



March 26, 2020

PROVIDING RENTAL ASSISTANCE TO RESIDENTS IN MULTIFAMILY HOUSING DURING THE COVID-19 PANDEMIC

Friends:

Many of you have received requests from residents requesting rental assistance because of the negative impact of Covid-19. Residents have experienced job loss, reduction in hours and in some cases, family illness resulting from exposure to coronavirus. Federal, state and local authorities are encouraging landlords to work with residents in deferring rental payments. Yesterday, the Tennessee Supreme Court ordered all evictions related to nonpayment of rent be suspended until at least the end of April.

On March 23, 2020, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac (the Enterprises) would be offering multifamily property owners mortgage forbearance upon the condition that they suspend all evictions for renters unable to pay rent due to the impact of Covid-19. Participation in this program is **only** available for multifamily properties with an Enterprise-backed performing multifamily mortgage that has been negatively impacted by the Covid-19 pandemic. If you participate in this program, you may not evict tenants for nonpayment related to Covid-19. You can still file other types of evictions unrelated to non-payment. Supervisors and owners can find more information on how to get involved with this program at

- <https://www.fhfa.gov/Homeownersbuyer/MortgageAssistance/Pages/Coronavirus-Assistance-Information.aspx>
- <https://mf.freddie.mac.com/COVID-19/>
- <https://www.fanniemae.com/portal/covid-19.html>

If your property does not qualify for this program because it does not have an Enterprise-backed mortgage, we are happy to discuss implementation of a similar program with your specific lender. Please contact our office for further assistance on this.

Our office has prepared a form and cover sheet that you can distribute to residents seeking assistance. You should seek to verify the information contained in each form before approving the requested assistance. The cover sheet provided with the request form will inform residents that the rental assistance being offered is not a waiver of landlord's rights under the lease and that if resident does not meet his obligations, eviction for non-payment is possible. The request for assistance form and cover sheet are available on our landlord portal at painetarwater.com/landlord_portal.

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Tenants must still sign a repayment agreement. For those communities who are members of the Apartment Association, the NAA has created a repayment form that is available on the NAA website under the Covid-19 tab. Make sure you use the Tennessee specific repayment agreement, not the generic form used in other states. If you have your own repayment form, I encourage you to send it to us for review prior to sending to tenants. If you would like our firm to draft a repayment form for your community, please let us know.

Should you have any questions or concerns regarding the above information, please do not hesitate to contact our office.

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Sincerely,

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