Home Renter Evicted From House Her Landlord May Not Have Owned

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Home foreclosures are common in tough economic times, especially in states like California where real estate prices have plummeted from all-time highs. But home owners aren't the only ones who face problems. Those who rent houses also need to take care to avoid problems, even though people who lease homes generally don't expect to get caught in the middle of ownership controversies. These days due diligence by home renters appears to be the proper and safe course before proceeding. Due diligence should include taking steps to ensure that the party leasing the home is indeed the owner. This means, among other things, investigating the status of the home to determine whether or not it is in foreclosure. If so, special care should be taken.

One woman, recently evicted from a home she rented in a San Diego suburb, failed to heed the warning of local real estate agents and the police before renting a property valued at \$650,000. According to one <u>report</u>, she rented the home from an organization that claimed ownership by filing a quitclaim deed with the county on the foreclosed property, then seizing it. One local real estate agent characterized the organization that leased the home as scammers and its actions in taking possession of the property as fraudulent.

As for the renter, she was far from blindsided, having been warned by police that the organization offering the home didn't own the property. The organization disputes that, but either way the renter has been evicted.

Schein & Cai handles real estate disputes, including arbitration and litigation arising out of real estate transactions, agent and broker relationships and landlord/tenant matters.