## Governor Brown Expands Moratorium on Residential and Commercial Terminations and Eviction for Non-Payment of Rent

Attached is Governor Brown's most recent executive order effective April 1<sup>st</sup>, expanding the moratorium on residential and non-residential evictions for non-payment of rent. The previous executive order only prohibited law enforcement from serving or doing anything to enforce a FED judgment for non-payment. We originally thought that the Governor's executive order would include a requirement for tenants to provide objective verification that their loss of income or inability to pay rent was directly tied to Covid-19, but unfortunately, that is not the case.

This new order extends to the landlords themselves, prohibiting landlords from terminating residential and non-residential rental agreements for non-payment (read that "giving a termination notice for non-payment"), filing evictions, doing a commercial 'self-help' lock-out, or taking any further steps to terminate or dispossess a residential or commercial tenancy or otherwise proceed in an eviction for non-payment. Be aware that Governor Brown's executive order also creates a penalty - a landlord violating the emergency order could be found guilty of a Class C misdemeanor, punishable by up to 30 days in jail, a fine of up to \$1250, or both. Again, this restriction and penalty applies to only non-payment situations. Landlords with federally-backed financing should be also be wary of losing their qualification for a loan payment deferral that occurs if the landlord evicts tenants during the coronavirus emergency.

Governor Brown's revised order expressly confirms that tenants still owe all of their contractual obligations, excepting post-order late fees (which are now waived). Landlords serving other types of termination notices are allowed to issue those notices and file those evictions (at least for now), just be aware that all first appearances will be reset to a date after June 1<sup>st</sup> for all evictions except those based on 24-hour notices or domestic violence. Evictions based on 24-hour notices or involving domestic violence will be allowed to proceed on a limited basis, subject to procedures to be developed by each Circuit court for expediting and hearing those cases. Landlords with federally-backed financing should be wary of losing their qualification for payment deferral that occurs if the landlord evicts tenants during the coronavirus emergency.

## [Brian's Reply/Comment]

While this revised emergency order creates a problematic situation for many of us - especially for rental owners with mortgages or in the midst of large maintenance projects - the issues around Coronavirus continue to evolve, and resources and proposals aimed at mitigating the financial damage to landlords and tenants are very much part of that conversation. Landlords with tenant receiving housing assistance, veteran's benefits, disability benefits or similar payments should expect to see those payments continue without interruption. Meanwhile, Oregon courts are actively working on changes to allow the state courts to implement modified procedures in order to

resume and sustain as many operations as possible. Our very own ROA Board member Brian Cox is on the workgroup developing and recommending state court changes, so we can all look forward to future timely updates as changes occur. The Lane County Circuit Court Covid Management Plan and Presiding Judge's Order are also attached for your review to see how our local court is adapting. We hope that the efforts of our state and federal government will produce workable results.

This information and order likely will be modified as solutions emerge, so everyone should fairly expect restrictions and delays to extend beyond June first.

## **Executive Order 20-13**

Lane Covid19 Management Plan.Level 4.1.2020

Lane County PJO 20-003 COVID-19

Stay tuned for more.

Tia Politi, Lane ROA President



Unlocking the Door To Successful Property Management

205 W. 10<sup>th</sup> Ave. Eugene, OR 97401 541-485-7388