

Community Housing Forum

Responding to COVID-19



SCACED

South Carolina Association for
Community Economic Development

Housekeeping



All participants muted on entry but can unmute.



Please mute if you're not speaking!



Put questions in the chat box.



This stuff changes regularly!



I'm a lawyer. I'm not your lawyer!

Agenda



State and Federal Protections
for Renters, Landlords, and
Homeowners



Perspectives From the Field



Q&A, Discussion, and Action
Items

Relief for Renters



Eviction Holds

	State Eviction Hold	Federal CARES Act Eviction Hold
Properties Covered	All properties under lease (not transient hotel/motel occupancy)	<ol style="list-style-type: none">1. Federally subsidized housing2. Properties with federally backed mortgages
Evictions Covered	All evictions unless they involve essential services or harm to person or property	Prohibits filing for eviction as of March 27, 2020 for failure to pay rent or other fees/charges.
Hold Expires	May 1, 2020*	July 25, 2020 + 30 days notice

Which Evictions Can Go Forward?

Now

- Evictions involving essential services or harm to person or property.

May 1, 2020*

- Properties covered by the CARES Act
 - Evictions for things other than nonpayment of rent or other fees/charges.
- Properties NOT covered by the CARES Act
 - All evictions

***Assuming the SC Supreme Court issues an order allowing this**

August 24, 2020*

- Evictions for any reason IF the landlord gave 30 days notice on or after July 25, 2020 and before filing.

***Assuming the property isn't subject to a covered multifamily mortgage that's in forbearance**

Which Properties Does the CARES Act Cover?

Federally Subsidized Housing

- Public housing
- Section 8 Housing Choice Voucher program
- Section 8 project-based housing
- Section 202 housing for the elderly
- Section 811 housing for people with disabilities
- Section 236 multifamily rental housing
- Section 221(d)(3) Below Market Interest Rate (BMIR) housing
- HOME
- Low-Income Housing Tax Credit (LIHTC)
- Housing Opportunities for Persons with AIDS (HOPWA)
- McKinney-Vento Act homelessness programs
- Section 515 Rural Rental Housing (USDA Direct loans)
- Sections 514 (loan) and 516 (grant) Farm Labor Housing
- Section 533 Housing Preservation Grants
- Section 538 multifamily rental housing
- Section 542 Rural housing voucher program

Which Properties Does the CARES Act Cover?

Federally Backed Mortgage Loans

Loans “made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by any officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by [HUD] or a housing or related program administered by any other such officer or agency, or is purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.”

CARES Act Sec. 4024(a)(4).

Examples

- FHA
- VA
- USDA
- Owned or Securitized by Fannie Mae or Freddie Mac
- Others?


Sooo.....

<https://nlihc.org/federal-moratoriums>

This database DOES NOT include:

- Single family homes (1-4 units)
- Multifamily mortgages *securitized* by Fannie Mae or Freddie Mac

How Many Properties are Covered?

FHA, Fannie Mae, and Freddie Mac (single and multifamily)	Other Federally Backed Mortgages	Federally Subsidized Housing
<p>About 28% of all rental units in the U.S. including:</p> <ul style="list-style-type: none">• Nearly ½ of all multifamily units• More than 12% of single family units <p><i>Estimate by Urban Institute</i></p>		<p>Nearly 100,000 units in S.C. including:</p> <ul style="list-style-type: none">• More than 70,000 fixed units• More than 28,000 authorized Housing Choice Vouchers <p><i>Data from HUD and National Housing Preservation Database</i></p>

As many as 70% of single-family mortgages may be federally owned or backed.

Estimate by National Housing Law Project

How do I know if my property is covered?

Owners

If you have a tenant with a housing voucher, you're covered.

Check the NLIHC Database
<https://nlihc.org/federal-moratoriums>

Check your mortgage document
or call your loan servicer.

Use Fannie/Freddie Lookup Tool
<https://www.consumerfinance.gov/ask-cfpb/how-can-i-tell-who-owns-my-mortgage-en-214/>

Renters

If you have a housing voucher, you're covered.

Check the NLIHC Database
<https://nlihc.org/federal-moratoriums>

Check public records*

* Some counties not available online

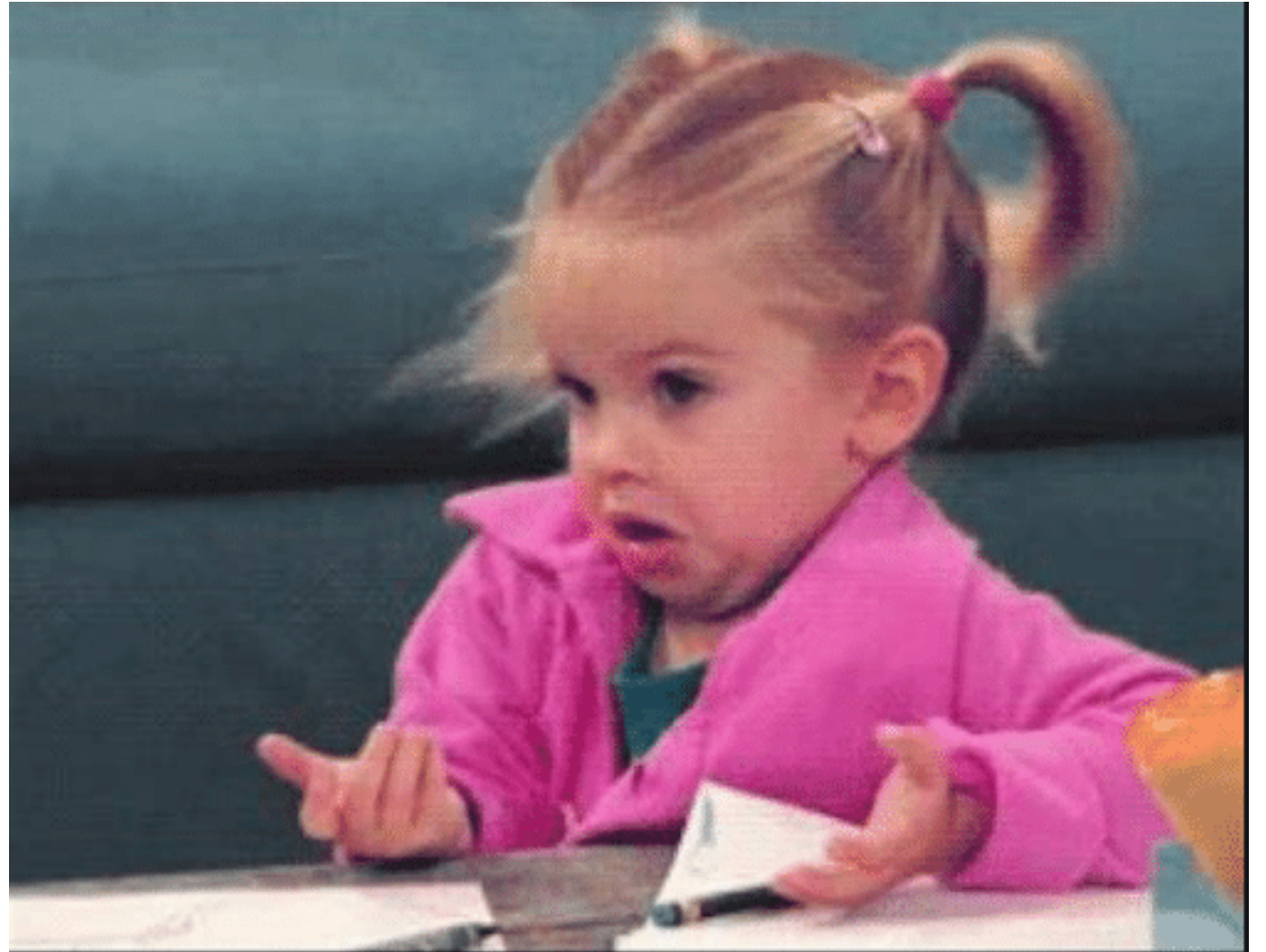
* Some records offices closed due to the pandemic

* You'll probably need a lawyer to help figure it out

Ask your landlord nicely.**

** Results may vary

What happens
if the State
eviction hold
is lifted before
the CARES Act
eviction hold?



Relief for Landlords and Homeowners





Covered Properties

- All mortgages owned, insured, or guaranteed by
 - HUD
 - VA
 - USDA
 - Fannie Mae, or Freddie Mac.
- The National Housing Law Project estimates that approximately 70% of single-family mortgages are covered.

Foreclosure Moratorium

Servicers of covered mortgages may not:

- Begin a judicial or non-judicial foreclosure;
- Seek a court order for foreclosure or sale;
- Hold a foreclosure sale;
- Conduct a foreclosure-related eviction.

This moratorium expires May 17, 2020.

Mortgage Forbearance (single family)

- Applies to covered 1-4 unit properties
- Borrower must have a financial hardship directly or indirectly related to the COVID-19 emergency
 - Borrower must affirm that they are experiencing a financial hardship. (servicer not required to verify)
 - Borrower does not have to be current on payments to qualify.
- Mortgage servicer is required to offer the borrower forbearance of up to 6 months + an additional 6 months if requested during the COVID-19 emergency.
- Forbearance doesn't mean payments are forgiven! Borrower must work with servicer after forbearance ends to bring loan current.
- Borrowers must ask for this!

Mortgage Forbearance (multifamily)

Borrower must:

- Be current on its payments as of February 1, 2020.
- Certify that it is experiencing a financial hardship during the COVID-19 emergency. (servicer required to verify)

Servicer must:

- Grant forbearance for up to 30days
- Extend the forbearance for up to 2 additional 30 day periods IF
 - The borrower requests extension at least 15 days prior to the end of the forbearance;
 - The borrower requests extension on or before June 30, 2020

During any forbearance, the borrower may not:

- Evict any tenant for nonpayment of rent or other fees;
- Charge late fees or other penalties for late payment of rent.

The CARES Act Isn't the Only Option!



ANY HOMEOWNER EXPERIENCING A
HARDSHIP SHOULD CONTACT THEIR
LOAN SERVICER.



ANY RENTER EXPERIENCING A HARDSHIP
SHOULD TALK WITH THEIR LANDLORD.

Perspectives from the Field
