AB 1837

Foreclosure Intervention Law

Resolves implementation gaps in the existing foreclosure intervention law

Ensures that foreclosed homes be prioritized for renters and the community, not corporations

With AB 1837 passing into law during the 2022 legislative session, California has resolved some of the implementation gaps in its existing foreclosure intervention law. SB 1079, which went into effect January 1st, 2021, was written to stop the displacement of tenants and marginalization of first-time homebuyers by corporate investors who capitalize on foreclosures. However, in 2021, housing advocates became aware that for-profit actors were finding ways to defy the foreclosure intervention law and even manipulate it in their favor. AB 1837 strengthens California's landmark foreclosure intervention law by reducing for-profit actors' opportunities to misuse it.

AB 1837 Solutions:

- 1. Revises the definition of an eligible nonprofit buyer and expands affidavit and declaration requirements for eligible bidders
- 2. Authorizes the Attorney General, a county counsel, or a city attorney to bring an action to enforce its provisions
- 3. Restricts evictions in homes
- 4. Requires that, in specific cases, units be maintained as affordable to lower income households