



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

-  **> 25%** 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%.
- \$ = <sup>At least</sup> 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.