



# Promoting Housing Stability During The Covid-19 National Emergency

Information for Multifamily Property Owners and Management Agents

This brochure applies to assisted and insured housing programs administered by the U.S. Department of Housing and Urban Development (HUD), Office of Multifamily Housing Programs. This brochure does not apply to the Public Housing Program, the Section 8 Moderate Rehabilitation Program (except for multifamily housing properties insured by the Federal Housing Administration (FHA)), or the Housing Choice Voucher Program (except when a voucher is used in a multifamily housing property with an FHA-insured mortgage).

## **MANY RENTERS HAVE HAD TROUBLE PAYING RENT DURING THE COVID-19 NATIONAL EMERGENCY. HOUSING PROVIDERS CAN HELP FAMILIES STAY HOUSED AND PREVENT INCREASED HOMELESSNESS IN THEIR COMMUNITIES.**

On March 13, 2020, President Donald J. Trump signed a national emergency declaration concerning the coronavirus pandemic. The national emergency has had far-reaching impacts on operations at HUD-assisted and FHA-insured multifamily properties. Many tenants have lost jobs or had their hours cut and are concerned about how they will pay rent and for other basic needs.

You received this brochure because your multifamily property participates in a program administered by the United States Department of Housing and Urban Development.

- [Evictions for non-payment of rent have been suspended for 120 days, from March 27, 2020 to July 24, 2020](#), for renters at HUD Multifamily assisted or FHA-insured properties during the national emergency by the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). This means that owners cannot file a new eviction action against a tenant for non-payment of rent or charge any late payment fees or penalties until the moratorium is over. The federal eviction moratorium does NOT affect:
  - Evictions that were filed before the moratorium started or that are filed after it ends.
  - Cases where the eviction is based on reasons other than non-payment of rent or non-payment of other fees or charges.
- Once the moratorium ends, owners can file for evictions with 30 days’ notice and removals can be enforced for non-payment of rent. However, there are actions that owners may take that may mitigate the need to proceed with an eviction, as detailed below.
- An owner or agent of a multifamily property covered by the CARES Act may only charge fees and penalties during the eviction moratorium if the charge is wholly unrelated to a tenant’s nonpayment of rent. If the tenant pays such charges, the owner or agent may accept payment.
- During the eviction moratorium, the CARES Act prohibits an owner or agent from filing for possession of a unit for nonpayment of any rent, fee, or charge. This holds true regardless of the date the fee or charge was initially assessed.
- Fees and charges that could not be assessed during the eviction moratorium should not accrue and should not be charged after the moratorium ends.
- Rents, fees wholly unrelated to nonpayment of rent, as well as fees assessed prior to the eviction moratorium which took effect on March 27, 2020, may be collected during the moratorium.

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<sup>1</sup> Note that some properties may have longer moratoriums, see the next page for details.

## **IF YOU ARE A BORROWER WHO RECEIVED FORBEARANCE ON AN FHA-INSURED MULTIFAMILY LOAN**

The CARES Act extends the moratorium on evictions for all FHA-insured or HUD-held mortgages while under forbearance (meaning debt service payments are currently not being collected by the lender). Owners of multifamily properties that are under mortgage forbearance after July 24, 2020, cannot take the following actions during their forbearance:

- Evict a tenant solely for non-payment of rent or other fees or charges
- Charge any late fees, penalties, or other charges to a tenant for late payment of rent
- Issue a notice to vacate prior to the expiration of the forbearance

Once the forbearance has expired, the owner may not require a tenant to vacate a dwelling unit before 30 days after the date when the owner provides the tenant with a notice to vacate.

For more information on HUD's implementation of Section 4023 of the CARES Act and its policies on forbearance (including renter protections), see:

- Mortgagee Letter 2020-09 at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-09hsngml.pdf>
- Housing Notice 2020-7 at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-04hsgn.pdf>
- To see if your multifamily property is covered under the CARES Act, use the search tool available at [https://www.hud.gov/program\\_offices/housing/mfh/hsgrent/mfhpropertysearch](https://www.hud.gov/program_offices/housing/mfh/hsgrent/mfhpropertysearch)

## **IF YOU ARE A MULTIFAMILY OWNER AND YOUR TENANTS HAVE FALLEN BEHIND ON RENT DURING THE EVICTION MORATORIUM**

HUD encourages multifamily property owners to work with tenants to help them stay stably housed. Tens of millions of Americans have experienced job loss, reduced hours, and reduced income due to the outbreak of COVID-19. Many families and individuals are also facing new challenges, such as loss of childcare, limited access to healthcare, and reduced public transportation services.

Housing providers can help prevent an increase in homelessness in their communities by working with families to avoid unnecessary evictions. Housing providers can review their records to determine which households are behind on rent and reach out to families to discuss their options.

If your tenants are concerned about coming to the leasing office in person, housing providers can allow tenants to send an alternative signature by email, fax, or other electronic method.<sup>2</sup>

Tenants and owners will find helpful information, including contact information for assistance for subsidized tenants, in the following brochure, Addressing Tenant Concerns During the COVID-19 National Emergency, [https://www.hud.gov/sites/dfiles/Housing/documents/MF\\_Tenant\\_Concerns\\_COVID-19\\_Brochure.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/MF_Tenant_Concerns_COVID-19_Brochure.pdf)

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<sup>2</sup> See Housing Notice 20-4 for more information on the use of electronic signatures. Contact your state Attorney General's Office, Landlord Tenant Law Section to find out whether there are restrictions on the use of electronic signatures in your jurisdiction.

## **INFORM ASSISTED FAMILIES AND INDIVIDUALS THAT THEY CAN REQUEST AN INTERIM RECERTIFICATION AFTER A LOSS OF INCOME**

If a household receives HUD-funded rental assistance and has had a loss of income, advise that they may be eligible for a prompt rent reduction or a hardship exemption effective the first month following the income loss. This can mitigate the effects of income loss and help tenants stay current with their rent payments and avoid accumulating unpaid rents. HUD recommends that owners post the information provided in the brochure available at [https://www.hud.gov/sites/dfiles/Housing/documents/MF\\_Tenant\\_Concerns\\_COVID-19\\_Brochure.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/MF_Tenant_Concerns_COVID-19_Brochure.pdf)

Guidance regarding Interim Recertification requirements can be found in HUD Handbook 4350.3, Chapter 7, Section 2 found at [https://www.hud.gov/program\\_offices/administration/hudclips/handbooks/hsggh/4350.3](https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsggh/4350.3)

## **WORK WITH FAMILIES ON A REPAYMENT PLAN**

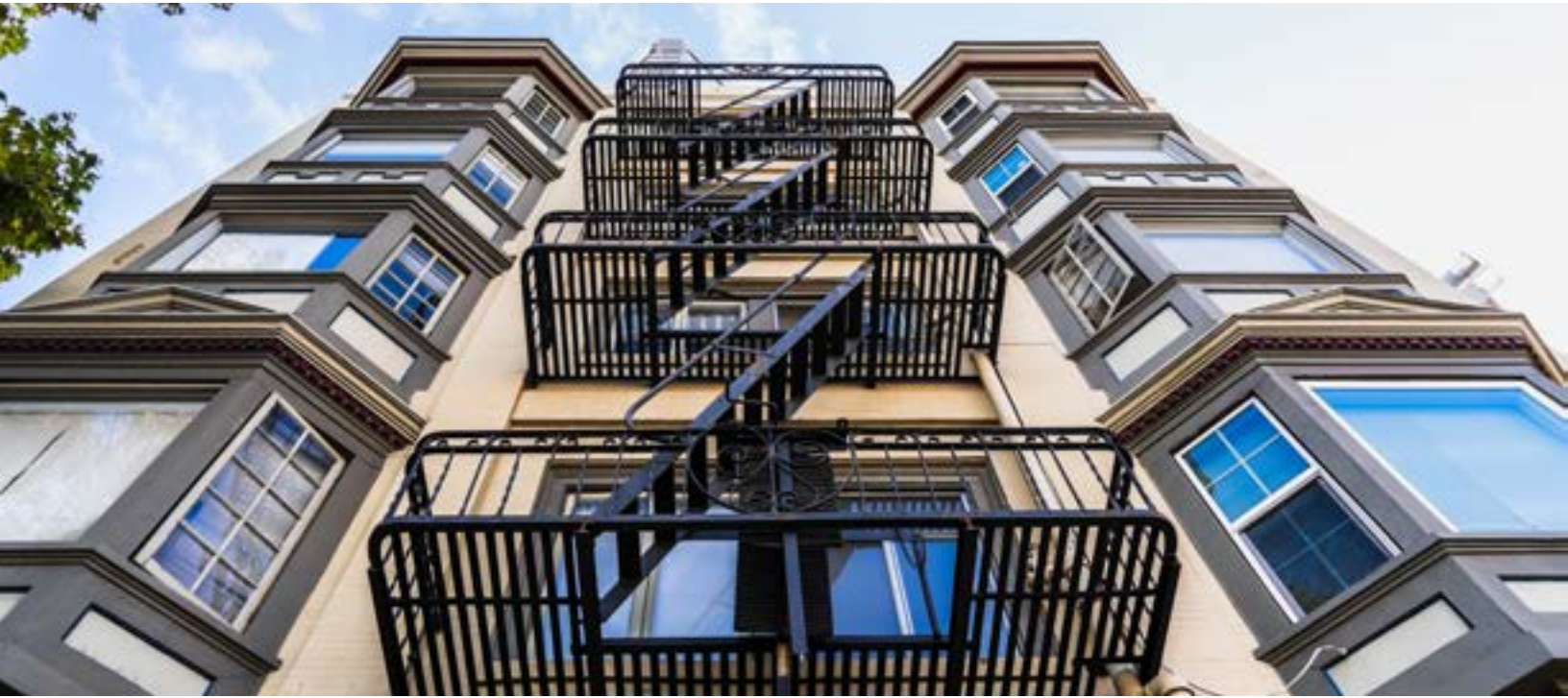
For both assisted and unassisted tenants, HUD encourages housing providers to enter into repayment agreements to help families remain housed if they are unable to repay any rent owed as a lump sum. Repayment agreements allow families to continue to be housed while repaying the rent they owe in reasonable payments spread over time. Housing providers may also use delayed evictions, or other measures to avoid evictions and keep families housed. An owner must not terminate tenancy until any grace period permitted by state law has expired. It should also be noted that many state and local jurisdictions have local moratoria on evictions due to COVID-19 and owners and their counsel should check local requirements before initiating an eviction action.

Owners are reminded that they should pursue available financial relief measures when necessary, including reserve for replacement and residual receipt account releases; suspension of reserve for replacement account deposits; owner advances; and/or loans and grants from outside sources to lessen the impact of lost rental income during this time. Mortgagee Letter 2020-09 describes such measures in more detail under the section entitled *Continuing Program Obligations*. Many state and local governments also offer emergency rent relief programs.

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<sup>3</sup> Note: Federal stimulus payments are NOT included as income for rent calculation purposes.





## LOOK FOR RESOURCES IN YOUR LOCAL COMMUNITY AVAILABLE TO LOW-INCOME HOUSEHOLDS

Local social service agencies and non-profit organizations may have resources to help low-income households who are struggling to afford basic needs. Check with local partners to see if they have a comprehensive list that you can share with tenants. Below are links to key benefits that may assist families.

### **Benefits Eligibility (TANF, SNAP, etc.)**

[www.benefits.gov](http://www.benefits.gov)

### **Unemployment expanded eligibility and enhanced benefits**

[www.usa.gov/unemployment](http://www.usa.gov/unemployment)  
[www.careeronestop.org/LocalHelp/UnemploymentBenefits](http://www.careeronestop.org/LocalHelp/UnemploymentBenefits)

### **Economic Impact Payments**

<https://www.irs.gov/coronavirus/economic-impact-payment-information-center>

### **Emergency assistance resources to help households pay for rent, utilities, and other basic necessities**

Local governments may have additional rental and utility assistance available for individuals who meet qualifying criteria.

Dial 211 from any phone / or visit <https://www.211.org/> and search by zip code for referrals to agencies and community organizations that offer emergency financial assistance. Callers can request translations services.

[www.usa.gov/help-with-bills](http://www.usa.gov/help-with-bills)

### **Childcare for Essential Workers**

[www.acf.hhs.gov/sites/default/files/occ/state\\_level\\_info\\_for\\_essential\\_workers\\_seeking\\_child\\_care.pdf](http://www.acf.hhs.gov/sites/default/files/occ/state_level_info_for_essential_workers_seeking_child_care.pdf)

### **Immediate jobs available due to COVID-19**

<https://needajobnow.usnlx.com>

**Office of Multifamily Housing Programs**  
Washington, DC 20410-0002 Official Business  
Penalty for Private Use \$300

July 2020