

# 2026 California Property Management Law Changes



## What Bay Area Landlords Need to Know

**Bay Area Focus:** This article is written specifically for rental property owners in [Oakland](#), [Berkeley](#), [Emeryville](#), and the surrounding [East Bay](#). While California law sets the baseline, many local ordinances impose stricter requirements that landlords must follow.

The start of a new year means new goals, new plans — and for California landlords, [new rental housing laws](#). In 2026, statewide updates and stricter Bay Area regulations continue to reshape how rental properties must be managed.

If you own property in Oakland, Berkeley, Emeryville, or nearby, compliance isn't optional. State law sets the floor, but local ordinances add layers that can turn small mistakes into costly problems. [Property Management in Berkeley](#) can be particularly challenging due to the city's very specific rules. This guide breaks down what's changing, what's critical, and how to protect your investment.

## Why 2026 Is a Big Year for California Landlords

California's approach to housing regulation continues to evolve. Lawmakers are focused on tenant protections, transparency, and affordability — while cities like Oakland and Berkeley add their own rules on top.

For landlords, that means:

- More detailed notice requirements
- Stricter timelines
- Higher penalties for non-compliance
- Less room for "I didn't know" mistakes

The good news? Owners who stay informed and proactive can avoid costly missteps and keep their rentals running smoothly.

## What's New in 2026?

While many of these laws have been in effect for a few years, 2026 brings:

- **AB 628** — Mandatory Stove & Refrigerator in Habitability Standards (Effective Jan 1, 2026) - [AB 628 bill text](#)
- **AB 246** — Social Security Tenant Protection Act (Effective Jan 1, 2026) - [AB 246 bill text](#)
- **Oakland** - Rent Adjustment Program allowable increase of 2.3% (Aug 1, 2026 - Jul 31, 2027) - [Oakland RAP](#)

- **Berkeley** – 2026 Relocation Assistance Adjustments (Effective Jan 1, 2026) – [Berkeley Rent Board](#)

## Key California Rental Law Rules to Know in 2026

While not every law is brand new, **2026 reinforces and expands several important statewide requirements** that affect most rental properties.

### 1. Rent Caps Still Apply

California's statewide rent cap under the [Tenant Protection Act of 2019](#) continues to limit how much landlords can increase rent for most residential properties — and 2026 is no exception.

In general:

- Annual increases are capped at **5% plus local CPI**, or **10% maximum** — whichever is lower. For 2026, landlords should verify the current CPI rate before issuing any rent increase.
- Proper written notice is required (30 days for increases up to 10%, 90 days for increases greater than 10%)
- Certain properties may be exempt — but exemptions must be disclosed correctly
- Local rent control can layer additional caps.

Mistakes around rent increases remain one of the most common compliance violations we see — usually due to *improper notice period*, *incorrect calculations*, or *misunderstood exemptions*. In 2026, taking a few extra steps to verify CPI, serve notices correctly, and document exemptions can help avoid costly disputes.

### 2. Notice Delivery Rules Matter More Than Ever

How and when you deliver notices is just as important as what the notice says.

Landlords must:

- Use the correct notice type
- Follow strict delivery methods (posting, mailing, or personal service)
- Allow proper waiting periods

**Even if the tenant received and read the notice, courts may rule it invalid if delivery wasn't executed correctly.** Improper notice delivery can invalidate rent increases, lease changes, or even eviction actions.

### **Real life Oakland example:**

Case T01-0099 Hill v. Brown

An Administrative Decision denied a rent increase where the RAP Notice was not served as required, and the rent increase notice was not served in compliance with Civil Code § 827.

[\[ RAP Appeals Decision Index \]](#)

## **3. Just Cause & Tenant Protections**

Many California renters are protected from eviction without a legally recognized reason.

This means:

- **No-fault evictions are limited** – Landlords cannot simply terminate a tenancy without a qualifying legal reason (e.g., nonpayment, lease violation, owner move-in, Ellis Act). Blanket “no-fault” or arbitrary terminations are prohibited under California and many local ordinances.
- **Proper documentation is essential** – Eviction notices must strictly comply with statutory and local ordinance requirements — including correct forms, timelines, and legal grounds. Mistakes in notice content or service can give tenants a complete defense.

- **Relocation assistance may apply in certain cases** – In jurisdictions like Berkeley and Oakland, tenants displaced by **no-fault terminations** — such as owner move-in or redevelopment — are entitled to **statutory relocation assistance**. In *some cases*, relocation funds **must be deposited with the city/board before the eviction proceeds**.
- **Tenant defenses have expanded** – Courts and rent boards are increasingly receptive to defenses based on **procedural defects**, such as improper notice service, failure to pay relocation assistance, or misclassification of the eviction basis. These defenses can *delay or defeat* evictions.
- **Landlord liability for errors is real** – If eviction proceedings are filed with flawed documentation or without satisfying relocation requirements, landlords may be ordered to: Reinstate the tenancy, Pay back rent for the period unlawfully withheld, Provide **statutory damages**, Cover **tenant attorney fees and costs**

These protections are especially impactful in the Bay Area.

#### **Real life Berkeley example:**

Mak v. City of Berkeley Rent Stabilization Board.

A landlord served a purported owner move-in notice, but instead rented the unit at market rate. The Court upheld the Board's rejection of the eviction because the owner's actions were *a transparent attempt to circumvent* the ordinance.

[ [Mak v. Berkeley – Justia.com](#) ]

## **4. Security Deposit Rules Continue to Tighten**

[Security deposits, and now the amount a landlord can charge](#), remain a frequent source of disputes.

In 2026, landlords must be especially careful about:

- **Allowable deductions**– Only specific costs related to unpaid rent, repairs for tenant-caused damage, and cleaning to return the unit to **the same level of cleanliness as at move-in** are permitted. [Landlords cannot deduct for normal wear and tear](#).
- **Itemized statements** – When any deduction is made, landlords must provide a **detailed, written itemization** explaining each charge, tied to actual expenses.
- **Return timelines** – [Security deposits must be returned](#) — with the itemized statement — **within 21 days** after the tenant vacates (even if a new tenant hasn't yet moved in).
- **Pre-repair photo documentation (AB 2493 effects)** – Since April 1, **2025**, landlords are required to **photograph the interior condition of the unit immediately after regaining possession** — before performing cleaning or repairs. These photos must be included with (or available upon request with) the itemized statement.
- **Mandatory appliance condition documentation (AB 628 impact)** – Because California's new habitability standards starting in 2026 require working **refrigerators and stoves/ovens** in most units, landlords who fail to maintain these and then deduct from a deposit can face disputes unless condition documentation was taken at lease start.
- **Expanded liability for non-compliance** – Even *legitimate* damage deductions can trigger *statutory penalties* — including up to **twice the amount wrongfully withheld**, plus *reasonable attorney fees* — if a tenant successfully proves that the return statement or documentation was deficient under the new rules.

Failure to comply can expose owners to financial penalties — even when the damage is legitimate — and the **burden of proof now includes enhanced documentation standards**. Smart landlords in 2026 will have checklists and photo records for **both move-in and move-out conditions** to reduce dispute risk.

## 📋 Lease Compliance in 2026

Wondering if your lease agreement still complies with 2026 California and Bay Area rental laws?

We break down the most common outdated lease clauses — and what may need updating

this year — in this article:

## [📄 Do Your Lease Agreements Still Comply with 2026 California Rental Laws?](#)

### Bay Area-Specific Rules Owners Must Watch Closely

Here's where things get more complicated.

Cities like Oakland, Berkeley, and Emeryville often have **stricter requirements than state law**, and local rules always take precedence.

#### Oakland

- Strong rent control enforcement
- Tenant protection ordinances
- Strict eviction standards
- **Registration requirements:** Failure to register a rental property in Oakland can mean: You forfeit six months of a contested rent increase (unless you registered at least six months before serving the notice). You can't file or respond to RAP petitions. Tenants can use your non-compliance to stop evictions

#### Berkeley

- Detailed rent stabilization rules
- Mandatory disclosures
- Tight oversight of rent adjustments

Similar to Oakland, failure to register a covered rental property can lead to:

- **Financial Penalties:** Registration fees double and keep accumulating every 6 months if unpaid. [Rent Board](#)

- **Loss of Landlord Rights:** You may be unable to enforce rent increases or pursue evictions until compliance. [Rent Board](#)
- **Tenant Legal Defenses:** Tenants can use non-registration as a defense and potentially withhold rent. [Berkeley Municipal Code](#)
- **Collection Actions:** Ongoing unpaid accounts can lead to collections through the Rent Board process. [Rent Board](#)

## Emeryville

- **It is unlawful to operate (i.e., rent out property) without a license**, meaning you could be cited for conducting business illegally. [City of Emeryville](#)
- The City can pursue **late fees, penalties, and interest** on unpaid license fees and taxes.
- Repeated non-compliance could result in **enforcement action or municipal citations** from the Finance or Code Enforcement division.
- Without a valid business license, your legal ability to take certain actions (like terminating tenancies under the city's landlord-tenant relations ordinance) could be jeopardized — because *a valid business license is a prerequisite for terminating a tenancy* under city law. [Emeryville](#)

## East Bay Rental Regulation Comparison

| City | Rent Control? | Annual Registration Required? | Business License Required? | Just Cause Eviction? | Relocation Assistance? | Key Comp Conseq |
|------|---------------|-------------------------------|----------------------------|----------------------|------------------------|-----------------|
|------|---------------|-------------------------------|----------------------------|----------------------|------------------------|-----------------|

|                   |                                                                               |                                                                      |                              |                              |                                                                         |                                                                                                                                                                                                    |
|-------------------|-------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------|------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Oakland</b>    | <input type="checkbox"/> Yes (Rent Adjustment Program - RAP)                  | <input type="checkbox"/> Yes (Rent Registry + RAP Fee)               | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes (for certain no-fault evictions)           | <input type="checkbox"/> Forfeiture of months<br>months<br>contested<br>increase<br><input type="checkbox"/> Eviction<br>be<br>barred/c<br><input type="checkbox"/> Cannot<br>respond<br>petitions |
| <b>Berkeley</b>   | <input type="checkbox"/> Yes (Rent Stabilization Ordinance)                   | <input type="checkbox"/> Yes (Annual Rent Board Registration + Fees) | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes (mandatory for covered no-fault evictions) | <input type="checkbox"/> Regist<br>fees dou<br>late<br><input type="checkbox"/> Evicti<br>impaired<br><input type="checkbox"/> Tenan<br>withhold                                                   |
| <b>Emeryville</b> | <input type="checkbox"/> Limited (No rent cap, but strong tenant protections) | <input type="checkbox"/> No rent registry for long-term rentals      | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes | <input type="checkbox"/> Yes (specific scenarios)                       | <input type="checkbox"/> Evicti<br>may be<br><input type="checkbox"/> Opera<br>without<br>is unlaw<br><input type="checkbox"/> Code<br>enforcem<br>penalties                                       |

If you own property in multiple cities, **rules can vary dramatically from one zip code to the next.**

“In Oakland, failure to register your rental property can cost you six months of a contested rent increase — and give your tenant a defense to eviction.”

## What These Laws Mean for Bay Area Property Owners

For landlords, 2026 is about **risk management as much as revenue**.

Key impacts include:

- **Increased administrative workload** — Even small portfolios may need dedicated time each month to track notice deadlines, rent cap calculations, and local filing requirements. What used to be “set it and forget it” now requires active monitoring.
- **Greater need for documentation** — Every rent increase, maintenance request, and tenant communication should be documented and stored properly. In disputes or audits, thorough records are often the difference between a quick resolution and a costly legal battle.
- **Higher financial risk from small mistakes** — A single improperly delivered notice can invalidate a rent increase, delay an eviction by months, or trigger tenant claims. In cities like Oakland and Berkeley, penalties for non-compliance can quickly add up to thousands of dollars.
- **Reduced flexibility without proper planning** — Landlords can no longer make quick decisions about rent adjustments or lease changes without first confirming compliance. Every action requires forethought and often professional guidance to avoid unintended violations.

Owners who rely on outdated leases, templates, or assumptions are far more likely to run into trouble. The cost of staying compliant is almost always lower than the cost of fixing compliance mistakes after the fact.

## **☐ The Real Cost of Non-Compliance in 2026**

Concerned about the financial impact of missing a compliance requirement? A Berkeley landlord's \$344 registration fee became \$20,640 in penalties. In one example, an Oakland owner of a 20-unit building could lose up to \$36,000/year when banked rent increases expire. A simple AB 1482 calculation error triggered \$13,600+ in exposure. Learn what compliance mistakes really cost—and how to avoid them.

## **☐ The Real Cost of Non-Compliance: What Bay Area Landlords Risk in 2026**

## **2026 Compliance Quick Check**

Use this checklist to ensure your rental property starts the year on solid legal footing:

### **Lease & Documentation**

- Lease agreement reviewed and updated for 2026 compliance
- All required disclosures included (lead paint, mold, bed bugs, etc.)
- Rent control exemption status properly documented (if applicable)
- Local registration requirements completed (Oakland, Berkeley, Emeryville, etc...)

### **Rent & Financial**

- Current rent increase falls within legal caps
- Rent increase notice delivered using proper method and timeline
- Security deposit amount complies with state and local limits
- Security deposit itemization process documented and ready



## Notices & Communication

- All notice templates updated for current law
- Proper delivery methods confirmed (mail, posting, personal service)
- Notice timelines calculated correctly (30-day, 60-day, 90-day)
- Written records kept of all tenant communications

## Tenant Protections

- Just cause eviction requirements understood and documented
- Relocation assistance obligations confirmed (if applicable)
- Fair housing practices reviewed and followed in all advertising

**If you can't confidently check every box, it may be time for a compliance review.**

“A single improperly delivered notice can delay an eviction by 6+ months and cost thousands in lost rent.”

## Why Many Owners Rely on Professional Property Management

For Bay Area landlords, compliance isn't just about knowing the law — it's about applying it correctly, consistently, and on time.

Staying compliant in California isn't a one-time task — it's an ongoing process.

Professional property management helps by:

- Monitoring legal changes year-round
- Updating leases and notices automatically

- Handling tenant communication correctly
- Reducing exposure to fines and disputes

For many owners, this peace of mind is just as valuable as the day-to-day management itself.

## **☐ Self-managing vs. professional management**

The compliance burden in the Bay Area has never been heavier—especially for out-of-area owners. Between Oakland’s March 1 registration deadlines, Berkeley’s evolving rent board requirements, and new state laws like AB 628 and AB 12, many landlords are reconsidering the DIY approach. Read our complete analysis:

[☐ Can You Self-Manage and Stay Compliant in the Bay Area in 2026?](#)

## **Frequently Asked Questions (FAQ)**

### **Do I need to update my lease for 2026?**

In many cases, yes. Laws change faster than leases, and outdated language can create compliance issues.

### **Do these rules apply to single-family homes?**

Some protections apply broadly, while others depend on ownership structure and usage. Exemptions must be disclosed properly.

### **What happens if I miss a compliance update?**

Penalties can include fines, invalid notices, tenant claims, or delays in enforcing your rights.

### **Are Bay Area laws stricter than state law?**

Often, yes. Local ordinances frequently add additional requirements beyond California state law.

## **How do I know if my property is exempt from rent control?**

Exemptions vary by city. In California, housing issued a certificate of occupancy within the previous 15 years is generally exempt from state rent caps — but local rent control may still apply. Always check with your city's rent board or a property management professional.

## **What's the biggest mistake Bay Area landlords make with compliance?**

Assuming state law is the only law that applies. In Oakland, Berkeley, and Emeryville, local ordinances are often stricter than California state law — and local rules always take precedence. Failing to register your property or missing city-specific notice requirements can invalidate rent increases or evictions, even if you followed state law perfectly.

## **Start 2026 on the Right Foot**

The beginning of the year is the best time to review your rental operations.

A proactive approach — reviewing leases, notices, and procedures now — can prevent expensive headaches later.

Whether you self-manage or work with a property management company, understanding the rules that govern your rental property is essential to protecting your investment in 2026 and beyond.

## **How All East Bay Properties Helps Owners Stay Compliant**

At **All East Bay Properties**, we manage hundreds of rental homes throughout Oakland, Berkeley, Emeryville, and the surrounding communities. Staying compliant with California and local rental laws is built into everything we do.

Our team:

- Tracks state and local law changes year-round
- Updates leases and notices automatically
- Handles tenant communication professionally
- Helps protect owners from costly compliance mistakes

If you're unsure whether your rental is fully compliant for 2026, a quick review now can save significant stress later. [Contact us to schedule a free compliance consultation](#) and get the answers you need.

## Not Sure Where You Stand?

If you're reading this and thinking, *"I'm not sure if I'm compliant,"* you're not alone. Bay Area rental regulations are complex, constantly changing, and easy to get wrong — even for experienced landlords.

**Schedule a free 15-minute compliance review** with our team. We'll assess your property's current status, flag any potential issues, and show you what full compliance actually looks like in 2026.

No pressure. No commitment. Just clarity.

[\*\*Schedule Your FREE Compliance Review\*\*](#)

---

Source: <https://alleastbayproperties.com/2026-california-property-management-law-changes/>