

Eviction and Foreclosure Moratorium Comparison: Federal CARES Act and State of Minnesota Executive Order



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	State of Minnesota Executive Order 20-14	Federal CARES Act
Summary of Key Provisions	<p>Suspension of filing residential eviction actions – residential eviction actions may not be filed in court during the public health emergency. This suspension does not include eviction actions where the tenant seriously endangers the safety of other residents. The order does not waive rent due, and tenants are expected to continue to pay rent.</p> <p>Suspension of terminations of leases – prohibits the termination of residential leases during the public emergency. Like eviction actions, there is an exception in cases where allowing the household to remain would seriously endanger the safety of other residents.</p> <p>Suspension in executing writs of recovery – A writ of recovery is issued if a housing provider wins an eviction court case. The writ, once delivered by the sheriff or other officer, gives the household 24 hours to leave the premises or be forcibly removed. The Executive Order suspends the execution of a writ during the public emergency.</p> <p>Request for suspension of foreclosures – Financial institutions are requested to immediately suspend foreclosure proceedings and not impose fees and penalties on late mortgage payments. While individuals who are at the end of the foreclosure process are protected from eviction under the order, if financial institutions will build flexibility into their processes during this time of public health emergency, it will help mitigate the long-term consequences.</p>	<p>Eviction moratorium - The eviction moratorium operates by restricting lessors of covered properties (discussed in more detail below) from filing new eviction actions for non-payment of rent, and also prohibits “charg[ing] fees, penalties, or other charges to the tenant related to such nonpayment of rent.” Sec. 4024(b). The federal moratorium also provides that a lessor (of a covered property) may not evict a tenant after the moratorium expires except on 30 days’ notice—which may not be given until after the moratorium period.</p> <p>Foreclosure moratorium and forbearance for single family mortgages – servicers of federally backed mortgage loans 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 not less than the 60-day period beginning on March 18, 2020</p> <p>The bill allows homeowners who have a “federally backed mortgage loan” which is secured by a first or subordinate lien and who are experiencing a financial hardship due to the COVID-19 emergency to request forbearance on their loans.</p> <p>Forbearance for multifamily mortgages - 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.</p>

	State of Minnesota Executive Order 20-14	Federal CARES Act
Applicability	The executive order applies to all residential landlords and/or housing providers in Minnesota. This includes (but is not limited to): market rate housing, subsidized housing, private housing, government housing, manufactured homes, sober housing, transitional housing.	<p>Evictions: Covered properties include:</p> <ul style="list-style-type: none"> • Properties covered in Violence Against Women Act (VAWA) <ul style="list-style-type: none"> ○ HUD assisted – Section 8, Section 811, HOME, NHTF, Section 202, Housing Choice Vouchers ○ USDA assisted ○ Low Income Housing Tax Credits • Properties with federally backed mortgages (including HUD, Fannie Mae and Freddie Mac). <p>Foreclosures and forbearance: Federally backed single family mortgage loans include FHA-insured forward and reverse mortgages, USDA- and VA-guaranteed or insured mortgages, loans sold to or securitized by Fannie Mae or Freddie Mac, and Section 184 and 184A guaranteed mortgages.</p>
Timeline/ Time Frame	During the COVID-19 Peacetime Emergency on March 23, 2020. The suspension went into effect at 5:00 p.m. on March 24, 2020.	<p>Evictions: The federal moratorium on evictions for nonpayment of rent or related fees in covered properties took effect on March 27, 2020 and extends for 120 days. See Sec. 4024(b). Landlords that receive forbearances of federally backed multifamily mortgage loans must respect identical renter protections for the duration of the forbearance.</p> <p>Foreclosure: 60 day foreclosure moratorium began March 18, 2020 (expires, May 17, 2020).</p>
Resources	<p>Summary of Executive Order 20-14 Executive Order 20-14: Renter and Homeowner Guidance</p> <p>Frequently Asked Questions about Executive Order 20-14 (available in Spanish, Hmong, and Somali)</p>	<p>CARES Act, Sec. 4022, 4023, 4024</p> <p>HUD Mortgagee Letter 2020-06</p> <p>HUD Multifamily Coronavirus FAQs</p> <p>Guide to coronavirus mortgage relief options</p> <p>National Housing Law Project Summary</p>