

Economic Recovery Tools for Landlords During COVID-19

Economic Injury Disaster Loan (“EIDL”): In response to COVID-19, small business owners are eligible to apply for Economic Injury Disaster Loan advance of up to \$10,000.00. The purpose of this advance is to help provide economic relief to small businesses that are currently experiencing a temporary loss of revenue.

- **Eligibility.** This program is for any small business with less than 500 employees, private non-profit organization, or 501(c)(19) veterans organization affected by COVID-19. These advanced funds will be made available within days after a successful application and this loan will not have to be repaid.

Paycheck Protection Program: Program designed to provide a direct incentive for small businesses to keep their workers on the payroll.

- **Eligibility.**
 - Any small business that meets SBA’s size standard (either the industry based sized standard or the alternative size standard);
 - Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern (sec. 31(b)(2)(C) of the Small Business Act) with the greater of:
 - 500 employees, or
 - That meets the SBA industry size standard of more than 500;
 - Any business with a NAICS Code that begins with 72 (Accommodations and Food Services) that has more than one physical location and employs less than 500 per location; or
 - Sole proprietors, independent contractors, and self-employed persons.
- **Loan Details and Forgiveness.** U.S. Small Business Administration will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. Loan payments will also be deferred for six months. No collateral or personal guarantees are required. No fees will be charged.

CARES Act:

60-day foreclosure moratorium: Servicers of a federally backed mortgage loan may not initiate any judicial or non-judicial foreclosure process, move for a foreclosure judgment or order of sale, or execute a foreclosure-related eviction or foreclosure sale for a 60-day period commencing on March 18, 2020. There is an exception for vacant or abandoned property.

30-day mortgage forbearance:

- **For Individuals:** A homeowner (including condominiums) with federally backed mortgage loans affected by COVID-19 can request and obtain forbearance from mortgage payments for 180 days, with an option to extend for an additional 180 days. During a period of forbearance, no additional fees, penalties, or interest outside of what would have normally been charged had regular payments been made shall accrue on the borrower’s account.
- **For Multifamily Housing:** A multifamily borrower with federally backed mortgage loans affected by COVID-19 can request and obtain forbearance from mortgage payments for 30 days, with an option to extend for two additional 30 day periods **so long as the borrower was current on payments as of February 1, 2020.**
 - If this forbearance is obtained, the borrower may not:
 - begin eviction proceedings against a tenant for non-payment of rent;
 - assess any late fees or penalties to tenants for late payment of rent;
 - require a tenant to vacate the property without at least 30 days notice; or
 - issue a notice to vacate until to a tenant until after expiration of the forbearance.

120 day stay on eviction filings. A landlord with a federally backed mortgage cannot evict a tenant for non-payment of rent or other fees, charge fees or penalties to tenants related to non-payment of rent, require a tenant to vacate the property without at least 30 days notice; or issue a notice to vacate until to a tenant until after July 16, 2020.