

Senate Judicial Proceedings Committee

Briefing on COVID-19 and Housing
January 4, 2021, 2:00 p.m.

AGENDA

Presenters:

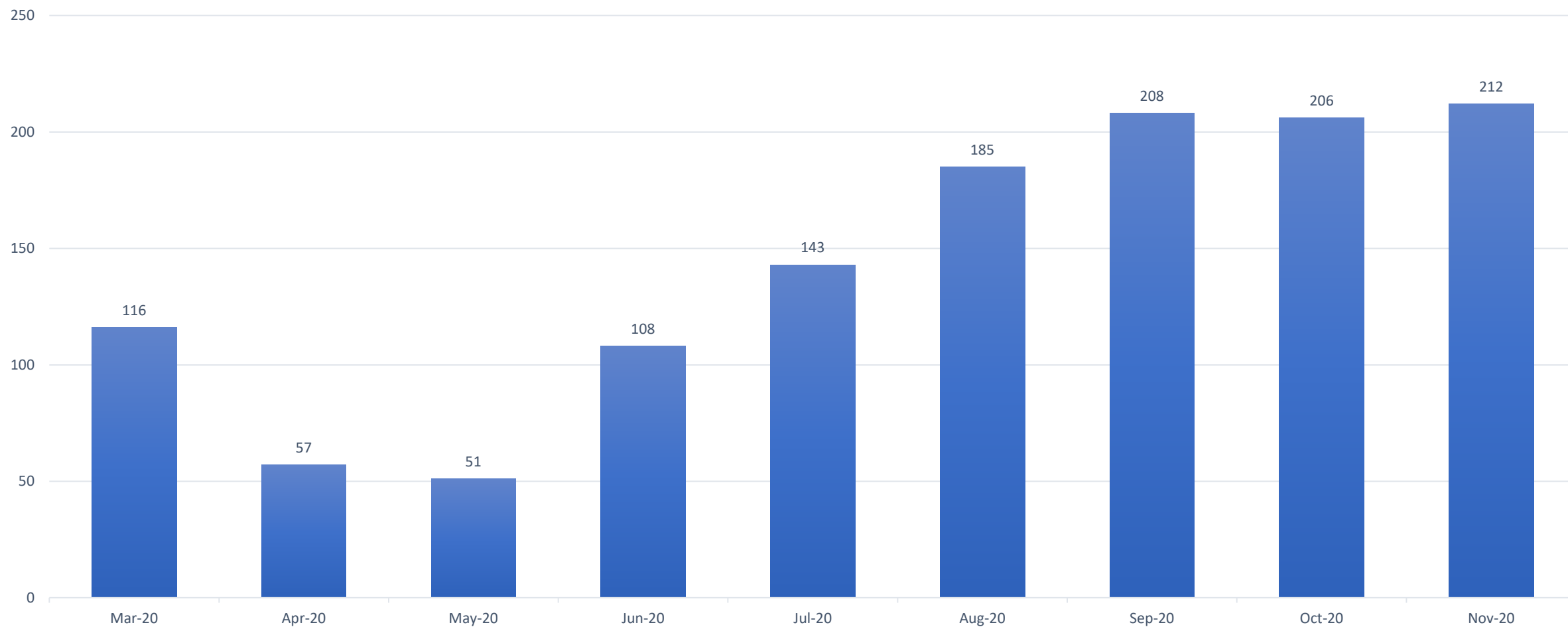
1. Chief Judge John Morrissey
2. Deputy Director for Housing and Community Development, Baltimore County
3. Homeless Persons Representation Project
4. Public Justice Center
5. Apartment of Office Building Association and Maryland Multi-Housing Association
6. Maryland Bankers Association
7. MD DC Credit Union Association

There will be a Q&A session after all the presentations conclude.

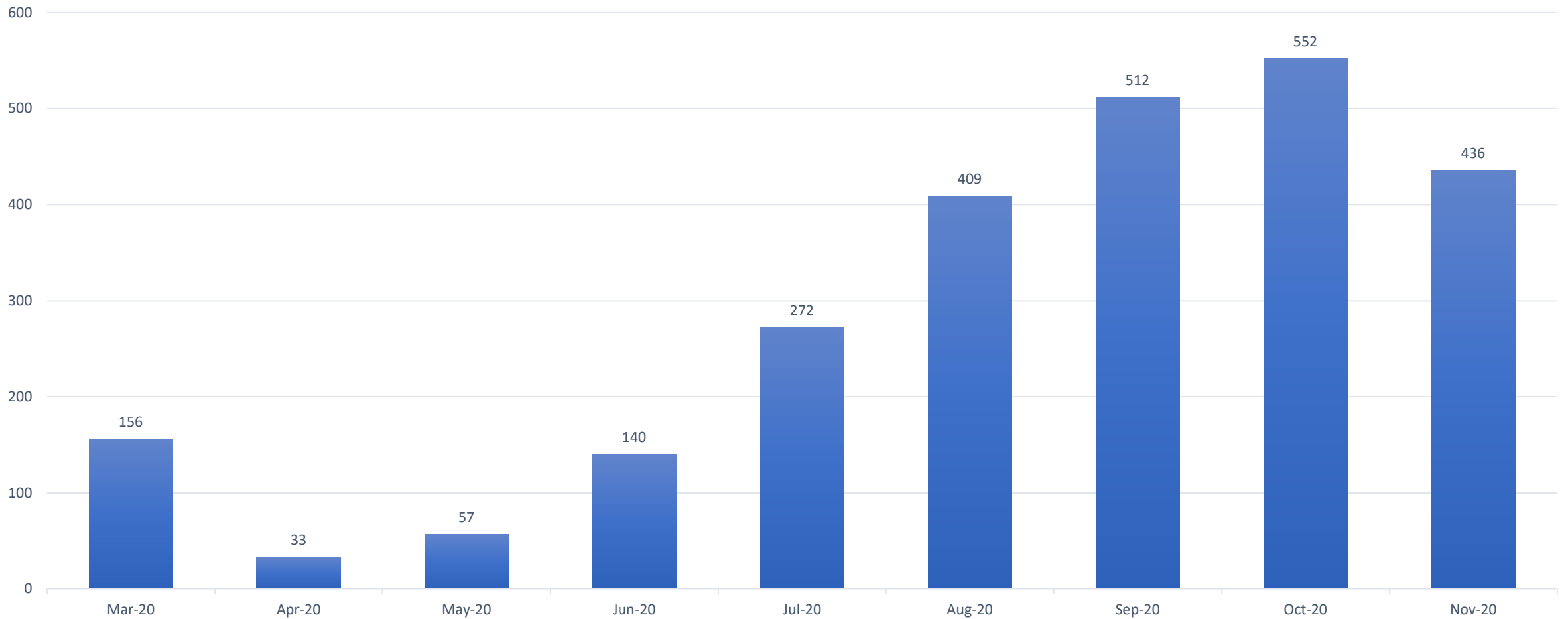
District Court Presentation to the Judicial Proceedings Committee regarding COVID-19 and Housing

Chief Judge Morrissey
January 4, 2021

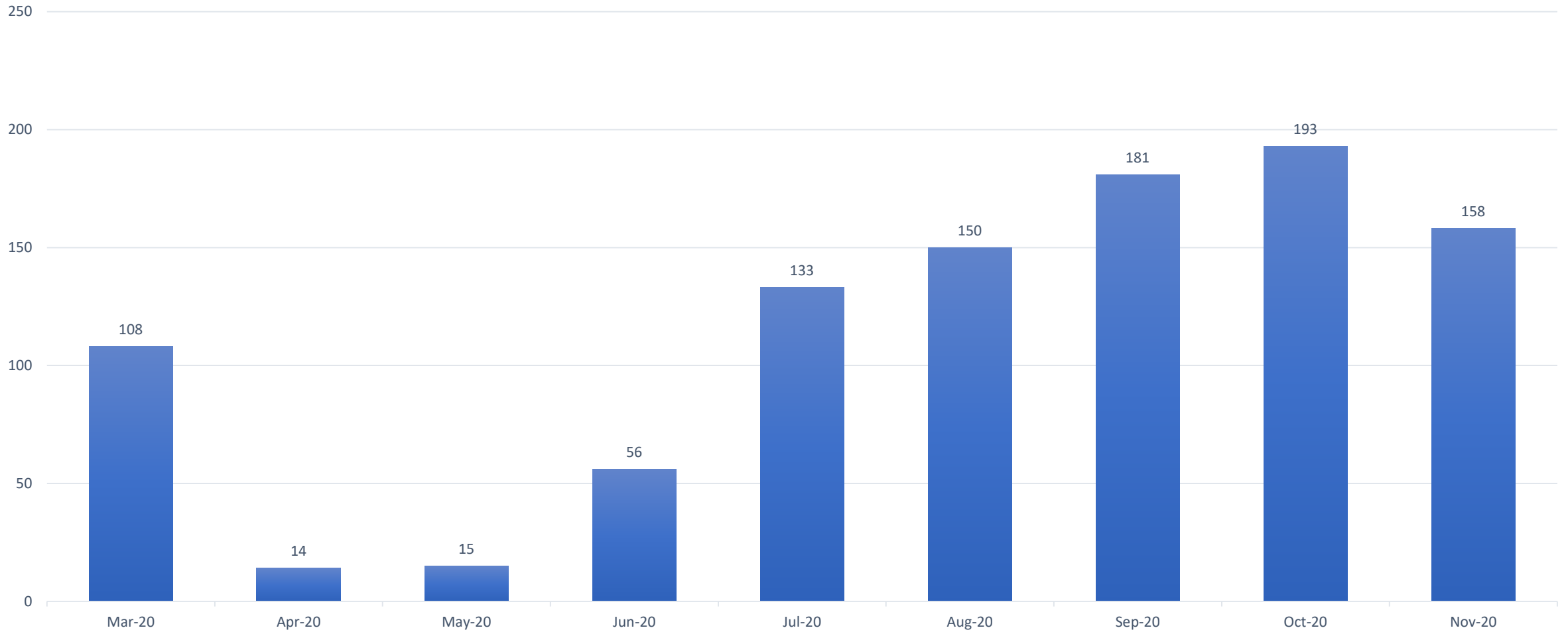
Breach of Lease Filings



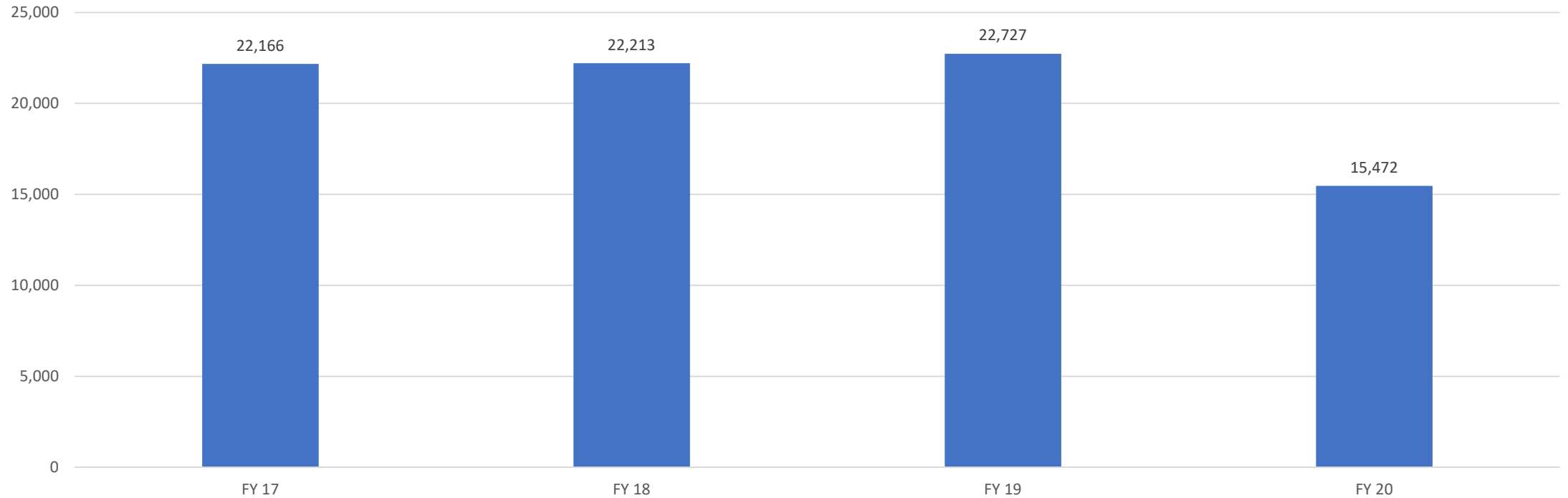
Tenant Holding Over Filings



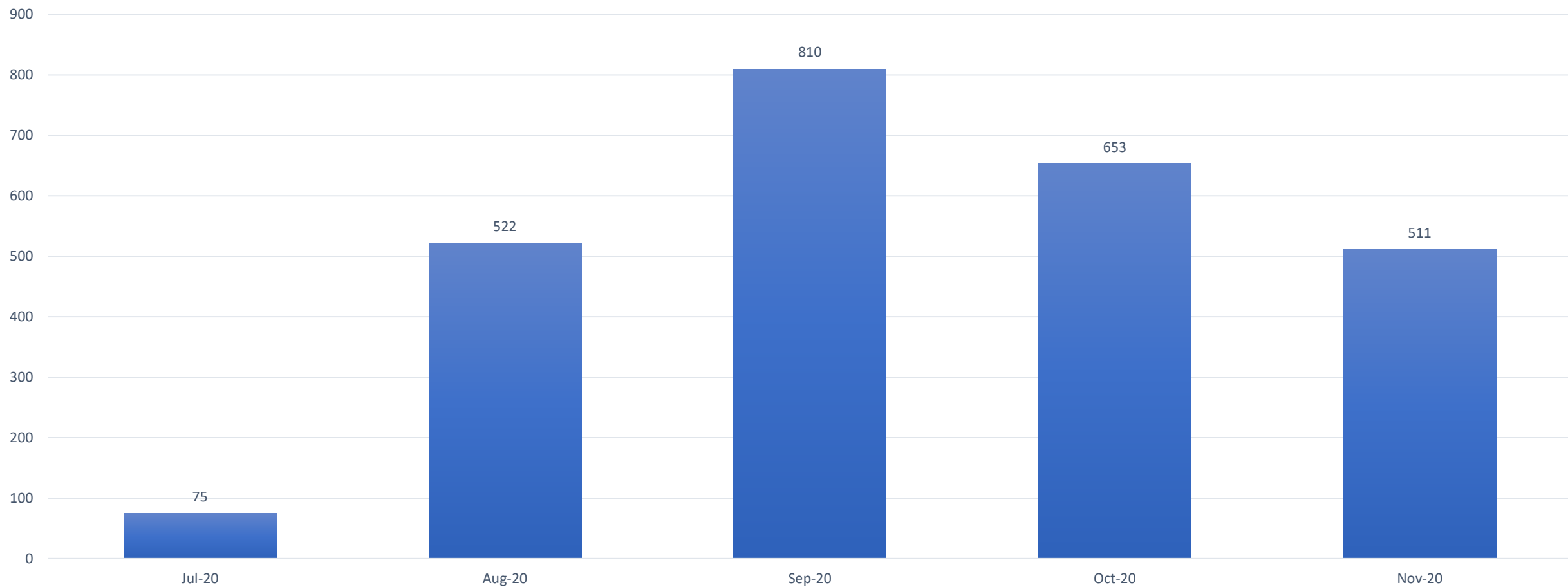
Wrongful Detainer Filings



Statewide Evictions by Fiscal Year



Evictions which occurred July 2020 – November 2020



Baltimore County Housing Stability Briefing

January 4, 2021

Presented by:

**Terry F. Hickey, Esq., Deputy Director
Health & Human Services
Office of Housing & Community Development**



Baltimore County's COVID-19 Housing Stability Strategy

"We have to do all we can to help families across Baltimore County who are struggling as a result of the COVID-19 pandemic and ensuring that our neighbors can keep their housing is a critical part of that process."

*County Executive
Johnny Olszewski*



Baltimore County COVID-19 Housing Stability Initiatives

Summary of Programs

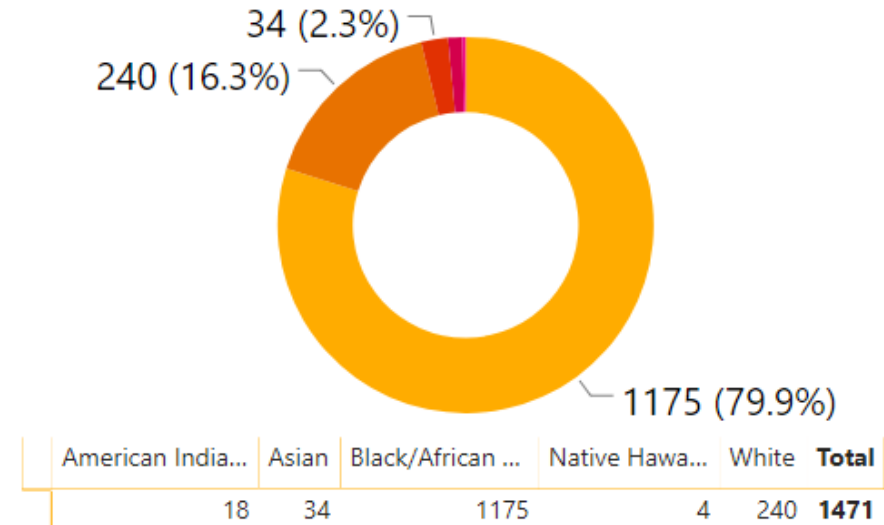
Initiative	Funds Allocated To Date	Source of Funds	Description
COVID-19 Eviction Prevention Program (EPP-Phase 1) <i>June 2020</i>	\$1.5M	County CRF, EAFC	Rapid deployment with as few barriers as possible, operated in partnership with County DSS
COVID-19 Eviction Prevention Program (EPP-Phase 2) <i>October 2020</i>	\$5M	County and State CDBG-CV	Case management focused in partnership with non-profit providers
Strategic Targeted Eviction Prevention Program (STEP) <i>November 2020</i>	\$4.2M	County and State CRF	Bundled settlement model in partnership with UWCM
Supportive Services <ul style="list-style-type: none">• Legal Services• Tenant Advocacy• Financial Navigation• Workforce Development	\$250K	County CRF and other grant funding	Partnerships with MDLAB, CASH, FHAC, and County agencies
TOTAL:	\$10.95M		

Eviction Prevention Program - Phase I

- 1,498 completed applications submitted
- 485 applications approved for rent assistance
- Approximately \$3.73M in unpaid rent requested with an average request of \$2,766 per applicant
- Income eligibility: 200% above FPG, County resident, and demonstrated COVID impact on ability to pay rent.
- Average award per household: \$2,553

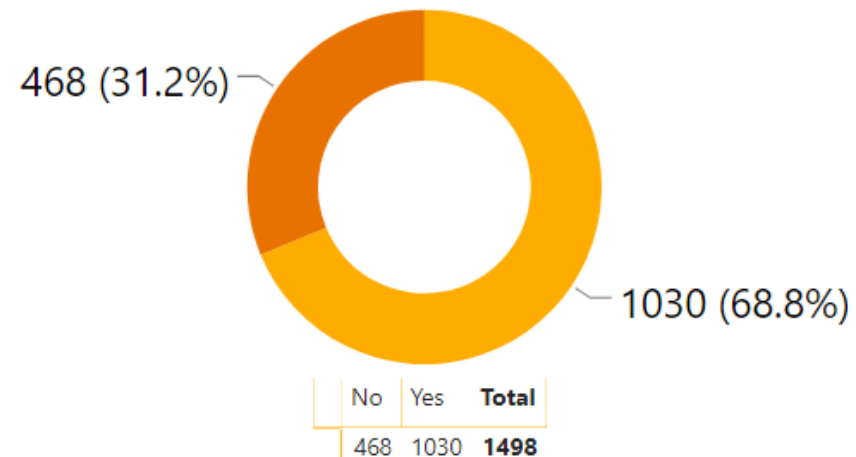
Race of Resident Applicants - HOH/Self Unsubmitted

Black/African American White Asian American Indian/Alaskan Native Native Hawaiian/Pacific Isl...



Households with Children

Have Children Yes No



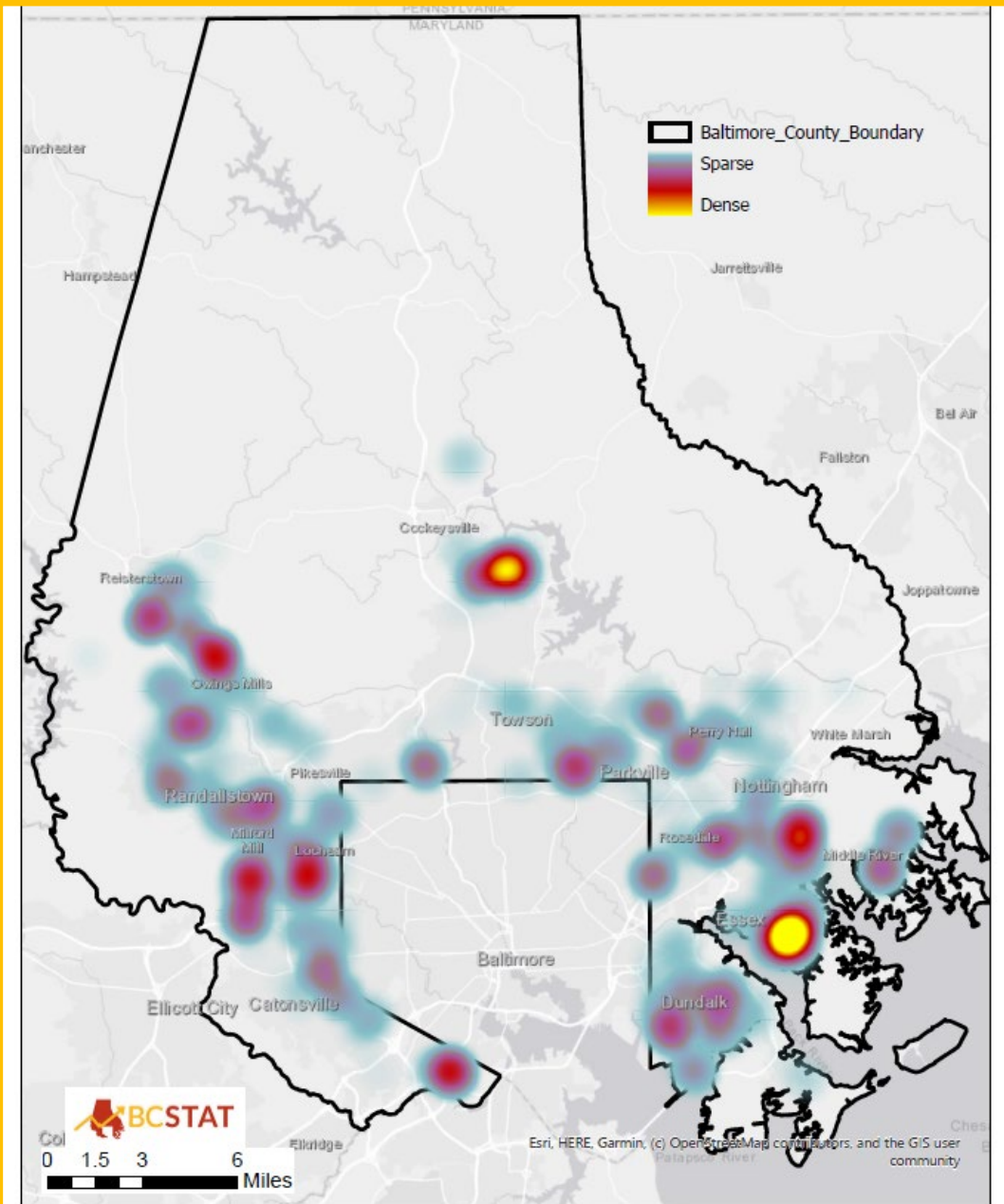
Eviction Prevention Program - Phase I Analysis: Noteworthy Trends

Correlation Between EPP Applications and COVID-19 Hot Spots

58.6% correlation between rent assistance requests and confirmed cases of COVID-19 across the County's census tracts.

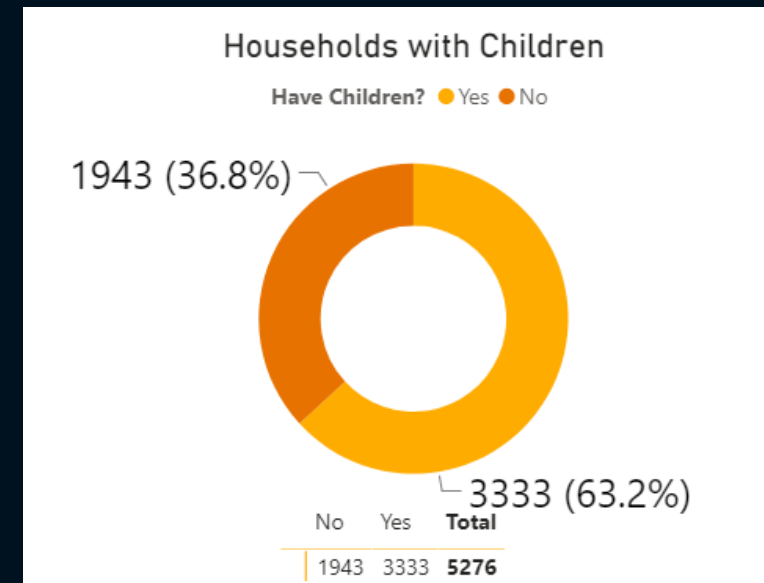
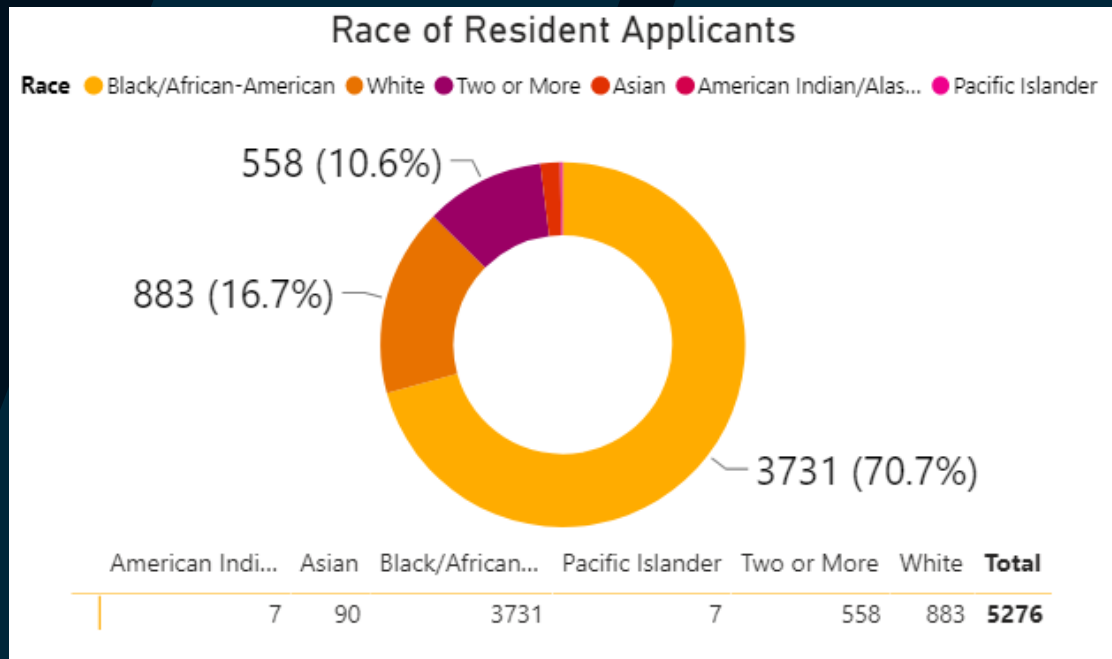
While not a causal relationship, the correlation indicates that **socioeconomic variables, such as low income, job loss, and multigenerational housing, may serve as common indicators for risk of eviction and infection.**

BCSTAT identified **three neighborhood regions in Cockeysville, Essex, and Halethorpe** where active cases and rent requests were high. Additional similarities between these three areas were **high percentages of Black and/or Hispanic households and dense and subsidized housing.**



Eviction Prevention Program, Phase II

- Launched 10/6/2020 and portal remains open
- As of 12/28: **5276** intake forms submitted (after removing duplicates). Requests for rent assistance exceed **\$10.4M**
- Intake Forms referred to 1 of 7 non-profit providers who then contact applicants to complete eligibility documentation
- Program Criteria: 80% of AMI (CDBG-CV funding source), name on lease, County resident, documented COVID impact, no federal rental assistance in prior 12-month period
- Phase II will continue as long as additional funding can be identified

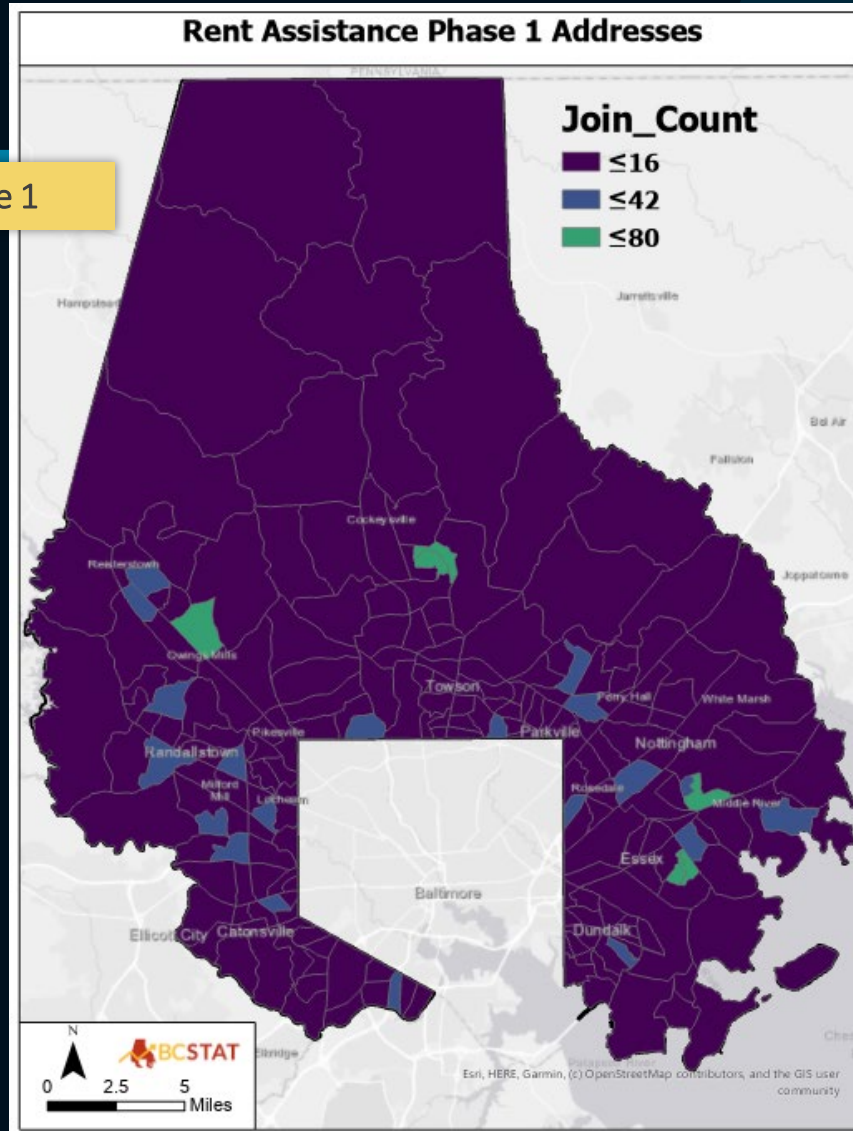


Eviction Prevention Program

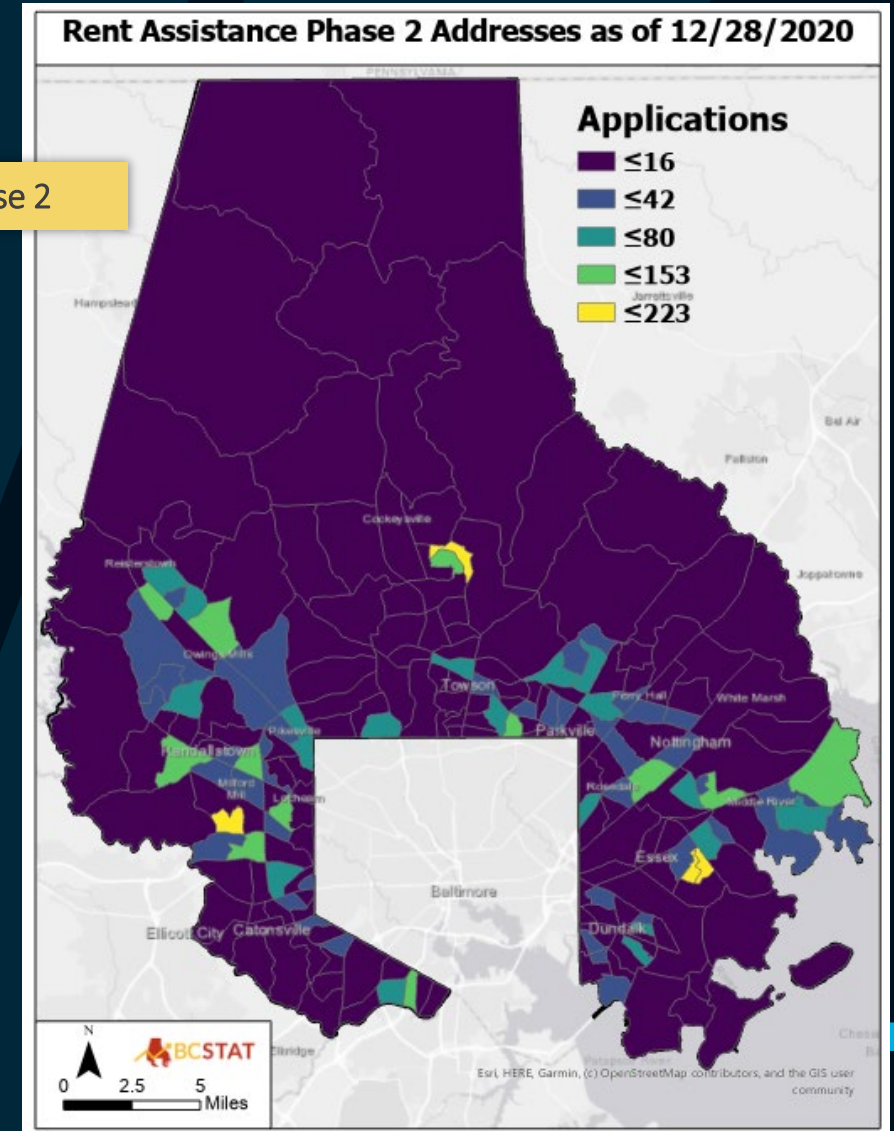
Phase 1 and Phase 2: Applicant Requests for Unpaid Rent based on Address

Applications for Phase I and Phase II came generally from the same geographic areas but with a far higher intensity in Phase II.

Phase 1



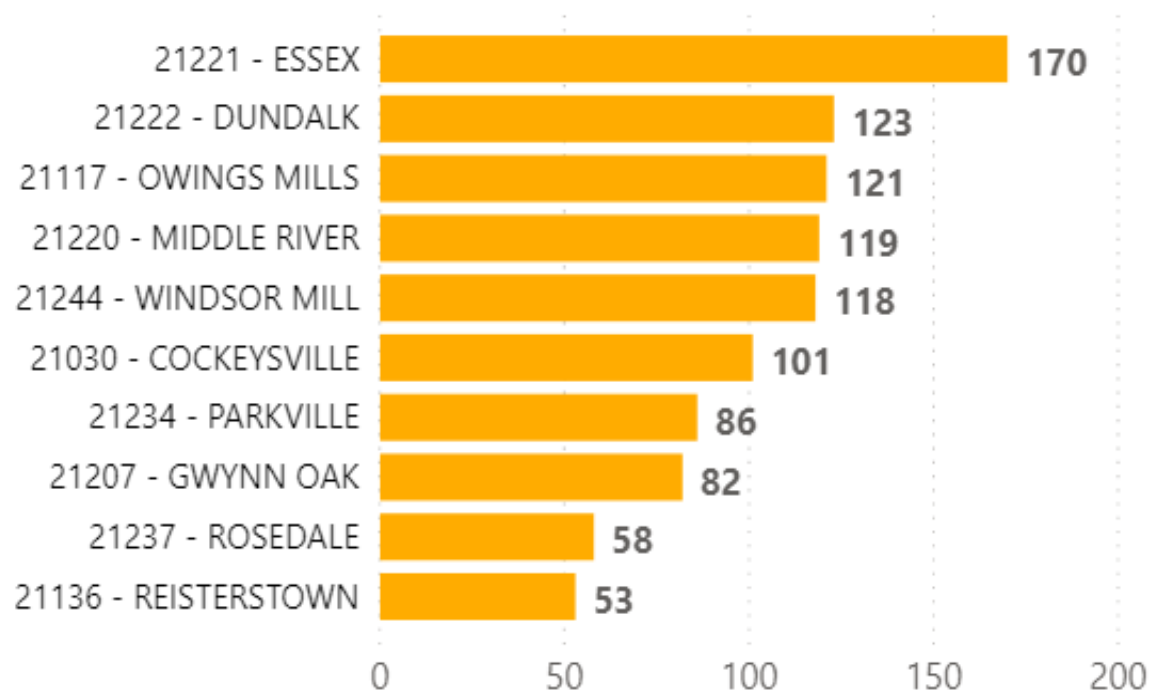
Phase 2



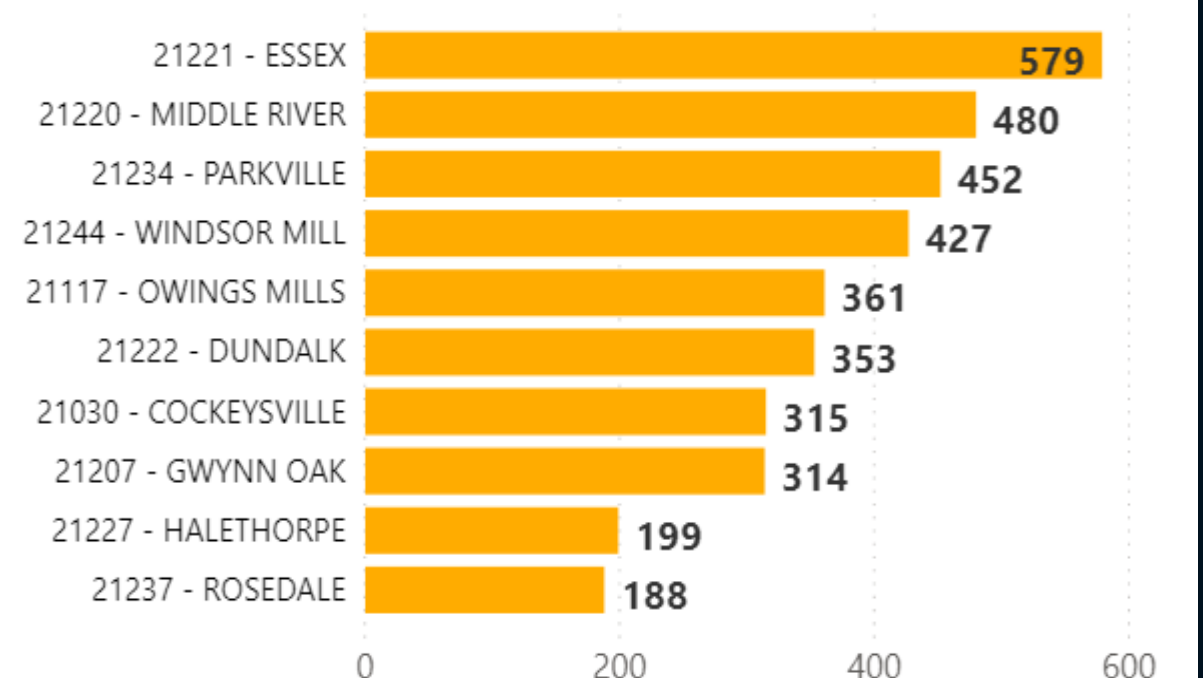
Eviction Prevention Program Analysis

Phase 1 and Phase 2: Applicant Requests for Unpaid Rent by Zip Code

Phase I - Top 10 ZIP Codes by Applications



Phase II - Top 10 ZIP Codes by Applications



Strategic Targeted Eviction Prevention Program (STEP)

- **Collaborative** - Eviction prevention pilot in partnership with United Way of Central Maryland designed to move funds quickly and efficiently.
- **Data Driven** - Targets 9 Baltimore County zip codes with residents at the highest risk of housing instability, food insecurity and impact from reported COVID-19 cases. UWCM and Maryland Multi-Housing Association (MMHA) recruited property management companies in the priority zip codes and invited them to participate.
 - 23 management companies with 99 properties joined the program
 - Landlords agreed to forgive 20% of the past due rent, and waive all fees and costs and no eviction until after January 31, 2021 (and dismiss any complaints already filed)
 - Focus on Class C and D apartments which tend to house low-income renters
- The program is designed to assist households with:
 - At least one senior (65 or older) and/or one child (17 or younger) living in the unit
 - Owe 3 to 9 months of rent (between April and December 2020)
 - Loss of income due to COVID-19
- Funded by the federal CARES Act (through County and State CRF allocations)

Strategic Targeted Eviction Prevention Program (STEP)

As of December 30, 2020, STEP Projections by Priority Zip Code:

Zip Code	Area	Phase	Number of Households	Projected Rental Assistance
21221	Essex	1	111	\$ 474,693.00
21227	Halethorpe	1	18	\$ 78,660.00
21222	Dundalk	2	80	\$ 351,118.00
21234	Parkville	2	150	\$ 654,271.00
21207	Gwynn Oak	2	52	\$ 218,111.00
21244	Windsor Mill	3	55	\$ 259,241.00
21117	Owings Mills	3	164	\$ 696,232.00
21220	Middle River	3	75	\$ 304,263.00
21237	Rosedale	3	205	\$ 857,781.00
	TOTAL		910	\$ 3,894,370.00

Lessons Learned...

Challenges Ahead...

- **The economic situation remains volatile**
 - Access to real time data is a concern which creates obstacles to decision making
- **Limit the conditions to eviction prevention programs**
 - Applications should be user friendly
 - Supporting documentation needed should be already within a tenants possession
 - Need to balance delivery of aid between efficiency and equity
 - Numerous restrictions increase chances tenants and landlords will decline to participate
- **Wherever possible, tenants should be able to self-certify to meet program requirements**
 - Asking families in crisis to produce reams of documents adds to their trauma
- **In addition to financial awards, must consider the rights of tenants**
 - Access to legal services and advocacy is paramount

Supportive Initiatives

Additional Housing Stability Initiatives

- Baltimore County developed a host of partnerships to provide residents with:
 - **Legal Services** (Maryland Legal Aid Bureau)
 - **Tenant Advocacy** (Fair Housing Action Center of Maryland)
 - **Financial Navigation** (CASH Campaign)
 - **Workforce Development** (Baltimore County Department of Economic and Workforce Development)
- Agreements initially funded with CARES Act, but will be sustained with a mix of local and federal funding. Sustaining these supportive services is a priority.

Supportive Initiatives

Addressing Needs Beyond Eviction Prevention

- Baltimore County **Emergency Response Fund**: connecting those who can support county residents with opportunities to donate funds for housing, utilities, food, etc.
 - **Food Distribution**: in partnership with Baltimore County Public Schools (BCPS), distributed about **10 million meals** through programs on weekends, to seniors and youth, and weekdays
 - **Childcare subsidy program** to County families that qualify for SNAP benefits (up to \$250 per week)
 - Distributed over **100,000 free PPE kits** to residents
-

Additional Collaboration Opportunities

- Baltimore County Executive Olszewski has charged the team to monitor the number of [foreclosures](#) filed in Baltimore County and future homeownership issues
- Baltimore County continues to partner with grassroots organizations, faith congregations, other non-profit providers and private philanthropy to address [gaps in services](#) and resources
- Close coordination, communication and data sharing with the [Courts](#)
- Baltimore County hosts ongoing meetings with organizations serving the [immigrant community](#)
- County staff regularly participate in roundtable meetings with [providers](#) to keep up on what they are seeing out in the community
- Baltimore County is privileged to have consistent [collaboration](#) with other jurisdictions (info and data sharing)



THANK YOU!

Terry F. Hickey

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Housing and Community Development

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COVID-19 and Housing

Briefing before the Senate Judicial Proceedings Committee, Jan. 4, 2021

Zafar Shah

shahz@publicjustice.org



Carisa Hatfield

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Renters

Issues & Reforms

Housing Crisis

Maryland Families on the Brink

(12/7/20 Household Pulse Survey data)

- **30%** of households earning less than \$50,000 could not pay last month's rent
 - Only **10%** of those earning \$75,000+
- **36%** of Black households
- **14%** of white (non-Hispanic) households

Housing Crisis

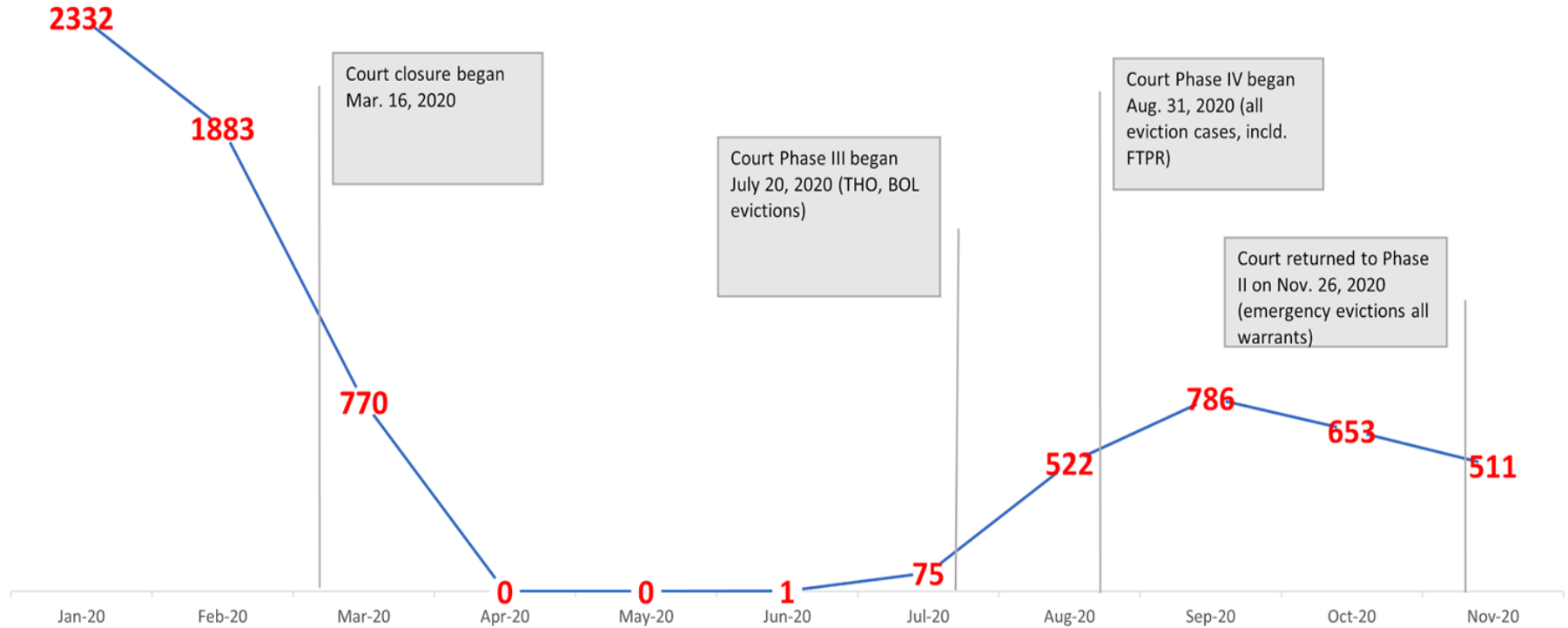
Household Pulse Survey:

\$206M -381M projected rent shortfall by January 2021.

- Gov. Hogan released a total \$49M for rental assistance to non-state-financed properties.

Federal relief: \$402M expected allocation to MD and localities for rent, utilities, case management, legal services

2,547 PANDEMIC EVICTIONS (JULY-NOV 2020)



Governor Hogan's Executive Order

Governor Hogan's Executive Order issued March 16, 2020 and extended by Executive Order most recently on December 27, 2020 provides that:

- Maryland courts may not order the eviction of any tenant who can show that their failure to pay rent or breach of lease was the result of COVID-19 because of lost or reduced employment due to the COVID-19 emergency.
- Prohibitions are in effect until the State of Emergency is lifted.

The Executive Order, as interpreted by the courts, is NOT an eviction moratorium. Rather, it only acts as an *affirmative defense* in an eviction proceeding.

CDC Order

The Centers for Disease Control (CDC) issued an order, effective September 4, 2020, which stated that eligible tenants could provide their landlord with a declaration to prevent their eviction.

- Like the Governor's Executive Order, the CDC order is not a moratorium. In Maryland, it is also treated by the courts as an affirmative defense to landlord - tenant proceedings.
- When a tenant raises this defense in court successfully, the judgment against them is reserved until after the expiration of the order - at which time the court will enter the judgments en masse.
- The order was extended by statute from December 31, 2020 until January 31, 2021.

State of the Courts

Effective December 22, 2020, the Maryland courts have extended Phase Two Operations until **March 14, 2021** . Only the following landlord-tenant matters may be heard during Phase Two:

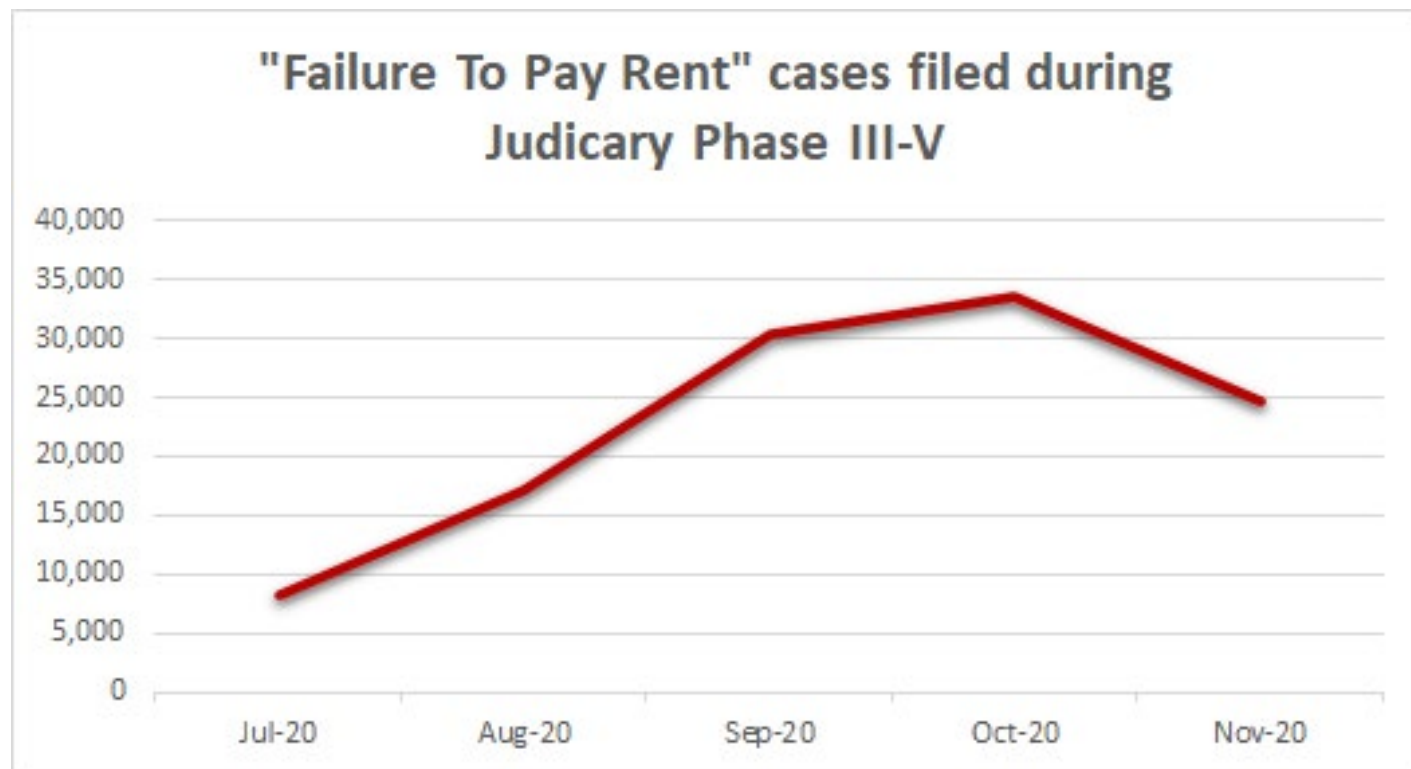
- Rent escrow cases
- Emergency breach of lease
- Emergency wrongful detainer
- Emergency tenant holding over

The court is not currently hearing failure to pay rent matters in Phase Two.

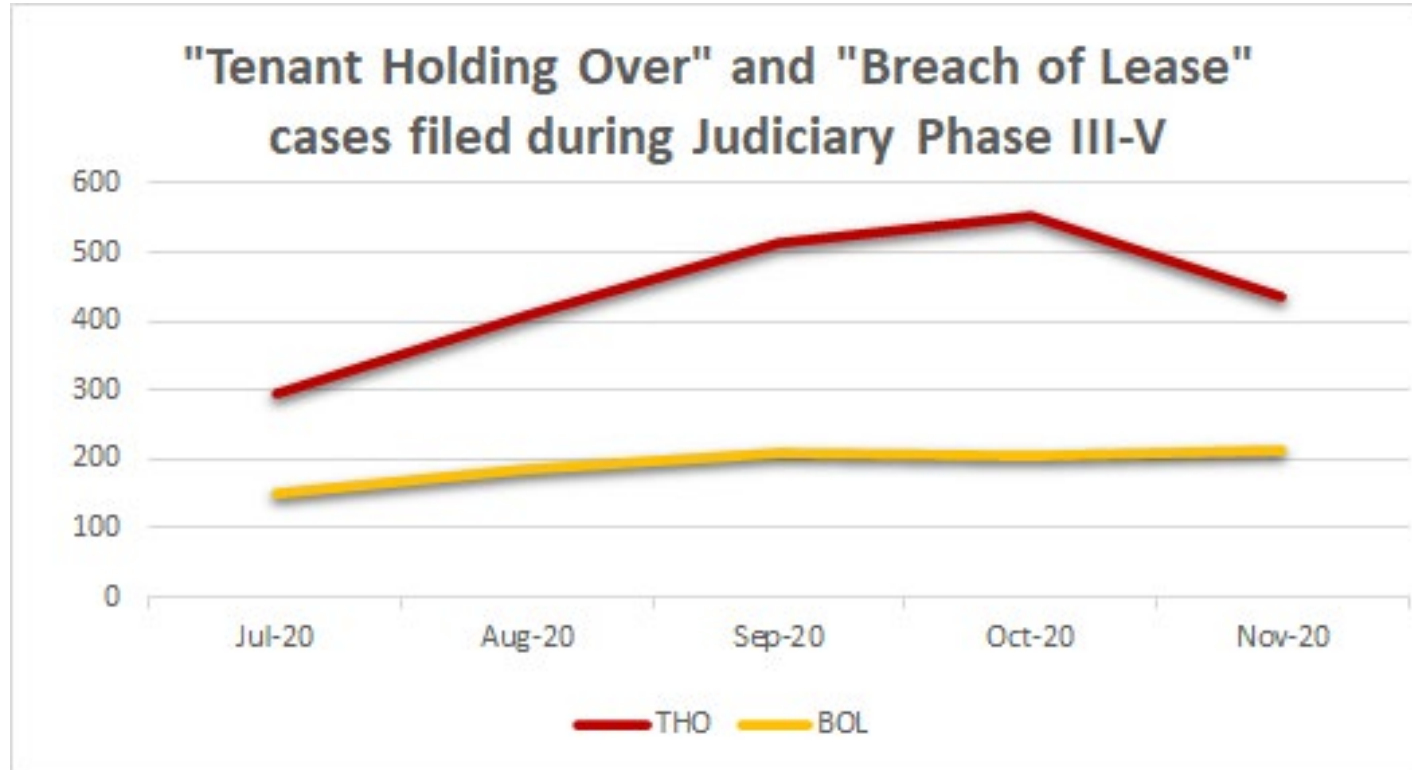
State of Evictions

- Evictions resumed in Maryland on July 25, 2020 after a stay by the courts from March 27, 2020 to July 24, 2020.
- Nearly 117,000 lawsuits for Failure to Pay Rent, Tenant Holding Over, and Breach of Lease were filed from July through November of 2020.
- Although the courts may not hear failure to pay rent matters at this time during Phase Two, warrants of restitution from matters decided before November 23, 2020 may be issued by the courts.
- From July through November 2020, **2,547 evictions** occurred in the State of Maryland.

State of Evictions



State of Evictions



Pandemic and Eviction

“Lifting eviction moratoriums was associated with increased COVID-19 incidence and mortality, supporting the public health rationale for use of eviction moratoriums to prevent the spread of COVID-19.”

From March 13 to September 3, 2020, 27 of 44 states lifted their eviction moratoria. Mortality in states that lifted their moratoria was 1.6 times the mortality of states that maintained their moratoria at 7 weeks post-lifting and grew to a ratio of 5.4 at ≥ 16 weeks.

From July 25, when Maryland resumed evictions, to Sept. 3:

2,310 excess COVID-19 cases

37 excess deaths

Liefheit, Kathryn et al.

Expiring Eviction Moratoriums and COVID-19 Incidence and Mortality
(November 30, 2020).

Available at <https://ssrn.com/abstract=3739576>

Pandemic and Eviction

“Disproportionate rates of both COVID-19 and eviction in communities of color compound negative health effects and make eviction prevention a critical intervention to address **racial health inequity**. In light of the undisputed connection between eviction and health outcomes, eviction prevention, through moratoria and other supportive measures, is a key component of a pandemic control strategies to mitigate COVID-19 spread and death.”

Benfer, Emily et al.

Eviction, Health Inequity, and the Spread of COVID-19: Housing Policy as a Primary Pandemic Mitigation Strategy (November 1, 2020).

Journal of Urban Health (2020)

Available at <https://ssrn.com/abstract=3736457>

Holly's Story

- Holly is a client of HPRP and a human trafficking survivor living on a limited income.
- Holly was living in an apartment in Baltimore City when she was evicted in August of 2020, one month after the moratorium on evictions was lifted.
- Holly was traumatized by her eviction and had nowhere to go, as she has few connections in the state and didn't want to risk the health of her friends or neighbors.
- Holly was forced to enter a non-congregate emergency shelter in September of 2020 and has been in and out of the shelter since that time.
- If Holly had been able to stay in her unit, she would not be facing housing instability and increased exposure to COVID-19.

Emergency Renter Protections

Eviction Moratorium (Sen. Smith)

- The CDC cites eviction moratoria as “an effective public health measure” to prevent the spread of diseases like COVID -19.
- A legislated eviction moratorium should
 - close the lease termination loophole
 - prioritize clarity around permitted vs. prohibited evictions, and
 - last long enough to allow Marylanders to maintain housing stability throughout the public health crisis and economic recovery.

Emergency Renter Protections

Prohibition on Lease Non -Renewals Without Cause (Sen. Smith)

- Neither the Governor's Order or the CDC Order protect against non -renewal of lease due to nonpayment of rent or other no -fault violations.
- According to a December 30, 2020 article in the Baltimore Sun, landlords are using the tenant holding over court as a means to evict tenants who have fallen behind on rent due to the emergency.
- Creating a prohibition on non -renewals without cause would increase utilization of rent relief, decrease housing instability and homelessness during a public health crisis.

Emergency Renter Protections

Prohibition on Late Fees and Rent Increases (Sen. Smith)

- Some jurisdictions, such as Baltimore City and Montgomery County, have prohibited the charging of late fees and rent increases during the state of emergency; however, this is not true in all jurisdictions.
- A statewide prohibition on late fees and rent increases would create consistent public policy and allow households that are financially struggling through the emergency to not fall further behind on their rent.

Eviction Process Reform

Eviction Diversion (Sen. Sydnor)

- Maryland eviction process prioritizes rapid adjudication and makes pre-judgment eviction diversion impracticable. Consequently, rental assistance, mediation, and legal assistance are less effective. -
- Reform of the FTPR process should systematize early resort to rental assistance and mediated negotiations.
- New process should use the district courts as a hub for holistic problem solving - facilitated through a status hearing.

Eviction Process Reform

Eviction Defense (Sen. Sydnor)

- If litigants must go to trial, then courts should follow a structure that sets a later trial date and enables tenants to apply for legal counsel, raise defense/counterclaim, seek limited discovery.
- Judges should have greater power to stay proceedings to provide time for homelessness prevention and recovery from critical medical problems.

Eviction Process Reform

Right to Counsel [SB0154](#) (Sen. Hettleman, Carter, Lee, Sydnor, Waldstreicher)

- According to study of Baltimore City evictions by Stout Risius Ross, **92% of families who received legal counsel in Stout's survey avoided disruptive displacement.**
- Baltimore City signed Right to Counsel into law on December 2, 2020.
- Enacting right to counsel legislation statewide would allow other renters to be represented by housing attorneys who can assist them in raising valid legal defenses and avoid disruptive displacement from their homes, especially in light of COVID-19. It would also level the playing field between landlords and tenants.

Eviction Process Reform

Court Fee Reform

- Maryland annually turns out over 650,000 eviction case filings. The state invites this volume of litigation with a bottom -in-the-nation court fee ranging from \$15 -30.
- [Research shows](#) that raising the cost removes financial incentive for serial filings. The national average is \$120.
- Renters should be protected from pass -through costs.

Homeowners

— Issues & Reforms —

Governor Hogan's Executive Order

Governor Hogan's Executive Order issued March 16, 2020 and extended by Executive Order most recently on December 27, 2020 provides that:

- Up to 12 months of forbearance for non-federally-backed loans;
- Establishes a foreclosure moratorium until January 31.
- After January 31, the Order requires servicers to notify borrowers of their forbearance rights and grant requested forbearances before proceeding with foreclosures.

Federal CARES Act

The Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. It provided the following protections for homeowners:

- Borrowers with government-backed mortgages are permitted to postpone (or reduce) payments for up to 12 months.
- The initial period of forbearance is 180 days, and may be extended by an additional 180 days.
- These protections are available if the borrower states to their servicer that they have suffered COVID-related financial hardship.

Federal Housing Administration (FHA) Mort

Under guidance from the federal government, the Federal Housing Administration has issued the following guidance related to foreclosure:

- For federally-backed loans, lenders or loan servicers may not foreclose on mortgagees until after February 28, 2021. For loans backed by Fannie Mae or Freddie Mac, they cannot foreclose until after January 31, 2021.
- Mortgage holders with a federally-backed loan may request and obtain a forbearance for up to 180 days with COVID-related financial hardship.

Reforms for Homeowners

- Extend and codify a foreclosure moratorium through the state of emergency, for both homeowners and small landlords.
- Require mortgage servicers to grant forbearance relief through the state of emergency.
- For both homeowners and small landlords, who have exhausted forbearance options, establish the default repayment option as deferring missed mortgage payments to the end of the loan.

COVID-19's Impact on Rental Housing in Maryland

**Apartment and Office Building Association of Metropolitan
Washington**

Maryland Multi-Housing Association

January 4th, 2021

Presenters:

Erin Bradley

Aaron Greenfield



MARYLAND MULTI-HOUSING ASSOCIATION, INC.



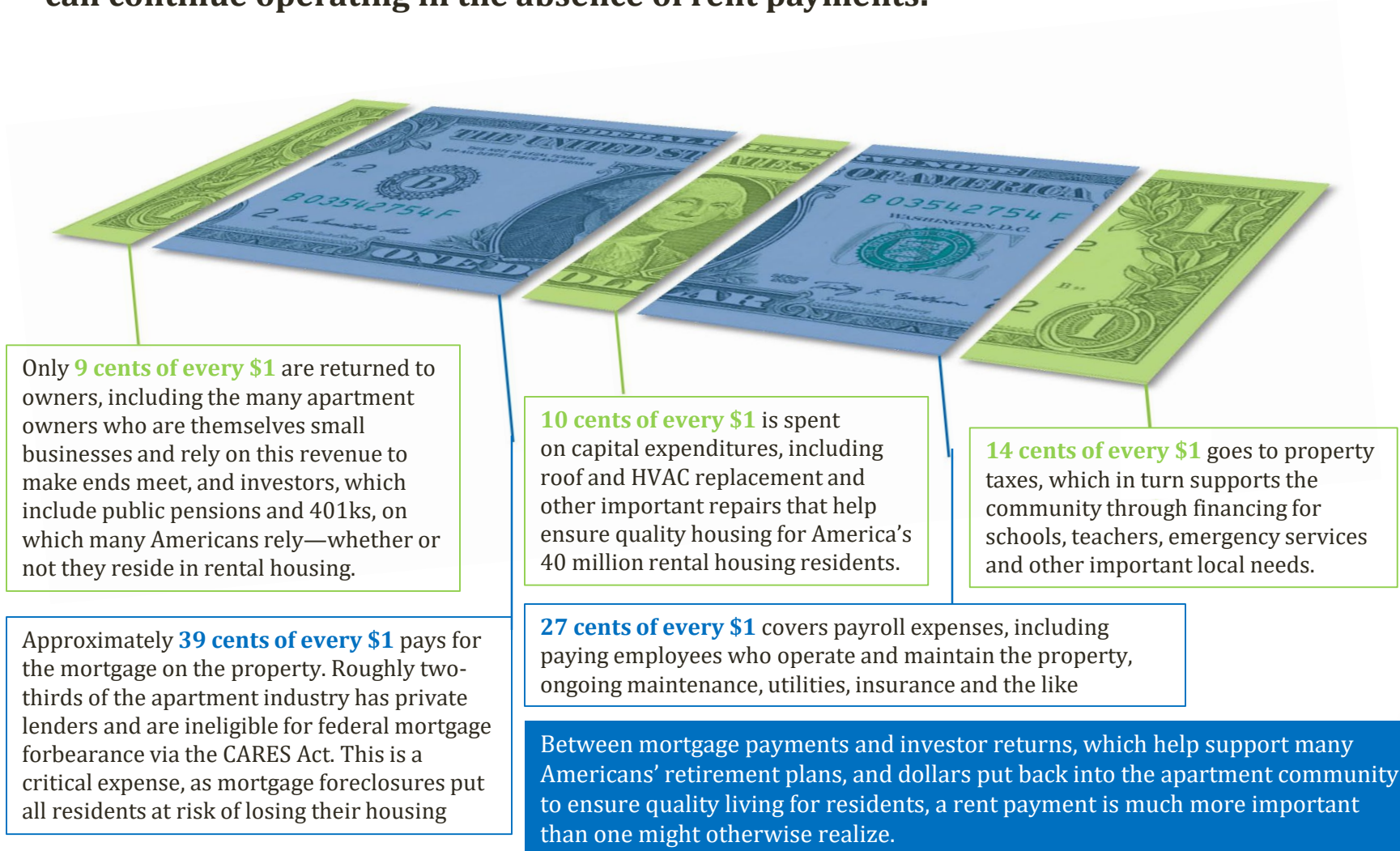
Who We Are

- AOBA and MMHA members own or manage over 339,000 rental housing units across the State of Maryland housing almost 885,000 Marylanders
- AOBA members compromise nearly 17% of all Montgomery County's housing and nearly 20% of all Prince George's County's housing
- MMHA members compromise about 42% of all rental housing in the State of Maryland (excluding Prince George's and Montgomery County's)
- MMHA members comprise about 89% of all units of housing greater than 5 units



NAA's Breakdown of \$1 of Rent

There exists a misconception that rental housing owners enjoy large margins and can continue operating in the absence of rent payments.



Maryland's Rental Housing Industry

- A, B, and C class properties and affordable housing throughout the state
- Mix of professional and smaller housing providers
- Strong rental market pre-COVID-19

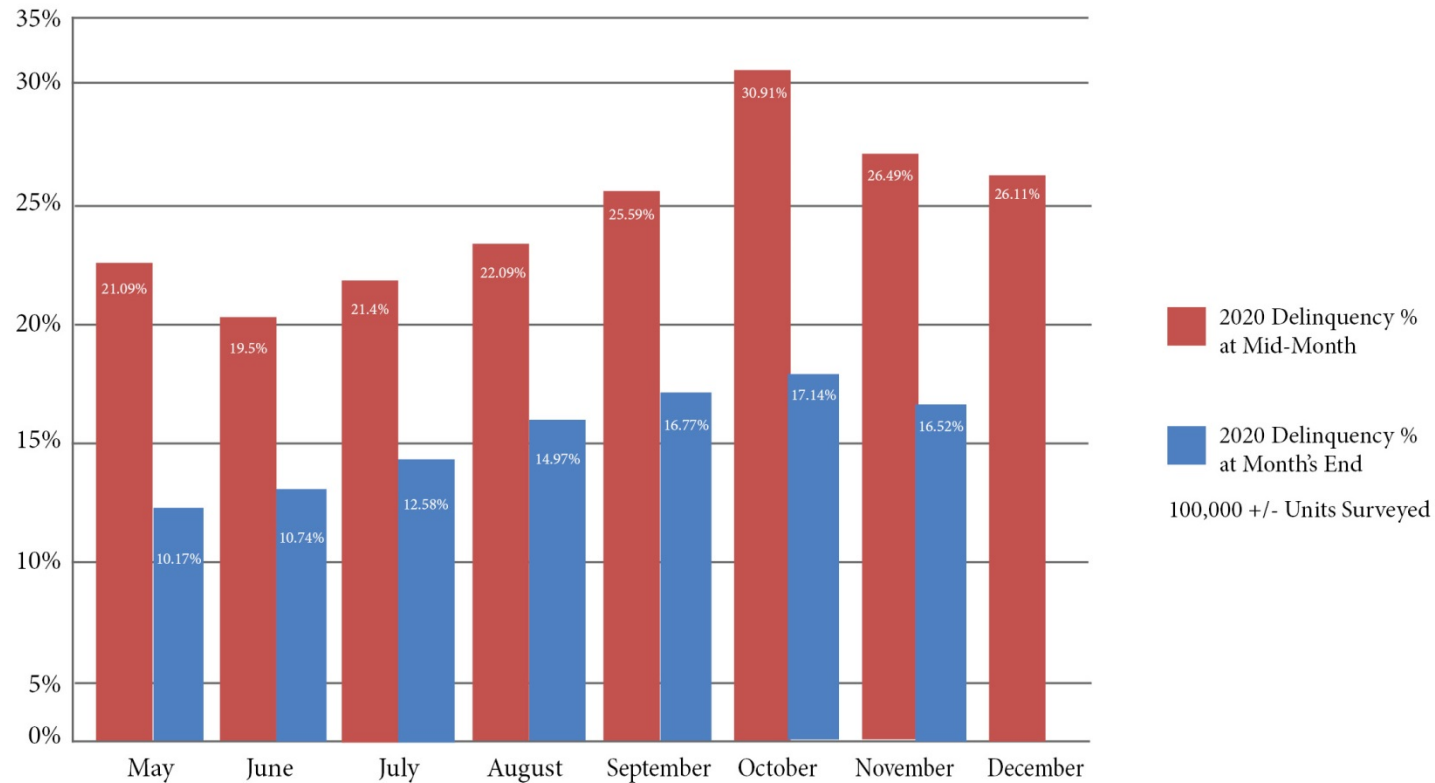


COVID-19's Impact on Rent Collection

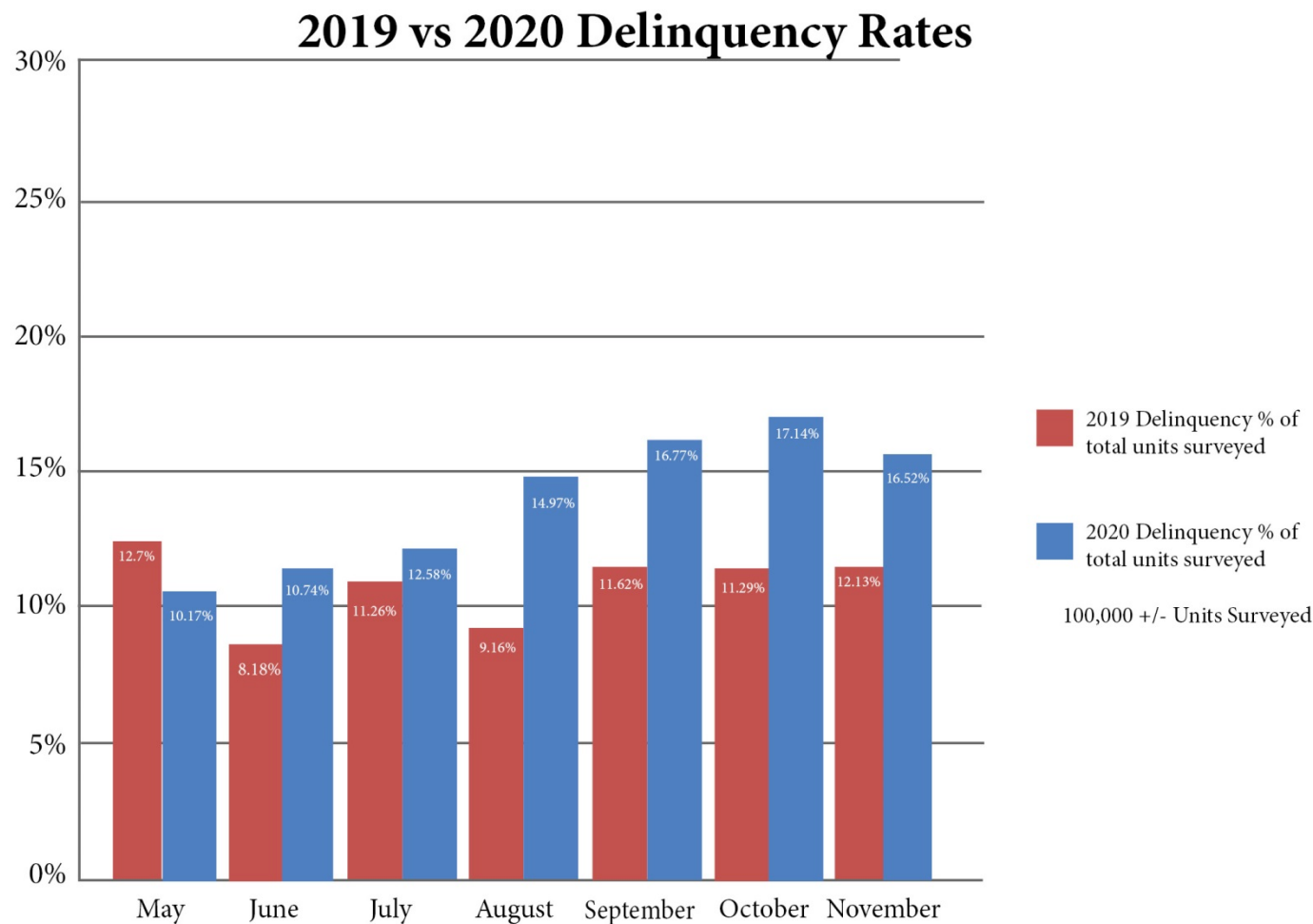
- The percentage of residents who did not pay rent has increased slowly over the past several months, about 7% higher than the pre-pandemic average delinquency of around 10%.
- Class C properties, AKA naturally occurring affordable housing, have been hit the hardest, with delinquency rates averaging 33% each month
- Courts are currently in phase II until March 14th and FTPR cases are not being heard at this time
- The Governor's Executive Order & CDC Eviction Moratorium are still in effect

MMHA Member Delinquency Data- Statewide 2020

2020 Delinquency Rates Mid-Month vs Month's End



MMHA Member Delinquency Data- Statewide 2019 vs 2020 (end of month)



Supporting Residents During COVID-19

- Communicating with residents, creating payment plans
- Sharing government and non-profit resources with residents, applying for eviction assistance programs
- Resident check-ins, expanding virtual social activities

Consolidated Appropriations Act of 2021

- Extends CDC eviction moratorium through January 31, 2021.
- Provides \$25b through September 30, 2022 for rental assistance. The monies will be allocated through the Coronavirus Relief Fund (CRF), administered by the Department of Treasury.
- States allocation will be based on population, no state will receive less than \$200 million.
- Funds are eligible for current or unpaid rent and utility payments (9 months of rent arrears, 3 months going forward) and other directly or indirectly incurred housing expenses because of the pandemic.
 - Eligible grantees may use up to 10 percent of allocated funding for housing stability services, including case management and other services intended to keep households stably housed.



The Best Thing Residents Can Do:

COMMUNICATE!

We recommend residents speak with their property management company ASAP to discuss rent payment options.



QUESTIONS?





Judicial Proceedings Committee Briefing on COVID-19 and Housing

January 4, 2021



Maryland Bankers Association



Ramon Looby
Incoming President & CEO
Maryland Bankers Association



Mindy Lehman
SVP of Government Relations
and Communications
Maryland Bankers Association



D. Robert Enten, Esq.
General Counsel
Maryland Bankers Association

Overview



- **Foreclosure Prevention:**
 - MBA / Industry response
 - Federal and State mortgage payment relief options
 - Federal and State foreclosure and eviction protections

Role of MBA/Industry



**The success of a bank is inherently linked
to the success of its clients and community**

Since mid-March, 2020:

- Outreach/Media – very proactive – “Call your banker”
- Weekly calls with members
- Daily calls with other state/national banking Associations
- Regular contact with banking regulators – nothing done in a vacuum
- Ongoing contact with state and federal policy-makers
- MBA online resource for banks and consumers

MBA's Online Resource



Visit MBA's COVID-19 web page for links to a variety of resources and our member banks:

<https://www.mdbankers.com/coronavirus-related-resources.html>



Mortgage Relief – Role of the Banking Industry

Contact Your Bank/Your Lenders/Creditors

Maryland banks stand by their borrowers/clients. Maryland banks are hard at work helping Maryland homeowners who are experiencing financial hardship. Banks routinely provide customized help to fit specific financial situations, through:

- Loan payment deferrals
- Forbearance – modifications
- Interest rate reduction requests
- Fee waivers
- Increases in lines of credit
- Consumer loans
- Consultation
- And more

Source - Maryland Bankers Association Survey 6/18/2020

Mortgage Relief: Federal Options, Federal Housing Finance Agency/FHA/HUD Guidance, Etc.

- For federally-backed mortgage loans (Fannie Mae, Freddie Mac, FHA, VA), the CARES Act allows a borrower to request an initial forbearance period of up to 180 days (and up to another 180 days after the first 180 days).
- A forbearance is a pause or reduction in their monthly mortgage.
- 4/27/20 – FHFA Statement - “NO LUMP SUM REQUIRED AT THE END OF FORBEARANCE”

Online Resource: To understand the protections and assistance offered by the government to those having trouble paying their mortgage, please visit the joint Department of Housing and Urban Development, FHFA, and the Consumer Financial Protection Bureau website at <https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/>

Mortgage Relief: Governor's Financial Relief Announcement



- The Governor's April 3rd Financial Relief announcement stated that "consistent with applicable guidelines, Marylanders may be eligible for the following opportunities upon contacting their financial service providers:
 - **90 Days of Payment Forbearance or Deferral.** Mortgage lenders and servicers will provide up to a 90-day forbearance or deferral period for mortgage payments.
 - **Waiving Late Fees.** Mortgage lenders and servicers will not charge late fees during the forbearance or deferral period.
 - **Credit Reporting.** Mortgage lenders and servicers will not report negative information to the credit bureaus during the forbearance or deferral period.
 - **90 Days Forbearance from Foreclosure Initiation.** All mortgage lenders and servicers will follow the forbearance and reduced payment programs established by federal authorities.

Online Resource: <https://www.dllr.state.md.us/whatsnews/frcovidrelief.shtml>

Mortgage Relief: Governor's Executive Order on Foreclosures – Extends CARES Forbearance to Mortgages not covered by CARES

- On December 17, Governor Hogan extended the stay on residential foreclosures and the prohibition on certain residential and commercial evictions through 01/31/2021.
- The new order's provisions concerning residential foreclosures were significant developments.
- Essentially, the order requires that lenders notify borrowers of forbearance rights as a condition to proceeding with a residential foreclosure.
- This is most significant as applied to mortgages that are not covered by the CARES Act, as lenders must now provide a similar forbearance to these borrowers, if requested.

Online Resource: <https://governor.maryland.gov/wp-content/uploads/2020/12/Evictions-Repossessions-Foreclosures-3d-AMENDED-12.17.20.pdf>

Mortgage Relief: National Forbearance Statistics



Key findings of MBA's Forbearance and Call Volume Survey - November 30 to December 6, 2020

- The Mortgage Bankers Association's Forbearance and Call Volume Survey (12/14/20) reported that the total number of loans in forbearance decreased from 5.54% of servicers' portfolio volume in the prior week to 5.48% as of December 6th.
- Total loans in forbearance by investor type:
 - The share of Ginnie Mae loans in forbearance decreased relative to the prior week: from 7.89% to 7.68%.
 - The share of Fannie Mae and Freddie Mac loans in forbearance decreased relative to the prior week: from 3.34% to 3.26%.
 - The share of other loans (e.g., portfolio and PLS loans) in forbearance increased relative to the prior week: from 8.70% to 8.89%.

Online Resources: <https://www.mba.org/2020-press-releases/december/share-of-mortgage-loans-in-forbearance-decreases-to-548-percent>

Foreclosure and Delinquency: 3Q2020 - Maryland Statistics

According to the national Mortgage Bankers Association's latest survey:

- The delinquency rate for mortgage loans on residential properties in Maryland was 9.20 percent at the end of the third quarter of 2020, a decrease of 50 basis points from the second quarter of 2020. *This includes loans in forbearance.*
- The percentage of loans in Maryland on which foreclosure was started during the quarter fell 1 basis points to 0.03 percent
- The percentage of loans in the foreclosure process at the end of the quarter fell 14 basis points to 0.79 percent.

Foreclosure Protections: Federal Actions



- **Federal Protections Against Foreclosure and Evictions – FHFA Extends Foreclosure, Eviction Moratorium through January 31, 2021**
 - On March 18, the federal Coronavirus Aid Relief and Economic Security Act (CARES Act) established a 60-day moratorium on foreclosures and evictions for single-family mortgages backed by Fannie Mae or Freddie Mac. This moratorium has since been extended multiple times.
 - Most recently, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac will extend the moratoriums on single-family foreclosures and real estate owned (REO) evictions until at least January 31, 2021.
 - For federally backed loans, your lender or loan servicer may not foreclose on you until after February 28, 2021.
 - The foreclosure moratorium applies to Enterprise-backed, single-family mortgages.

Online Resources: <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Extends-Foreclosure-and-REO-Eviction-Moratoriums-12022020.aspx> and <https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/mortgage-relief/>

Foreclosure Protections: State Actions



- Governor Hogan's April 3, 2020 Executive Order **prohibited the initiation of foreclosures** in Maryland by prohibiting the Commissioner of Financial Regulation from accepting Notice of Intent to Foreclose.
- That prohibition was most recently extended to January 31, 2021.
- Thus, **no new NOI submissions are being accepted.**

Online Resources: <https://www.dllr.state.md.us/finance/> and <https://governor.maryland.gov/wp-content/uploads/2020/12/Evictions-Repossession-Foreclosures-3d-AMENDED-12.17.20.pdf>

Information Resources for Borrowers



- The Consumer Financial Protection Bureau (CFPB) has taken numerous steps to protect and assist consumers during the COVID-19 national emergency including:
 - making it easier for consumers to receive pandemic-relief payments;
 - informing consumers about their options as it relates to mortgage forbearance;
 - releasing a policy statement outlining the responsibility of credit reporting companies and furnishers; and
 - providing needed flexibility to enable financial companies to work with customers in need.

Online Resource: CFPB program websites [student loan payment suspension](#); [mortgage forbearance](#); [stimulus payments](#); and [the paycheck protection program](#). Additionally, the Bureau has a centralized [webpage with information on how consumers can protect their finances during the pandemic](#)



Thank you!

Reach out to your banker with specific questions.

www.mdbankers.com

