TENANTS & FORECLOSURE
IN MINNESOTA

CONTACT US

If you live in Minneapolis
Legal Aid Society
612-334-5970
Hours: M–F, 9:30 to 11:30 a.m.
and 1:30 to 3:30 p.m.

If you live in Saint Paul
Southern Minnesota Regional
Legal Services
651-222-4731
Hours: M–F, 9 a.m. to Noon
and 1 to 3 p.m.

If you live outside Minneapolis/Saint Paul
HOMELine
612-728-5767
or 1-866-866-3546

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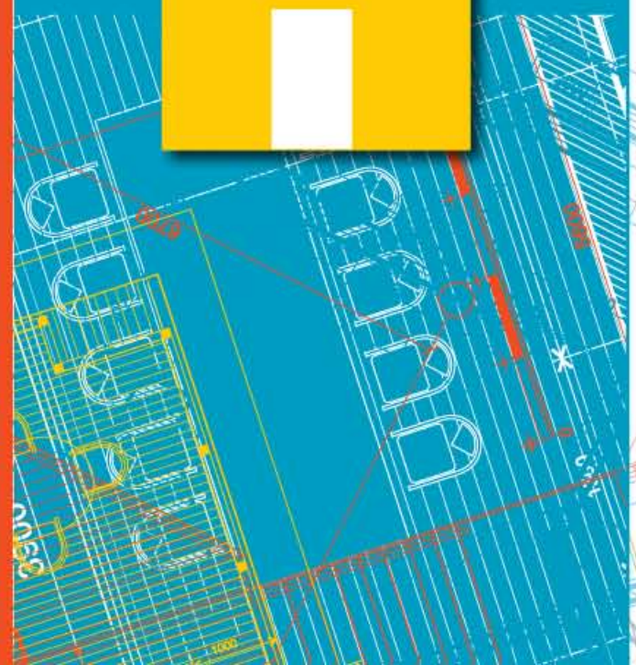
Know your next move

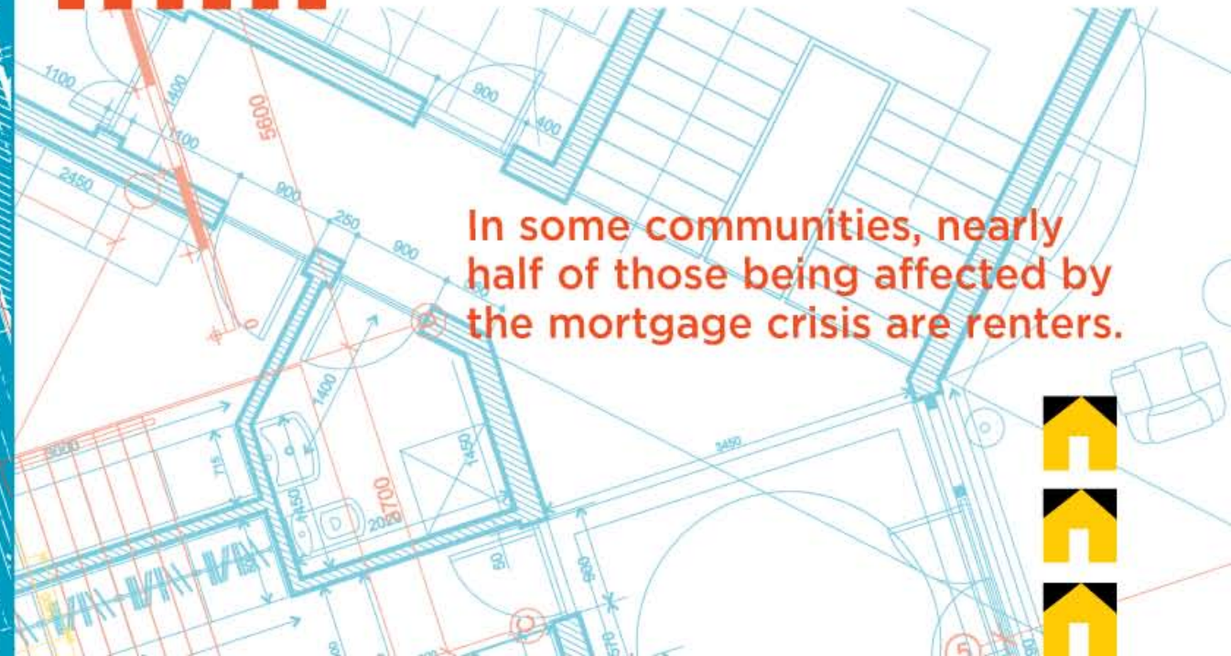


Tenants: You have rights.

Minnesota is experiencing a mortgage foreclosure crisis with thousands of homes being foreclosed throughout the state. Many of those being affected by this crisis are renters whose landlords are in foreclosure. As a renter, it is difficult to know your next move—both legally and physically. Know and exercise your rights.

Nonprofit agencies have set up help lines throughout the state to assist renters who are losing their homes to the foreclosure crisis. Experienced lawyers and counselors are available to help answer your questions and help you make the right move.

We can help you exercise them.



In some communities, nearly half of those being affected by the mortgage crisis are renters.

Q & A for Minnesota renters affected by foreclosure.

What is a Foreclosure?
When a property owner fails to make mortgage payments, the lender can order the county sheriff to auction the property. This procedure is called a foreclosure. The notice of foreclosure delivered to the occupants should include information on tenant rights.

What is a Sheriff's Sale?
When a foreclosure is filed, the county sheriff sells the property at auction. The mortgage holder usually buys the property for the full value of the mortgage. Later, the mortgage holder will try to resell the property and recoup its losses. The tenant does not have to move before the sale and can usually remain in the property for nine months or more.

How do I know if the property is in Foreclosure?
In most cases, the landlord must disclose to the tenant if the property is in foreclosure before renting the property. The sheriff's office also should have information on all foreclosures.

How long can I stay?
In a typical foreclosure, a tenant can stay under his or her lease with the existing landlord during the six months after the sheriff's sale (the "redemption period"). After the redemption period, a new owner usually takes possession of the property. Under new federal law, the new owner must typically give 90 days notice to the tenant to move. If a tenant had a lease before the notice of the foreclosure, they can live out the lease unless someone is buying the property in order to live there.

If a tenant has Section 8 they can live out their lease unless terminated for good cause. Foreclosure and selling the property do not count as "good cause". If a new owner is going to live at the property, they have to give a tenant 90-days notice. If a lease is month-to-month or otherwise ends in less than 90-days, the new owner must give 90 days notice to vacate the property.

Who gets my rent payment?
During the redemption period, the tenant must continue to pay the rent to the landlord. Both parties must abide by the lease during the redemption period. After the redemption period, a tenant owes rent to the new owner. Sometimes, the new owner will not accept rent because they want the tenant to move.

How much notice will I receive?
At the end of the redemption period, many existing leases become void. Under new federal law, tenants are generally entitled to 90-days notice or more to move.

What if my utilities are shut off?
If utilities are shut off because of the landlord's failure to pay, contact us. The tenant may have to go to court and we can help the tenant in this process.

The tenant can also have the utilities turned on again by contacting the utility company. The tenant will have to pay for what was used last month. However, the company must continue service for at least 30 days. The tenant also might be able to take over the bill for the future.

How can I recover my secuity deposit?
Tenants are entitled to the return of their security deposit within 21 days after ending the tenancy. If the property was sold, the former landlord must either return the deposit to the tenants or transfer the deposit to the new owner.

A new law allows the tenant to withhold the rent for the last month of the redemption period and have the deposit cover it.

Don't delay. Call us for free advice and help.

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Know your next move.
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Please visit www.LawHelpMN.org
for additional information on tenants
and foreclosure.