

(Document No. 50382)

PART 1388—DEFENSE-RENTAL AREAS

[Housing,¹ incl. Amdts. 1-71]

This compilation of Rent Regulation for Housing includes Amendment 71, effective October 31, 1945. The items added or amended by Amendment 71 are indicated by note.

§ 1388.1181 *Rent Regulation for Housing.* The Rent Regulation for Housing is annexed hereto and made a part hereof.

Sec.

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AUTHORITY: § 1388.1181 issued under 56 Stat. 23, 765; Pub. Law 383, 78th Cong.

SECTION 1. Scope of this regulation—
(a) *Housing and defense-rental areas to which this regulation applies.* This regulation applies to all housing accommodations within each of the defense-rental areas and each of the portions of a defense-rental area (each of which is referred to hereinafter in this regulation as the "defense-rental area"), which are listed in Schedule A of this regulation, except as provided in paragraph (b) of this section.

In Schedule A, "the maximum rent date" and "the effective date of regulation" is given for each defense-rental area listed. More than one effective date is given for different portions of a defense-rental area where the same effective date is not applicable to the entire defense-rental area. Wherever the words "the maximum rent date" or the words "the effective date of regulation" are referred to in this regulation, the dates given in Schedule A for the particular defense-rental area or portion of the defense-rental area in which the housing accommodations are located shall apply. The effective date listed in Schedule A in each instance is the date rent regulation was effective in the particular defense-rental area or portion of the defense-rental area.

(b) *Housing to which this regulation does not apply.* This regulation does not apply to the following:

(1) *Farming tenants.* Housing accommodations situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(2) *Service employees.* Dwelling space occupied by domestic servants, caretak-

ers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

[Subparagraph (2) amended by Am. 48, 10 F.R. 2401, effective 3-1-45]

(3) *Rooms in hotels, rooming houses, etc.* Rooms or other housing accommodations within hotels or rooming houses, or housing accommodations which have been, with the consent of the Administrator, brought under the control of the Rent Regulation for Hotels and Rooming Houses pursuant to the provisions of that regulation.

(4) *Structures in which more than 25 rooms are rented or offered for rent.* Entire structures or premises wherein more than 25 rooms are rented or offered for rent by any lessee, sublessee or other tenant of such entire structure or premises: *Provided,* That this regulation does apply to entire structures or premises wherein 25 or less rooms are rented or offered for rent by any lessee, sublessee or other tenant of such entire structure or premises, whether or not used by the lessee, sublessee or other tenant as a hotel or rooming house: *And provided further,* That this regulation does apply to an underlying lease of any entire structure or premises which was entered into after the maximum rent date and prior to the effective date of regulation, while such lease remains in force with no power in the tenant to cancel or otherwise terminate the lease.

(5) *Rented to National Housing Agency.* Housing accommodations rented to the United States acting by the National Housing Agency: *Provided, however,* That this regulation does apply to a sublease or other subrenting of such accommodations or any part thereof.

(6) *Resort housing—(i) Exemption.* Housing accommodations located in a resort community and customarily rented or occupied on a seasonal basis prior to October 1, 1944, which were not rented during any portion of the period beginning on November 1, 1943 and ending on February 29, 1944. The landlord shall file a report of such accommodations on the form provided therefor, between April 1, 1945 and May 31, 1945, inclusive.

This exemption shall be effective only from June 1, 1945 to September 30, 1945, inclusive.

(ii) *Exception from exemption.* The provisions of section 1 (b) (6) (i) shall not apply to the housing accommodations in the Los Angeles Defense-Rental Area and in the Madison, Wisconsin Defense-Rental Area.

[Subparagraph (ii) amended by Am. 53, 10 F.R. 3555, effective 4-1-45; and Am. 54, 10 F.R. 3951, effective 4-12-45]

[Subparagraph (6) amended by Am. 17, 9 F.R. 2176, effective 2-24-44; and Am. 26, 9 F.R. 6569, effective 6-15-44; Am. 46, 10 F.R. 1452, effective 2-3-45; and as otherwise noted]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of regulation.

SEC. 2. Prohibition against higher than maximum rents—(a) *General prohibition.* Regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, no person shall demand or receive any rent for or in connection with the use or occupancy on and after the effective date of regulation of any housing accommodations within the Defense-Rental Area higher than the maximum rents provided by this regulation; and no person shall offer, solicit, attempt, or agree to do any of the foregoing. Lower rents than those provided by this regulation may be demanded or received.

[Paragraph (a) amended by Am. 33, 9 F.R. 10633, effective 9-1-44]

(b) [Revoked]

[Paragraph (b) revoked by Am. 67, 10 F.R. 11666, effective 9-15-45]

(c) *Lease with option to buy.* Where a lease of housing accommodations was entered into prior to the effective date of regulation (or prior to October 20, 1942, where the effective date of regulation is prior to that date) and the tenant as a part of such lease or in connection therewith was granted an option to buy the housing accommodations which were the subject of the lease, with the further provision that some or all of the payments made under the lease should be credited toward the purchase price in the event such option is exercised, the landlord, notwithstanding any other provision of this regulation may be authorized to receive payment made by the tenant in accordance with the provisions of such lease and in excess of the maximum rent for such housing accommodations. Such authority may be secured only by a written request of the tenant to the area rent office and shall be granted by order of the Administrator if he finds that such payments in excess of the maximum rent will not be inconsistent with the purposes of the Act or this regulation and would not be likely to result in the circumvention or evasion thereof. After entry of such order the landlord shall be authorized to demand, receive and retain payments provided by the lease in excess of the maximum rent for periods commencing on or after the effective date of regulation. After entry of such order, the provisions of the lease may be enforced in accordance with law, notwithstanding any other provision of

¹ 10 F.R. 3436.

this regulation: *Provided, however*, That if at the termination of the lease the tenant shall not exercise the option to buy, the landlord may thereafter remove or evict the tenant only in accordance with the provisions of section 6 of this regulation. Nothing in this paragraph shall be construed to authorize the landlord to demand or receive payments in excess of the maximum rent in the absence of an order of the Administrator as herein provided. Where a lease of housing accommodations has been entered into on or after the effective date of regulation (or on or after October 20, 1942 where the effective date of regulation is prior to that date), and the tenant as a part of such lease or in connection therewith has been granted an option to buy the housing accommodations which are the subject of the lease, the landlord, prior to the exercise by the tenant of the option to buy, shall not demand or receive payments in excess of the maximum rent, whether or not such lease allocates some portion or portions of the periodic payments therein provided as payments on or for the option to buy.

(d) *Security deposits*—(1) *General prohibition*. Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person on or after September 1, 1944 shall demand or receive a security deposit for or in connection with the use or occupancy of housing accommodations within the Defense-Rental Area or retain any security deposit received prior to or on or after September 1, 1944 except as provided in this paragraph (d). The term "security deposit," in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

[Subparagraph (1) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

(2) *Maximum rent established under section 4 (a) or (b)*. Where the maximum rent of the housing accommodations is or initially was established under section 4 (a) or (b), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent established under section 4 (a) or (b).

(3) *Maximum rent established under section 4 (c) or (d)*. Where the maximum rent of the housing accommodations is or initially was established under section 4 (c) or (d) no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement under which the accommodations were first rented or in any order heretofore or hereafter issued with reference to such security deposit. Where such lease

or other rental agreement provided for a security deposit, the Administrator at any time, on his own initiative or on application of the tenant, may order a decrease in the amount of such deposit or may order its elimination.

(4) *Maximum rent established under section 4 (e) or (j)*. Where the maximum rent of the housing accommodations is or initially was established under section 4 (e) or (j), no security deposit shall be demanded or received.

(5) *Maximum rent established under section 4 (f)*. Where the maximum rent of the housing accommodations is or initially was established under section 4 (f), no security deposit shall be demanded, received, or retained.

(6) *Maximum rent established under section 4 (g) or (h)*. Where the maximum rent of the housing accommodations is or initially was established under section 4 (g) or (h), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(7) *Deposits to secure the return of certain movable articles*. Notwithstanding the preceding provisions of this paragraph (d), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Administrator may enter an order authorizing a security deposit, not in excess of ten dollars, to secure the return of the movable articles specified in the order.

[Paragraph (d) added by Am. 33, 9 F.R. 10633, effective 9-1-44 and amended by Am. 37, 9 F.R. 12414, effective 10-12-44]

SEC. 3. *Minimum services, furniture, furnishing and equipment*. Except as set forth in section 5 (b) every landlord shall, as a minimum, provide with housing accommodations the same essential services, furniture, furnishings, and equipment as those provided on the date determining the maximum rent, and as to other services, furniture, furnishings and equipment not substantially less than those provided on such date: *Provided, however*, That where fuel oil is used to supply heat or hot water for housing accommodations, and the landlord provided heat or hot water on the date determining the maximum rent, the heat and hot water which the landlord is required to supply shall not be in excess of the amount which he can supply under any statute, regulation or order of the United States or any agency thereof which rations or limits the use of fuel oil

SEC. 4. *Maximum rents*. Maximum rents (unless and until changed by the Administrator as provided in section 5) shall be:

(a) *Rented on maximum rent date*. For housing accommodations rented on the maximum rent date, the rent for such accommodations on that date.

(b) *Not rented on maximum rent date but rented during two months ending on that date*. For housing accommodations not rented on the maximum rent date, but rented at any time during the two months ending on that date, the last rent for such accommodations during the two-month period.

(c) *First rent after the maximum rent date but before effective date*. For housing accommodations not rented on the maximum rent date nor during the two months ending on that date, but rented prior to the effective date of regulation, the first rent for such accommodations after the maximum rent date. The Administrator may order a decrease in the maximum rent as provided in section 5 (c).

(d) *Constructed or changed before effective date*. For (1) newly constructed housing accommodations without priority rating first rented after the maximum rent date and before the effective date of regulation, or (2) housing accommodations changed between those dates so as to result in an increase or decrease of the number of dwelling units in such housing accommodations, or (3) housing accommodations changed between those dates from unfurnished to fully furnished, or from fully furnished to unfurnished, or (4) housing accommodations substantially changed between those dates by a major capital improvement as distinguished from ordinary repair, replacement and maintenance, the first rent for such accommodations after such construction or change: *Provided, however*, That, where such first rent was fixed by a lease which was in force at the time of a major capital improvement, the maximum rent shall be the first rent after termination of such lease. The Administrator may order a decrease in the maximum rent as provided in section 5 (c).

(e) *First rent after effective date*. For (1) newly constructed housing accommodations without priority rating first rented on or after the effective date of regulation, or (2) housing accommodations changed on or after such effective date so as to result in an increase or decrease of the number of dwelling units in such housing accommodations, or (3) housing accommodations not rented at any time during the two months ending on the maximum rent date nor between that date and the effective date, the first rent for such accommodations after the change or the effective date, as the case may be, but in no event more than the maximum rent provided for such accommodations by any order of the Administrator issued prior to September 22, 1942. Within 30 days after so renting the landlord shall register the accommodations as provided in section 7. The Administrator may order a decrease in the maximum rent as provided in section 5 (c).

If the landlord fails to file a proper registration statement within the time specified (except where a registration statement was filed prior to October 1, 1943), the rent received for any rental period commencing on or after the date of the first renting or October 1, 1943, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent

which may later be fixed by an order under section 5 (c) (1). Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order. If the Administrator finds that the landlord was not at fault in failing to file a proper registration statement within the time specified, the order under section 5 (c) (1) may relieve the landlord of the duty to refund. Where a proper registration statement was filed before March 1, 1945, the landlord shall have the duty to refund only if the order under section 5 (c) (1) is issued in a proceeding commenced by the Administrator before September 1, 1945. Where a proper registration statement is filed on or after March 1, 1945, the landlord shall have the duty to refund only if the order under section 5 (c) (1) is issued in a proceeding commenced by the Administrator within three months after the date of filing of such registration statement. The foregoing provisions and any refund thereunder do not affect any civil or criminal liability provided by the Act for failure to file the registration statement required by section 7.

[Above paragraph added by Am. 9, 8 F.R. 13390, effective 10-1-43; amended by Am. 34, 9 F.R. 11335, effective 9-13-44; and Am. 48, 10 F.R. 2401, effective 3-1-45]

(f) *Priority-constructed housing*. For housing accommodations newly constructed with priority rating from the United States or any agency thereof for which the rent is approved by the United States or any agency thereof prior to the maximum rent date or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, the rent so approved, but in no event more than the rent on the maximum rent date, or, if the accommodations were not rented on that date, more than the first rent after that date: *Provided, however*, That if, prior to the maximum rent date or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, the landlord made a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and a higher rent is approved by such agency on or after March 29, 1944, because of such increased costs of construction, the maximum rent on and after the date of such approval shall be the rent so approved.

The provisions of this paragraph (f) shall apply to the approval of rents for such housing accommodations by the United States or any agency thereof in connection with the grant of an application for priority rating filed on any of the application forms of the Office of Production Management or the War Production Board, including the September 1941 form in use by the Office of Production Management prior to the revision of this form on December 15, 1941.

The provisions of this paragraph (f) shall not apply to housing accommodations resulting from the alteration or remodeling of an existing structure.

[Paragraph (f) amended by Am. 20, 9 F.R. 3422, effective 3-29-44; and Am. 21, 9 F.R. 4028, effective 4-15-44]

(g) *Housing owned and constructed by the government*. For housing accommodations constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State or any of its political subdivisions, and owned by any of the foregoing, the rent generally prevailing in the Defense-Rental Area for comparable housing accommodations on the maximum rent date, as determined by the owner of such accommodations: *Provided, however*, That any corporation formed under the laws of a State shall not be considered an agency of the United States within the meaning of this paragraph. The Administrator may order a decrease in the maximum rent as provided in section 5 (c).

(h) *Housing subject to rent schedule of War or Navy Department*. For housing accommodations rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department, the rents established by such rent schedule.

[Paragraph (h) amended by Am. 8, 8 F.R. 12795, effective 9-20-43]

(i) *Rent established under former section 5 (e)*. For housing accommodations with a maximum rent established, prior to March 1, 1943, under the first paragraph of section 5 (e) as that paragraph appeared in Maximum Rent Regulations issued prior to such date, the rent on March 1, 1943, or, if the accommodations were not rented on that date, the last rent prior thereto, but in no event more than the maximum rent established under such first paragraph of section 5 (e). The Administrator may order a decrease in the maximum rent as provided in section 5 (c) (8).

(j) *Changed on or after July 1, 1943 or the effective date of regulation, whichever is the later, from unfurnished to furnished*. For housing accommodations changed on or after July 1, 1943 or the effective date of regulation, whichever is the later, from unfurnished to fully furnished, the first rent for such accommodations after such change. The Administrator may order a decrease in the maximum rent as provided in section 5 (c) (1).

Within 30 days after the accommodations are first rented fully furnished, the landlord shall register the accommodations as provided in section 7. If the landlord fails to file a proper registration statement within the time specified, the rent received from the time of such first renting shall be received subject to refund to the tenant of any amount in

² The first paragraph of section 5 (e) reads as follows: "Where, at the expiration or other termination of an underlying lease or other rental agreement, housing accommodations or a predominant part thereof are occupied by one or more subtenants or other persons occupying under a rental agreement with the tenant, the landlord may rent the entire premises for use by similar occupancy for a rent not in excess of the aggregate maximum rents of the separate dwelling units, or may rent the separate dwelling units for rents not in excess of the maximum rents applicable to such units."

excess of the maximum rent which may later be fixed by an order under section 5 (c) (1). Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order. If the Administrator finds that the landlord was not at fault in failing to file a proper registration statement within the time specified, the order under section 5 (c) (1) may relieve the landlord of the duty to refund. Where a proper registration statement was filed before March 1, 1945, the landlord shall have the duty to refund only if the order under section 5 (c) (1) is issued in a proceeding commenced by the Administrator before September 1, 1945. Where a proper registration statement is filed on or after March 1, 1945, the landlord shall have the duty to refund only if the order under section 5 (c) (1) is issued in a proceeding commenced by the Administrator within three months after the date of filing of such registration statement. The foregoing provisions and any refund thereunder do not affect any civil or criminal liability provided by the Act for failure to file the registration statement required by section 7.

[Paragraph (j) added by Am. 2, 8 F.R. 9020, effective 7-1-43; amended by Am. 34, 9 F.R. 11335, effective 9-13-44; and Am. 48, 10 F.R. 2401, effective 3-1-45]

(k) *Housing in the Malvern, Arkansas Defense-Rental Area*. For housing accommodations in the Malvern, Arkansas Defense-Rental Area for which the maximum rent was changed or established by order of the Administrator between October 1, 1942 and November 30, 1943, inclusive, the rent provided by such order. Any order issued by the Administrator for housing accommodations in the Malvern, Arkansas Defense-Rental Area between October 1, 1942 and November 30, 1943, inclusive, which was in effect on the latter date shall be effective under this regulation.

[Paragraph (k) added by Am. 43, 10 F.R. 48, effective 1-1-45; corrected 10 F.R. 655, effective 1-16-45]

SEC. 5. *Adjustments and other determinations*. In the circumstances enumerated in this section, the Administrator may issue an order changing the maximum rents otherwise allowable or the minimum services required.

In those cases involving a major capital improvement, an increase or decrease in the furniture, furnishings or equipment, an increase or decrease of services, an increase or decrease in the number of subtenants or other occupants, or a deterioration, the adjustment in the maximum rent shall be the amount the Administrator finds would have been on the maximum rent date, the difference in the rental value of the housing accommodations by reason of such change: *Provided, however*, That no adjustment shall be ordered where it appears that the rent on the date determining the maximum rent was fixed in contemplation of and so as to reflect such change.

In all other cases except those under paragraphs (a) (7), (a) (12), (a) (13), (c) (6), and (c) (9) of this section, the adjustment shall be on the basis of the rent which the Administrator finds was

generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date: *Provided*, That in cases under paragraphs (a) (6) and (c) (5) of this section the adjustment may be on the basis of the rental agreement in force on the date determining the maximum rent: *And provided further*, That in cases under paragraph (c) (8) of this section due consideration shall be given to any increased occupancy of the accommodations since that date by subtenants or other persons occupying under a rental agreement with the tenant.

[Above paragraph amended by Am. 32, 9 F.R. 10188, effective 9-1-44; Am. 34, 9 F.R. 11335, effective 9-13-44; and Am. 67, 10 F.R. 11666, effective 9-15-45]

In cases involving construction, due consideration shall be given to general increases in costs of construction, if any in the defense-rental area since the maximum rent date.

In cases under paragraphs (a) (7) and (c) (6) of this section the adjustment shall be on the basis of the rents which the Administrator finds were generally prevailing in the defense-rental area for comparable housing accommodations during the year ending on the maximum rent date

[Above paragraphs amended by Am. 20, 9 F.R. 3422 effective 3-29-44]

In cases under paragraph (a) (12) of this section, the adjustment in the maximum rent shall be in the amount the Administrator finds necessary to relieve the substantial hardship: *Provided*, That the adjustment shall not result in a maximum rent higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

In cases under paragraph (c) (9) of this section, the adjustment in the maximum rent shall be in the amount the Administrator finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section: *Provided*, That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (12) of this section.

[Above paragraphs added by Am. 32, 9 F.R. 10188, effective 9-1-44]

In cases under paragraph (a) (13) of this section the adjustment shall be in the amount of the difference between the rent on the date determining the maximum rent and the rent agreed upon by the landlord and tenant as a result of a continuous process of bargaining on interrelated matters.

[Above paragraph added by Am. 34, 9 F.R. 11335, effective 9-13-44]

(a) *Grounds for increase of maximum rent.* Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable, only on the grounds that:

(1) *Major capital improvement after effective date.* There has been on or after the effective date of regulation a substantial change in the housing accommodations by a major capital improvement as distinguished from ordi-

nary repair, replacement and maintenance.

(2) *Change prior to maximum rent date.* There was, on or prior to the maximum rent date, a substantial change in the housing accommodations by a major capital improvement as distinguished from ordinary repair, replacement and maintenance or a substantial increase in the services, furniture, furnishings or equipment, and the rent on the maximum rent date was fixed by a lease or other rental agreement which was in force at the time of such change or increase.

[Subparagraph (2) amended by Am. 34, 9 F.R. 11335, effective 9-13-44]

(3) *Substantial increase in services, furniture, furnishings or equipment.* There has been a substantial increase in the services, furniture, furnishings or equipment provided with the housing accommodations since the date or order determining its maximum rent. No increase in the maximum rent shall be ordered on the ground set forth in this paragraph (a) (3) unless the increase in services, furniture, furnishings or equipment occurred with the consent of the tenant or while the accommodations were vacant: *Provided*, That an adjustment may be ordered, although the tenant refuses to consent to the increase in services, furniture, furnishings or equipment, if the Administrator finds that such increase (i) is reasonably required for the operation of a multiple dwelling structure or other structure of which the accommodations are a part or (ii) is necessary for the preservation or maintenance of the accommodations.

(4) *Special relationship between landlord and tenant.* The rent on the date determining the maximum rent was materially affected by the blood, personal or other special relationship between the landlord and the tenant and as a result was substantially lower than the rent generally prevailing in the Defense-Rental Area for comparable housing accommodations on the maximum rent date: *Provided*, That no adjustment under this subparagraph increasing the maximum rent shall be made effective with respect to any accommodations regularly rented to employees of the landlord while the accommodations are rented to an employee, and no petition for such an adjustment will be entertained until the accommodations have been or are about to be rented to one other than an employee.

(5) *Lease for term commencing one year or more before maximum rent date.* There was in force on the maximum rent date, a written lease, for a term commencing on or prior to the date one year before the maximum rent date, requiring a rent lower than the rent generally prevailing in the Defense-Rental Area for comparable housing accommodations on the maximum rent date; or the housing accommodations were not rented on the maximum rent date, but were rented during the two months ending on that date and the last rent for such accommodations during that two-month period was fixed by a written lease, for a term commencing on or prior to the date one year before the maximum rent date,

requiring a rent lower than the rent generally prevailing in the Defense-Rental Area for comparable housing accommodations on the maximum rent date.

(6) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a higher rent at other periods during the term of such lease or agreement.

[Subparagraphs (5) and (6) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

(7) *Seasonal rents.* The rent on the date determining the maximum rent was substantially lower than at other times of year by reason of seasonal demand, or seasonal variations in the rent, for such housing accommodations. In such cases the Administrator's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(8) *Substantial increase in occupancy.* There has been, since the maximum rent date, either (i) a substantial increase in the number of subtenants or other persons occupying the accommodations or a part thereof under a rental agreement with the tenant, or (ii) a substantial increase in the number of occupants, in excess of normal occupancy for that class of accommodations on the maximum rent date, or (iii) an increase in the number of occupants over the number contemplated by the rental agreement on the date determining the maximum rent, where the landlord on that date had a regular and definite practice of fixing different rents for the accommodations for different numbers of occupants.

(9) On the date determining the maximum rent the housing accommodations were temporarily exempt from real estate taxes, the landlord was jassing the benefit of this tax exemption on to the tenant, and as a result the rent on that date was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph (9) added by Am. 6, 8 F.R. 12660, effective 9-15-43]

(10) *Priority rating granted on September 1941 application form of Office of Production Management.* The maximum rent for the housing accommodations is established under section 4 (f), the application for priority rating for the construction of the housing accommodations was filed on the September 1941 form in use by the Office of Production Management prior to the revision of this form on December 15, 1941, the landlord did not make, prior to the maximum rent date or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and the maximum rent for the accommodations is substantially lower than the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, giving due consideration to general

increases in costs of construction, if any, in the defense-rental area since the maximum rent date.

This paragraph (a) (10) shall apply only to housing accommodations which were first rented prior to March 29, 1944.

[Subparagraph (10) added by Am. 20, 9 F.R. 3422, effective 3-29-44; and amended by Am. 21, 9 F.R. 4028, effective 4-15-44]

(11) *Peculiar circumstances.* The rent on the date determining the maximum rent was materially affected by peculiar circumstances and as a result was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph (11) added by Am. 29, 9 F.R. 8054, effective 7-17-44]

(12) *Substantial hardship from increase in property taxes or operating costs.* Substantial hardship has resulted from a substantial decrease in the net income (before interest) of the property for the current year as compared with a representative period prior to the maximum rent date, due to a substantial and unavoidable increase in property taxes or operating costs.

For the purposes of this paragraph (a) (12) the term:

(i) "Net income (before interest)" means the amount determined by subtracting unavoidable property taxes and operating costs actually paid or accrued from total income earned.

(ii) "Property taxes and operating costs" includes all expenses necessary to the operation and maintenance of the property actually paid or accrued and properly allocated, including depreciation but excluding interest

(iii) "Property" includes one or more structures operated as a single unit or enterprise.

(iv) "Total income earned" includes rental and other income earned from the property and the rental value of housing accommodations in the property occupied without the full payment of rent.

(v) "Current year" means the most recent calendar or fiscal year used by the landlord or the twelve calendar months immediately prior to the filing of the petition for adjustment; *Provided*, That it shall begin on or after the maximum rent date: *And provided, further*, That it shall be the twelve calendar months immediately prior to the filing of the petition where the most recent calendar or fiscal year would begin prior to the effective date of regulation.

This section 5 (a) (12) shall not apply to maximum rents established under section 4 (f) where the accommodations are first rented after the maximum rent date or to maximum rents established under section 4 (c), (d), (e), or (j).

[Above paragraph added by correction, 10 F.R. 4605, effective 3-29-45]

[Subparagraph (12) added by Am. 32, 9 F.R. 10188, effective 9-1-44; amended by Am. 48, 10 F.R. 2401, effective 3-1-45]

(13) *Rented to an employee of landlord.* The housing accommodations were rented to an employee of the landlord both on the date determining the maximum rent and at the time the order under this paragraph (a) (13) is issued,

and after the date determining the maximum rent but prior to the effective date of regulation the landlord and tenant agreed, as the result of a continuous process of bargaining on interrelated matters, upon a wage increase and a rent increase, and the wage increase agreed upon has been put into effect.

[Subparagraph (13) added by Am. 34, 9 F.R. 11335, effective 9-13-44]

(b) *Decreases in minimum services, furniture, furnishings and equipment—*

(1) *Decreases prior to effective date.* If, on the effective date of regulation, the services provided for housing accommodations are less than the minimum services required by section 3, the landlord shall either restore and maintain such minimum services or, within 30 days (or, for housing accommodations within the Los Angeles Defense-Rental Area, within 60 days) after such effective date, file a petition requesting approval of the decreased services. If, on such effective date (or on December 1, 1942 where the effective date of regulation is prior to that date), the furniture, furnishings or equipment provided with housing accommodations are less than the minimum required by section 3, the landlord shall, within 30 days after such date, file a written report showing the decrease in furniture, furnishings or equipment.

(2) *Decreases after effective date.* Except as above provided, the landlord shall, until the accommodations become vacant, maintain the minimum services, furniture, furnishings, and equipment unless and until he has filed a petition to decrease the services, furniture, furnishings, or equipment and an order permitting a decrease has been entered thereon; however, if it is impossible to provide the minimum services, furniture, furnishings, or equipment he shall file a petition within 10 days after the change occurs. When the accommodations become vacant the landlord may, on renting to a new tenant, decrease the services, furniture, furnishings, or equipment below the minimum; within 10 days after so renting the landlord shall file a written report showing such decrease.

(3) *Adjustment in maximum rent for decreases.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (3).

If the landlord fails to file the petition or report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, or equipment, without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or the effective date of regulation (or December 1, 1942 where the effective date of regulation is prior to that date), whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by any order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, or equip-

ment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order. If the Administrator finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund. The foregoing provisions and any refund thereunder do not affect any civil or criminal liability provided by the Act for failure to comply with any requirement of this paragraph (b).

[Subparagraph (3) amended by Am. 48, 10 F.R. 2401, effective 3-1-45]

(c) *Grounds for decrease of maximum rent.* The Administrator at any time, on his own initiative or on application of the tenant, may order a decrease of the maximum rent otherwise allowable only on the grounds that:

(1) *Rent higher than rents generally prevailing.* The maximum rent for housing accommodations under paragraph (c), (d), (e), (g), or (j) of section 4 is higher than the rent generally prevailing in the Defense-Rental Area for comparable housing accommodations on the maximum rent date.

[Subparagraph (1) amended by Am. 2, 8 F.R. 9020, effective 7-1-43]

(2) *Substantial deterioration.* There has been a substantial deterioration of the housing accommodations other than ordinary wear and tear since the date or order determining its maximum rent.

(3) *Decrease in services, furniture, furnishings or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since the date or order determining the maximum rent.

(4) *Special relationship between landlord and tenant or peculiar circumstances.* The rent on the date determining the maximum rent was materially affected by the blood, personal, or other special relationship between the landlord and the tenant, or by peculiar circumstances, and as a result was substantially higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph (4) amended by Am. 29, 9 F.R. 8054, effective 7-17-44]

(5) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a lower rent at other periods during the term of such lease or agreement.

[Subparagraph (5) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

(6) *Seasonal rent.* The rent on the date determining the maximum rent was substantially higher than at other times of year by reason of seasonal demand, or seasonal variations in the rent, for such housing accommodations. In such cases the Administrator's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(7) *Substantial decrease in occupancy.* There has been a substantial decrease in the number of subtenants or other occupants since an order under paragraph (a) (8) or (c) (8) of this section.

(8) *Rent established under section 4 (i).* The maximum rent is established under section 4 (i) and is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date taking into consideration any increased occupancy of such accommodations since that date by subtenants or other persons occupying under a rental agreement with the tenant: *Provided*, That no decrease shall be ordered below the rent on the maximum rent date.

(9) *Modification or elimination of necessity for increase under section 5 (a) (12).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section, since the order issued under that paragraph.

[Subparagraph (9) added by Am. 32, 9 F.R. 10188, effective 9-1-44]

(d) *Orders where facts are in dispute, in doubt, or not known.* If the rent on the date determining the maximum rent, or any other fact necessary to the determination of the maximum rent, or the services, furniture, furnishings or equipment provided with the accommodations on the date determining the maximum rent, is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Administrator on petition of the landlord filed within thirty days after the effective date of regulation, or at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the services, furniture, furnishings, and equipment provided with the accommodations on the date determining the maximum rent or both. If the Administrator is unable to ascertain such fact, or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the services, furniture, furnishings and equipment included in such rent.

[Subparagraph (d) amended by Am. 67]

(e) *Sale of underlying lease or other rental agreement.* Where housing accommodations or a predominant part thereof are occupied by one or more subtenants or other persons occupying under a rental agreement with the tenant, the tenant may petition the Administrator for leave to exercise any right he would have except for this regulation to sell his underlying lease or other rental agreement. The Administrator may grant such petition if he finds that the sale will not result, and that sales of such character would not be likely to result, in the circumvention or evasion of the Act or this regulation. He may require that the sale be made on such terms as he deems necessary to prevent such circumvention or evasion.

(f) *Interim orders.* Where a petition is filed by a landlord on one of the grounds set out in paragraph (a) or (d) of this section, or a proceeding is initiated by the Administrator under paragraph (d), the Administrator may enter an interim order increasing or fixing the

maximum rent until further order, subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or, where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

[Paragraph (f) amended by Am. 12, 8 F.R. 16032, effective 11-25-43]

(g) *Adjustments in case of options to buy.* No adjustment in the maximum rent shall be ordered on the ground that the landlord, since the date or order determining the maximum rent, has, as a part of or in connection with a lease of housing accommodations, granted the tenant an option to buy the accommodations which are the subject of the lease. Where a lease of housing accommodations was in force on the date determining the maximum rent, and the landlord had on that date, as a part of or in connection with such lease, granted the tenant an option to buy the accommodations which are the subject of the lease, the Administrator may, on or after the termination of such lease, on his own initiative or on application of the tenant, enter an order fixing the maximum rent on the basis of the rents which the Administrator finds were generally prevailing in the defense-rental area for comparable housing accommodations not subject to an option to buy on the maximum rent date.

SEC. 6. *Removal of tenant—(a) Restrictions on removal of tenant.* So long as the tenant continues to pay the rent to which the landlord is entitled, no tenant shall be removed from any housing accommodations, by action to evict or to recover possession, by exclusion from possession, or otherwise, nor shall any person attempt such removal or exclusion from possession, notwithstanding that such tenant has no lease or that his lease or other rental agreement has expired or otherwise terminated, and regardless of any contract, lease, agreement or obligation heretofore or hereafter entered into which provides for entry of judgment upon the tenant's confession for breach of the covenants thereof or which otherwise provides contrary hereto, unless:

(1) *Tenant's refusal to renew lease.* The tenant, who had a written lease or other written rental agreement, has refused upon demand of the landlord to execute a written extension or renewal thereof for a further term of like duration but not in excess of one year, or if the lease was for a term of more than three months and was non-seasonal in character, for a term of not more than one year, for a rent not in excess of the maximum rent, but otherwise on the same terms and conditions as the previous lease or agreement, except insofar

as such terms and conditions are inconsistent with this regulation; or

[Subparagraph (1) amended by Am. 48, 10 F.R. 2401, effective 3-1-45; and Am. 67, 10 F.R. 11666, effective 9-15-45]

(2) *Tenant's refusal of access to landlord.* The tenant has unreasonably refused the landlord access to the housing accommodations for the purpose of inspection or of showing the accommodations to a prospective purchaser, mortgagee or prospective mortgagee, or other person having a legitimate interest therein: *Provided, however*, That such refusal shall not be ground for removal or eviction if such inspection or showing of the accommodations is contrary to the provisions of the tenant's lease or other rental agreement; or

(3) *Violating obligation of tenancy or committing nuisance.* The tenant (i) has violated a substantial obligation of his tenancy, other than an obligation to pay rent, and has continued, or failed to cure, such violation after written notice by the landlord that the violation cease, or (ii) is committing or permitting a nuisance or is using or permitting a use of the housing accommodations for an immoral or illegal purpose; or

(4) *Subtenants on expiration of tenant's lease.* The tenant's lease or other rental agreement has expired or otherwise terminated, and at the time of termination the occupants of the housing accommodations are subtenants or other persons who occupied under a rental agreement with the tenant, and no part of the accommodations is used by the tenant as his own dwelling; or

(5) [Revoked]

[Subparagraph (5) revoked by Am. 67, 10 F.R. 11666, effective 9-15-45]

(6) *Occupancy by landlord.* The landlord owned, or acquired an enforceable right to buy or the right to possession of, the housing accommodations prior to the effective date of regulation (or prior to October 20, 1942 where the effective date of regulation is prior to that date, or prior to November 6, 1942 for housing accommodations within the Hastings Defense-Rental Area), and has an immediate compelling necessity to recover possession of such accommodations for use and occupancy as a dwelling for himself, or has served during the period of the war emergency in the armed forces of the United States and in good faith seeks possession for his own occupancy. If a tenant has been removed or evicted under this paragraph (a) (6) from housing accommodations, the landlord shall file a written report on a form provided therefor before renting the accommodations or any part thereof during a period of six months after such removal or eviction.

[Subparagraph (6) amended by Am. 67]

(b) *Administrator's certificate—(1) Removals not inconsistent with act or regulation.* No tenant shall be removed or evicted on grounds other than those stated above unless, on petition of the landlord, the Administrator certifies that the landlord may pursue his remedies in accordance with the requirements of the local law. The Administrator shall

so certify if the landlord establishes that removals or evictions of the character proposed are not inconsistent with the purposes of the act or this regulation and would not be likely to result in the circumvention or evasion thereof. The certificate shall authorize the pursuit of local remedies at the expiration of six months after the date of filing of the petition unless the Area Rent Director has determined that a three months' period is adequate for the purposes of the act in the particular area in issuing certificates under section 6 (b) (2), in which event the applicable period shall be three months. Within the discretion of the Area Rent Director the certificate may authorize the pursuit of local remedies for the removal or eviction of the tenant at a time less than six or three months, as the case may be, after the date of the filing of the petition if the petitioner establishes that unusual hardship would otherwise result, or that a lesser period in the particular case is consistent with the purposes of the regulation and the act.

[Subparagraph (1) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

(2) *Occupancy by purchaser.* A certificate shall be issued authorizing the pursuit of local remedies to remove or evict a tenant of the vendor, for occupancy by a purchaser who has acquired his rights in the housing accommodations on or after the effective date of regulation (or on or after October 20, 1942 where the effective date of regulation is prior to that date, or on or after November 6, 1942 for housing accommodations within the Hastings Defense-Rental Area), only as provided in this paragraph (b) (2).

(i) Where the Administrator finds that the payment or payments of principal made by the purchaser aggregate twenty per cent or more of the purchase price, he shall, on petition of either the vendor or purchaser issue a certificate authorizing the vendor or purchaser to pursue his remedies for removal or eviction of the tenant in accordance with the requirements of the local law. Except as herein provided and unless the Area Rent Director shall determine that a three months' period is adequate for the purposes of the act in the particular defense-rental area, the certificate shall authorize the pursuit of local remedies at the expiration of six months after the date of filing of the petition.

[Above paragraph amended by Am. 67]

The payment or payments of principal may be made by the purchaser conditionally or in escrow to the end that they shall be returned to the purchaser in the event the Administrator denies a petition for a certificate.

Any payments of principal made from funds borrowed for the purpose of making such payments shall be excluded in determining whether twenty per cent of the purchase price has been paid, unless the Administrator finds that the inclusion of such payments is consistent with the purposes of this paragraph (b) (2) and would not be likely to result in the circumvention or evasion thereof.

[Above paragraph amended by Am. 48, 10 F.R. 2401, effective 3-1-45]

Where property other than the housing accommodations which are the subject of the purchase is mortgaged or pledged to the vendor to secure any unpaid balance of the purchase price, the payment requirement shall be deemed satisfied if the value of such security, plus any payments of principal made from funds not borrowed for the purpose of making such principal payments, equal twenty per cent or more of the purchase price.

(ii) Where the Administrator finds (a) that equivalent accommodations are available for rent into which the tenant can move without substantial hardship or loss, or (b) that the vendor has or had a substantial necessity requiring the sale and that a reasonable sale or disposition of the accommodations could not be made without the removal or eviction of the tenant, or (c) that other special hardship would result, or (d) the purchaser has, during the period of the war emergency, served in the armed forces of the United States and requires possession of the accommodations for the adequate housing of himself and family, a certificate may be issued although less than twenty per cent of the purchase price has been paid and may authorize the vendor or purchaser to pursue his remedies for removal or eviction of the tenant at a time less than six or three months as the case may be in any particular area after the date of filing of the petition.

[Subparagraph (ii) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

[Subparagraph (2) amended by Am. 7, 8 F.R. 12693, effective 9-16-43; Am. 25, 9 F.R. 6359, effective 6-9-44; and as otherwise noted]

(iii) The payment of twenty per cent or more of the purchase price shall not be a condition to the issuance of a certificate under this paragraph (b) (2) where the purchaser has obtained a loan to be used in purchasing the housing accommodations which is guaranteed in whole or in part by the Administrator of Veterans' Affairs pursuant to the provisions of Title III of the Servicemen's Readjustment Act of 1944.

[Subparagraph (iii) added by Am. 41, 9 F.R. 14987, effective 12-27-44]

(3) *Occupancy by purchaser of stock in a cooperative.* (i) This paragraph (b) (3) applies to the issuance of a certificate for occupancy of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association (hereinafter called "cooperative") by a purchaser of stock or other evidence of interest (hereinafter called "stock") in such cooperative who is entitled by reason of ownership of such stock to a proprietary lease of such housing accommodations. It applies only to the issuance of a certificate authorizing the pursuit of local remedies to remove or evict one who was a tenant of the housing accommodations at the time of such purchase.

(ii) Where the cooperative was organized as such or acquired its title or leasehold interest in the structure or premises on or after February 17, 1945, or the effective date of regulation, whichever is the later, or where the purchased stock originally was issued on or after that date, no

certificate shall be issued, unless on such date the cooperative was in the process of organization and the Administrator finds that substantial hardship would result from the failure to issue a certificate, or unless, at the time of issuance of the certificate, stock in the cooperative has been purchased by persons who are then tenants of at least 80% of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises.

(iii) Where the cooperative was organized and acquired its title or leasehold interest in the structure or premises before February 17, 1945, or the effective date of regulation, whichever is the later, and on that date stock in the cooperative allocated to more than 50% of the dwelling units in the structure or premises was held by the cooperative, or by another person owning more shares than those allocated to a single dwelling unit, or both, no certificate shall be issued for occupancy by a purchaser of stock so held or owned on such date, unless, at the time of issuance of the certificate, stock in the cooperative is owned or has been purchased by persons who are then tenants of at least 80% of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises.

(iv) In all other cases, including those excepted from paragraph (b) (3) (ii) and (iii), the issuance of a certificate shall be pursuant to paragraph (b) (2)

[Subparagraph (3) added by Am. 47, 10 F.R. 1973, effective 2-17-45]

(c) *Exceptions from section 6—(1) Subtenants.* The provisions of this section do not apply to a subtenant or other person who occupied under a rental agreement with the tenant, where removal or eviction of the subtenant or other such occupant is sought by the landlord of the tenant, unless under the local law there is a tenancy relationship between the landlord and the subtenant or other such occupant.

(2) *Housing subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to housing accommodations rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department.

(3) *One or two occupants in landlord's residence.* The provisions of this section shall not apply to an occupant of a furnished room or rooms not constituting an apartment, located within the residence occupied by the landlord or his immediate family, where such landlord rents to not more than two occupants within such residence.

(4) *Renting to family in landlord's residence.* The provisions of this section shall not apply to a family which on or after August 1, 1943 moves into a furnished room or rooms not constituting an apartment located within the residence occupied by the landlord or his immediate family, where such landlord does not rent to any persons within such

residence other than those in the one family

[Subparagraph (4) added by Am. 3, 8 F.R. 10618, effective 8-1-43]

(d) *Notices required*—(1). *Notices prior to action to remove tenant.* Every notice to a tenant to vacate or surrender possession of housing accommodations shall state the ground under this section upon which the landlord relies for removal or eviction of the tenant. A written copy of such notice shall be given to the area rent office within 24 hours after the notice is given to the tenant.

No tenant shall be removed or evicted from housing accommodations by court process or otherwise, unless at least ten days (or, where the ground for removal or eviction is non-payment of rent, the period required by the local law for notice prior to the commencement of an action for removal or eviction in such cases, but in no event less than three days) prior to the time specified for surrender of possession and to the commencement of any action for removal or eviction, the landlord has given written notices of the proposed removal or eviction to the tenant and to the area rent office, stating the ground under this section upon which such removal or eviction is sought and specifying the time when the tenant is required to surrender possession: *Provided, however*, That the requirement of this sentence shall not apply to housing accommodations within the City of Baltimore, Maryland, the Northeastern New Jersey Defense-Rental Area, or the Trenton Defense-Rental Area, when the ground for the removal or eviction of a tenant is non-payment of rent.

Where the ground for removal or eviction of a tenant is non-payment of rent, every notice under this paragraph (d) (1) shall state the rent for the housing accommodations, the amount of rent due and the rental period or periods for which such rent is due. The provisions of this paragraph (d) (1) shall not apply where a certificate has been issued by the Administrator pursuant to the provisions of paragraph (b) of this section.

(2) *Notices at time of commencing action to remove tenant.* At the time of commencing any action to remove or evict a tenant, including an action based upon non-payment of rent, the landlord shall give written notice thereof to the area rent office stating the title of the case, the number of the case where that is possible, the court in which it is filed, the name and address of the tenant, and the ground under this section on which removal or eviction is sought.

(e) *Local law.* No provision of this section shall be construed to authorize the removal of a tenant unless such removal is authorized under the local law.

SEC. 7. Registration—(a) *Registration statement.* On or before the date specified in Schedule A of this regulation, or within 30 days after the property is first rented, whichever date is the later, every landlord of housing accommodations rented or offered for rent shall file in triplicate a written statement on the form provided therefor to be known as a registration statement. The statement shall identify each dwelling unit and

specify the maximum rent provided by this regulation for such dwelling unit and shall contain such other information as the Administrator shall require. The original shall remain on file with the Administrator and he shall cause one copy to be delivered to the tenant and one copy, stamped to indicate that it is a correct copy of the original, to be returned to the landlord. In any subsequent change of tenancy the landlord shall exhibit to the new tenant his stamped copy of the registration statement, and shall obtain the tenant's signature and the date thereof, on the back of such statement. Within five days after renting to a new tenant, the landlord shall file a notice on the form provided therefor, on which he shall obtain the tenant's signature, stating that there has been a change in tenancy, that the stamped copy of the registration statement has been exhibited to the new tenant and that the rent for such accommodations is in conformity therewith.

When the maximum rent is changed by order of the Administrator, the landlord shall deliver his stamped copy of the registration statement to the area rent office for appropriate action reflecting such change.

Where, since the filing of the registration statement but prior to May 5, 1945, there has been a change in the identity of the landlord, by transfer of title or otherwise, the present landlord, on or before May 31, 1945, shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity. Where such change occurs on or after May 5, 1945, or the effective date of regulation, whichever is the later, the new landlord shall file such notice within thirty days after the change: *Provided*, That this sentence shall not apply where a petition has been filed under section 6 (b) (2) seeking a certificate for occupancy by the new landlord. If the new landlord indicates on the notice of change in identity that he has not obtained the landlord's copy of the original registration statement, the Administrator shall cause to be prepared and delivered to him a true copy of said original, which may be used to satisfy all requirements of this paragraph (a).

[Above paragraph added by Am. 56, 10 F.R. 5089, effective 5-5-45; amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

Any notice, order or other process or paper directed to the person named on the registration statement as the landlord at the address given thereon, or where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Procedural Regulation No. 3, constitute notice to the person who is then the landlord.

[Above paragraph added by Am. 56]

(b) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(c) *Exceptions from registration requirements*—(1) *Housing under section*

4 (g). The provisions of this section shall not apply to housing accommodations under section 4 (g). The owner of such housing accommodations shall file a schedule or schedules, setting out the maximum rents for all such accommodations in the Defense-Rental Area and containing such other information as the Administrator shall require. A copy of such schedule or schedules shall be posted by the owner in a place where it will be available for inspection by the tenants of such housing accommodations.

(2) *Housing subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to housing accommodations rented to either Army or Navy personnel, including any civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department.

(3) *Housing in Cincinnati Defense-Rental Area.* The provisions of this section shall not apply to housing accommodations in the Cincinnati Defense-Rental Area so long as the maximum rent for such accommodations is established solely under paragraph (a) or (b) of section 4: *Provided, however*, That no payment of rent need be made by any tenant of such accommodations unless the landlord tenders a receipt for the amount to be paid.

(d) *Housing in Puerto Rico Defense-Rental Area.* The provisions of this section 7 (d) shall be substituted for the provisions of section 7 (a) for housing accommodations in the Puerto Rico Defense-Rental Area.

On or before the date specified in Schedule A of this regulation, or within 30 days after the property is first rented, whichever date is the later, every landlord of housing accommodations rented or offered for rent shall file in the area rent office a form provided by the area rent office for this purpose. The form shall identify each dwelling unit and shall specify the maximum rent provided by this regulation for such dwelling unit and shall contain such other information as the Administrator shall require.

(1) *Notice of maximum rent.* The landlord shall prepare the form known as "Notice of Maximum Rent" if the maximum rent for the dwelling unit is determined under paragraph (a) of section 4. The landlord shall prepare the notice in duplicate and shall send one copy to the tenant and one copy to the area rent office.

(2) *Registration statement.* The landlord shall prepare the form known as "Registration Statement" if the maximum rent for the dwelling unit is determined under any paragraph of section 4 other than paragraph (a), (g) or (h). The landlord shall prepare the Registration Statement in triplicate and shall send the three copies to the area rent office. The Administrator shall retain one copy on file and he shall cause one copy to be delivered to the tenant and one copy, stamped to indicate that it is a correct copy of the original, to be returned to the landlord.

(3) *Change in tenancy.* Within five days after renting to a new tenant, the landlord shall file a form provided by

the area rent office for this purpose. The landlord shall state the maximum rent for the dwelling unit, and he shall obtain the new tenant's signature on this form.

(4) Where, since the filing of the notice of maximum rent or the registration statement but prior to June 1, 1945, there has been a change in the identity of the landlord, by transfer of title or otherwise, the present landlord, on or before June 25, 1945 shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity. Where such change occurs on or after June 1, 1945 the new landlord shall file such notice within thirty days after the change: *Provided*, That this sentence shall not apply where a petition has been filed under section 6 (b) (2) seeking a certificate for occupancy by the new landlord. If the new landlord indicates on the notice of change in identity that he has not obtained the landlord's copy of the original registration statement, the Administrator shall cause to be prepared and delivered to him a true copy of said original, which may be used to satisfy all requirements of this paragraph.

[Above paragraph amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

Any notice, order or other process or paper directed to the person named on the registration statement or on the notice of maximum rent as the landlord at the address given thereon, or, where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Procedural Regulation No. 3, constitute notice to the person who is then the landlord.

[Subparagraph (4) added by Am. 59, 10 F.R. 6074, effective 6-1-45]

[Paragraph (d) added by Am. 15, 9 F.R. 206, effective 2-1-44]

(e) *Housing in the Malvern, Arkansas Defense-Rental Area.* The first three sentences of section 7 (a) shall not apply to housing accommodations in the Malvern, Arkansas Defense-Rental Area for which a registration statement was filed between October 1, 1942 and November 30, 1943, inclusive, except where the maximum rent established under this regulation is different than the maximum rent which was in effect on November 30, 1943.

[Paragraph (e) added by Am. 43, 10 F.R. 48, effective 1-1-45]

(f) On or before April 15, 1945, in the Matagorda Bay Defense-Rental Area, every landlord of housing accommodations rented or offered for rent shall file a registration statement in addition to the statement required by paragraph (a) of this section, or he shall file his copy of the original registration statement. Where the landlord files his copy of the original registration statement, the Administrator shall duplicate such copy for

his files and shall return the original copy to the landlord.

[Paragraph (f) added by Am. 50, 10 F.R. 2685, 2973, effective 3-10-45]

SEC. 8. Inspection. Any person who rents or offers for rent or acts as a broker or agent for the rental of housing accommodations and any tenant shall permit such inspection of the accommodations by the Administrator as he may, from time to time, require

SEC. 9. Evasion—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly, in connection with the renting or leasing or the transfer of a lease of housing accommodations, by way of absolute or conditional sale, sale with purchase money or other form of mortgage, or sale with option to repurchase or by modification of the practices relating to payment of commissions or other charges or by modification of the services furnished with housing accommodations, or by tying agreement, or otherwise.

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting housing accommodations unless the prior written consent of the Administrator is obtained.

[Paragraph (b) amended by Am. 67, 10 F.R. 11666, effective 9-15-45]

[Section 9 amended by Am. 44, 10 F.R. 330, effective 1-10-45]

SEC. 10. Enforcement. Persons violating any provision of this regulation are subject to criminal penalties, civil enforcement actions and suits for treble damages as provided for by the act.

SEC. 11. Procedure. All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Procedural Regulation No. 3 (§§ 1300.201 to 1300.259a, inclusive).

SEC. 12. Petitions for amendment. Persons seeking any amendment of general applicability to any provision of this regulation may file petitions therefor in accordance with Revised Procedural Regulation No. 3 (§§ 1300.201 to 1300.259a, inclusive).

SEC. 13. Definitions. (a) When used in this regulation the term:

(1) "Act" means the Emergency Price Control Act of 1942.

(2) "Administrator" means the Price Administrator of the Office of Price Administration, or the Rent Director or such other person or persons as the Administrator may appoint or designate to carry out any of the duties delegated to him by the Act.

(3) "Rent Director" means the person designated by the Administrator as di-

* 9 F.R. 10484.

rector of the Defense-Rental Area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Administrator.

(4) "Area rent office" means the office of the Rent Director in the Defense-Rental Area.

(5) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

(6) "Housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy of such property.

(7) "Services" includes repairs, decorating and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, the removal of refuse and any other privilege or facility connected with the use or occupancy of housing accommodations.

(8) "Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any housing accommodations, or an agent of any of the foregoing.

(9) "Tenant" includes a subtenant, lessee, sublessee, or other person entitled to the possession or to the use or occupancy of any housing accommodations.

(10) "Rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received for or in connection with the use or occupancy of housing accommodations or the transfer of a lease of such accommodations.

[Subparagraph (10) amended by Am. 33, 9 F.R. 10633, effective 9-1-44]

(11) "Hotel" means any establishment generally recognized as such in its community containing more than 50 rooms and used predominantly for transient occupancy.

(12) "Rooming house" means, in addition to its customary usage, a building or portion of a building other than a hotel in which a furnished room or rooms not constituting an apartment are rented on a short-time basis of daily, weekly, or monthly occupancy to more than two paying tenants not members of the landlord's immediate family. The term includes boarding houses, dormitories, auto camps, trailers, residence clubs, tourist homes or cabins, and all other establishments of a similar nature.

(b) Unless the context otherwise requires, the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used in this regulation.