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FEDERAL MORATORIUM ON EVICTIONS FOR NON-PAYMENT OF RENT

September 2, 2020

Dear Clients, Colleagues and Friends:

The Department of Health and Human Services, Centers for Disease Control and Prevision recently issued an Order which imposes a moratorium on evictions of residential tenants (for non-payment of rent) to prevent the further spread of Covid-19. To read more about the Order, visit <https://bit.ly/34WSclz>

Here are the important points you need to know:

- The Order is not effective until published in the Federal Register (scheduled for **September 4, 2020**) and will remain effective until **December 31, 2020**.
- It applies to landlords, owners of residential property(ies), or other persons (including a corporation, company, partnership) with a legal right to pursue eviction or possessory action.
- It does not relieve any individual of any obligation to pay rent, make a housing payment or comply with any other obligation that the individual may have under a tenancy, lease, or similar contract.
- It does not prevent charging or collecting of fees, penalties or interest under the terms of any applicable contract.
- A landlord or owner may still evict for reasons other than for not paying rent or making a housing payment.
- There are serious fines and jail terms for a person and/or organization violating the Order.
- Each adult obligated under the lease or rental agreement desiring to invoke the Order must provide an executed copy of the Declaration Form (or similar declaration under penalty of perjury) to the landlord/owner. (See link above for example of Form).
 - Each adult tenant must complete and “certify” the following in writing –
 1. Individual used best efforts to obtain all governmental assistance for rent or housing;

2. Individual (i) expects to earn no more than \$99k in annual income for Calendar Year 2020 (or no more than \$198k if filing a joint tax return); (ii) was not required to report any income in 2019 to the IRS; or (iii) received a stimulus check under the CARES Act;
3. Individual is unable to pay the full rent or make a full housing payment due to
 - a. substantial loss of household income,
 - b. loss of compensable hours of work or wages,
 - c. a lay-off; or
 - d. extraordinary out of pocket medical expenses (any reimbursed medical expense likely to exceed 7.5% of one's adjusted gross income for the year).
4. Individual is using best efforts to make timely partial payments that are as close to the full payment as the individual's circumstances may permit, taking into account other nondiscretionary expenses;
5. Individual represents that if evicted, he/she would likely become homeless, need to move into a homeless shelter, or need to move into a new residence shared by other people who live in close quarters because he/she has no other available housing options.
6. Individual affirms he/she must still pay rent or a housing payment and comply with other obligations under the lease agreement and that fees, penalties or interest may be charged or collected;
7. Individual represents that at the end of the temporary halt on evictions on December 31, 2020, the housing provider may require payment in full for all payments not made prior to and during the temporary halt and failure to pay may make him/her subject to eviction.

*This Order does not include eviction due to foreclosure on a home mortgage.

If you have questions about this development or need assistance with your property, please contact us! We look forward to serving you.

Sincerely,

A handwritten signature in blue ink that reads "Heather G. Anderson". The signature is written in a cursive, flowing style.

Heather G. Anderson