City of Oakland
Foreclosed & Defaulted Residential Properties
Registration, Inspection & Maintenance Program

The City of Oakland's Foreclosed and Defaulted Residential Properties Registration, Inspection and Maintenance Program requires owners or the beneficiary and/or trustee pursuing property foreclosure and/or their agents to register, inspect, and potentially maintain their residential properties to protect the health and safety, livability, appearance and social fabric of our neighborhoods. The following is a summary of the main requirements depending upon property status.

	NOD Occupied	NOD Vacant	NOD Vacant & Abandoned	REO Occupied	REO Vacant
Registration	✓ w/o fee	✓	✓	✓	✓
Inspection	✓ Monthly *exterior only*	✓ Monthly *exterior only*	✓ Monthly	✓ Monthly	✓ Weekly
Maintenance & Plan			✓	✓	✓
Local Property Mgr			✓	✓	✓
Certified Property Mgr				✓	
Posting			✓	✓	✓

An annual registration fee of $568 is required, with the exception for NOD occupied properties, which are required to be registered but without a registration fee attached. However, when the NOD occupied property changes status to NOD vacant/abandoned, then a registration fee will be required. Changes in property status will require updates to the City's registration program, but without triggering a new fee so long as the annual registration fee has already been paid for that property.

Failure to register defaulted or foreclosed properties timely may result in a citation penalty up to $5,000 per property. Failure to inspect and maintain NOD abandoned and REO occupied or vacant properties may result in a penalty of $1,000 per day. An appeal hearing by an outside hearing examiner is available to contest notices of violations and applicable fees, citations, and/or penalties assessed.

Revised 11/13/2012

Oakland Municipal Code Chapter 8.54 Summary

Program Purpose and Intent (Chapter 8.54.020)

The purpose of this Chapter is to promote the health, safety, and general welfare of the residents, workers, visitors, property owners, and proprietors of the City of Oakland and the economic stability and viability and livability of neighborhoods in the City by requiring the registration and monitoring of foreclosed and defaulted residential properties. This program will protect and preserve the livability, appearance, and social fabric of the City and will also protect the public from health and safety hazards and the impairment of property values resulting from the neglect and deterioration of real property and improvements.

The City Council adopted this Chapter in order to establish a mechanism to protect neighborhoods from becoming blighted due to the lack of maintenance and security of foreclosed and defaulted residential properties. This mechanism is in the form of a foreclosed and defaulted residential property registration and abatement program and sets forth guidelines for registration and maintenance. This Chapter expands the previous registration requirements to include residential properties that are in default, in order to aid foreclosure prevention efforts and mitigate the increased potential for these properties to become vacant or blighted.

Program Scope (Chapter 8.54.030)

1) Vacant residential properties that are the subject of a recorded notice of default;
2) Lawfully occupied residential properties that are in default (notice of default recorded);
3) Vacant and occupied residential properties that have been foreclosed.

Responsible Parties (Chapter 8.54.100)

- Property owner (A pre-foreclosure owner is **not** deemed a responsible party for purposes of this ordinance.) OR
- Beneficiary (lender or other person or entity holding, owning participating in, or otherwise having interest in the proceeds for a loan represented by a note secured by a deed of trust) AND/OR
- Trustee (person, firm, entity, or corporation holding a deed of trust secured by the property)

Oakland Municipal Code Chapter 8.54

Checklist of Information Required at Registration:

- **Subject Address including parcel number**
  - Parcel numbers are in this this format: # # # X - # # # # - # # # - # #
    - #s = numbers only; in most cases leading 0s are omitted
    - X = letter only in limited cases
    - Alameda County APN search*:* http://www.acgov.org/MS/prop/index.aspx
    - If the registry APN lookup tool provides the wrong parcel number or "APN not found", please email foreclosednodregistration@oaklandnet.com.
- **Property Management Company**
  - Name and Contact information
  - 24 hour-emergency contact phone number
  - Certification type
  - Oakland Business License
  - *See the following website to obtain an Oakland business license:*

http://oaklandbusinesscenter.com/index.php?option=com_content&task=view&id=63&Itemid=59

- **Bank/Lender Name and Contact Information**
- **Alameda County Recorder's Office Document**
  - Type (Notice of Default or Real Estate Owned)
  - Number (Y Y Y Y - # # # # # #) Note : *YYYY = Year recorded*

  The document number can be researched through the Alameda County website: http://www.acgov.org/auditor/clerk/propertysearch.htm
- **Servicer Information**, if applicable. For Bank-owned properties with no servicer, please provide contact information for any secondary agent or responsible party in this section.
- **Results of initial inspection** (to be conducted within 30 days of recorded NOD or REO)
  - Is property vacant or lawfully occupied?
  - If lawfully occupied, are they a tenant (i.e. renter) or owner (i.e. NOD)?
  - Property status: certification of inspection findings such as (see PDF "Inspection, Maintenance and Security Requirements"):
    - Exterior blight conditions exist
    - Habitability standards not met
    - Openings not secured
    - Unapproved activities
    - Utility service not available
  - Property Management Plan
    - Who will be conducting regular inspections?
    - When will those inspections occur (e.g.: for monthly inspections—"every first Tuesday" OR for weekly inspections "weekly on Fridays")?
    - Update all aspects of Property Status (see "Inspection Findings" on last page)
    - Who will be maintaining property?
    - What will be the frequency of that maintenance?
- **Payment of annual registration fee $568** (except for Occupied NOD properties)

Registration Responsibilities (Chapter 8.54.200)

If registration information changes, such as a change in property management, then the information change must be made in the City's registry within 10 days from the change.

If there is a change in status in the property, for example it goes from NOD occupied to NOD vacant, then the status change must be made in the City's registry within 30 days from the change. The registration program only charges an annual fee for each property; if a registration fee was already paid for a property within a calendar year, a status change would not trigger a new fee payment requirement.

PROPERTY STATUS	REGISTRATION REQUIRED?	FEE REQUIRED?
NOD, Vacant or Abandoned	Yes	Yes
NOD, Occupied	Yes	No
REO, Vacant	Yes	Yes
REO, Occupied	Yes	Yes

At Recordation of Notice of Default (NOD), Vacant and Occupied:

Within 30 days Responsible Party shall:

- **Inspect the property** according to Chapter 8.54.310 through the program website: oaklandnet.com/foreclosure;
- Comply with Article IV. Inspection, Maintenance and Security Requirements;
- **Register the property within 30 days of the initial inspection** up to a maximum of 60 days from the initial recorded Notice of Default. **S**ee Chapter 8.54 Article III for Registration requirements. The registration fee of $568 dollars is waived for Occupied NOD properties. Continue monthly inspections until NOD is withdrawn or rescinded.
- If property
  - **is Occupied and becomes Vacant,** update property registration as such and pay the registration fee to the City of Oakland;
  - **is or becomes Vacant and Abandoned**[1], the Responsible Party shall invoke the abandonment (or similar) clause of the Deed of Trust to assume possession or control of the property, register the property, and pay the registration fee to the City of Oakland.
- If property is lawfully occupied with tenants:
  - provide those tenants with a **written statement** that you are a new owner/beneficiary/trustee and the **tenant's rights handout** that can be found at the Program website.

[1] "Abandoned" means any building, structure or real property that (1) the Owner of Record has notified a Responsible Party or the City that the Owner of Record has abandoned the property, or (2) shows either Evidence of Vacancy or occupancy by a person or persons without a legal right of occupancy, and the Owner of Record failed to respond within a reasonable time to a notice or notices sent by a Responsible Party or the City that require a response or other action by the Owner of Record, including, but not limited to notices regarding maintenance or security issues; or (3) other criteria of abandonment as may be set out in the Deed of Trust for the property, or set out in any regulations developed pursuant to Oakland Municipal Code Chapter 8.54. A determination that a property is abandoned may be made by a Responsible Party or the Building Official or designee.

- Comply with all applicable Oakland and California landlord-tenant laws. Refer to the **City of Oakland's Rent Adjustment Website** for more information: http://www2.oaklandnet.com/Government/o/hcd/o/RentAdjustment/index.htm

At Recordation of Real Estate-Owned Property (REO), Vacant and Occupied:

Within 30 days Responsible Party shall:

- Inspect and register the property.
- **S**ee 8.54 Article III for Registration Requirements and
- 8.54 Article IV for Inspection, Maintenance and Security Requirements.
- Ensure that utilities are not terminated if properties are legally occupied,
- Comply with Article IV. Inspection, Maintenance and Security Requirements,
- If property is lawfully occupied with tenants, you must:
  - provide those tenants with a written statement that you are a new owner/beneficiary/trustee and the **tenant's rights handout** that can be found at the Program website.
  - Comply with all applicable Oakland and California landlord-tenant laws. Refer to the **City of Oakland's Rent Adjustment Website** for more information: http://www2.oaklandnet.com/Government/o/hcd/o/RentAdjustment/index.htm.
  - Update the registration status from "occupied" to "vacant" within 30 days of vacancy if tenants move out. There will be no additional cost if still within the year-long active registration period.

Deregistration: Notice of Default Cured Or At Point of Sale of the Property:

Once a registered property becomes no longer subject to registration, it must be de-registered through the program website within 30 days.

- **Notice of default cured**: Responsible Party shall provide information about how the default was cured (i.e. refinance, loan modification, principal reduction)
- Property Sold to a non-bank entity: Responsible Party shall provide the following information about the sale:
  - Information on the property purchaser, including name, address, and whether an owner-occupant or an investor.
  - Information on the conditions of the property at the point of sale.
  - Information on whether a First Look or other program promoting owner-occupant purchase was considered as part of the marketing and sales process.

Local and/or Certified Property Management Requirements

- **Local Property Management** is required in the case of an Out-Of-Area Property Owner or Beneficiary/Trustee, defined as such when:

  1) The owner of the property acquired through a Foreclosure sale or through a Deed in Lieu of Foreclosure resides or has a principal place of business or headquarters that is located Out-of-Area (>20 miles from the Oakland City limits), or

  2) Both the Beneficiary and trustee of a property upon which a Notice of Default has been recorded, reside, have a principal place of business, or headquarters that is located Out-of-Area (>20 miles from the Oakland City limits).

  Local Property Management shall:

  1) Be licensed to do business in the City of Oakland (note that Property Management Company business tax classification = "M" for Residential Rental Property: http://www.oaklandnet.com/government/fwawebsite/revenue/revenue_biztaxreq.htm)

  2) Post property management name and a 24-hour contact telephone number (posting not required if NOD Occupied).

  3) Be empowered to:
     a. comply with City Code Enforcement orders issues and
     b. provide a trespass authorization upon request of local law enforcement authorities if the property is unlawfully occupied.

- **Certified Property Management** is required for Occupied REO Properties. The manager can be certified with one of the following licenses,

  1) California Certified Residential Manager: http://www.caanet.org/Education_Events.aspx

  2) Certified Property Manager with the Institute of Real Estate Management: http://www.irem.org/sec1ins.cfm?sec=joinirem&con=cpm.cfm&par=

  3) Other similar certification or credentials reviewed and approved by the building official.

Inspection, Maintenance, and Security Requirements (Chapter 8.54, Article IV)

PROPERTY STATUS *See occupancy definitions on the next page.*	**FREQUENCY OF INSPECTIONS**	**Local Property Management Co.**	**Posted 24-hour Contact Information**
NOD, Vacant	Monthly	No	No
NOD, Occupied	Monthly	No	No
NOD, Abandoned	Monthly	Yes	Yes
REO, Vacant	Weekly	Yes	Yes
REO, Occupied	Monthly	Yes *Must be Certified*	Yes

All registrants are required to:

1) **Conduct inspections** monthly or weekly depending on status.
    a. See the table of Inspection Standards on the next page for property standards that must be investigated.
    b. Contact City staff for questions regarding abatement requirements, if applicable.
2) **Record findings** with the City of Oakland before the end of each month by updating the registration through the program website at oaklandnet.com/foreclosure.
3) **Certify on a monthly basis** that the monthly or weekly inspection was conducted and that the monthly inspection report filed with the City's registry is accurate. *Property conditions may be independently verified by City inspectors.*
4) **Ensure that the property remains in compliance** with all applicable laws and regulations:
    a. See Chapter 8.54.320 for Maintenance Requirements
    b. See Chapter 8.54.330 for Security Requirements

Security Requirements (8.54.330):

****Required for all REO[2] or Abandoned NOD properties****

1) Secure all property access points to interior of property and/or structures (windows, doors including walk-through, sliding, and garage, gates/fences. Replace or board up broken windows.)
2) Post 24-hour Contact Information
    a. Size shall be no less than 18 inches by 24 inches in a font that is legible from a distance of 45 feet.
    b. Shall contain the following words: "This property is managed by: _____." And "To report any problems or concerns contact:_____."
    c. Posting shall be placed on an interior window facing the street to the front of the property. See section 8.54.330(E) for further instructions if no such area exists on the property.

[2] Please contact City Staff if issues arise while attempting to post contact information for REO properties occupied by the former owner.

Occupancy Definitions

Occupied: The lawful habitation of property by trustor or tenants.

Vacant: Any building, structure, or real property that is unoccupied or occupied by a person without a legal right to occupy.

Abandoned: Any building, structure or real property that (1) the Owner of Record has notified a Responsible Party or the City that the Owner of Record has abandoned the property, or (2) shows either Evidence of Vacancy or occupancy by a person or persons without a legal right of occupancy, and the Owner of Record failed to respond within a reasonable time to a notice or notices sent by a Responsible Party or the City that require a response or other action by the Owner of Record, including, but not limited to notices regarding maintenance or security issues; or (3) other criteria of abandonment as may be set out in the Deed of Trust for the property, or set out in any regulations developed pursuant to Oakland Municipal Code Chapter 8.54. A determination that a property is abandoned may be made by a Responsible Party or the Building Official or designee.

Inspection Standards

The following potential property standard issues must be investigated upon initial inspection and during required subsequent inspections until the property is no longer subject to registration.

NOD properties are only subject to issues visible by exterior inspection unless a determination of abandonment has been made. If the property is abandoned, a full inspection is required.

**** Property conditions may be independently verified by City inspectors. ****

Exterior Blight	**Habitability** [3]***Please see Footnotes***	**Secured Openings**	**Unapproved Use or Activity**
Overgrowth of Vegetation	Walls damaged	Windows not closed or locked	Non-residential use of property, i.e. auto repair
Trash, Debris	Ceiling damaged	Doors not closed or locked	Addition, alteration, or improvements without proper permits or City approval
Appliances, Furniture	Floors damaged/defective	Other building openings not secured	Unapproved occupancy
Recyclables	Windows broken/inoperable	Fences to rear/side yard(s) not in good condition (i.e. fence in disrepair, non-functioning	
Graffiti	Doors and window trip and framing missing/damaged/defective	Gate(s) to rear/side yard(s) not locked	
Car parts	Interior doors damaged/missing		
Improper open storage	Interior stairs and landings damaged/defective/missing		
Unlicensed/Inoperable vehicle	Bathroom/Kitchen Cabinets and countertop damaged/defective/missing		
Trash can in inappropriate location	Plumbing system (faucets, vents, waterlines, gas lines) damaged/defective/missing*		
Inadequate weather protection/deteriorated paint	Plumbing fixtures (faucets, sinks, toilets, bathtubs, etc.) damaged/missing		
Razor wire (per OMC 17.102.420)	Hot water heater damaged/missing		
Deteriorated screen fencing	Heating system (furnace, heaters, thermostat) damaged/missing		
	Electrical system (wiring, subpanel, circuits) damaged/missing*		
	Electrical fixtures (light fixtures, switches, outlets) damaged/defective/missing		
	Smoke detectors damaged/missing		
	Vector infestation (e.g. rates, mice, cockroaches, insects)*		
	Roof damage that caused/contributed to extensive mold*		
	Lack of quick-release mechanisms on security bars over sleeping room windows		
	Lack of required light, ventilation, required minimum floor area, or required ceiling height in a habitable room		

[3] The habitability standards apply to **REO Lawfully Occupied** properties.

* The habitability standards with an asterisk apply to **NOD Vacant and Abandoned** and **REO Vacant** properties.