SEC. 4023. FORBEARANCE OF RESIDENTIAL MORTGAGE LOAN PAYMENTS FOR MULTIFAMILY PROPERTIES WITH FEDERALLY BACKED LOANS.

(a) IN GENERAL.—During the covered period, a multifamily borrower with a Federally backed multifamily mortgage loan experiencing a financial hardship due, directly or indirectly, to the COVID–19 emergency may request a forbearance under the terms set forth in this section.

(b) REQUEST FOR RELIEF.—A multifamily borrower with a Federally backed multifamily mortgage loan that was current on its payments as of February 1, 2020, may submit an oral or written request for forbearance under subsection (a) to the borrower’s servicer affirming that the multifamily borrower is experiencing a financial hardship during the COVID–19 emergency.

(c) FORBEARANCE PERIOD.—
(1) IN GENERAL.—Upon receipt of an oral or written request for forbearance from a multifamily borrower, a servicer shall—
(A) document the financial hardship;
(B) provide the forbearance for up to 30 days; and
(C) extend the forbearance for up to 2 additional 30 day periods upon the request of the borrower provided that, the borrower’s request for an extension is made during the covered period, and, at least 15 days prior to the end of the forbearance period described under subparagraph (B).
(2) RIGHT TO DISCONTINUE.—A multifamily borrower shall have the option to discontinue the forbearance at any time.
(d) RENTER PROTECTIONS DURING FORBEARANCE PERIOD.—A multifamily borrower that receives a forbearance under this section may not, for the duration of the forbearance—
(1) evict or initiate the eviction of a tenant from a dwelling unit located in or on the applicable property solely for nonpayment of rent or other fees or charges; or
(2) charge any late fees, penalties, or other charges to a tenant described in paragraph (1) for late payment of rent.
(e) NOTICE.—A multifamily borrower that receives a forbearance under this section—
(1) may not require a tenant to vacate a dwelling unit located in or on the applicable property before the date that is 30 days after the date on which the borrower provides the tenant with a notice to vacate; and
(2) may not issue a notice to vacate under paragraph (1) until after the expiration of the forbearance.
(f) DEFINITIONS.—In this section:
(1) APPLICABLE PROPERTY.—The term “applicable property”, with respect to a Federally backed multifamily mortgage loan, means the residential multifamily property against which the mortgage loan is secured by a lien.
(2) FEDERALLY BACKED MULTIFAMILY MORTGAGE LOAN.—The term “Federally backed multifamily mortgage loan” includes any loan (other than temporary financing such as a construction loan) that—
(A) is secured by a first or subordinate lien on residential multifamily real property designed principally for the occupancy of 5 or more families, including any such secured loan, the proceeds of which are used to prepay or pay off an existing loan secured by the same property; and
(B) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by any officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency, or is purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.
(3) MULTIFAMILY BORROWER.—the term “multifamily borrower” means a borrower of a residential mortgage loan that is secured by a lien against a property comprising 5 or more dwelling units.
(4) COVID–19 EMERGENCY.—The term “COVID–19 emergency” means the national emergency concerning the novel coronavirus disease (COVID–19) outbreak declared by the President on March 13, 2020 under the National Emergencies Act (50 U.S.C. 1601 et seq.).
(5) COVERED PERIOD.—The term “covered period” means the period beginning on the date of enactment of this Act and ending on the sooner of—
(A) the termination date of the national emergency concerning the novel coronavirus disease (COVID–19) outbreak declared by the President on March 13, 2020 under the National Emergencies Act (50 U.S.C. 1601 et seq.); or
(B) December 31, 2020.

Source: National Consumer Law Center, [], updated at www.nclc.org/library
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