it and
the contract for sale calls for the unit to be vacant at the time of
closing.

92 m. The landlord or owner conditioned the tenancy upon and in 93 consideration for the tenant's employment by the landlord or 94 owner as superintendent, janitor or in some other capacity and 95 such employment is being terminated.

1 2. Section 3 of P. L. 1974, c. 49 (C. 2A:18-61.2) is amended to 2 read as follows:

3 3. No judgment of possession shall be entered for any premises 4 covered by section 2 of this act, except in the nonpayment of 5 rent under paragraphs a. or f. of section 2, unless the landlord 6 has made written demand and given written notice for delivery 7 of possession of the premises. The following notice shall be 8 required: 9 a. For an action alleging disorderly conduct under paragraph 10 b. of section 2, or injury to the premises under paragraph c. of 11 section 2 or any grounds under paragraph m. of section 2, 3 days' 12 notice prior to the institution of the action for possession;

b. For an action alleging continued violation of rules and
regulations under paragraph d. of section 2, or substantial breach
of covenant under paragraph e. of section 2, or habitual failure to
pay rent, 1 month's notice prior to the institution of the action
for possession;

c. For an action alleging [boarding up because of health violations] any grounds under paragraph g. of section 2, 3 months'
notice prior to the institution of the action;

d. For an action alleging permanent retirement under paragraph h. of section 2, 6 months' notice prior to the institution of the action *and*, provided that, where there is a lease in effect **[**for a period of 1 year or longer**]**, no action may be instituted until the lease expires.

e. For an action alleging refusal of acceptance of reasonable
lease changes under paragraph i. of section 2, 1 month's notice
prior to institution of action.

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f. For an action alleging any grounds under paragraph 1 of
section 2, 2 months' notice prior to the institution of the action
and, provided that where there is a written lease in effect no action
shall be instituted until the lease expires.

g. For an action alleging any grounds under paragraph k. of
section 2, 3 years' notice prior to the institution of action, and
provided that where there is a written lease in effect, no action
shall be instituted until the lease expires.

The notice in each of the foregoing instances shall specify in detail the cause of the termination of the tenancy and shall be served either personally upon the tenant or lessee or such person in possession by giving him a copy thereof, or by leaving a copy thereof at his usual place of abode with some member of his family above the age of 14 years, or by certified mail; if the certified letter is not claimed, notice shall be sent by regular mail.

1 3. (New section) a. Where a tenant vacates the premises after 2 being given a notice alleging the owner seeks to personally occupy 3 the premises under section 2 l. of P. L. 1974, c. 49 and the owner 4 thereafter arbitrarily fails to personally occupy the premises for 5 a total of at least 6 months, or arbitrarily fails to execute the con-6 tract for sale, but instead permits personal occupancy of the 7 premises by another tenant, such owner shall be liable to the former 8 tenant in a civil action for three times the damages plus the ten-

9 ant's attorney fees and costs.

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b. If an owner purchases the premises pursuant to a contract
requiring the tenant to vacate in accordance with section 2 l. of
P. L. 1974, c. 49 and thereafter arbitrarily fails to personally occupy
the premises for a total of at least 6 months, such owner-purchaser
shall be liable to the former tenant in a civil action for three times
the damages plus the tenant's attorney fees and costs.

4. (New section) As used in this act:

 $\mathbf{2}$ a. "Comparable housing" means housing that is (1) decent, safe, 3 sanitary, and in compliance with all local and State housing codes; (2) open to all persons regardless of race, creed, national origin, 4 ancestry, marital status or sex; and (3) provided with facilities $\mathbf{5}$ equivalent to that provided by the landlord in the dwelling unit 6 in which the tenant then resides in regard to each of the following: 7 (a) apartment size including number of rooms, (b) rent range, (c) 8 major kitchen and bathroom facilities, and (d) special facilities 9 necessary for the handicapped or infirmed; (4) located in an area 10not less desirable than the area in which the tenant then resides in 11 regard to each of the following: (a) accessibility to the tenant's 12place of employment, (b) accessibility of community and commer-13cial facilities, and (c) environmental quality and conditions; and 14 (5) in accordance with additional reasonable criteria which the 15tenant has requested in writing at the time of making any request 1617under this act.

b. "Condominium" means a condominium as defined in the "Condominium Act," P. L. 1969, c. 257 (C. 46:8B-1 et seq.).

20 c. "Cooperative" means a housing corporation or association 21 which entitles the holder of a share or membership interest thereof 22 to possess and occupy for dwelling purposes a house, apartment 23 or other structure owned or leased by said corporation or associa-24 tion, or to lease or purchase a dwelling constructed or to be con-25 structed by said corporation or association.

5. (New section) Any owner who intends to convert a multiple 1 dwelling as defined in P. L. 1967, c. 76 (C. 55:13A-1 et seq.), other $\mathbf{2}$ than a hotel or motel, into a condominium or cooperative shall give 3 the tenants 60 days' notice of his intention to convert and the full 4 plan of the conversion prior to serving notice, provided for in sec- $\mathbf{5}$ tion 3 of P. L. 1974, c. 49 (C. 2A:18-61.2). A duplicate of the first 6 such 60-day notice and full plan shall be transmitted to the clerk 7 of the municipality at the same time. In the notice of intention to 8 convert tenants shall be notified of their right to purchase owner-9

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ship in the premises at a specified price in accordance with this 1011 section, and their other rights as tenants under this act in relation to the conversion of a building to a condominium or a cooperative. 1213 A tenant in occupancy at the time of the notice of intention to convert shall have the exclusive right to purchase his unit or the 14shares of stock allocated thereto for the first 90 days after such 15notice that such purchase could be made during which time the 16unit shall not be shown to a third party unless the tenant has in 17 writing waived the right to purchase. 18

6. (New section) Any owner who establishes with a person an initial tenancy after the master deed or agreement establishing the cooperative was recorded shall provide to such person at the time of applying for tenancy and at the time of establishing any rental agreement a separate written statement as follows:

"STATEMENT

 $\mathbf{6}$ THIS BUILDING IS BEING CONVERTED TO A CON-DOMINIUM OR COOPERATIVE. YOUR TENANCY CAN 7 BE TERMINATED UPON 60 DAYS' NOTICE IF YOUR 8 9 APARTMENT IS SOLD TO A BUYER WHO SEEKS TO PERSONALLY OCCUPY IT. IF YOU MOVE OUT AS A 10 RESULT OF RECEIVING SUCH A NOTICE. AND THE 11 LANDLORD ARBITRARILY FAILS TO COMPLETE THE 12 SALE, THE LANDLORD SHALL BE LIABLE FOR 13 TREBLE DAMAGES AND COURT COSTS." 14

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15 Such statement shall also be reproduced as the first clause in any16 written lease provided to such person.

7. (New section) Any tenant receiving notice under section 3 g.
 of P. L. 1974, c. 49 who is not evicted for any cause under this act
 other than under section 3 g. shall receive from the owner moving
 expense compensation of waiver of payment of 1 month's rent.

8. (New section) Tenants receiving notice under section 3 g. of 1 P. L. 1974, c. 49 may request of the landlord within 18 full months $\mathbf{2}$ 3 after receipt of such notice, and the landlord shall offer to the tenant, personally or through an agent, the rental of comparable 4 housing and a reasonable opportunity to examine and rent such 5 comparable housing. In any proceeding under subsection 2 k. of 6 7 P. L. 1974, c. 49 instituted following the expiration of notice required under section 3 g. of P. L. 1974, c. 49, the owner shall prove 8 that a tenant was offered such comparable housing and provided 9 such reasonable opportunity to examine and rent such housing 10as requested pursuant to this subsection. The court shall authorize 11 1-year stays of eviction with reasonable rent increases until such 12

13 time as the court is satisfied that the tenant has been offered 14 comparable housing and provided a reasonable opportunity to 15 examine and rent such housing as requested pursuant to this 16 section. However, in no case shall more than five such stays be 17 granted.

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18 The court shall automatically renew any 1-year stay of eviction 19 in any case where the landlord failed to allege to the court within 20 1 year of a prior stay that the tenant was offered a reasonable 21 opportunity to examine and rent comparable housing within such 22 prior year.

However the court shall not authorize any further stays at any time after one such stay has been authorized when the owner has also provided a tenant with hardship relocation compensation of waiver of payment of 5 months' rent.

9. (New section) In accordance with the "Administrative Pro-1 $\mathbf{2}$ cedure Act" (P. L. 1968, c. 410, C. 52:14B-1 et seq.), the department shall adopt rules and regulations setting forth procedures 3 required to be followed by landlords in providing tenants a reason-4 able opportunity to examine and rent comparable housing and $\mathbf{5}$ 6 setting forth procedures and content for information required to be disclosed to tenants regarding such procedures, the rights and 7 responsibilities of tenants under this act, and the plans and pro-8 posals of landlords which may effect any tenant in order to 9 10 maximize tenants' ability to exercise rights provided under this act. Any rules and regulations adopted under this section shall 11 only be applicable to tenants and owners of a building or mobile 12home park which is being, or is about to be converted from the 13 rental market to a condominium or a cooperative. 14

1 10. This act shall take effect immediately.

STATEMENT

This bill details further grounds for evicting tenants and the notice provisions required. It also concerns tenants rights in the conversion of a multiple dwelling into a condominium or cooperative.

ASSEMBLY AMENDMENT TO **ASSEMBLY, No. 3570**

STATE OF NEW JERSEY

ADOPTED JULY 30, 1975

Amend page 7, section 9, lines 2-3, omit "department", insert "Department of Community Affairs".

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SENATE COMMITTEE AMENDMENTS TO

ASSEMBLY, No. 3570

[Official Copy Reprint]

STATE OF NEW JERSEY

ADOPTED SEPTEMBER 4, 1975

Amend page 2, section 1, line 43, after ";", insert "simultaneously with service of notice of eviction pursuant to this clause, the landlord shall notify the Department of Community Affairs of the intention to institute proceedings and shall provide the department with such other information as it may require pursuant to rules and regulations. The department shall inform all parties and the court of its view with respect to the feasibility of compliance without removal of the tenant and may in its discretion appear and present evidence:".

Amend page 3, section 1, line 77, after "under", insert "paragraph (1) of".

Amend page 4, section 2, line 29, omit "1", insert "1".

Amend page 5, section 3, line 13, after "months,", insert "but instead permits personal occupancy of the premises by another tenant,".

Amend page 5, section 3, after line 15, insert a new subsection as follows:

"c. Where a tenant vacates the premises after being given a notice alleging the owner seeks to permanently board up or demolish the premises or retire the premises from residential use under subsection 2g (1) or 2h of P. L. 1974, c. 49 and the owner thereafter permits personal occupancy of the premises by another tenant within 6 months of such vacancy, such owner shall be liable to the former tenant in a civil action for three times the damages plus the tenant's attorney fees and costs.".

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Amend page 5, section 5, line 3, after "motel,", insert "or mobile home park".

Amend page 6, section 6, line 6, after "TO", insert ", OR IS".

Amend page 6, section 8, line 11, omit "subsection", insert "section".

SENATE COUNTY AND MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3570

[Official Copy Reprint] with Senate committee amendments

STATE OF NEW JERSEY

DATED NOVEMBER 24, 1975

Assembly Bill No. 3570 (OCR) establishes (1) additional grounds for court ordered evictions of tenants or sublessees, (2) notification requirements for proceedings for such evictions, (3) owner liability to tenant when owner evicts for certain claimed purposes which the owner arbitrarily fails to execute, and (4) specific procedures for the conversion of rental premises to condominiums or cooperatives.

Section 1 specifies several additional grounds for court ordered evictions of a "lessee or tenant or the assigns, under-tenants or legal representatives of such lessee or tenant," including any removals resulting from:

(1) The need to correct (a) certain substantial housing violations for which an owner has been cited by a local or State housing inspector, or (b) certain illegal occupancies for which an owner has been cited by a local or State housing inspector;

(2) A decision by a governmental agency permanently to retire the premises from the rental market as part of a redevelopment or land clearance plan for a blighted area;

(3) The intention of any owner of a building to convert from the rental market to a condominium or cooperative;

(4) The intention of any owner of a building being so converted, when tenancy has occurred after the recording of the master deed or agreement, to sell a residential unit to a buyer who personally seeks to occupy said unit and the terms of the sale require the unit to be vacant at the time of closing;

(5) The intention of the owner of three or less condominium or cooperative units, when tenancy occurred after the recording of the master deed or agreement, (a) personally to occupy the unit or (b) said owner has contracted to sell the unit to a buyer for purposes of occupancy and the vacancy of the unit at the time of closing is a condition of the contract for sale;

(6) The intention of any owner of a building of three residential units or less (a) personally to occupy a unit, or (b) to sell the residential unit to a buyer who wishes personally to occupy said unit, and the contract for sale calls for the unit to be vacant at the time of the closing; and

(7) The termination of a tenant's employment as a superintendent, janitor or any other capacity, when tenancy is a condition of such employment.

Section 1 further provides that:

(1) The permanent retirement provisions of paragraph h. of the present law (a) may not be used to circumvent existing relocation assistance provisions set forth in paragraph g. of said law, and (b) the term permanent retirement is redefined so as to apply only to removals of residential buildings or mobile parks from residential use; thus, buildings removed for purposes of conversion or owner occupancy shall henceforth be subject to the requirements of subsections 2k. and 21 and other related provisions of this bill;

(2) The removal of tenants for habitual failure to pay rents shall be limited to the failure, without legal justification, to make payments which is due and owing;

(3) Removals of tenants for substantial violations of lease agreements or rules or regulations shall be limited to violations of terms included at the beginning of the lease term; and

(4) No evictions shall take place for any code enforcement or acquisition purposes pursuant to subsection 1g. of this bill, until relocation assistance has been provided by the State or local unit of government, a requirement which does not differ from existing practices pursuant to the relocation assistance laws (i.e., P. L. 1967, c. 79, C. 52:31B-1 et seq.; P. L. 1972, c. 362, C. 20:4-1 et seq.).

In essence, section 1 does not establish the right of eviction for purposes of condominium or cooperative conversions, which currently are covered by subsection 2h. of P. L. 1974, c. 49, but rather requires that such evictions proceed only in accordance with new provisions of this act. The procedures for such conversions are as follows.

In the case of a building to be converted from the rental market to a condominium or cooperative, no tenant shall be removed unless:

(1) Three years' notice is given prior to the institution of action for eviction, which notice may be served at any time after 60 days of the receipt by the tenant of a notice of intention to convert, but that no action shall be instituted until the expiration of any written lease which may then be in effect (paragraph g. of section 2 of the bill); this is not intended to prevent the service of notice while lease is in effect;

(2) A notice of intention to convert any multiple dwelling unit of three or more units (as defined in P. L. 1967, c. 76; C. 55:13A-1 et seq.) to a condominium or cooperative shall be given to the tenants, as set forth in section 2 of the bill, along with a full plan of the intended conversion; the notice shall also advise the tenants of the right to purchase, the terms of the purchase, and their rights under this act, and any tenant in occupancy shall have the exclusive right to purchase the unit, or shares of stock allocated therefor, within 90 days of said notice, during which time the unit shall not be shown to a third party unless the tenant has, in writing, waived such right; a copy of the notice of intention and full plan of conversion shall simultaneously be filed with the municipal clerk and no notice of eviction for said conversions shall be served within 60 days of the provision of the notice of intention (see section 5) or as otherwise required by law.

(3) He first receives, if tenant is removed solely for reason of such conversion, compensation from the owner for moving expenses, in the form of a waiver of payment of 1 month's rent (section 7); and

(4) The landlord offers to the tenant, at the request of the tenant made within 18 months after receipt of the notice of eviction (under 3g. of P. L. 1974, c. 49), the rental of comparable housing and a reasonable opportunity to examine and rent such housing, and the owner shall prove in any proceeding for eviction that the tenant was offered comparable housing and a reasonable opportunity to rent; the court shall authorize 1 year stays of eviction, with reasonable rent increases, until satisfied that adequate offers have been made and a 1 year stay shall be automatic if the landlord fails to allege the making of such offer within the previous year, but no more than five stays shall be granted; provided, however, that no more than one stay may be granted if the owner provides the tenant with hardship relocation compensation in the form of a waiver of payment of 5 months' rent (section 8).

In the case of the sale of condominium or cooperative units in buildings with three or more units, when vacancy of a unit is made a part of the sales contract, for purposes of buyer occupancy of said unit pursuant to paragraph (1) of subsection 2L. of the bill, no removal of tenant or sublessee shall take place unless:

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(1) Two months' notice is given prior to the institution of an action for removal, provided that where there is a written lease in effect no action shall be instituted until the lease expires (subsection 2f. of bill); this is not intended to prevent the service of notice while lease is in effect; and (2) The owner provides the person establishing tenancy after the recording of the master deed or agreement with an informational statement of (a) 60-day notice provisions and (b) landlord liability if he arbitrarily fails to complete sale; such statement shall be reproduced as the first clause in any written lease (section 6), but shall not take precedence over longer lease terms.

In the case of (a) an owner of three or less condominium or cooperative units who personally seeks to occupy one of the units or sells one such unit to a buyer for purposes of personal occupancy, when vacancy of the unit at the time of closing is a part of the terms of the sales contract, or (b) an owner of a building of three or less residential units who seeks personally to occupy one of the units or sells one such unit to a buyer for purposes of personal occupancy, when vacancy of the unit at the time of closing is part of the terms of the contract, no removal of tenant shall take place unless

(i) the 2 months' notice requirements in subsection 2f. of the bill are met, but

(ii) need not provide the informational statement required in section 6.

Subsection 2c. of the bill applies the 3-month notification requirements of subsection to all code enforcement and public-taking situations contained in subsection 1g. of the bill. Subsection 2d. of the bill is amended so as to extend to all leases, including those in effect less than a year, the requirement that no action be instituted (excluding giving notice) where there is a lease in effect.

Section 3 of the bill imposes a personal liability on owner or buyer to pay damages to any tenant evicted for purposes of owner occupancy, if (a) owner or buyer arbitrarily fails to effectuate the occupancy for a total of 6 months or (b) the owner arbitrarily fails to execute the contract for sale after tenant vacates premises upon receiving appropriate notice, when such premises are, instead, leased to another tenant.

Section 9 requires the Department of Community Affairs to adopt rules and regulations relating to rights and responsibilities of landlords and tenants under this act. Any rules or regulations adopted hereunder shall be applicable to tenants and owners of any building or mobile home park which is being converted from the rental market to a condominium or cooperative.

The Senate committee amendments include, in addition to the several largely technical changes, the following substantive changes:

(1) In the vacating of premises in order to permit a landlord to rectify substantial violations of health and safety codes, provision is made for owner notification of the Department of Community Affairs and department is authorized to require such other information as it may deem useful and to advise the court of its views regarding the proposed removal of tenants (paragraph g. (2) of section 1 of the bill);

(2) Limits the imposition of penalties pursuant to paragraph b. of section 3, involving the failure of a landlord personally to occupy a unit after removing a tenant for said purpose pursuant to paragraph 1 of section 1, to only those situations where the landlord permits occupancy of the premises by another tenant;

(3) Adds a new paragraph to the aforesaid section 3 in order to cover the situation where an owner vacates premises for alleged purpose of permanently boarding up or demolishing premises, but permits another tenant to occupy said premises within 6 months of said vacancy; and

(4) Extends the statement provisions of section 6 to new constructions.

FROM THE OFFICE OF THE GOVERNOR

FEBRUARY 19, 1976 FOR INMEDIATE RELEASE FOR FURTHER INFORMATION DICK CAMPBELL

1

Governor Brendan Byrne signed into law today a bill designed to strengthen the legal rights of tenants against deceptive practices by landlords.

The measure, A-1060, sponsored by Assemblyman Byron M. Baer, D-Bergen, requires that tenants be given a statement setting forth the primary, clearly established legal rights and responsibilities of tenants and landlords.

The statement would be prepared and published annually by the State Department of Community Affairs.

The bill requires landlords to distribute copies of the statement to all tenants within 30 days after it has been made available by the Department. Thereafter, it must be given to each new tenant either prior to or at the time of occupancy.

Baer said the measure should prevent landlords from including deceptive clauses in leases which might make tenants reluctant to assert their legal rights.

"We have passed several major tenants rights bills over the past two years which have helped restore the balance in landlord-tenant relationships," he said.

"This bill is essential in getting the word out to tenants on the new legislation,"

The Governor also signed another bill sponsored by Assemblyman Baer, <u>A-3570</u>, which provides protection for tenants when an apartment building is transformed into ¹ condominium or cooperative and establishes additional conditions for evictions in ¹³ses involving redevelopment of blighted areas and the enforcement of health and ¹⁴fety codes.

The measure provides that when an apartment building is being converted to a ^{10operative} or condominium, the tenant in each unit shall have the exclusive right to ^{14t}chase the unit within 90 days after being notified of the plan. The bill also requires landlords to provide adequate relocation assistance to genants who do not choose to purchase a unit.

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The measure provides for a three-year notice before eviction proceedings can gin, or for a longer period if the landlord fails to provide adequate relocation issistance. It also provides for the payment of moving expenses in the form of a niver of one month's rent.

Baer said the conversion of apartments to cooeratives or condominiums is becoming

"If it is unregulated, it could cause serious hardships to tenants," he said. He said the legislation had the support of both landlords and tenants.
