The **Coronavirus Aid, Relief, and Economic Security Act (CARES) Act** provides relief for renters and homeowners affected by COVID-19. Additionally, the State of California has issued executive orders halting the enforcement of eviction orders for individuals financially impacted by the COVID-19 pandemic.

Relief for homeowners:
- On March 16, 2020, Governor Newsom announced an executive order halting evictions for homeowners, slows foreclosures, and protects against utility shutoffs for Californians experiencing substantial loss of hours or wages, or layoffs related to COVID-19. This order takes effect immediately and will be in effect until May 31, 2020.
- The CARES Act also requires mortgage providers to offer forbearance plans for homeowners with a federally backed mortgage. This includes homeowners with a FHA, VA, USDA, 184/184A mortgage, or a mortgage backed by Fannie Mae or Freddie Mac. Homeowners who are experiencing financial hardship are eligible for up to 6 months' forbearance on their mortgage payments, with a possible extension for another six months.
- None of the mortgage payment relief options currently available is automatic. In all cases, borrowers must contact their mortgage servicer (the company they pay each month) in order to request assistance and find out what options are available

Protections against foreclosures:
- The CARES Act prevents mortgage servicers from initiating a foreclosure, seeking a court order for a foreclosure judgment or order of sale, holding a foreclosure sale or executing a foreclosure-related eviction.
- This applies to borrowers with federally backed mortgage loans by the Department of Housing and Urban Development (HUD); the Department of Veterans Affairs, the Department of Agriculture, Fannie Mae or Freddie Mac.

Relief for renters:
- On March 27, 2020, Governor Newsom's executive order prohibits landlords from evicting tenants for nonpayment of rent and prohibits enforcement of evictions by law enforcement or courts. This order takes effect immediately and provides immediate relief to tenants. This order takes effect immediately and will be in effect until May 31, 2020.
- The CARES Act also includes provisions to protect renters who live in properties that receive a federal subsidy, such as public housing, Section 8 rental assistance vouchers or subsidies, USDA rental housing assistance, or Low Income Housing Tax Credits.
- Renters in properties where the owner has a federally backed mortgage loan, which includes loans backed by the FHA, USDA, and Fannie Mae and Freddie Mac are also included.

<u>**Frequently Asked Questions:**</u>

How do I know what type of loan I have?
- To determine if you have a Fannie Mae or Freddie Mac ("GSE") loan: use loan look-up tools for Fannie Mae here or for Freddie Mac here.
- To determine if you have a Federal Housing Administration (FHA) loan: check your mortgage documents for an FHA case number or specific references to FHA; check your mortgage statement for FHA mortgage insurance premium charge; check your property records (if available online) for a second deed of trust in favor of the HUD Secretary. Because some loans that were originally FHA-insure may have been sold out of that status, check with the servicer or with HUD's National Servicing Center (877/622-8525).
- To determine if you have a Veteran's Administration (VA) loan: check your mortgage documents for specific references to the VA and closing documents for fees paid to the VA.
- To determine if you have a Department of Agriculture/Rural Housing Service (RHS) loan: you should already know if you have a loan guaranteed by RHS. If not, check closing documents and contact your servicer.

How long will the federal eviction moratorium be in effect?
- The federal eviction moratorium took effect on March 27, 2020 and extends for 120 days.

Don't see an answer to your question? You can read more here or contact my Palm Desert Office at (760) 424-8888.