

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
Second Regular Session  
2010

# HOUSE BILL 2766

AN ACT

AMENDING TITLE 33, CHAPTER 10, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 33-1331; RELATING TO THE ARIZONA RESIDENTIAL LANDLORD AND TENANT ACT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 33, chapter 10, article 2, Arizona Revised Statutes,  
3 is amended by adding section 33-1331, to read:

4 33-1331. Notice of foreclosure; effect on lease; damages

5 A. ANY LANDLORD OF A RESIDENTIAL PROPERTY THAT IS THE SUBJECT OF A  
6 FORECLOSURE ACTION SHALL PROVIDE EACH TENANT AT THAT PROPERTY WRITTEN NOTICE  
7 OF THE DATE, TIME AND PLACE OF THE SALE OF THE FORECLOSED PROPERTY AT LEAST  
8 NINETY DAYS BEFORE THE SALE DATE. THE NOTICE SHALL INCLUDE A STATEMENT THAT  
9 IS SUBSTANTIALLY IN THE FOLLOWING FORM:

10 THIS PROPERTY IS UNDERGOING FORECLOSURE. FOR MORE  
11 INFORMATION ON THIS ACTION, YOU SHOULD CONTACT \_\_\_\_\_  
12 (NAME, ADDRESS AND PHONE NUMBER OF THE COURT WHERE THE ACTION IS  
13 FILED OR TRUSTEE, ATTORNEY OR OTHER RESPONSIBLE PARTY).

14 A SALE AT AUCTION MAY OR MAY NOT OCCUR AS A RESULT OF THIS  
15 FORECLOSURE. CURRENTLY, THE SALE OF THIS PROPERTY HAS BEEN SET  
16 FOR \_\_\_\_\_ (TIME, DATE AND PLACE) OR NO DATE FOR SALE OF THIS  
17 PROPERTY HAS BEEN ESTABLISHED. YOU WILL RECEIVE WRITTEN NOTICE  
18 OF THE SALE AT LEAST NINETY DAYS BEFORE IT TAKES PLACE.

19 B. A LANDLORD OF A RESIDENTIAL PROPERTY THAT IS THE SUBJECT OF A  
20 FORECLOSURE ACTION SHALL ALLOW THE TENANT AT LEAST THIRTY DAYS' NOTICE TO  
21 VACATE THE PROPERTY. A COMPLETED FORECLOSURE TERMINATES THE TENANT'S  
22 OBLIGATIONS UNDER ANY LEASE AGREEMENT WITH THE LANDLORD AND THE TENANT IS NOT  
23 LIABLE FOR ANY RENT, UTILITY OR OTHER OBLIGATIONS FOR THE PERIOD AFTER  
24 COMPLETION OF FORECLOSURE. IF THE RENTAL AGREEMENT WAS ENTERED INTO AFTER  
25 THE FORECLOSURE ACTION WAS INITIATED, THE LANDLORD SHALL INCLUDE THE WRITTEN  
26 NOTICE OF FORECLOSURE IN THE RENTAL AGREEMENT WITH THE TENANT.

27 C. IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW, A TENANT MAY  
28 RECOVER THE GREATER OF ACTUAL DAMAGES OR ONE MONTH'S RENT PLUS THE AMOUNT OF  
29 THE SECURITY DEPOSIT AND REASONABLE ATTORNEY FEES IF THE LANDLORD FAILS TO  
30 PROVIDE NOTICE AS PRESCRIBED IN THIS SECTION.