



## SINGLE-FAMILY-HOME EXEMPTION CERTIFICATES

The Rent Adjustment Program (RAP) issues Certificates of Exemption for dwelling units that are **permanently** exempt from the Rent Adjustment Ordinance. The RAP will NOT issue Certificates of Exemption for single-family homes any longer. However, in most cases, single-family homes (including houses and condominiums) will still be exempt from the Rent Adjustment Ordinance.

Under Oakland’s Municipal Code, Chapter 8.22, Article I ([Rent Adjustment Ordinance](#)), Section 8.22.030, dwelling units exempt pursuant to the Costa-Hawkins Act ([California Civil Code, Section 1954.52](#)) are not covered units for purposes of the Rent Adjustment Ordinance.

Although the Costa-Hawkins Act does not expressly refer to single-family homes, it states that “*an owner of residential real property may establish the initial and all subsequent rental rates for a dwelling or a unit about which the following is true...It is alienable separate from the title to any other dwelling unit...*” (Emphasis added.) Thus, depending on the circumstances, a single-family home may or may not fall under this Costa-Hawkins Act exemption. For instance, if the property owner has, in fact, converted the single-family home into a multi-unit residential property by separately renting rooms ([Owens v. City of Oakland Housing, Residential Rent & Relocation Board, 49 Cal.App.5th 739 \(2020\)](#)), has converted the garage into a dwelling unit, or has built an ADU on the property, the single-family home is no longer alienable separately from the title to any other dwelling unit.

Also, under Section 8.22.030(B)(1)(a), the Rent Stabilization Program may issue Certificates of Exemption. Certificates of Exemption are defined as a “determination by the Rent Adjustment Program that a dwelling unit or units qualify for an exemption and, therefore, are not covered units.” However, a Certificate of Exemption may be granted only for dwelling units that are **permanently** exempt from the Rent Adjustment Ordinance as new construction, substantial rehabilitation, or by state law (Costa-Hawkins).

Since single-family homes are subject to circumstantial changes that may alter their exempt status, the Rent Adjustment Program will no longer issue Certificates of Exemption for these buildings.

An owner of a property that qualifies under a Costa-Hawkins single-family-home or a condominium exemption may still file a response to a tenant petition and receive a decision concluding that an exemption applies. However, a certificate of exemption will no longer be issued under those circumstances.

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