

CHAPTER 16

WITHDRAWAL OF ACCOMMODATIONS

SUBCHAPTER A

GENERAL PROVISIONS

1600. Withdrawal of Accommodations from Rent or Lease

Pursuant to California Government Code Sections 7060 et seq. (the "Ellis Act") the owner of residential real property subject to the Rent Control Law may withdraw accommodations on the property from rent or lease in accordance with the provisions of this Chapter.

Amendments to this Chapter, adopted by the Board on January 27, 2000, are made to carry out amendments to the Ellis Act effective January 1, 2000. Amendments to this chapter adopted January 27, 2000 are applicable to all applications for withdrawal of accommodations filed on or after January 1, 2000.

Amendments to this Chapter, adopted by the Board on January 9, 2003, are made to carry out amendments to the Ellis Act effective January 1, 2003. Amendments to this chapter adopted January 9, 2003 are applicable to all new tenancies following return to the rental business created after December 31, 2002.

[1600 Amended 1/27/00; Effective 2/11/00]

[1600 Amended 1/9/03; Effective 1/18/03]

1601. Definitions

(a) "Accommodations" are defined as either:

- (1) The residential rental units in any detached physical structure containing four or more residential rental units or,
- (2) With respect to a detached physical structure containing three or fewer residential rental units, the residential rental units in that structure and in any other structure located on the same parcel of land, including any detached physical structure specified in subparagraph (1).

(b) "Disabled" means a person with a disability, as defined in Section 12955.3 of the California Government Code.

[1601 Amended 1/27/00; Effective 2/11/00]

1602. Date of Withdrawal

(a) The date on which accommodations are withdrawn from rent or lease pursuant to this Chapter is one-hundred-twenty (120) days from the date of service upon the Board of the original Notice of Intention to Withdraw Accommodations From Rent or Lease (hereinafter "Notice of Intent") and a conformed copy of the recorded Memorandum Summarizing Non-Confidential Provisions of Notice of Intention to Withdraw Accommodations From Rent or Lease, as required by Section 1608 of these regulations except as provided in subsection (b), below. This section applies equally to all properties withdrawn pursuant to this Chapter, including properties vacant prior to the commencement of the procedure described herein.

(b) If a tenant or lessee is at least 62 years of age or disabled, and has lived in his or her unit for at least one year prior to the date of the owner filing the Notice of Intent with the Board pursuant to

Section 1608, the date of withdrawal of the accommodations of that tenant or lessee shall be extended to one year after the date of filing the Notice of Intent, provided the tenant or lessee gives written notice of his or her entitlement to an extension to the owner within 60 days of the date of filing of the Notice of Intent. If these qualifications have been met, the following provisions shall apply:

- (1) The tenancy shall continue on the same terms and conditions as existed on the date of filing of the Notice of Intent with the Board, subject to any adjustments otherwise available under the Rent Control Law and regulations.
- (2) No party shall be relieved of the duty to perform any obligation under the lease or rental agreement.
- (3) The owner may elect to extend the date of withdrawal on any other accommodations up to one year after the date of filing the Notice of Intent with the Board, subject to the requirements of subparagraphs (1) and (2), above.
- (4) Within thirty (30) days of the notification by the tenant or lessee to the owner of his or her entitlement to an extension, the owner shall give written notice to the Board of the claim that the tenant or lessee is entitled to stay in his or her unit for one year after the date of the filing of the Notice of Intent with the Board.
- (5) Within ninety (90) days of the date of filing of the Notice of Intent with the Board, the owner shall give written notice to the Board and the affected tenants or lessees of the owner's election to extend the date of withdrawal and the new date of withdrawal under subparagraph (3), above.

[1602 Amended 1/27/00; Effective 2/11/00]

1603. Owner Must Withdraw All Accommodations

The owner of residential real property may not withdraw from rent or lease less than all of the accommodations, as defined in subparagraphs (1) or (2) of Section 1601(a).

[1603 Amended 1/27/00; Effective 2/11/00]

SUBCHAPTER B

WITHDRAWAL PROCEDURES TO BE FOLLOWED BY OWNERS

1604. Preparation of Notice of Intention to Withdraw Accommodations From Rent or Lease and Memorandum Summarizing Non-Confidential Provisions

- (a) Before initiating the withdrawal process, the property owner must prepare the following two documents:
 - (1) A Notice of Intention to Withdraw Accommodations From Rent or Lease, as set forth in Section 1605 below;
 - (2) A Memorandum Summarizing Non-Confidential Provisions of Notice of Intention to Withdraw Accommodations From Rent or Lease, as set forth in Section 1606 below.

1605. Notice of Intention to Withdraw Accommodations From Rent or Lease

- (a) The Notice of Intention to Withdraw Accommodations From Rent or Lease shall contain the

following information:

- (1) The names and mailing addresses of all owners of the property;
 - (2) A statement that said owners intend to withdraw all of the accommodations from rent or lease;
 - (3) The number of accommodations to be withdrawn;
 - (4) The addresses of those accommodations;
 - (5) The name or names of the tenants or lessees of the accommodations;
 - (6) The rent of each residential unit.
- (b) The Notice of Intent shall include a statement that the information contained therein is true and correct, signed under penalty of perjury by all owners.
- (c) The names of the tenants, the rent of the rental units, and the total number of accommodations shall be treated as confidential information for purposes of the Information Practices Act of 1977.
- (d) The Board will provide an official form Notice of Intent.

1606. Memorandum Summarizing Non-Confidential Provisions of Notice of Intention to Withdraw Accommodations From Rent or Lease

- (a) The Memorandum Summarizing Non-Confidential Provisions of Notice of Intention to Withdraw Accommodations From Rent or Lease (hereinafter "Memorandum") shall contain the following:
- (1) The names of all owners of the property;
 - (2) A statement that said owners intend to withdraw all of the accommodations from rent or lease;
 - (3) The addresses of the accommodations.
- (b) Said Memorandum shall not contain information concerning the names of the tenants, the rent of the rental units, or the total number of accommodations.
- (c) Said Memorandum must be signed by all owners, and said signatures must be notarized, or otherwise duly acknowledged, proved or certified, in accordance with the provisions of any applicable law (see, e.g., California Civil Code Sections 1169 through 1207).
- (d) The Board will provide an official form Memorandum.

1607. Initiation of the Withdrawal Process by Recording Memorandum; Obtaining Conformed Copy

- (a) The owner shall initiate the withdrawal process by recording the Memorandum with the office of the county recorder of Los Angeles County.
- (b) At the time that the Memorandum is recorded, the owner shall have a copy of that document conformed by the office of the County Recorder; said conformed copy shall include the recorder's document number and date of recordation.

1608. Service on Board of Notice of Intent & Conformed Copy of Recorded Memorandum

The owner shall serve simultaneously the following documents upon the Board:

- (a) The original Notice of Intent;
- (b) A copy of the recorded Memorandum, conformed by the Los Angeles County Recorder's Office, including the recorder's document number and the date of recordation.

1609. Time Limit for Completion of Withdrawal Procedures

- (a) In order to withdraw accommodations from rent or lease, the owner must complete all of the procedures set forth in Sections 1610 through 1612 below within five (5) days of service on the Board of the Notice of Intent and recorded Memorandum as required by Section 1608.
- (b) If an owner fails to complete all of the procedures set forth in Sections 1610 through 1612 below within five (5) days of service on the Board of the Notice of Intent and recorded Memorandum, the owner shall not be permitted to displace tenants or to exercise any other right conferred by the Ellis Act.
- (c) Notwithstanding subsections (a) and (b) above, nothing in this Section shall prevent an owner who has failed to complete a withdrawal from initiating and completing a new withdrawal in accordance with these regulations.

[1609 Amended 1/27/00; Effective 2/11/00]

1610. Notice to Tenants of Pending Withdrawal

- (a) Within five (5) days after serving the Board with a Notice of Intent and recorded Memorandum in accordance with Section 1608, the owner shall provide each tenant or lessee to be displaced with a written Notice to Tenant Of Pending Withdrawal (hereinafter "Notice to Tenant"), containing the following information:
 - (1) That the owner has served upon the Board a Notice of Intent in accordance with Sections 1605 and 1608;
 - (2) That said Notice of Intent specified the name and amount of rent paid by the tenant or lessee;
 - (3) The amount of rent that was specified in said Notice of Intent for the unit occupied by the tenant or lessee;
 - (4) The rights of the tenant or lessee to re-rent the accommodations pursuant to Section 1620 below.
 - (5) A tenant at least 62 years of age or older, or a disabled tenant, who has lived in his unit for at least one year prior to the filing of the Notice of Intent with the Board shall have his or her tenancy extended to one year after the date of filing of the Notice of Intent with the Board, provided that the tenant gives written notice of his or her entitlement to the owner within 60 days of the owner's filing of the Notice of Intent with the Board.
 - (6) For tenants who qualify for extension of withdrawal of accommodations under regulation 1602(b), the extended tenancy shall be continued on the same terms and conditions as existed on the date the owner filed the Notice of Intent with the Board, subject to any adjustments available under the Rent Control Law and regulations.
 - (7) No party to a lease or rental agreement which is extended under regulation 1602(b) shall be relieved of the duty to perform any obligation under the lease or rental agreement during the extended tenancy.

- (b) The Board will provide an official form Notice to Tenant.
- (c) The Notice to Tenant required herein must be served either prior to or contemporaneously with the notice to terminate tenancy served in the manner required by applicable state law (see, e.g., California Civil Code Sections 1946.1 and California Code of Civil Procedure Section 1162).

[1610 Amended 1/27/00; Effective 2/11/00]
 [1610(c) Amended 12/6/12; Effective 12/12/12]

1611. Notice to Terminate Tenancies

- (a) Within five (5) days after serving the Board with a Notice of Intent and recorded Memorandum, the owner shall serve each tenant or lessee to be displaced with a written notice of termination of tenancy effective as of the date of withdrawal as defined in regulation 1602, served in the manner required by applicable state law (see, e.g., California Civil Code Section 1946.1; California Code of Civil Procedure Section 1162).
- (b) Said notices of termination of tenancy shall provide that all tenancies be terminated one-hundred-twenty (120) days following the date on which the Board was served with the original Notice of Intent and a copy of the recorded Memorandum as required by Section 1608.
- (c) No Notices of Termination of Tenancy shall be served prior to compliance with Sections 1607, 1608 and 1610; however, such notices may be served contemporaneously with the Notices of Pending Withdrawal required by Section 1610.

[1611 Amended 1/27/00; Effective 2/11/00]
 [1611(a) Amended 12/6/12; Effective 12/12/12]

1612. Certification that Actions Commenced To Terminate Tenancies

- (a) Within five (5) days after serving the Board with a Notice of Intent and recorded Memorandum, the owner shall serve upon the Board a Certification that Actions Have Been Initiated to Terminate Tenancies (hereinafter "Certification"), certifying that all tenants or lessees have been served with notices to terminate tenancies effective one-hundred-twenty (120) days from the date of the filing of the Notice of Intent and a copy of the recorded Memorandum as required by regulation 1608, served as required by law, or, if applicable, that there are no remaining tenants or lessees in the accommodations.
- (b) Said Certification must be signed by all owners.
- (c) The Board will provide an official form Certification.

1613. Former Regulation 1613 is Repealed

[1613 Repealed 1/27/00; Effective 2/11/00]

SUBCHAPTER C

PROCEDURES TO BE FOLLOWED BY BOARD

1613. Notice of Service

Within five (5) business days of service of a Notice of Intent and recorded Memorandum upon it, the Board shall mail a Notice of Service to the withdrawing owner and to the occupants of all accommodations to be withdrawn. Said Notice of Service shall include the date that the Notice of Intent and recorded Memorandum were served upon the Board. The Board may enclose with said Notice of Service

information concerning the rights and obligations of owners and tenants.

[1613 Amended 1/27/00; Effective 2/11/00]

1614. Review of Memorandum and Notice of Intent; Notice of Defects

- (a) Upon service on the Board of a Notice of Intent and recorded Memorandum, the Board shall:
- (1) Verify that the Notice of Intent and recorded Memorandum comport with the requirements of Sections 1605, 1606, 1607 and 1608 above;
 - (2) Verify that the residential rental units to be withdrawn are accommodations as defined by Section 1601(a);
 - (3) Verify that owner is not attempting to withdraw less than all accommodations as defined in Section 1601(a);
 - (4) Verify that the ownership information in the Memorandum and Notice of Intent agrees with the record ownership as established by the records of the Los Angeles County Recorder;
 - (5) Verify that the number of accommodations, addresses of accommodations, and rent applicable to each unit as set forth in the Notice of Intent and recorded Memorandum agree with the records of the Board.
- (b) If the withdrawal appears to be improper, incomplete, incorrect or otherwise defective, the Board shall mail a Notice of Defects to the withdrawing owner. Said Notice of Defects shall specify the reason or reasons why the withdrawal appears to be defective. The Board shall also mail a Notice of Defects to the occupants of the accommodations, which shall include all information contained in the Notice of Defects given to the owner, except confidential information as specified in Section 1605(c).
- (c) The owner shall have fifteen (15) days from the date of the mailing of the Notice of Defects to correct the defects set forth in the notice. If all the defects set forth in the notice have not been cured within that time period, the filing will be considered improper and the owner shall not be permitted to displace tenants or to exercise any other rights conferred by the Ellis Act and this Chapter. However, nothing in this regulation shall prevent an owner who has failed to complete a proper withdrawal from initiating and completing a new withdrawal in accordance with these regulations.

[1614 Amended 1/27/00; Effective 2/11/00]

1615. Civil Action to Enjoin Defective Withdrawal

If an owner fails to comply with the provisions of Subchapter B of this Chapter, the Board may file a civil action to enjoin the attempted withdrawal. Nothing in this Section shall preclude the Board or any other aggrieved person from bringing any other action or asserting any defense permitted by law.

SUBCHAPTER D

UNLAWFUL DETAINER PROCEEDINGS

1616. Unlawful Detainers

If an owner seeks to displace a tenant or lessee by an unlawful detainer proceeding, the tenant or lessee may appear and answer or demur pursuant to Section 1170 of the Code of Civil Procedure and may assert by way of defense that the owner has not complied with the applicable provisions of the Ellis Act or

of this Chapter.

SUBCHAPTER E

PROCEDURES TO BE FOLLOWED BY TENANTS

1617. Notice of Desire to Renew Tenancy Within Two Years

- (a) If accommodations are offered for rent or lease within two years of the date of withdrawal, a tenant or lessee who has been displaced may have the right to re-rent the accommodations, as provided in subsection 1621. To acquire that right, the tenant or lessee must advise the owner in writing within thirty (30) days of displacement of his or her desire to consider an offer to renew the tenancy, and must furnish the owner with an address to which the owner's offer to re-rent is to be directed.
- (b) The Board shall make available a form, entitled Notice of Desire to Renew Tenancy Within Two Years, which may be utilized by tenants to provide withdrawing owners with the requisite notice and address.
- (c) A tenant or lessee who desires to consider an offer to renew the tenancy should file a copy of any Notice of Desire to Renew Tenancy Within Two Years with the Board.

[1617 Amended 1/27/00; Effective 2/11/00]

1618. Notice of New Mailing Address

- (a) In order to facilitate exercise of the rights set forth in this Chapter, tenants are advised to provide both the withdrawing owner and the Board with a new address to which correspondence may be directed, and to inform the Board and owners of any subsequent changes in address during the 10-year period following the withdrawal.
- (b) The Board shall make available to tenants an official form, entitled Notice of Change of Address, which may be utilized by tenants to provide withdrawing owners and the Board with notice of any new address to which correspondence should be directed.

SUBCHAPTER F

RENTAL FOR RESIDENTIAL PURPOSES WITHIN TWO YEARS

1619. Damages and Penalties

Rental of withdrawn accommodations for residential purposes within two years of withdrawal shall subject an owner to actual and exemplary damages as set forth in Section 1629.

[1619 Amended 1/27/00; Effective 2/11/00]

1620. Notice to Board

- (a) If an owner of accommodations wishes to offer those accommodations again for rent or lease within two years of withdrawal, the owner shall file a Notice of Intention to Re-Rent Withdrawn Accommodations with the Board containing the following information:
 - (1) The names and mailing addresses of all owners of the property;
 - (2) A statement that said owners intend to re-rent the accommodations;
 - (3) The addresses of those accommodations.

- (b) Except as provided in regulation 1621, the owner shall not offer any unit from which a tenant or lessee was displaced for rent or lease for a period of thirty (30) days following the filing of the Notice of Intention to Re-Rent Withdrawn Accommodations with the Board.
- (c) The Board will provide an official form Notice of Intention to Re-Rent Withdrawn Accommodations.

[1620 Amended 1/27/00; Effective 2/11/00]

1621. Owner Must Offer Accommodations To Certain Displaced Tenants

An owner who offers accommodations for rent or lease within two years of the date of withdrawal shall first offer to rent or lease each unit to the tenant or tenants displaced from that unit upon the same terms and conditions as those which existed prior to withdrawal of the accommodations, provided that said tenant or tenants have given notice of their desire to renew tenancy within two years as required by Section 1618. The owner must include copies of such written offers to the qualifying tenants with the Notice of Intention to Re-Rent Withdrawn Accommodations at the time the Notice is filed with the Board.

[1621 Amended 1/27/00; Effective 2/11/00]

SUBCHAPTER G

**PROCEDURES TO BE FOLLOWED UPON RE-RENTAL
MORE THAN TWO BUT LESS THAN TEN YEARS AFTER WITHDRAWAL**

1622. Notice to Board

- (a) If an owner of accommodations wishes to offer those accommodations again for rent or lease more than two years but less than ten years after withdrawal, the owner shall file a Notice of Intention to Re-Rent Withdrawn Accommodations with the Board containing the following information:
 - (1) The names and mailing addresses of all owners of the property;
 - (2) A statement that said owners intend to re-rent the accommodations;
 - (3) The addresses of those accommodations.
- (b) Except as provided in regulation 1625, the owner shall not offer any unit from which a tenant or lessee was displaced for rent or lease for a period of thirty (30) days following service of the Notice of Intention to Re-Rent Withdrawn Accommodations upon the Board.
- (c) The Board will provide an official form Notice of Intention to Re-Rent Withdrawn Accommodations.

[1622 Amended 1/27/00; Effective 2/11/00]

1623. Notice to Displaced Tenants

Upon receipt of a Notice of Intention to Re-Rent Withdrawn Accommodations, the Board shall mail a copy of said notice to all tenants or lessees displaced by the withdrawal at their last known mailing address. The Board shall include therewith a statement of the date on which the Notice of Intention to Re-Rent Withdrawn Accommodations was received by the Board, a statement of the tenants' rights under this Chapter, and a form Notice of Desire to Re-Rent as provided by Section 1624(b).

1624. Tenant's Notice to Owner

- (a) If the former tenant or lessee desires an offer to re-rent the accommodations, said tenant or lessee shall notify the owner of said desire in writing, within thirty (30) days of the date of service on the Board of the owner's Notice of Intention to Re-Rent Withdrawn Accommodations.
- (b) The Board will provide an official form Notice of Desire to Re-Rent.

1625. Owner's Obligation to Re-Rent To Displaced Tenants

If, within thirty (30) days of the date of service upon the Board of a Notice of Intention to Re-Rent Withdrawn Accommodations, a tenant or lessee displaced from a unit by the withdrawal requests in writing an offer to re-rent the unit, the owner shall first offer to rent or lease the unit to said tenant or lessee upon the same terms and conditions as those which existed prior to withdrawal of the accommodations.

1626. Punitive Damages

- (a) If an owner re-rents withdrawn accommodations more than two years after withdrawal without first notifying the Board in accordance with Section 1622, said owner shall be liable to any tenant or lessee displaced by the withdrawal for punitive damages as provided by Section 1630(b).
- (b) If, after receiving written notification of a tenant's desire to re-rent a unit in accordance with Section 1624 within thirty (30) days of the date of service on the Board of a Notice of Intention to Re-Rent Withdrawn Accommodations, the owner fails to offer to re-rent the unit to the tenant or lessee in accordance with Section 1625, said owner shall be liable to any tenant or lessee displaced by the withdrawal for punitive damages as provided by Section 1630(b).
- (c) Nothing in this Section shall preclude the Board or a displaced tenant from pursuing any other remedy under the law.

[1626 Amended 1/27/00; Effective 2/11/00]

SUBCHAPTER H

**PROCEDURES TO BE FOLLOWED UPON
RE-RENTAL MORE THAN TEN YEARS AFTER WITHDRAWAL**

1627. Notice to Board

- (a) If an owner of accommodations wishes to offer those accommodations again for rent or lease more than ten years after withdrawal, the owner shall serve a Notice of Intention to Re-Rent Withdrawn Accommodations After 10 Years upon the Board containing the following information:
 - (1) The names and mailing addresses of all owners of the property;
 - (2) A statement that said owners intend to re-rent the accommodations;
 - (3) The addresses of those accommodations.
- (b) The Board will provide an official form Notice of Intention to Re-Rent Withdrawn Accommodations After 10 Years.

SUBCHAPTER I

RESTRICTIONS ON OWNERS AND SUCCESSORS IN INTEREST

1628. Restrictions

Owners who have withdrawn accommodations pursuant to this Chapter, and their successors in interest, shall be subject to the restrictions set forth in Sections 1629 through 1631.

1629. Restrictions If Accommodations Rented Within Two Years

If the accommodations are offered for rent or lease within two years of the date on which they were withdrawn from rent or lease:

- (a) The accommodations shall be subject to the Rent Control Law in the same manner and to the same extent as if they had not been withdrawn from rent or lease. Initial rent levels for accommodations again offered for rent or lease shall be set pursuant to regulation 1633.
- (b) The owner of the accommodations shall be liable to any tenant or lessee who was displaced from the property by the withdrawal for actual and exemplary damages. Any action by a tenant or lessee pursuant to this paragraph shall be brought within three years of the withdrawal of the accommodations from rent or lease. However, nothing in this paragraph precludes a tenant from pursuing any alternative remedy available under the law.
- (c) The Board may institute a civil proceeding against any owner who has again offered accommodations for rent or lease subject to this section, for exemplary damages for displacement of tenants or lessees. Any action by the Board pursuant to this paragraph shall be brought within three years of the withdrawal of the accommodations from rent or lease.
- (d) Any owner who offers accommodations again for rent or lease shall first offer the unit for rent or lease to the tenant or lessee displaced from that unit by the withdrawal pursuant to this Chapter, if the tenant or lessee has advised the owner in writing within 30 days of the displacement of his or her desire to consider an offer to renew the tenancy and has furnished the owner with an address to which that offer is to be directed. That tenant, lessee, or former tenant or lessee may advise the owner at any time during the eligibility of a change of address to which an offer is to be directed. If the owner again offers the accommodations for rent or lease pursuant to this subdivision, and the tenant or lessee has advised the owner pursuant to this subdivision of a desire to consider an offer to renew the tenancy, then the owner shall offer to reinstitute a rental agreement or lease on terms permitted by law to that displaced tenant or lessee. This offer, to be made prior to or concurrently with the filing of the Notice of Intention to Re-Rent Withdrawn Accommodations with the Board, shall be deposited in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced tenant or lessee at the address furnished to the owner as provided in this subdivision, and shall describe the terms of the offer. The displaced tenant or lessee shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance or by deposit of the acceptance in the United States mail by registered or certified mail with postage prepaid.

[1629 Amended 1/27/00; Effective 2/11/00]

[1629(a) Amended 1/9/03; Effective 1/18/03]

1630. Restrictions If Accommodations Rented After Two Years

If the accommodations are offered for rent or lease after two years of the date on which they were withdrawn from rent or lease:

- (a) The accommodations shall be subject to the Rent Control Law in the same manner and to the same extent as if the accommodations had not been withdrawn from rent or lease. Initial rent levels for accommodations again offered for rent or lease shall be set pursuant to regulation 1633.

- (b) An owner who offers accommodations again for rent or lease within a period not exceeding 10 years from the date on which they are withdrawn shall first offer the unit to the tenant or lessee displaced from that unit by the withdrawal, if that tenant or lessee requests the offer in writing within 30 days after the owner has notified the Board of an intention to offer the accommodations again for residential rent or lease. The owner of the accommodations shall be liable to any tenant or lessee who was displaced by that action for failure to comply with this paragraph, for punitive damages in an amount which does not exceed the contract rent for six months.

[1630 Amended 1/27/00; Effective 2/11/00]

[1630(a) Amended 1/9/03; Effective 1/18/03]

1631. Restrictions If Accommodations Demolished

If the accommodations are demolished, and new accommodations are constructed on the same property, and offered for rent or lease within five years of the date the accommodations were withdrawn from rent or lease:

- (a) The newly constructed accommodations shall be subject to the Rent Control Law, notwithstanding subsection 1801(c)(5) of said law. This section shall apply to all units constructed on the formerly withdrawn property, regardless of the number of units withdrawn.
- (b) The landlord may establish the initial rent level for the newly constructed units at market rate in an arms-length transaction. This rent level shall thereafter become the base rent of the unit for all purposes of Article XVIII, including, but not limited to, the computation of all future rent adjustments. The landlord's right to set rent levels for subsequent tenancies is subject to Regulation 3301 and Civil Code section 1954.50, et seq. (the Costa-Hawkins Rental Housing Act).

[1631 Amended 4/13/2000; Effective 4/28/00]

1632. Recordation of Restrictions

The Board shall record a Notice of Restrictions with the county recorder of Los Angeles County, which shall specifically describe the real property where the accommodations are located, the dates applicable to the restrictions and the names of the owners of record of the real property. The notice shall be indexed in the grantor-grantee index. A person who acquires title to the real property subsequent to the date upon which the accommodations thereon have been withdrawn from rent or lease, as a bona fide purchaser for value, shall not be a successor in interest for the purposes of this Chapter if the Notice of Restrictions has not been recorded with the county recorder at least one day before the transfer of title.

SUBCHAPTER J

RENT LEVELS FOR ACCOMMODATIONS AGAIN OFFERED FOR RENT OR LEASE

1633. Initial Rent Levels

- (a) For all tenancies created after December 31, 2002 and commenced during either of the time periods described in (1) and (2) below, the accommodations shall be offered and rented or leased at the maximum allowable rent in effect at the time any Notice of Intent to Withdraw Accommodations was filed with the Board, plus intervening general adjustments.
- (1) The five-year period after a Notice of Intent to Withdraw Accommodations From Rent or Lease is filed with the Board, whether or not the Notice of Intent to Withdraw is rescinded or the withdrawal of the accommodations is completed pursuant to the Notice of Intent to Withdraw.

- (2) The five-year period after the accommodations are withdrawn.
- (b) If a new tenancy was lawfully created prior to January 1, 2003, after a lawful withdrawal of the unit under this Chapter and Government Code § 7060 et seq., the limitations on initial rent levels set forth in subparagraph (a) may not apply to new tenancies created after that date. If a new tenancy was lawfully created prior to January 1, 2003, after a lawful withdrawal of the unit under this Chapter, rents of subsequent tenancies shall be set in accordance with the provisions of the Costa-Hawkins Act (Civil Code §1954.50 et seq.) and regulation 3301.
- (c) The restrictions on setting initial rent levels set forth in this regulation shall prevail over any conflicting provision of law authorizing the landlord to establish the rental rate upon the initial hiring of the accommodations.

[1633 Adopted 1/9/03; Effective 1/18/03]

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[16000-16007 Repealed 10/11/90; Effective 10/19/90]
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[1629(a) Amended 1/9/03; Effective 1/18/03]
[1630(a) Amended 1/9/03; Effective 1/18/03]
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