



HOUSING INFORMATION

The Coronavirus Aid, Relief and Economic Security Act (CARES) provides relief to those who are impacted by the Coronavirus pandemic. The CARES Act provides billions of dollars to help prevent an outbreak of the virus among people experiencing homelessness, as well as, critical resources for the Department of Housing and Urban Development (HUD) housing providers to help cover their increased costs and to adjust rental assistance for households that see their incomes decline. Further, it institutes a much-needed temporary moratorium on evictions and foreclosures for homeowners and renters in homes with federally-backed mortgages. This is much needed relief for communities of color who are always hit harder than other ethnic groups during times of crisis.

Overall, the bill provides more than \$12 billion in funding for HUD programs, including: \$4 billion for Emergency Solutions Grants for homelessness assistance, \$5 billion in Community Development Block Grants, \$1.25 billion for the Housing Choice Voucher program, \$1 billion for project-based rental assistance, \$685 million for public housing, \$300 million for tribal nations, \$65 million for Housing for Persons with AIDS, \$50 million for Section 202 Housing for the Elderly, and \$15 million for Section 811 Housing for Persons with Disabilities.

The bill institutes a moratorium on foreclosures for all federally-backed mortgages, including those covered by HUD, USDA, FHA, VA, Fannie Mae, and Freddie Mac, for 60 days beginning on March 18, 2020. Under the bill, a borrower with a federally-backed mortgage experiencing financial hardship due to coronavirus may also request a forbearance for up to 180 days, which may be extended for another 180 days at the request of the borrower.

The law allows multifamily housing owners, with a federally-backed mortgage, to request a forbearance for up to 30 days, which can be extended by another 60 days at the request of the borrower, on the condition that they agree not to evict tenants or charge tenants' late fees.

The bill also institutes a moratorium on filings for evictions for renters in homes covered by a federally-backed mortgage for 120 days of enactment.

Although this is a great start to help those most affected by the coronavirus, much more is needed. Additional help will be available in the 4th bill which Congress is currently working on. Therefore, our housing document will be updated as additional information is made available.

HOUSING FREQUENTLY ASKED QUESTIONS - FAQs

Is there any relief for upcoming rent, mortgage, and utility payments?

- Under the CARES Act, a borrower with a federally backed mortgage loan may request forbearance on the loan if they are experiencing financial hardship, directly or indirectly related, to the COVID-19 emergency. In addition, a servicer of a federally backed mortgage loan may not initiate a foreclosure process or execute a foreclosure-related eviction or sale for not less than the 60-day period beginning March 18, 2020. The bill does not provide a moratorium on all rent and utility payments, although states are making this decision on a piecemeal basis.

What kind of assistance is provided for people experiencing homelessness under this bill?

- The bill provides \$4 billion for Emergency Solutions Grants (ESG), which is an existing federal homeless assistance grant program. ESG funds can be used for emergency shelter, homelessness prevention, including short- or medium-term rental assistance for people who are homeless or at risk of homelessness, and supportive services. In addition, under the bill the program has been slightly modified to meet the needs of the current situation, and can be used for temporary emergency shelters, without the need for habitability and environmental review, as well as to train staff on disease prevention and mitigation, and for hazard pay. An amount has also been set aside for technical assistance for health care services.

How can people experiencing homelessness access this assistance?

- Local Continuums of Care (CoCs) that administer federal homeless assistance grants are required to have a “coordinated entry system” so that no matter where or how you present yourself, you should be connected to the right resources. If you are experiencing homelessness, or think you are at risk of losing your housing, you can go to the nearest homeless shelter or other homeless provider to seek assistance.

Renters:

What kind of relief is provided for renters under this bill?

- For renters living in “covered dwellings” this bill provides a temporary moratorium on evictions as well as late fees for nonpayment of rent or other charges for a period of 120 days starting on March 27, 2020. Further, landlords would not be allowed to issue a notice to vacate until after this temporary moratorium and they would not be allowed to require a tenant to actually vacate the unit until 30 days after the notice is given. Renters should be advised that the moratorium only applies to evictions for nonpayment of rent, not for other causes. Renters should also be advised that although they may be protected from eviction proceedings temporarily under this bill, the bill does not treat nonpayment of rent during this period as forgiven and these unpaid amounts will accrue during this period even if fees are not assessed. Renters should not have to do anything to benefit from this prohibition on evictions and late fees. Renters who believe their landlord is out of compliance with these provisions should contact their local legal aid or the relevant federal agency (i.e. the agency providing subsidies or federal mortgage backing for the property).

What is a “covered dwelling”?

- Renters are protected by this temporary moratorium on evictions and late fees if they live in a “covered dwelling,” which can generally be defined as a rental home that is receiving federal subsidies or a property with a federally backed mortgage. Specifically, this includes rental housing supported by the following federal housing programs: Public housing; Section 8 Housing Choice Vouchers; Section 8 Project-Based Rental Assistance; Section 202 Supportive Housing for the Elderly; Section 811 Supportive Housing for Persons with Disabilities; Housing Opportunities for Persons With AIDS (HOPWA); McKinney-Vento Homeless Assistance grants; Section 236 Preservation program; HOME investment partnerships; Rural Development multifamily housing (Section 516 Farm Labor Housing Grants, Section 542 Rural Development Vouchers, Section 521 Rural Rental Assistance, Section 533 Housing Preservation grants); the Low Income Housing Tax Credit (LIHTC) program.

It also includes rental housing with a single-family or multifamily mortgage that is purchased or securitized by Fannie Mae or Freddie Mac; insured by the Federal Housing Administration (FHA); guaranteed, directly provided by, or insured by the Department of Veterans Affairs (VA); guaranteed, directly provided by, or insured by the Department of Agriculture (USDA); or guaranteed, under HUD's Native American or Native Hawaiian Home Loan Guarantee programs.

Some renters will know that their home is included because they recognize the name of a federal housing program on the list above that they had to apply and qualify for. However, if you're not sure whether your rental unit is included, you can search the **National Preservation Database**, which includes most of the covered dwellings, but not all.

Is there any other assistance provided that will actually lower rental payments?

- Renters receiving federal rental assistance can request an income recertification at any time to adjust their rent payment to account for any loss of income. Renters receiving federal rental assistance should contact their local public housing agency or landlord immediately to request an income recertification or a hardship exemption if they have experienced a loss of income.

Homeowners:

Who is eligible for homeowners assistance under this bill?

- Homeowners with "federally backed mortgages" are eligible for assistance under this bill. Federally backed mortgages are defined as mortgages for single-family homes that are: purchased or securitized by Fannie Mae or Freddie Mac; insured by the Federal Housing Administration (FHA), including reverse mortgages or Home Equity Conversion Mortgages (HECMs); guaranteed, directly provided by, or insured by the Department of Veterans Affairs (VA); guaranteed, directly provided by, or insured by the Department of Agriculture (USDA); or guaranteed, under HUD's Native American or Native Hawaiian Home Loan Guarantee programs.

- Homeowners that do not know whether their mortgage fits this definition should reach out to their mortgage servicer to find out. Your mortgage servicer is the company that you send your mortgage payments to each month. For context, 70 percent of mortgages in the current market are federally backed. Homeowners with mortgages that are not federally backed are unfortunately not covered under the CARES Act.

What should homeowners do if they are not eligible to receive assistance under this bill?

- Although homeowners with mortgages that are not federally backed are not technically covered under the CARES Act, some lenders are voluntarily aligning the relief they are providing with the relief provided for federally backed mortgages, so it is still possible that homeowners without federally backed mortgages will have access to similar relief. Reaching out to your servicer is the best way to find out what relief is available to you.

What kind of assistance is available for eligible homeowners under this bill?

- Homeowners are provided with a foreclosure moratorium of at least 60 days starting on March 18, 2020. This includes the initiation of new foreclosures as well as the continuation of foreclosures that had already been initiated; this does not include vacant or abandoned properties. They are also provided with the right to request and receive forbearance on their mortgage payments for up to 6 months, with the option to extend for an additional 6 months (total max of 1 year), as well as the option to discontinue the forbearance at any time. During the forbearance period, servicers are prohibited from charging fees or interest beyond what the borrower would have had to pay if they were making their payments as scheduled.
- Homeowners should be advised that mortgage forbearance is not a forgiveness of debt, and that they will have to work out a loan modification or repayment plan with their servicer at the end of the forbearance period to resume making payments, including all missed payments. The CARES Act is silent as to the kinds of loan modifications that will be offered after the term of forbearance, but a common type of loan modification following a forbearance period extends the mortgage term for the length of the forbearance to allow the homeowner to

resume making payments in an amount that is very similar to what they were paying prior to the forbearance. Homeowners are encouraged to ask their servicers about these details and seek out housing counseling assistance as appropriate. You can look up a HUD-approved housing counseling agency [here](#).

What do eligible homeowners need to do to access this assistance?

- Homeowners who are suffering financial hardship, directly or indirectly related to COVID-19 should contact their servicer to request forbearance. Homeowners will have to attest to financial hardship caused directly or indirectly by COVID-19 to receive forbearance but are not required to provide any further documentation to prove such financial hardship.
- Homeowners who are facing foreclosure should not have to do anything further and should immediately benefit from the foreclosure moratorium. If a homeowner is subject to an initiation of foreclosure proceedings, a continuation of foreclosure proceedings, or a foreclosure related eviction within the 60-day period beginning on March 18, 2020, they should contact their servicer immediately to receive an explanation as to why this activity has not been halted. If servicers are unresponsive and/or continue to be noncompliant, homeowners can contact the relevant federal agency or entity that is backing their mortgage or seek out legal assistance. You may want to submit a complaint with the Consumer Financial Protection Bureau through their complaints webpage, available [here](#). You can also contact the CFPB via telephone by calling (855) 411-2372.

What about third parties claiming to assist borrowers facing foreclosure?

- Beware of scams, including anyone seeking to charge you for accessing the foreclosure relief provided under the bill. The bill provides a 60-day moratorium on foreclosures starting on March 18, 2020. Homeowners facing foreclosure should not have to take any action to benefit from the foreclosure moratorium. Immediately contact your servicer if you are subject to an initiation of foreclosure proceedings, a continuation of foreclosure proceedings, or a

foreclosure related eviction within the 60-day period beginning on March 18, 2020. If your servicers are unresponsive and/or continue to be noncompliant contact the relevant federal agency or entity that is backing their mortgage or seek out legal assistance.

What about third parties offering to assist borrowers eligible for forbearance on their mortgages under the bill?

- Beware on anyone seeking to charge you for accessing the relief provided under the bill. The bill provides eligible borrowers the right to request and receive forbearance on their mortgage payments for up to 6 months, with the option to extend for an additional 6 months (total max of 1 year), as well as the option to discontinue the forbearance at any time. Contact your mortgage servicer to determine whether your mortgage is eligible for forbearance under the bill. You do not need to pay any fees if you are eligible to receive these benefits. Eligible homeowners, however, do need to contact their servicer to request forbearance.

What about third parties offering struggling borrowers assistance in modifying the terms of their mortgage?

- Beware of anyone charging you in advance for assistance in modifying the terms of your mortgage. In most circumstances, it is unlawful to charge fees in advance for a mortgage modification. Contact your servicer to inquire about options for modifying the terms of your mortgage.

Rental Property Owners:

What kind of assistance is available to rental property owners under this bill?

- Rental property owners with federally backed mortgages who may be having difficulty making mortgage payments due to nonpayment of rent will have access to mortgage forbearance. Single-family (1-4 units) rental property owners will have access to the same relief as single-family homeowners described above. Certain multifamily (5 or more units) rental property owners with federally backed loans will have access to forbearance for a period of 30

days, and that period can be extended for up to 2 additional 30-day periods upon request, with the option to discontinue the forbearance at any point. Some lenders may voluntarily provide forbearance or other relief even if they are not federally backed loans. Rental property owners should reach out to their mortgage servicers if they need assistance, regardless of whether their loan is federally backed.

Anti-Discrimination in Housing and Lending:

What are my fair housing and fair lending rights?

- The Fair Housing Act of 1968 (FHA) prohibits discrimination in the sale, rental, and financing of housing based on race, color, sex, religion, national origin, familial status, and disability. The FHA also requires recipients of federal housing funding to take steps to affirmatively further fair housing; this includes funding provided in the CARES Act. Find out more about the FHA [here](#).
- The Equal Credit Opportunity Act of 1974 (ECOA) prohibits discrimination based on race, color, religion, national origin, sex, marital status, age, or because you receive public assistance in financial lending transactions, including in mortgage lending. This includes accessing mortgage assistance provided under the CARES Act. Find out more about ECOA from the CFPB [here](#) and the FTC [here](#).

What kind of housing and lending discrimination should I look out for during the COVID-19 pandemic?

- If someone engages in housing or lending discrimination against someone on the basis of knowledge or perception that they are infected with COVID-19, this could be covered under the FHA or ECOA. For example, there have been reports of increased discrimination against Asian Americans on the basis of their race, ethnicity, or national origin. Such discrimination could include denial of an application for rental housing or mortgage, as well as scams that target protected classes for predatory products. It could also include housing-related hate crimes where someone “threatens, intimidates, or interferes with a person’s enjoyment of a

dwelling” (24 CFR § 100.400). Such hate crimes may include assault, arson, criminal threats and statements, or vandalism.

Who should I contact if I believe I’ve been discriminated against when trying to access housing or applying for forbearance?

- If you believe your fair housing rights have been violated, you should contact the Department of Housing and Urban Development online, by phone, or email [here](#). If you believe your fair lending rights have been violated, you should file a complaint with your lending institution, the Department of Housing and Urban Development [here](#), or with the Consumer Financial Protection Bureau [here](#).

*Sources for used in preparation of this document:

<https://financialservices.house.gov/news/email/show.aspx?ID=5JF6ZIWRFDYRVRDDBQJ2PI2AA>

<https://nlihc.org/resource/congressional-leaders-agree-coronavirus-response-package-funding-homelessness-and-housing>

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<https://www.coons.senate.gov/services/coronavirus-faq>

<https://financialservices.house.gov/news/email/show.aspx?ID=5JF6ZIWRFDYRVRDDBQJ2PI2AA>