

Legal Alert: Federal Temporary Moratorium on Evictions (“CARES Act”)

March 30, 2020

The Federal Stimulus Package known as the "Coronavirus Aid, Relief, and Economic Security Act," or the "CARES Act" was signed into law on March 27, 2020. Amongst other significant provisions, it imposes a temporary moratorium on eviction filings for 120-days under certain circumstances.

Where a landlord has a mortgage on real property that is insured, guaranteed, supplemented, protected or assisted in any way by a federally backed mortgage loan, such as HUD, Fannie Mae, Freddie Mac, the rural housing voucher program, or participates in the Violence Against Women Act of 1994, that landlord is prohibited from serving any notice to vacate, initiating any legal action to recover possession of a rental unit or to charge fees, penalties, or other charges to the tenant related to nonpayment of rent. This moratorium precludes service of the 14-day rent demand in these specific circumstances. A landlord covered by this moratorium is still permitted to send the five (5) day delinquency letter. The CARES Act is effective as of March 27, 2020 through July 25, 2020.

If you have any questions, please do not hesitate to contact us.