



Why the state's 80/20 payment for eligible households makes sense.



If you are a landlord who has been receiving 25% or more of your tenant's monthly rent, up to 75% is still unpaid.

\$ = 80%

When you and your tenant participate, the state will pay 80% of unpaid rent, and would ask you to forgive the last 20%.

\$ = ^{At least} 85%

After reimbursement, you will have received at least 85% of total rents owed from the period.

How the 80/20 payment structure works.

Example rent: \$1,000/month **\$12k** In total rent owed

Example 1

- Tenant pays \$3,000/25%
- State of California Pays 80% Unpaid Rent = \$7,200
- Landlord forgives 20% in unpaid rent over the period = \$1,800
- Total rent recovered by landlord = \$10,200/85%

Example 2

- Tenant pays \$6,000/50%
- State of California Pays 80% Unpaid Rent = \$4,800
- Landlord forgives 20% in unpaid rent over the period = \$1,200
- Total rent recovered by landlord = \$10,800/90%

Participating in the COVID-19 Rent Relief effort gets rents paid, saves money on legal fees, and reduces uncertainty.