



**California Department of Real Estate**  
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[www.dre.ca.gov](http://www.dre.ca.gov)



## **NEWS RELEASE**

FOR IMMEDIATE RELEASE  
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### **DRE WARNS AGAINST RENTAL PRICE GOUGING IN WILDFIRE AREAS**

SACRAMENTO – The California Department of Real Estate (DRE) is issuing a warning against price gouging for rental housing for victims of this year’s historic California wildfires.

DRE is reminding licensees that price gouging is a criminal offense in counties where a state of emergency has been declared. The law on price gouging or taking advantage of consumers also applies to hotel and motel rates and to consumer food items and other goods and services.

Price gouging is punishable by imprisonment or a fine of not more than \$10,000, or by both the fine and imprisonment. Unlawful business practices can also be brought against licensees who violate the anti-price gouging law.

DRE will diligently investigate complaints of unlawful price gouging of rental housing by licensees in the wake of the ongoing wildfires in California and will take the appropriate disciplinary action when price gouging is found to have occurred.

“Paying more than they should for a roof over their head is the last thing these wildfire victims need to worry about right now,” Real Estate Commissioner Doug McCauley said. “That’s why this reminder is vitally important—not only is it unethical, it’s illegal to price gouge in a declared state of emergency.”

Consumers can research property management companies or individuals by visiting DRE’s website at [www.dre.ca.gov](http://www.dre.ca.gov). During these unprecedented times, DRE urges all consumers to be on high alert and keep their guard up for people trying taking advantage of others’ hardships.

To view Penal Code 396, which addresses price gouging in disaster zones, go to <https://codes.findlaw.com/ca/penal-code/pen-sect-396.html>. To report illegal conduct by a real estate licensee, go to DRE’s website at [www.dre.ca.gov](http://www.dre.ca.gov) and click on “Consumers” and “File a Complaint.”

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*The mission of DRE is to safeguard and promote the public interests in real estate matters through licensure, regulation, education and enforcement. For more information, visit [www.dre.ca.gov](http://www.dre.ca.gov).*