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THE RENT IS STILL DUE: AMERICA'S RENTERS, COVID-19, AND AN UNPRECEDENTED EVICTION CRISIS

VIRTUAL HEARING

BEFORE THE

SUBCOMMITTEE ON HOUSING,
COMMUNITY DEVELOPMENT,
AND INSURANCE

OF THE

COMMITTEE ON FINANCIAL SERVICES

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THE RENT IS STILL DUE: AMERICA'S RENTERS, COVID-19, AND AN UNPRECEDENTED EVICTION CRISIS

Wednesday, June 10, 2020

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HOUSING,
COMMUNITY DEVELOPMENT,
AND INSURANCE,
COMMITTEE ON FINANCIAL SERVICES,
Washington, D.C.

The subcommittee met, pursuant to notice, at 12:01 p.m., via Webex, Hon. William Lacy Clay, Jr., [chairman of the subcommittee] presiding.

Members present: Representatives Clay, Velazquez, Cleaver, Beatty, Green, Heck, Vargas, Larson, Tlaib, Axne, San Nicolas; Stivers, Posey, Huizenga, Tipton, Zelden, Kustoff, Rose, and Steil.

Ex officio present: Representative Waters.

Chairman CLAY. The Subcommittee on Housing, Community Development, and Insurance will come to order. Without objection, the Chair is authorized to declare a recess of the subcommittee at any time.

Also, without objection, members of the full Financial Services Committee who are not members of this subcommittee are authorized to participate in today's hearing.

Members are reminded to keep their video function on at all times, even when they are not being recognized by the Chair. Members are also reminded that they are responsible for muting and unmuting themselves, and to mute themselves after they are finished speaking.

Consistent with regulations accompanying H. Res 965, staff will fully mute Members and witnesses as appropriate when not recognized to avoid inadvertent background noise, like I am hearing now.

Members are also reminded that all House rules relating to order and decorum apply to this remote hearing.

Today's hearing is entitled, "The Rent is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis." I now recognize myself for 5 minutes for an opening statement.

I want to welcome all of you to our first virtual hearing of this subcommittee, which deals with enduring this very challenging and difficult time for renters, homeowners, landlords, and for our housing market as a whole.

At today's hearing, we will focus our attention on how the COVID-19 pandemic is impacting our rental market. The harmful effects of this pandemic on physical and mental health, financial stability, and overall way of being can be even more devastating when you are unable to pay your rent. When everyone is being told to stay inside to avoid getting sick, now is one of the worst times for families to lose their homes to eviction.

Families who experience evictions are likely to experience greater poverty and a host of other negative outcomes that make it harder for their family to get back on their feet, especially during a time when our country faces a growing economic crisis. In the worst cases, these families may fall into homelessness.

But let's be clear, many low-income families were already struggling to pay their housing costs pre-pandemic. As Ms. Oliva points out in her testimony, even before the pandemic, 23 million people and 10.7 million low-income households paid more than half of their income in rent, and rents across the country had become increasingly unaffordable.

Many of these people work in jobs that do not allow them the flexibility to save and stash reserves away for a rainy day because, as many can attest, it always seems to be raining down on them, and COVID-19 has become an unrelenting storm.

We also know that the economic effects of the COVID-19 pandemic are being disproportionately felt by people of color. In the month of April, Latinx unemployment was over 18 percent, and Black unemployment was over 16 percent, while the Census Bureau reports that Latinx and Black households are struggling to pay rent at higher rates than white households.

Congress acted quickly in March to pass the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included language from a bill that I introduced, which provided mortgage forbearance, including for multi-family and single-family rental property owners, but there is much more that needs to be done.

The Urban Institute estimates that as this pandemic goes on, up to 17.6 million renter households could need rental assistance, at a cost of $96 billion for 6 months, to be able to remain in their homes.

To further respond to the crisis, the House passed the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, which includes $100 billion for emergency rental assistance, increased protection against evictions, and other housing resources to support HUD and USDA programs.

The House has acted and now the Senate must get to work. I call on my Senate colleagues to pass this bill to bring much-needed relief to families across the country, including struggling renters. Thank you, and I look forward to hearing the testimony of our witnesses today.

I now recognize the ranking member of the subcommittee, Mr. Stivers, for 4 minutes for an opening statement.

Mr. STIVERS. Thank you, Chairman Clay. I appreciate you holding this hearing. I apologize for the video, but I am in the rural part of my district on a cell phone today. But I am still able to be in on the hearing, and I appreciate that.

Obviously, today's hearing will evaluate the impact of COVID-19 on America's housing security, which is an extremely important topic and it is important to focus on it. Time and time again, our subcommittee has highlighted the link between housing security and outcomes of health, education, and career prospects.

So at a time of such economic volatility, it is right to focus on this topic. And as I mentioned during a recent virtual roundtable, Congress has taken extraordinary steps to deal with the unprecedented public health crisis and its impact on our economy.

The $2 trillion spending in the CARES Act, combined with trillions from the Federal Reserve, would have been unthinkable sums at the start of 2020, but there has been bipartisan consensus on those items because of the severity of the problem.

The CARES Act and its implementation have not been perfect, but with respect to housing security, it is clear that the law's forbearance provisions, combined with extended unemployment insurance programs, have helped sustain individuals through the last few very difficult months.

Now, all 50 States have begun to reopen their economies, and the Bureau of Labor Statistics reported that in May, the economy added 2.5 million jobs, but unemployment remains unacceptably high. So, we find ourselves in a rapidly evolving situation, and Congress and the Administration must evolve our response to meet those demands.

I am keeping an open mind about what that response should look like, but it is clear we should focus on the formula that worked in the CARES Act. Namely, we need to: first, focus on real problems that are demonstrated by the best and most appropriate data; second, it should not be previous policy goals by Republicans or Democrats that pre-date the pandemic, but should be a response; third, it should truly help the housing and rental markets, not harm them through unintended consequences; and fourth, it should be bipartisan.

I know that the Democrat's memo points to an alarming statistic from apartmentlist.com on payments of rents from renters, but the National Multifamily Housing Council data suggests significantly higher payment rates.

And so, I think we need to keep all that in mind and try to sort out the facts. New forbearance requests have slowed. That is good news, and I am grateful to hear from our witnesses today, and I look forward to working together on underlying problems.

Finally, I have enjoyed the discussions with Chairman Clay on the need to address racial disparities in home ownership. I think that is something we should be looking at, which is in the jurisdiction of our subcommittee.

But there have been items that are outside the jurisdiction of our committee, mostly in the Judiciary Committee, that we can't turn a blind eye to, including the injustice that occurred in Minneapolis. George Floyd should still be alive today, and so should countless other African Americans, and I think we need to work together, regardless of the fact that this is mostly in the jurisdiction of the Judiciary Committee, to root out injustice wherever we find it.

Thank you. I look forward to working with Republicans and Democrats on these important issues, and I look forward to hearing from our witnesses today.

Thanks for holding this hearing, Mr. Chairman.

Chairman CLAY. Thank you, Mr. Stivers. And thank you for your encouraging words. I look forward to working with you also to tackle these issues as they come before this subcommittee, and before Congress.

At this time, I recognize the Chair of the full Financial Services Committee, the gentlewoman from California, Chairwoman Waters, for 1 minute,

Chairwoman WATERS. Good afternoon, and thank you, Chairman Clay. We were already dealing with the rental crisis long before the pandemic, and this pandemic has only made matters worse, with Black and Latinx renters bearing the brunt of the pain. According to the Turner Center, Black and Latinx renters are overrepresented among the rental population expected to be financially impacted by COVID-19, making up 28 percent, and 18 percent, respectively, even though they only comprise 18 percent, and 12 percent, respectively, of the U.S. population.

While the CARES Act included an eviction moratorium that covers some renters, it provided no rental assistance for people struggling to pay their rent during the pandemic. So, I am pleased that the HEROES Act includes a proposal by Mr. Heck and myself to provide $100 billion for emergency rental assistance.

And I am looking forward to hearing from our witnesses today about the dire need for rent relief and the importance of keeping everyone stably housed during and after this crisis. Thank you so very much.

And I yield back.

Chairman CLAY. Thank you, Madam Chairwoman, for your steadfast leadership on the issue in this area on housing and how we make people secure in their housing, and I appreciate the working relationship that we have.

Today, we welcome the testimony of Cashauna Hill, executive director, Louisiana Fair Housing Action Center; Mike Kingsella, executive director, Up for Growth; Ann Oliva, visiting senior fellow, Center on Budget and Policy Priorities; and Jenny Schuetz, fellow, the Brookings Institution.

Witnesses are reminded that your oral testimony will be limited to 5 minutes. A chime will go off at the end of your time, and I ask that you respect the Members' and other witnesses' time by wrapping up your testimony.

And without objection, your written statements will be made a part of the record.

And now, Ms. Hill, you are recognized for 5 minutes to give an oral presentation of your testimony.

STATEMENT OF CASHAUNA HILL, EXECUTIVE DIRECTOR, LOUISIANA FAIR HOUSING ACTION CENTER (LaFHAC)

Ms. HILL. Thank you, and good afternoon to you all.

My name is Cashauna Hill and I serve as executive director of the Louisiana Fair Housing Action Center (LaFHAC). I want to thank Committee Chair Waters and Subcommittee Chair Clay for

the opportunity to address the subcommittee today. I would also like to thank Committee Ranking Member McHenry, Subcommittee Ranking Member Stivers, and all of the members of the subcommittee for welcoming all of the witnesses here.

The Louisiana Fair Housing Action Center was established in 1995 to eradicate housing discrimination and segregation. We are based in New Orleans and serve all of Louisiana as the only full-service fair housing advocacy group in the State. Our work includes work across four programmatic areas: education and outreach services; foreclosure prevention counseling; free legal representation to people who have experienced housing discrimination; and policy advocacy at the State and local levels.

Fifty-two years after the passage of the Federal Fair Housing Act, we know that housing discrimination in the United States remains a divisive force that perpetuates poverty and segregation and limits access to opportunity. The work of the Louisiana Fair Housing Action Center is dedicated to eradicating this scourge and to addressing the legacy of discriminatory housing policies that continues to feed unjust outcomes across the country.

In Louisiana, we, unfortunately, have a lot of experience recovering from disasters. Whether from Hurricanes Katrina and Rita that devastated South Louisiana in 2005, the subsequent levee breaches, or the great flood of 2016 in the Baton Rouge area, we know that in all of their destruction and tragedy, disasters are often an opportunity to imagine a different future.

It is imperative that we take the chance now to deploy the resources needed to right past wrongs that made so many members of our community vulnerable to COVID-19 in the first place.

I want to illustrate the challenges that we currently face through the story of Danielle Seymour. Ms. Seymour was working three jobs when the pandemic hit in March. Her jobs at a local basketball arena, waiting tables on Bourbon Street, and helping to run a Tulane University cafeteria all disappeared within the same week as New Orleanians sheltered in place to slow the coronavirus.

At the time, Ms. Seymour was staying in an extended stay hotel as she waited for an inspection on a rental home. Despite a local eviction moratorium, the proprietor hired a security guard to cut off door locks and barge into rooms with a gun drawn. It was likely only the swift work of local legal aid attorneys that kept the situation from deteriorating further.

I wish Ms. Seymour's story was an outlier, but nearly half of all renters in Louisiana were paying more than they could afford on rent and utilities before COVID-19. As is true across the country, the effects of COVID-19 have fallen disproportionately on Louisiana's low-income and Black households. In New Orleans, many of the Census Tracts with the highest COVID-19 per capita rates correlate with Black-majority neighborhoods that have seen also the highest eviction rates.

Without additional Federal assistance, we expect the reopening of eviction courts throughout the State to only deepen this disparity. Short of rent and mortgage cancellation, Louisiana renters and landlords desperately need a massive rental assistance program like the $100 billion set-aside for rental assistance in the HEROES Act.

Another crucial element of the HEROES Act is the extension of the CARES Act eviction moratorium to cover all renters. The CARES Act moratorium was an important step in the right direction, but has proven incredibly difficult to implement at the local level, and it leaves far too many renters out. Because the last four digits of the landlord's Social Security number are often required to look up a mortgage, most renters in Louisiana won't have any way to determine whether they are covered under the CARES Act, and it has already proven very difficult to plan for enforcement of the Act and to educate the public about it.

If courts decide to do the right thing and not require tenants to provide information that those tenants will likely not have access to, we are left with the courts themselves doing research on each property where an eviction is filed to ensure that the property is not federally-subsidized or subject to a federally-backed mortgage.

In Louisiana, however, most jurisdictions handle evictions in Justice of the Peace Courts, which are woefully unprepared to handle this level of engagement. Justices of the Peace are often non-lawyers. They have few, if any, staff, and in some communities, it is common for court to be held in the Justice of the Peace's garage, living room, or kitchen.

I return now to a point I opened with, that if we do not address racial and other disparities early in our disaster recovery efforts, we are destined to amplify them. Black home ownership in New Orleans, previously on the rise, has declined since Katrina. Segregation in the City has increased since the storm, and African Americans have been displaced from communities on high ground that are less susceptible to flooding, to communities that are farther away from jobs and social support systems.

As we continue a long-overdue national conversation about racism in America, I offer that we sit at the similar decision point in history as we did just before the Fair Housing Act was passed in 1968. Fair housing advocates across the country understand that providing a just path forward is necessary. I thank you for the opportunity to testify—

[The prepared statement of Ms. Hill can be found on page 38 of the appendix.]

Chairman CLAY. Thank you for your testimony.

I now recognize Mr. Kingsella for 5 minutes.

STATEMENT OF MIKE KINGSELLA, EXECUTIVE DIRECTOR, UP FOR GROWTH ACTION

Mr. KINGSELLA. Chairman Clay, Ranking Member Stivers, and esteemed members of the subcommittee, thank you for inviting me to provide testimony at this important hearing.

By way of background, Up for Growth Action is a national legislative advocacy campaign focused on eliminating structural barriers to housing.

The COVID-19 crisis has rapidly exposed the fragility of critical systems in infrastructure in our country, and the housing ecosystem is no exception. Failure to address the looming rent crisis will have dire consequences for millions of Americans, and for the housing ecosystem that underpins our economy, which was already under strain from a severe shortage of homes.

We believe emergency rental assistance is the most important and urgent action Congress can take. It is essential to ensuring housing stability for the millions of Americans impacted by COVID-19 and essential for the housing providers who rely on these payments. We commend the committee for its work thus far, in particular, in ensuring that emergency rental assistance is included in the House-passed HEROES Act.

I hope my testimony will provide perspective as to why these measures and others are needed now more than ever. To fully understand the rent-associated challenges on the immediate horizon, we need to understand the severity of the existing housing crisis. The numbers are grim. The country is at least 7.3 million homes short of where we need to be, with deficits in every region, and the need spans all demographics and geographies.

Nearly half of American renter households are cost-burdened, spending 30 percent or more of their income on rent. Extremely-low-income renters fare worse, with 71 percent of those folks making below 30 percent of AMI paying more than half of their gross income on rent.

IAfrican-American and Hispanic renter households are much more likely to be cost-burdened than their white neighbors. Decades of flawed housing policy led to more land being used for less housing, and the people in those homes having to travel longer distances to find gainful employment. Spatial mismatch in housing is a $1.6 trillion drag on the economy, causing the Federal Government to forego hundreds of billions of dollars in tax revenue.

And COVID-19 has further destabilized an already-struggling housing market. Fifty million people are living in renter households where at least one person works in an industry most likely to be affected by COVID-19-related layoffs, and many of these households were already cost-burdened and cannot absorb any sudden loss of income.

It is vital that these families continue to stay in their homes. Rent is the cornerstone of the housing ecosystem, buttressing property investors both large and small. The housing sector contributes upwards of 18 percent of U.S. GDP. Seventeen million jobs are tied to the rental housing industry. Stable and durable rent payments sustain the financial system, and if this system is interrupted, it will virtually eliminate the capital necessary for more housing to be built. State and local coffers are nearing their breaking point and cannot sustain a drop in tax revenue resulting from a drop in rent payments.

Emergency rental assistance is vital for millions of Americans struggling to pay rent. While expanded unemployment insurance benefits, one-time stimulus payments, and limited rent moratoria were necessary first steps, they are, by design, not equipped to address the longer-term problem.

And that is why Up for Growth Action supports the Emergency Rental Assistance and Rental Market Stabilization Act introduced by Chairwoman Waters and Representative Heck. And we were pleased that this legislation and it's $100 billion appropriation was included in the HEROES Act. The bill broadly meets the principles set forth by a broad coalition of advocates, industry, and consumer groups, and the focus of today's hearing is on the immediate rent

crisis. I urge the subcommittee to use this opportunity to advance solutions needed to solve the underlying housing crisis, driven in large part by a severe shortage of homes.

I outline several proposals in my written testimony, including Chairwoman Waters' Housing is Infrastructure Act, and Representative Heck's bipartisan, Yes in My Backyard Act, both of which have been reported favorably by this committee.

COVID-19 exposes weaknesses across every system, and I hope policymakers will act now so that we can create a more just and equitable housing ecosystem.

Thank you for hosting this important hearing and for your work on housing affordability. I look forward to answering your questions.

[The prepared statement of Mr. Kingsella can be found on page 45 of the appendix.]

Chairman CLAY. Thank you, Mr. Kingsella.

Ms. Oliva, you are now recognized for 5 minutes.

STATEMENT OF ANN OLIVA, VISITING SENIOR FELLOW, CENTER ON BUDGET AND POLICY PRIORITIES

Ms. OLIVA. Chairwoman Waters, Chairman Clay, Ranking Member Stivers, and members of the subcommittee, my name is Ann Oliva. I am a visiting senior fellow at the Center on Budget and Policy Priorities. Thank you for the opportunity to testify today on this important topic.

I want to begin by acknowledging the events of recent weeks and the systemic racism that led to the deaths of George Floyd, Breonna Taylor, Ahmaud Arbery, and many other Black Americans, because it relates to the topic that we are discussing today.

As a nation, we must pursue racial justice inequity, and housing justice must be part of the discussion because systemic racism also results in homelessness, housing instability, and the disproportionate impact of COVID-19 on communities of color.

The data is clear. Black people are dying of COVID-19 at 2.4 times the rate of white people. Unemployment in May was still very high overall, but fell among white workers and kept rising among Black and Latinx workers. Black people account for 40 percent of those experiencing homelessness, but only 13 percent of the overall population, and Latinx people account for 22 percent of those experiencing homelessness, but only 18 percent of the population.

If our response to the current health and economic crisis follows the same policy script of the past, we will do too little to stop a spike in evictions and homelessness, and Black, Latinx, and American Indian/Alaska Native communities will suffer the most.

First, let's talk about the public health impact. COVID-19 shows that housing is a form of healthcare. People in doubled-up or congregate situations, people released from jail without a place to go, and people living on the street cannot socially distance or follow other public health guidance. Many of them are older or have disabilities or underlying health conditions that make them more susceptible to getting sick.

From a public health perspective, emergency rental assistance will be key in helping people in particularly vulnerable situations get into safe housing.

Now, let's talk about the economic impact. Even before the pandemic, too many households were paying too much of their income in rent, making it harder for them to bounce back after a job loss or a cut in income, and experts expect that the economic downturn will haunt us for some time. The Congressional Budget Office (CBO) estimates that unemployment will be 8.6 percent at the end of 2021, which is far more than double the pre-crisis level, and history shows us that the labor market can remain weak far longer for Black workers than white workers, so, many Black households will struggle longer with low or no earnings.

If additional rental assistance isn't made available, communities across the country will struggle to address the impact of COVID-19. The heroic efforts to safely shelter thousands of vulnerable people at risk of COVID-19 will be squandered if people wind up back on the street because they can't get rental assistance to transition to more permanent solutions.

Large numbers of unsheltered people who want to come inside will continue to be criminalized and underserved. If growing numbers of households can't pay rent, we might see a wave of evictions once the moratoriums on evictions end. And some households will pay rent, but stop paying other bills like utilities, which will put them at high risk of losing their housing in the future.

These indicators of what might come highlight an important point. COVID-19 has created a perfect storm of problems that will weaken communities and widen disparities with long-lasting effects unless flexible rental assistance is available.

The HEROES Act includes short-, medium-, and longer-term rental assistance options that communities need to form a comprehensive COVID-19 response to a variety of demands, and that benefit both households and landlords who own rental stock.

In 2009, I led the design and implementation of the Homelessness Prevention and Rapid Re-Housing Program (HPRP) that served over 1.3 million people during the Great Recession, and is the closest model we have to what we need now.

Given what we have learned since HPRP's implementation, a new emergency rental assistance program should incorporate several key elements. Communities must use a racial justice and equity approach in their programs to end homelessness for as many people as possible. Communities should focus on homelessness prevention and remove barriers that prevent historically marginalized populations and other people from accessing these funds. They should work with nontraditional partners that can reach into highly affected neighborhoods and areas, and recipients should work closely with landlords in implementing their programs.

HPRP showed us that funding for emergency purposes can have both immediate benefits in addressing the crisis and long-term benefits by leveraging funding and innovation to achieve systemic change.

Thank you, again, for the opportunity to testify. I am happy to answer any questions.

[The prepared statement of Ms. Oliva can be found on page 59 of the appendix.]

Chairman CLAY. Thank you so much for your testimony, Ms. Oliva.

And Ms. Schuetz is now recognized for 5 minutes.

STATEMENT OF JENNY SCHUETZ, FELLOW, BROOKINGS INSTITUTION

Ms. SCHUETZ. Good afternoon, Chairwoman Waters, Chairman Clay, Ranking Member Stivers, and members of the subcommittee. Thank you for the opportunity to testify today. It is an honor to be here virtually before you. I am grateful for your continued leadership and attention to the critical issue of housing insecurity.

My comments today will focus on the broader context of the current rental housing crisis, and policy tools available to Congress. It is vital to understand that housing insecurity was a widespread problem among low-income renters well before the COVID-19 pandemic. Even before the current crisis, more than 10 million households spent over half of their income on rent.

When families devote too much of their budget to housing, they may not be able to pay for food, healthcare, or other necessities. Any loss of income will leave them unable to pay rent, increasing the risk of displacement. Low-income Black and Latinx workers have been hit particularly hard by the current recession. Households earning less than $40,000 per year have experienced higher rates of job loss. Black and Latinx workers are more likely to hold essential workforce jobs that cannot be carried out remotely.

Further, the precarious situation of low-income renters today reflects past policy choices by Federal, State, and local governments. Federal rental assistance is not an entitlement, unlike food stamps or Medicaid. Roughly one in four eligible renters receives any Federal housing subsidy.

Overly strict State and local regulations, such as zoning bans on apartments, contribute to the high cost and limited availability of rental housing. Compared to its role in overseeing mortgage markets, the Federal Government plays a relatively small role in regulating rental housing.

State Governments set most of the parameters for landlord/tenant laws, leading to wide variations across States in renter protections. The currentpatch work of temporary eviction moratoriums is a predictable outcome of rental market regulations adopted at the State and local level.

Additionally, it is important to underscore that temporary eviction moratoriums are not a long-term solution to housing insecurity. Allowing renters to suspend rent payments for a few months can relieve financial pressure in the short-term, however, families who cannot afford one month of rent now will face even greater difficulty paying several months of overdue rent when the moratorium ends.

Halting rent payments can have harmful ripple effects throughout local economies. Landlords rely on rent checks to pay their mortgages, insurance, utilities, and property taxes to local governments. Rent checks pay the wages of other workers, such as maintenance and housekeeping staff. Interrupting cash flows will inflict

the most harm on small-scale, non-professional property owners. Many of these landlords operate on thin margins, so the delay or loss of rent payments may force them to sell their properties.

Congress can address renters' housing stability in the short run through three channels. First and most importantly, renters with lost income due to the pandemic need direct financial assistance. The most recent jobs reports suggests that the economic recovery may be uneven. Workers in heavily affected industries or geographic areas may require ongoing support even as the overall labor market improves.

Second, local governments will have to process an unusually high volume of evictions once temporary moratoria end. Additional resources would allow them to manage these cases more equitably.

Third, targeted grants or low-interest loans to property owners would help preserve the physical condition and financial viability of existing affordable housing.

These three channels can help renters and property owners survive the immediate crisis. Reducing long-term housing insecurity among low-income renters will require either increased funding or restructuring existing housing subsidy programs.

The Federal Government should also work with State and local governments to reform land use regulations that make it difficult and expensive to build rental housing.

Thank you for the opportunity to testify virtually today, and for your continued leadership on this important issue. I look forward to answering your questions.

[The prepared statement of Ms. Schuetz can be found on page 71 of the appendix.]

Chairman CLAY. Thank you so much, Ms. Schuetz, and all of the witnesses for your testimony. I now recognize myself for questions.

I will start with Ms. Hill. Many renters who have lost income due to the COVID-19 crisis have turned to credit cards to pay for their rent. Even among renters who have made their rent payments on time, there has been a concerning trend of being increasingly reliant on credit cards to do so.

Zego, a digital rent payment platform, reported a 30-percent increase in tenants using credit cards to pay rent in April compared to the month prior. While paying rent with a credit card may help renters avoid eviction in the short-term, it could lead to them facing high interest rates and deeper debt that could impact their credit in the long-term.

Research has shown that people of color are more likely to struggle with credit invisibility and lower credit scores. What other adverse financial effects might tenants face if they resort to paying for their rent with credit cards, and can you speak to the additional interest and associated costs renters might incur while doing so?

Ms. HILL. Yes. Thank you for that question. In Louisiana, we deal with a very large population of our community that is significantly underbanked. Oftentimes, folks may not have access to traditional lines of credit or to a bank account, and all of these issues are further exacerbating the impact of COVID-19 on their ability to pay rent.

We are working in communities with many people who have lost jobs and income because they stayed home—as we were all directed

to do—in order to protect themselves and everyone else. So, we do have some concerns about this scenario that you have raised. When that option is available for people, we know that oftentimes for people who are very-low-income or for our African-American and Latinx community members, they are subjected to some of these predatory interest rates when it comes to credit cards or credit in order to pay rent.

The concern that we have is really that these effects would snowball, that they would use these alternative methods to pay rent and then that high-interest vehicle just becomes a vehicle to incur more debt. At that point, people are then more likely to lose their homes. We actually, through our foreclosure prevention work, work with homeowners who are having difficulty paying their mortgages.

And I would say that the number-one threat that we see amongst those folks who come to us for those foreclosure prevention counseling services is some sort of high-interest debt that they took on in order to help them, in the short-term, make those mortgage payments, and then what we know is that those payments lead to the debt spiraling out of control.

So, there is a very real risk of people being forced into homelessness because they are having to find alternative methods to cover their rent costs.

Chairman CLAY. It just sounds like a spiraling effect of getting deeper and deeper into debt. Thank you for that.

Let me go to Ms. Oliva. My hometown of St. Louis, Missouri, and across America was already experiencing a rental affordability crisis before the pandemic, with a national shortage of 7 million apartments that are affordable and available to extremely-low-income renters. Some of the hardest-hit renter households were low-income and likely had little savings, even before the pandemic, since rental costs ate up most of their paychecks. Low-income households are also more likely to work in industries where job losses related to the pandemic have been particularly severe.

Considering this crisis, what will the long-term impact be for renters, Ms. Oliva?

Ms. OLIVA. Thank you so much, sir, for that question. In my written testimony, you will see that we provide quite a bit of data around housing instability and homelessness and what we really are concerned about is a large inflow of people into the homeless services system that is already overburdened and can't serve all the people who already need housing and services through that system.

We know that most people who are experiencing homelessness are at that extremely-low-income level, at zero to 30 percent of the area median income.

So you can see that, through my testimony, we are suggesting that we are quite deliberate, and you all were actually also quite deliberate in the design of the Emergency Rental Assistance Program for good reason, because we wanted to make sure that people in the worst situations or who are most likely to become homeless are prioritized for assistance, and that we are stopping evictions for all the people for whom we can stop evictions.

Because even if those families don't become homeless, you can see through Matthew Desmond and other peoples' research that

eviction leads to long-term housing instability and, like you said, a sort of spiraling effect over the long-term.

So if we do nothing now, we will see increased homelessness and increased housing instability that we will have to deal with down the road.

Chairman CLAY. Thank you so much for that response. My time has expired, and I now recognize the distinguished ranking member of the subcommittee, Mr. Stivers, for 5 minutes.

Mr. STIVERS. Thank you, Mr. Chairman. Again, I appreciate you holding this hearing.

My first question is for Dr. Schuetz. Can you explain what the current data is saying about how renters have been impacted by COVID-19?

Ms. SCHUETZ. Yes, thank you. We have partial data on how renters are responding to this. The most widely-cited survey is by the National Multifamily Housing Council. They have been reporting information that is provided from relatively large apartment owners through the software companies that process their rent.

For the set of apartments that fall into their sample, 80 percent of households were able to make at least a partial rent payment as of the beginning of June. So, we have seen pretty consistently, 70 to 80 percent of households making some payment. There are a couple of things to keep in mind with that. The smaller properties that are run by nonprofessional owners are not represented in that because they don't use these software companies to report.

The other thing that we have noticed is that more people are making payments over the course of the month. Often, people can't pay at the beginning of the month, and they are paying maybe a month or two late. In particular, we saw this in the first month because people were waiting to get their stimulus checks and the expanded unemployment insurance, but most renters are still making payments.

Mr. STIVERS. Thank you, Dr. Schuetz.

Given our admitted blind spots on that policy, how effective do you believe HUD would be in administering a national rental assistance program?

Ms. SCHUETZ. I think the question is whether rental assistance is going to be provided through existing mechanisms. In the short run, it is easier to put more funding into an existing program that already has an administrative infrastructure, continuing to send out checks to people who get it. The harder thing is likely to be to start up something new, to the extent that we have to reach out to landlords who haven't worked with HUD, or provide it through some sort of different mechanism. Getting a new program up and running in a crisis situation is harder, so using existing mechanisms is easiest. And economists always say if we can give people cash, we prefer to, because cash is fungible, so replacing income lost by direct payments to households is likely to be the most effective.

Mr. STIVERS. Thank you. That leads into my next question, Dr. Schuetz. First, is there anything in the CARES Act which allowed renters to help make their payments and what was most effective?

And second, are there any troubling signs out there that might cause the rental crisis to become more serious in any of the data you have seen?

Ms. SCHUETZ. We have only kind of indirect evidence on how households are able to continue making payments, but this trend of people picking up their payments as the stimulus checks and unemployment insurance rolled out suggested those have actually been very effective ways of helping people stay current.

So, households receiving financial assistance has really helped stabilize them to a greater extent than we expected. I would say the worry is when that money runs out, since the stimulus was a one-time check. The expanded unemployment insurance has a timeline. There is a concern that when those run out, households are likely to be in trouble if they have not gone back to work. Of course, the uncertainty is that when the larger labor market recovers, how many of those people will be able to go back to work, will be able to resume their full number of hours?

Obviously, the point of this is to provide enough assistance to bridge people until the larger economy recovers. We simply don't know when that is going to happen.

Mr. STIVERS. Thank you.

One last question, because you talked about land use policy. Are there things that you would recommend on land use policy that Congress could do that would make apartments more affordable, because those things are driving up rents?

Ms. SCHUETZ. This is a longer-term issue, but yes. The Federal Government should be thinking about how it can incentivize local governments to allow more housing, particularly close to jobs and transportation centers and, in particular, local land use is heavily prejudiced against apartments, multi-family buildings, through the majority of rental housing. Encouraging local governments to make it easier to build rental housing will bring down the cost and make it possible for more people to find places to live.

That is not necessarily a quick fix, but as Mr. Kingsella said, if we want to have a more functioning housing market in the long run, at some point we have to deal with these supply constraints.

Mr. STIVERS. Thank you. I think it is important to say that we are all committed, on both sides of the aisle, to racial justice and equality. I know we have a lot of work to do in housing and housing policy. I look forward to working with Chairman Clay going forward, and both Democrats and Republicans on those issues.

I yield back, Mr. Chairman.

Chairman CLAY. Thank you. The gentleman from Ohio yields back.

I now recognize the Chair of the full Financial Services Committee, Chairwoman Waters, for 5 minutes.

Chairwoman WATERS. Thank you very much, Mr. Clay. I would like to direct a question to Jennifer Schuetz. I am really pleased that you testified today extensively about smaller landlords. I have been worried about these landlords who are basically mom and pop, and you testified that they own nearly half of all rental units, 22.7 million units and then you contrasted that, and you estimated that fewer than 1 million business entity landlords own a little over half of the rental units in the United States.

So these smaller landlords, you say, are more likely to have renters who are unable to pay the rent due to the pandemic. I am worried that even with the HEROES Act, if we are successful, and I think we can be, in getting the $100 billion that we have been working on, I don't know how long it is going to take to get the system up by which we could get that rental assistance to the landlords to benefit those renters.

What do you think will happen if it takes 3 months to get the systems going, particularly in some of the States that may have more difficulty identifying which entity of government will be responsible for doing the implementation of the landlord of the assistance that we are directing toward the landlords?

And what will these small mom and pops do if they have to wait another 3 or 4 months before they can get their rental payments?

Ms. SCHUETZ. Thank you for that question.

Small mom-and-pop landlords are unquestionably going to be the most impacted. Many of them own small properties, a single-family house, or a two- to four-family house, and so having even one tenant in, say, a two-family house who can't pay rent means that half of the income for that property is gone. That obviously makes it very difficult to pay all of the other payments down the line.

We know that a lot of the small mom-and-pop landlords do have mortgages. Some of them may be federally-backed mortgages in which case they have up to a year to forbear on the mortgage payment, but many of the owners of the small rental properties do not have federally-backed mortgages and so the mortgage payment is still due.

In addition to that, property taxes are often a fairly substantial expense as well, as local governments are facing very difficult budget constraints at the moment. So any fallback in property taxes would hurt local governments' ability to pay for essential public services.

We don't know entirely what is likely to happen, but we suspect that many of the smaller landlords may be forced to sell their property if they don't have income coming in. Three months to forego your mortgage payments is enough to get you in trouble and so there may actually be a number of these smaller properties that wind up going on the market. That is potentially a threat to the existing affordable housing stock. Many of these are relatively low-rent properties.

If they get bought either by homeowners who take them out of the rental stock or by investors who choose to raise the rent, this could be a permanent loss for long-term affordable housing.

Chairwoman WATERS. Do you think that perhaps even with 3 to 4 months waiting to rent to get back rental payments that there would be a lot of evictions where the small landlords could get desperate and say, "I can't go along with this any longer. I know you people are saying that you are going to get the assistance to us, but I just can't wait any longer. It hasn't happened."

Do you think there will be a whole rash of evictions?

Ms. SCHUETZ. My understanding is that local governments are expecting to have a lot of eviction filings when the moratorium ends. Many of those are delayed at the moment, in part because court systems are shut down and they are simply not processing

cases that have been filed, but it is quite possible that a number of landlords have started eviction proceedings.

The other threat is if the landlord has to sell the building because they can't make the payments, then the new owner of the building may also move forward. So, it is definitely a possibility.

Chairwoman WATERS. I am really worried about the small landlords, and we are working very hard to try and ensure that we have the kind of implementation of the $100 billion so that the landlords and the renters don't have to wait too long, because I am worried that if they all have to wait too long, not only will we have landlords who will evict them or, as you said, have to sell their properties, but we think that it will cause a lot of action on the street, with a lot of unhappy people out there who are not able to keep their rental units and are being evicted.

Ms. SCHUETZ. Yes. There is certainly a potential.

Chairwoman WATERS. Thank you.

And I yield back the balance of my time.

Chairman CLAY. The chairwoman yields back.

I now recognize the gentleman from Florida, Mr. Posey, for 5 minutes.

Mr. POSEY. Thank you very much, Mr. Chairman, and Mr. Ranking Member. I appreciate both of you bringing out the challenges our renters face in the midst of this pandemic that we are enduring now.

As we move forward, I think we should consider the best way to address this hardship and to do it consistent with principles and approaches that we have been providing assistance in other areas successfully.

The Paycheck Protection Program is a good model that if used [inaudible] Existing program to provide temporary relief in a timely way to respond to the crisis.

We should refrain from the temptation to enact broad expansions of existing problems or even new programs to respond to the crisis. General program extensions and new programs should be subject to regular order, I believe, and not emergency legislation. I believe that this kind of economic crisis calls for us to be compassionate about the ability of families to meet their rent.

And with those principles in mind, I believe we might work together to provide timely rental assistance through the Section 8 program, a limited and temporary program expansion that is means-tested on the basis of an individual or a family's ability to pay within the window of the COVID-19 crisis.

This allows a direct grant to the disadvantaged renter to pay his rent in place within the home he currently occupies. Such assistance should be limited, obviously, to the time period of the crisis and be subject to an expedited application and approval process.

My question to the panelists is, do you think the idea I just described would address the challenges that renters face in the current pandemic?

Ms. OLIVA. I am happy to start, and my fellow panelists can come in behind me. I would say, as I mentioned in my testimony, we think that it is really important to have a comprehensive approach here to address short-, medium-, and longer-term needs. Depending on the specific circumstances of various households and

families, we know that some folks, as was mentioned earlier, will be continuing to pay the rent by using credit cards or by not paying utilities.

We have folks who are in domestic violence situations. There are a lot of different situations that we need to contemplate, so I would suggest that we look at this as a package that includes a substantial emergency rental assistance component in addition to additional vouchers for folks who need longer-term assistance and can't stabilize with only short- or medium-term assistance.

Mr. KINGSELLA. I would also add that in terms of the individuals who require rental assistance, we make a connection with the pandemic and pandemic containment efforts, and economic impacts, we are looking at a number of individuals who are called the missing middle of affordability, the 80 percent AMI to 120 percent AMI range. And I believe that we have seen that individuals in that bucket have been impacted directly by COVID and have been either put on furlough or have been terminated as a result of layoffs.

One of the elements that the emergency rental assistance structure provides States is the ability to scale that resource up to individuals who aren't typically covered under the current Section 8 Program.

Congressman Posey, I would point you to a May 4, 2020, letter signed by 43 industry organizations, consumer groups, and housing advocates that lays out the principles of a successful rental assistance program in response to COVID.

And I would venture to say that the Emergency Rental Assistance Act is a vehicle that is moving, that is included in the HEROES Act, that leverages existing programs, but to the extent that expansion of Section 8 or HOME or other programs get to the same outcome, I think you would find that a number of stakeholders would support that approach.

I think the essence of the advocacy is to ensure that this money gets out to folks.

Thank you.

Mr. POSEY. Mr. Chairman, I yield back.

I am out of time.

Chairman CLAY. The gentleman from Florida yields back.

I now recognize the gentleman from Missouri, Mr. Cleaver, for 5 minutes.

Mr. CLEAVER. Thank you, Mr. Chairman. I want to thank you, Ranking Member Stivers, and the Chair of the Full Committee, Chairwoman Waters, for allowing this hearing to take place, because it is taking place in the backdrop of social justice and civil rights becoming a part of what happens on the front burner of the American system.

We are seeing Americans evolve, with all races and all creeds demanding an end to systemic institutionalized racism. I addressed the protesters here, about 5,000. I walked out, Mr. Chairman, to address them and almost went into tears because having been in my first civil rights march at the age of 15, down in Texas, this was the first time I had seen a crowd like this. About 55, maybe 60 percent of the participants were white. The rest were Black and Brown.

In the old civil rights movement, you would have, for example, the president of Notre Dame, a priest, walking with Martin Luther King, or Ralph Abernathy, or Joe Lowery, or C.K. Steele, or Fred Shuttlesworth, but it was for protection. These people were there saying they want change and, frankly, I think that our committee, your chairmanship in this committee, deals with change perhaps more than any other committee, including the Judiciary Committee, because housing is right at the core of change and is also one of the principal causes of the pain.

One of the things that I would like our panel to address is, we have $100 million in the HEROES Act, and I am wondering if you believe that there are—I don't know if you read the bill or know much about it, but if there are better ways of dealing with that $100 billion in terms of rental assistance than what we might have recorded in the HEROES Act?

Any or all of you?

Ms. HILL. From our perspective, and as someone who has served in communities that are multiracial and with some pretty high poverty levels across the State of Louisiana, it is clear to us that this rental assistance is going to be critical in order for people to be able to recover and fully participate in the thrust of their communities after this pandemic ends. We know that people are struggling to pay their rent and that they need this cash assistance in order to be able to do so.

Coming from a place, Louisiana, that also has very few tenant protections, we see this as an opportunity to actually tie that assistance to some tenant protections because it is likely proposed that the rental assistance is really landlord assistance, right? It goes to landlords to help them cover the cost of the rents that they are missing. And so, if they are going to make a massive investment in supporting landlords, then I would like to see participating landlords ask to sign lease addendums with provisions that provide some protections to tenants, protections that are missing in Louisiana's landlord/tenant laws, things like a 14-day right to cure any lease breaches, anti-retaliation protections, other than the State of Louisiana, where it is still perfectly lawful for landlords to retaliate against their tenants and to kick tenants out who request things like repairs. And so, having some protections tied to the money would be especially helpful for Louisianians.

Mr. CLEAVER. I am glad to hear you say that, because I intend to speak with Chairwoman Waters and Chairman Clay about some other changes along the lines of what you are saying, because we have a senior citizen facility in Kansas City where HUD guaranteed the loan to the Missouri Housing Development Corporation (MHDC), and the owners live out-of-State. The temperature is now hovering every day here in the mid-90s, with no air conditioning; the air conditioning went out. There are all kinds of problems. We need to do something along the lines of what you were saying, but maybe they ought to be a part of HUD regulations. HUD is guaranteeing bad ownership of a senior housing project.

And my time is up. I had a lot to say. Thank you, sir. Thank you, Mr. Chairman.

Chairman CLAY. I'm sorry. Thank you, Mr. Cleaver.

And let me remind Members to keep their cameras on so that we can see you on the main screen and be able to recognize you.

At this time, I would like to—okay. Is Mr. Huizenga there? You are recognized for 5 minutes.

Mr. HUIZENGA. Thank you. I appreciate that, Mr. Chairman. Hopefully, I think you can see me as well.

I really just wanted to make a statement more than anything, and then yield back. I do appreciate the accommodation. This is something that is critical to so many communities in rural areas, suburban areas, and urban areas. And we do need to make sure there is adequate housing stock. Having been involved in the business of construction for 3 generations now, we also know the effects that oftentimes, local ordinances and requirements, and things like that, what kind of costs might be added to the construction side of things. And obviously, that impacts affordability.

So I hope in this conversation we are loking not just at a government program to help with dollars getting sent to either the renter or the provider of the housing and those kinds of things, but we also have that discussion about, how do we make sure that affordable housing is truly affordable on the construction side and on the availability side as well.

With that, I am going to yield back. I appreciate the opportunity to be on today.

Chairman CLAY. I thank the gentleman for yielding back and for your brevity.

I now recognize the gentlewoman from Ohio, Mrs. Beatty, for 5 minutes.

Mrs. BEATTY. Thank you so much to our chairman and to our ranking member and to all of those who are participating in our new format of testifying. I have certainly enjoyed hearing your testimony.

And as we talk about housing, it is very clear that we are on a cliff. Evictions are on a cliff. And when you look at who is on the ledge of that cliff, we are looking at individuals who look like me. We are looking at those individuals who might be homeless. When we think about where we are in the midst of this nation, whether it is COVID-19, as our chairman talked about in his opening statements, and when we look at the death rates in proportion to what African Americans in particular represent in this nation, and certainly those disparities are also here in my district. So when I think about who is at risk, the least of us are at risk. When I think about minority populations, I think about those who are at risk because we are at an inflection point in this country with regard to diversity and inclusion with racial biases and racism.

I just introduced a resolution which says that racism is a national crisis. And housing was one of the first things, Mr. Chairman, that I listed in it.

Let me make a quick statement, and then I have two questions I would like to address to the panel. The questions will be centered around, how are these long-existing gaps affected by COVID-19, and how does Congress ensure that they do not widen the gap even further, and how do we close them as it relates to housing?

And before you start to answer that, let me just remind you of something that my staff shared with me in an article that was

written in 1966 in The Nation Magazine, where Martin Luther King, Jr., said, "Slums with hundreds of thousands of living units are not eradicated as easily as lunch counters or buses are integrated or jobs, and jobs are harder to create than voting."

When you think of chattel, slavery was abolished, but a program to transform slaves into citizens was omitted. So, he is talking about economic justice. He is talking about it as we look at wealth creation or the lack of it and mainly talking about housing.

So, where do we go from here? I will start with you, Ms. Hill.

Ms. HILL. Thank you so much for the question, and it resonates very deeply with me. I think what is most important is that we have to seize this opportunity to go somewhere, right? We know that this conversation is not new. We know that it has happened, it has been happening, and it is continuing to happen now. So, we have to seize the opportunity.

We knew from the current commission report, around the same time that you are mentioning, Representative Beatty, that we needed, as a country, to do something, and those changes were not made. It is time now to act upon those promises and really to honor the legacy of Dr. King and all of those who worked with him for this kind of justice to which you are referring.

In Louisiana, as across the country, Black and Brown households were already disproportionately impacted by the affordable housing crisis prior to COVID-19. We know now that Black women are disproportionately impacted by eviction rates across the country as well as in New Orleans. And Matthew Desmond's research has helped to highlight that problem. In New Orleans, the same Black-majority neighborhoods with eviction rates that are much higher than the national average are now the same areas that have been hit hardest by COVID-19 in our City.

There has to be a comprehensive package that seeks to redress these ongoing disparities. The cash rental assistance is incredibly important. And rental assistance that is tied to protections for tenants is also important, and increased support for homelessness prevention programs, especially eviction defense. We know that having a right to counsel in eviction court would cut evictions in New Orleans, for example, by half.

There really is a variety of options available. And we are so thankful for your leadership, this subcommittee's leadership on these issues and in moving this conversation forward.

Mrs. BEATTY. Thank you. And I have a few seconds left, for anyone who wants to answer, as we know, the CARES Act eviction moratorium and prohibition on late fees for nonpayment will expire next month, on July the 25th. With the record high unemployment numbers, which we learned are going to be even higher, where do we go from here, when renters are looking at an eviction, on that eviction cliff on July 31st? What do we do to protect those renters when the CARES Act expires and the rent becomes due?

Would anybody else like to comment on that?

Ms. OLIVA. Yes, I would be happy to comment quickly on that. That is why it is so important for us to get emergency rental assistance to be able to do homelessness and eviction prevention for those renters that are on that cliff that you are describing. But it is also why we need to take new approaches to this emergency

rental assistance program, and we have to use a racial justice and equity approach. We need to ensure that we are targeting highly-impacted neighborhoods and communities. So, there are lots of things that folks can do. Thank you so much for that question because it is incredibly important.

Mrs. BEATTY. Thank you. My time is up, and I yield back, Mr. Chairman.

Chairman CLAY. The gentlewoman yields back.

At this time, I recognize the gentleman from Colorado, Mr. Tipton.

Mr. TIPTON. Thank you, Mr. Chairman. And I also thank the ranking member for his support.

I would like to associate myself with the comments that Mr. Huizenga made. We do need to be looking at some of the regulatory hurdles that we are impeding by increasing the costs of affordable housing, and also the full recognition that a lot of this is impacted at the local level, in terms of where they will allow the affordable housing to be built.

I would like to start with Dr. Schuetz, and thank you for being before our panel again today. I wanted to follow up, during our last panel, you had noted that there are debt obligations, maintenance obligations continued during this crisis. Is it still your view that property owners are required to be able to carry forward with those obligations during the crisis?

Ms. SCHUETZ. Thank you for that question. Yes. Property owners still have to maintain their properties. The temporary forbearance on mortgages applies to maybe half of rental property owners. So, that will help landlords who have a mortgage that is federally-backed; they will have some extra time to pay that off. And that allows them to pass along savings to their tenants. But the mortgage is not the only thing they owe. In particular, we worry about them not being able to pay their property taxes to local governments. We are seeing a shortfall in a number of their revenue sources in some things like sales and hospitality taxes. One of the other concerns is just basically paying utilities. Water and sewer have to keep running, and utilities for the property overall.

There are things that landlords have to pay whether the rent is coming in or not. And if they are not getting enough cash in order to do that, some of them may need to put their buildings up for sale. So, that is definitely a concern.

Mr. TIPTON. In addition to that, obviously, being noted by other questioners, if air conditioning and heating goes out, it is pretty much the obligation of the landlord to fix that. So, it is important that they receive as much rent as possible.

Ms. SCHUETZ. Yes. And, again, thinking about the scale of buildings that are most vulnerable, if there is a 200-unit building and a few tenants can't pay rent, the landlord is still getting income from most of the building. We are particularly worried about smaller buildings, the one- to four-unit properties that are in fact half of the rental units in the United States. Those are really dependent on all of the tenants having continuing cash flow and being able to pay rent.

We do know that landlords are often making negotiations with tenants. If tenants have, for instance, lost some hours, and they

can make a partial payment but not a full payment, most landlords would rather have someone in the unit who is able to pay some cash rather than having to flip the unit. If you evict and then the unit sits empty, that doesn't help. So, landlords are trying to work with tenants where they can, providing both—replacing the income to renters through either unemployment insurance or some other method that allows them to keep making payments. For some landlords, it may also be helpful to some have small grants perhaps administered through the local government to help them maintain the property and viability.

Mr. TIPTON. Ms. Schuetz, during your testimony, you noted that temporary eviction moratoria can be helpful in the short term, but these moratoria could increase a household's long-term financial insecurity. Could you speak to that a little bit more?

Ms. SCHUETZ. Sure. We worry that if households are not paying rent, but that the balance of their rent is accruing, at some point that has to be paid off or renegotiated with the landlord. Most renters are in very thin financial margins. So if they are out of work for a month or 2 months, even when they get their job back, they can start getting current on their payments, but there is a past-due balance. That is similar to the issue of putting your rent on a credit card; it postpones it until the future, but at some point, those bills come due. And most people don't have the assets to pay that off.

Mr. TIPTON. I appreciate the answer to that. And I also appreciate the rent in terms of smaller landlords that are out and the impacts it is having on them. I think we all join in wanting to make sure that people have a roof over their head, and also recognizing that people have made investments that need to be able to be serviced as well.

I would like to jump, with the little time that I have left, to during the last appropriations cycle, we appropriated $290 million to the Homeless Emergency Solutions Grants (ESG) Program. Under the CARES Act, that increased by about $4 billion in spending. Under the HEROES Act, it is proposed to spend an additional $111.5 billion on the ESG program.

Does ESG currently have the capacity and the efficacy to be able to absorb the 299 percent increase, particularly given the time?

Ms. SCHUETZ. I am not familiar enough with the administration of the program to know how the increase in funding would work. I cannot speak to that.

Ms. OLIVA. I would be happy to take that, given that that was my office when I was at the Department of Housing and Urban Development. Can I do that, Mr. Clay?

Chairman CLAY. Yes. Yes, you may. Please provide us with that information.

Ms. OLIVA. I think we are always right, as members of the government, to pay attention to capacity. And you are right; the $290 million is the normal ESG allocation in any given year.

But we need to make sure that ESG recipients have the guidance and support that they need to effectively design and effectively implement these types of programs. So, I would first encourage HUD to get the ESG COVID funding that was under the CARES Act guidance out the door as quickly as possible.

I would also say that we can provide technical assistance resources through these funds that can support communities to really focus on the strategies that work and ensure that they have the capacity they need to administer these funds. We need to make sure that HUD is appropriately staffed to monitor these programs.

I know that when I ran HPRP, which took a 200—it was $160 million at the time to $1.5 billion. We hired term employees to do monitoring, and that was incredibly important.

I think the most important thing that I want to say on this particular issue is that ESG grantees have always risen to the challenge. And I hope that that is not—while we need to pay attention to it, I would not want that to be a barrier to providing really important emergency rental assistance to communities.

Chairman CLAY. The gentleman from Colorado yields back.

I now recognize the gentleman from Texas, Mr. Green, for 5 minutes.

And please unmute, Mr. Green.

Mr. GREEN. Thank you for the reminder, Mr. Chairman. And thank you for the hearing as well. I also thank the ranking member of the subcommittee, and the Chair of the Full Committee. And I thank all persons who had any hand in perfecting this important hearing.

Mr. Chairman, as you and I know, the Fair Housing Act of 1968 passed Congress within weeks of the assassination—in fact, within days of the assassination of Dr. Martin Luther King. It did not end invidious discrimination in housing.

Just as having laws that indicate what the speed limit is, does not prevent people from speeding. You have to have enforcement. And enforcement still is much needed, even today, because invidious discrimination still exists.

Ms. Hill, I think you have made some salient points on this, as well as others, about the invidious discrimination in housing.

We know that, during this time of the pandemic, the President has done some things that were unkind. He has made statements about the, "China virus." And this has caused persons who are of Asian ancestry to be discriminated against.

I did a speech on the Floor of the House where I talked about this level of discrimination, persons trying to seek lodging being discriminated against. But we also know that over 60 percent of the people experiencing homelessness in America today are Black and Latinx and that over 4 million fair housing violations are estimated to occur each year against members of protected classes.

So, during this time of pandemic, it is exceedingly important that we have enforcement, enforcement in terms of intake, education, and investigation as it relates to the complaints that are going to be called to our attention with reference to invidious discrimination in housing. It does happen, and we need to make sure that we protect people.

I am honored to say that the Chair of the Full Committee, the Honorable Maxine Waters, is an original cosponsor of the Fair Housing Further Enforcement Emergency Act. These are funds that are being allocated to deal with the invidious discrimination that emanates as a result of the coronavirus.

I would ask you, Ms. Hill, do you believe that it is necessary for us to have this emergency enforcement power and the ability to investigate and take action against those who still deal in hate, some of it emanating from the highest office in the land as a result of comments that are being made by the President of the United States of America? Your thoughts, Ms. Hill, please?

Ms. HILL. Thank you so much for that question, Representative Green.

And, absolutely, yes, these programs and the resources that you mentioned are incredibly important, and perhaps now more so than ever. Unfortunately, and it may be counterintuitive, but we know from experience that complaints often go up during emergencies. When families have lost income and are at risk of losing their homes, they are really at their most vulnerable. And that is even more true now when homelessness might mean increased exposure to the potentially deadly coronavirus. Unfortunately, there are housing providers that we know will take advantage of this precarious situation that many tenants are in.

We saw rampant discrimination against Black New Orleanians and families with children after Hurricane Katrina, and we needed to really engage in some large-scale litigation to right some of those wrongs.

We are very concerned about increasing sexual harassment cases during the pandemic. There are reports of some landlords looking to capitalize on the lack of ability of some of their tenants to pay rent. And so, we are hearing reports of landlords seeking to exchange sexual favors for rent with some of their vulnerable tenants who are having difficulty making those payments. We are hearing reports from domestic violence survivors in Louisiana who are being victimized further by landlords not following the law.

For instance, we are working with a woman who had survived domestic violence, and went to her landlord and asked to be moved to a different unit per the Louisiana State Violence Against Women Act, and was told, in direct contradiction to that law, that she would have to pay out the remaining months of her lease before she could be granted the permission to move.

So, we know that an increase in fair housing funds will be essential to ensure that we can continue to investigate these cases and ensure that families are protected under the Fair Housing Act.

Mr. GREEN. Thank you, Mr. Chairman. I yield back the time I do not have.

Chairman CLAY. Thank you so much, Mr. Green.

And, at this time, I will recognize the gentleman from Tennessee, Mr. Rose.

Mr. ROSE. Thank you, Chairman Clay, and Ranking Member Stivers.

And to our panelists testifying today, we appreciate you being available to talk about this important issue.

We are currently navigating uncertain times and folks are having to make difficult decisions regarding their finances. With job losses stemming from the economic downturn related to COVID-19, there are concerns that renters have had trouble meeting their monthly rent payments.

This is building on Mr. Tipton's question about the negative effects of the failure of tenants to make their rent payments. Can you talk about the overall ripple effects and negative externalities to communities, especially rural communities, such as supplying local jobs and paying local property taxes? Dr. Schuetz?

Ms. SCHUETZ. Thank you for that. We are concerned about where rent payments go further down the line and when those are not available. So, for many landlords, they will still have to pay a mortgage, and if they don't, there are consequences to that. Property taxes are obviously one of the high items on the list that landlords have to pay. Local governments are having a really difficult time at the moment. They have lost money from sales taxes, and hospitality taxes. Incomes have dropped. They are facing a squeeze on the budget side at the same time that they are being asked to provide extra services to constituents. So, failure to pay property taxes—the inability to pay property taxes will hurt.

There are also jobs related to this. Larger properties tend to employ more onsite staff: building superintendents; maintenance staff; housekeeping staff. Those are typically not high-wage jobs, but people rely on them for their income. Most of those smaller landlords don't have in-house staff, but they hire outside contractors, particularly for maintenance, the plumbers and electricians. These are all downstream payments that could be threatened if a few months dry up.

I have not seen information on how rural communities are doing relative to urban areas with repayment. But we do know that some of the rural areas, particularly those with food processing plants, are seeing higher rates of infection, and that is likely to put stress on their public health systems as well as their local public amounts.

Mr. ROSE. Thank you. I know I have said it before, but we have a responsibility in Congress to ensure that dollars spent by the Federal Government are spent wisely, efficiently, and for the intended purposes. And falling from that, I am hesitant to say that $100 billion in new spending that would more than double HUD's annual budget achieves that. It is our role to ensure that are were being prudent. And it does no good to the American people to make a bloated false promise of assistance that never actually comes. We need smarter, more innovative, localized solutions than the ones we are largely discussing today.

Dr. Schuetz, you stated in your testimony that excessively strict State and local regulations have made it extremely difficult for localities around the country to build apartment buildings, contributing to the high costs and limited availability of rental housing.

Where do you find these local regulations are the strictest and prohibit the growth of affordable housing the most?

Ms. SCHUETZ. The short answer is everywhere. Almost every local government in the country has zoning that preferences single-family detached houses relative to multi-family buildings. Multi-family buildings provide most of the purpose-built rental housing. And so effectively, every local government in the country is biased against building rental housing. And we find this consistently across the country. This is true for suburbs. This is true for rural communities.

We find that higher level of overall regulations in many of the coastal metropolitan areas. But the suburbs in Dallas and Detroit are every bit as restrictive of apartment buildings as San Francisco. So really, this is a national problem, that we have made it hard to build. Local communities have different kinds of barriers, but almost every community has some sort of barrier, particularly, to rental housing, low-income housing. Rural areas, in particular, their restrictions on manufactured housing, which is generally one of the lowest cost ways to create housing in smaller communities.

Mr. ROSE. Isn't it true, though, if we provide more than double the funds for HUD, most of these funds are going to go to renters in the high-cost cities? Is that a fair statement?

Ms. SCHUETZ. The per-household subsidy is much higher in high-cost cities because of the way the formula works. HUD's rental assistance is going mostly to people in large populated places where there are larger populations and also where the cost of housing is higher.

Mr. ROSE. Thank you, Chairman Clay. I yield back.

Chairman CLAY. The gentleman from Tennessee yields back.

I now recognize the gentleman from Washington State, Mr. Heck, for 5 minutes.

Mr. HECK. Thank you, Mr. Chairman, Mr. Ranking Member, and Madam Chairwoman. Thank you so very, very much for holding the hearing on this important topic.

As many of you have heard me describe before, I tend to have a perspective of framework about the issue of shelter, especially in the context of the COVID crisis, that is a three-legged stool. I am going to outline that and then ask a couple of panelists to respond: to affirm; to disabuse; or to amplify.

The first leg of the stool is support for homeowners. Home ownership is still far and away a hugely held aspiration of the American public. But just as importantly, it is the number-one net worth building tool of the average American, and a critical component of their retirement security. We recognized this when we provided mortgage forbearance for those whose mortgages are ultimately held by one of the Government-Sponsored Enterprises, and well we should.

The second leg of the stool is support for renters. We talked a lot about that. The panelists—you have terrific data about the crying need for this. You have all heard me say my mantra is: pillow; blanket; roof. If someone doesn't have a pillow to lay their head on, a blanket to keep them warm, and a roof over their head, any other issue in their life is not going to be dealt with, whether it is unemployment or mental health or substance abuse; you don't successfully deal with those things while you are sleeping under a bridge. That is why I am so passionate about the $100 billion that was in our legislation and then included in the HEROES Act. And it is not just me.

Mr. Chairman, with your permission, I ask unanimous consent to submit a letter for the record that has 640 signatures to it. And might I add, this is not a petition. Those signatures represent 640 different organizations nationally who have come together and united in a very diverse coalition in support of our $100 billion rental relief.

Chairman CLAY. Without objection, the letter will be submitted into the record of the hearing.

Mr. HECK. Finally, of course, is the issue of the missing millions of homes that Mr. Huizenga so eloquently alluded to—7.3 to 7.5 million. Let us remember this, that when you have a supply restriction, you have increased occupancy, which leads to increased rents, which leads to increased cost burdens, which of course we are experiencing at historic levels, which increases homelessness. We simply have to build more housing units, especially affordable housing units in this country. And it is not just for the benefit of the individuals who need it; it is for the benefit of this entire country. Because I want to remind you that every recession in modern history, save the last one, has been led out of by housing construction activity. And we are not doing it. And we are not doing it at a rate that continues to accumulate our housing unit deficit on an annual basis. We need more housing units, especially affordable housing units.

I guess I would like to start with Ms. Oliva, with whom I haven't had the opportunity to interact before, and ask you, those are my three legs: support for homeowners; support for renters; and support for increased housing unit construction. Can you affirm it or disabuse me or amplify any component of it that you think bears highlighting?

Ms. OLIVA. Sure. Thank you so much for that question. I actually spend a lot of time in your State, working in King County, so I know quite a bit about some of the work that is being done throughout the State.

I would say that my expertise is not in home ownership. It is really around rental housing for people who are extremely-low-income and low-income and experiencing homelessness.

And so, I wouldn't disabuse you of any of the three legs of your stool, but what I would say, and that I talk a little bit about in my testimony, is that we really need to target the most in-need families and households first to ensure we are not creating a worse situation, especially within the homeless shelter system.

And specifically to COVID-19, we are seeing so vividly that housing is healthcare. And to the extent that we are prioritizing folks without housing and folks potentially going to lose their housing, I think that is an incredibly important component of the emergency rental assistance, and for full housing sort of complements the short-, medium-, and long-term options that are included in the HEROES Act.

Mr. HECK. A quick follow-up question, if I may. One of the earlier speakers alluded to $100 billion as "bloated." Frankly, I find that sad. I think a perfectly legitimate question to be raised is, can we effectively and efficiently get that amount of money out because it is large? But is it bloated compared to the need?

Ms. OLIVA. I don't think so. I believe that we need to fully respond to this crisis so that we don't have lasting long-term impacts in the way that we are starting to see now.

Mr. HECK. Thank you. I yield back, Mr. Chairman.

Chairman CLAY. The gentleman from Washington yields back.

I now recognize the gentleman from Wisconsin, Mr. Steil, for 5 minutes.

Mr. STEIL. Thank you very much, Chairman Clay, Ranking Member Stivers, and Chairwoman Waters for pulling together today's hearing, which I think is on a really important topic. The events of the past few weeks, I think really refocused our attention on some of the structural barriers to opportunity. Today's hearing, in particular, is about how COVID-19 is impacting people's housing, in particular those of low- and moderate-income, as well as underrepresented minority groups.

I want to dive in on this. I would like to ask a question of you, Ms. Schuetz, regarding the proposed extension of the temporary moratorium on evictions. You talked about this a little bit, and I have read your testimony that was put forward. But I would like you just to dive in a little further. You have noted, I think very well, the impact of the potential extension as set forth by the HEROES Act that passed the House, what that would be in real terms on mom-and-pop landlords. But could you also comment on what role that may play at city and State municipal level resources and how that would play out in State and local budgets if the proposal that has ultimately passed the House in the HEROES Act was fully implemented?

Ms. SCHUETZ. Sure. Yes, it is definitely a concern for local governments which are really where the evictions are likely to be processed. And communities across the country have a variety of different ways of dealing with evictions. New York City has an entire housing court which does nothing but handle landlord/tenant issues and evictions. But for many other places, particularly smaller communities, this runs through the general court system. Many of the court systems have been closed down or operated—

Mr. STEIL. If I can, let me just refocus the question maybe a little bit more tailored here. In your commentary, particularly on some of the mom-and-mop landlords where they may be uniquely financially impacted, would they have challenges in paying their property taxes which would ultimately impact State and municipal governments?

Ms. SCHUETZ. Many of them will have difficulty with that. Property taxes are a very substantial component for smaller properties, and those are going to be due depending on the local budget cycle. But if they don't have income coming in, they might not be able to pay that, which then directly impacts the local budget.

Mr. STEIL. Thank you. And let me shift gears slightly. One of the things we saw Congress do really out of the gate was kind of come in with a sledgehammer, and flood the market with liquidity. There are reasons to do that at the beginning of the crisis.

As we look now, I think there is a real opportunity to shift from the sledgehammer to the scalpel to make sure we are getting relief to those who need it most while preventing relief from being just blanketed across all individuals in the United States.

In particular, as you reviewed the potential expansion of the moratorium put forth in the HEROES Act, can you comment on the impact that would have? It appears that it would obviously be a benefit to low- and moderate-income individuals who truly are impacted by the coronavirus through no fault of their own. But would it also be available to higher-income individuals or those who have

not had the same negative impact in their financial situation due to the coronavirus?

Ms. SCHUETZ. I don't know exactly how this would play out with different incomes. In part, what we have seen is that the ability to continue paying rent has been dependent on the extended unemployment insurance and the stimulus checks which are going to run out.

One of the difficulties of sort of targeting with a scalpel at the moment is the uncertainty about how quickly the labor market will recover across different geographies in different industries. So, I don't think we know yet which workers are going to be going back to work, the companies that are still going to be hiring, and the kind of hours that are replaced.

I fully agree that it is ideal to tailor the stimulus. We are guessing a little bit, because we are still in the dark about where the recovery is going to come back soonest. So, it may not be possible to tailor it as much as we would like.

Mr. STEIL. I appreciate your commentary today. And I appreciate everyone's work on this important topic.

And, with that, I yield back, Mr. Chairman. Thank you.

Chairman CLAY. Thank you so much. And the gentleman yields back.

I now recognize Mr. Vargas of California for 5 minutes.

Mr. VARGAS. Thank you very much, Mr. Chairman.

It is great to see you, great to see my colleagues, and great to have these wonderful panelists. Again, thank you very much for holding this hearing.

First of all, as you know, here in San Diego we have been hit hard because of COVID-19. So much of our industry relies on tourism, and tourism, of course, has been one of the industries that has been hit very, very hard. So, again, we have a lot of people who have been relying on these stimulus checks and unemployment insurance, and that is going to run out, as we said earlier. So I think that there is going to be a coming crisis here in San Diego. And as was stated earlier, I think it depends on how quickly the economy will recover. I think the economy will not recover as quickly as some people think, especially in the tourist industry, because of the fear of COVID-19.

I do have to say one thing, though, and it sticks in my craw every time. I keep hearing about these high-cost areas and how some people from some States say, why do we spend so much on a high-cost area? So I would like to remind everyone that California gives more money to the Federal Government than any other State, and that doesn't come back to us; we are a donor State, not a receiving State. Some of these people from the receiving States love to throw rocks. But I look at how much money they receive compared to California, and I say, "Take a look at the facts next time before you start throwing rocks, please."

I do want to talk a little bit about corporate landlords versus mom-and-pop landlords and just go for that for a second because the reality is that corporate landlords, I think, are better capitalized to be able to withstand some of these problems, I think, that are coming, that are already here and going to be coming as a tsunami, versus mom and pop. What can mom-and-pop landlords do

when a lot of their tenants are not going to be able pay the rent? Would someone like to comment on that, please?

Mr. KINGSELLA. Yes, sure. I am happy to start. Congressman Vargas, I think you bring up a very excellent point with regard to our landlords because, as Ms. Schuetz said in her testimony, smaller landlords, smaller property owners disproportionately provide housing to those on the front lines who are most at risk of being impacted by COVID. You also have the least wherewithal that withstands shocks, such as many landlords are experiencing.

We spoke to a small landlord in Washington State, the first in the county, who takes naturally occurring affordable housing and preserves it as affordable. And she reported that delinquency of rent as of April 9th was 4 percent across her portfolio, 12 percent as of May 9th across her portfolio, and 32 percent as of June 9th across her portfolio.

So anecdotal data points are suggesting that the smaller landlords not only have the least wherewithal to withstand this challenge but are also disproportionately experiencing the brunt of the crisis of nonpayment of rent.

I would also just add that, from a municipal perspective, I know that there have been a number of questions about the ability for the $100 billion of emergency rental assistance to move through the ESG system. I think it is actually quite exciting to see the number of cities, including San Diego, that have established local rental assistance programs to respond to the need. The challenge is, as many of us know, that the resource isn't there to serve the need. We spoke to the City of Tacoma, Washington, and they reported that they received over 700 applications the day that they opened up their rental assistance program. And it has become a lottery system. The communities, municipalities, even States, don't have adequate resources to provide funding for those folks impacted by COVID-19.

And I just say that to say that, yes, we fully agree with your point with regard to smaller landlords bearing the brunt and want to amplify the fact that there are limited, scarce resources available to insure and protect those landlords from potential financial challenges here in the coming months.

Mr. VARGAS. Again, I would like to—if someone else wants to comment on that. Because the truth of the matter is—I know in my own district, we have a number of people who have worked very, very hard to create a few units, and that is what they rely on for their retirement. And they are not well-prepared to weather this storm if it continues to go on. As I said, a lot of people have been able to pay their rent because of unemployment insurance, because of the stimulus checks, but they are going to run out.

If we don't have the assistance, then what are these small landlords going to do? And they rely on this money for retirement. How can we help them? Would anyone else on the panel like to comment on that?

Ms. SCHUETZ. Sure. I will just say quickly that I think it is worth considering some funds that landlords can apply for to help supplement their expenses and cover the cost of this. And particularly for mom-and-pop landlords, we want the hurdle for applying to be relatively low. Complicated programs are a deterrent even to request-

ing health. The big corporate landlords have attorneys and have accountants, so they can fill out applications for things. But for mom-and-pops, if we want to get funding to them, we need to make this pretty accessible.

Ms. OLIVA. I would totally agree with that, and I would also just add that we need to make sure communities who receive these funds are doing outreach specifically to these small landlords so that they can make sure that anybody who is one of their tenants who is behind in rent is accessing this resource to get them whole.

Chairman CLAY. The gentleman from California's time has expired.

I now recognize the gentleman from Florida, Mr. Lawson.

Mr. LAWSON. This question is to Ms. Oliva. Concerns have been raised that the Emergency Rental Assistance and Rental Market Stabilization Act that was included in the HEROES Act would not provide rental assistance to the higher-income people who lost their job due to the COVID-19 pandemic. It says their former income would be too high to qualify for the program. Could you please explain how these people would be qualified under the program?

Ms. OLIVA. I would be happy to. Thank you for that question, because I think it is an important one. The program as passed in the HEROES Act actually contemplates exactly that scenario in a couple of different ways. It does target a certain amount of the funding to people who are extremely-low-income and very-low-income. And then, it actually allows communities the flexibility to go up to about 120 percent of area median income with 30 percent of the funds, if I remember correctly. But it also makes a change and makes a very specific change to how eligibility is determined at the point of application per assistance. And that means that really it is taking into account only the income that is happening right now for a household to make them eligible for assistance. So households who have lost income that might have been higher income in the past and have lost income as a result of the economic impact of COVID-19 would—as long as they meet one of those income requirements 30 percent, 50 percent, or up to 80 to 120 percent, then they would be eligible for these resources.

So, it is actually specifically contemplated and addressed in the HEROES Act.

Mr. LAWSON. Okay. I am trying to wrap my head around that. I am trying to understand it a little bit better. But the individuals that I am talking to really feel like when they read the program, they were left out. And so I am trying—I have to give them some assurance based on what you are telling me. And maybe I need to read some more, that according to what you are saying is that it is going to be up.

And maybe the chairwoman might want to comment on that because that is a big concern that I have in an area—in two areas, in Tallahassee and in Jacksonville—they are not systematically left out of the HEROES plan. Am I correct?

Ms. OLIVA. If they are at income levels between zero up to, in some cases, 120 percent of area median income, they can be served through the Emergency Rental Assistance Program in the HEROES Act, but with the caveat that there are specific types of tar-

geting that are also worked into the Act to ensure that people with the highest need are prioritized.

Mr. LAWSON. So you are saying a hundred and some percent—let's say $150,000 for a family or for an individual?

Ms. OLIVA. Area median income is for the household.

Mr. LAWSON. Okay. So, in most cases, many don't fall into that category.

Ms. OLIVA. If they lost income due to the effects of COVID-19, they very well could fall into that category. Because the way that eligibility is determined based on the way that the law is written, it is based on their income at the time that they are applying for assistance. It looks like maybe Mr. Kingsella also has some thoughts on this.

Mr. LAWSON. Okay.

Mr. KINGSELLA. Absolutely. Thank you, Congressman Lawson, and Ann, thank you. That is absolutely right. That was a major point of discussion with a number of stakeholders on the conversations around this policy. And we were very pleased to give confirmation from the authors that the testing is as of the time of application, not some trailing period of months. So if you are a household that, let's say, 150 percent of area median income, you lose 50 percent of your income, you are now cost-burdened, you have the opportunity to apply for and receive an emergency rental assistance voucher.

Mr. LAWSON. Okay. I am hoping I can get this in. I have a lot of student housing here. And many of the owners of these complexes are saying that they are pretty much left out because with the loans and stuff that they have, that they are not allowed to seek other resources in order to provide for the management of their loans because it is the type of loan they signed up for. And that becomes a problem because you have a lot of complexes here that house students, and these students are not in these complexes. So, they are suffering from paying their mortgages.

Have you done anything in that regard, that anyone can comment on?

Ms. OLIVA. I would just note that the Emergency Rental Assistance Programs and the other programs that are included in the HEROES Act are really about supporting the individual household. I could be wrong, but I don't think that the underlying financial sort of setup for the building as a whole would make any of those people or households ineligible for funding as long as they meet the requirements.

Chairman CLAY. The gentleman from Florida's time has expired.

I now recognize the gentlewoman from Michigan, Ms. Tlaib, for 5 minutes.

Ms. TLAIB. Thank you, Mr. Chairman. It is always so good to see you. And thank you so much for this hearing on an incredibly important issue. As someone who represents a very much front-line community in the third ward district, I have seen my folks really enduring this pandemic.

Talking about what is in the HEROES Act, I do want to uplift something that I think is really critically important. The moratorium for—in the State of Michigan, we have a separate moratorium that is actually over on Friday. And one of the things I have been

really stressing about, just for the panel to know is, I know the moratoriums are just Band-Aids, and that after they are done, all of it, from the student loans to the mortgages to the water payments, all of those things that were moratoriums are now going to be due.

My issue is, we are always specifically saying, okay, we are going to do something about utility shutoffs, like water shutoffs in my district. We are going to specifically do something about renters' help. Why aren't we looking at the fact that most of our neighbors across the country are not as blessed as many of my colleagues and I. They are very much living paycheck-to-paycheck. Why aren't we talking about recurring payments? Meaning, I have the Automatic BOOST to Communities Act where we say: Look, we are going to have precharged debit cards given out to people during this pandemic because again, many of them were in survivor mode before the pandemic.

And now we are asking them: Hey, hold off, you don't have to pay rent now. But, yes, in a few months, all of the rent will be due at the same time.

So I want to hear from you, especially Dr. Jenny Schuetz, you had mentioned about the stimulus. And I want to hear from you as you work with advocates on the ground, does a recurring payment, do stimulus payments help address the issue around rent?

Ms. SCHUETZ. Thanks for that question. A number of my colleagues at Brookings have actually written a year ago—it is very prescient now—an argument that we should have automatic stabilizers that are tied to things like the national unemployment rate. So that, rather than Congress having to decide on these on a case-by-case basis, that assistance directly to households, or potentially to local governments, that those are tied to these national markers of economic assistance. And you could do that. You could even do something that is tied to sort of local rates. The local unemployment rate, when that goes above some level, that payments to households directly kick in until the unemployment rate goes lower. So, there are some very strong arguments to doing that. Then, the number of payments that have to be made would be determined by how quickly the economy recovers.

Ms. TLAIB. Do you have any insight, Ms. Oliva or Ms. Hill or Mr. Kingsella, when you talk to advocates, are they pushing this idea around, recurring payments as addressing some of these social needs that existed prior to the pandemic, but obviously has been heightened due to it?

Ms. HILL. I would say, absolutely. Working in communities throughout the State of Louisiana, one of the things that is very clear to me is that Louisiana is going to continue to feel the effects of the COVID-19 pandemic for years to come.

We know that, in the New Orleans area, in particular, our economy really heavily depends on tourism and hospitality jobs. And so, the concern that we have and that our clients have is that while stimulus and the unemployment insurance has been helpful, we know that folks are now being asked to return to work in what is traditionally the slowest time for those industries. And so, they are now going back to work, and our moratorium here ends on June

15th. So we are concerned that people are going to have to catch up on the rent that they missed during the moratorium.

Ms. TLAIB. Ms. Hill, do you think recurring payments is something that needs to be really leading this conversation about how we address some of these issues?

Ms. HILL. Absolutely, because the nature of our lives means that we don't just incur one-time costs. Rent, bills, those things occur on an ongoing basis. The stimulus and the unemployment money has been very helpful. But in order to help people to continue to recover from this, ongoing payments are certainly incredibly important.

Ms. TLAIB. Any other panelists who would like to chime in?

Mr. KINGSELLA. I think the Emergency Rental Assistance Act clearly provides—one of the bright spots of it is, it provides both the catching up on rent arrearages as well as future rental payment needs.

Ms. TLAIB. Thank you so much. Thank you to the chairman. I just want you all to know, it is not only rent; it is utilities, it is water. That is why you have to give people human dignity, and give them the resources that they need and let them choose what is the priority for their families so they can be able to live with the quality of life and humanely.

Thank you so much, Mr. Chairman.

Chairman CLAY. Thank you, Ms. Tlaib.

And the gentlewoman from Michigan yields back.

I now recognize the gentlewoman from Iowa, Mrs. Axne, for 5 minutes.

Mrs. AXNE. Thank you, Mr. Chairman. It is great to see your face, and I would like to thank the witnesses for being here. I'm glad we could make this happen.

I want to get right to it. In the most recent survey from the Census Bureau, more than 30 percent of Americans had very little confidence that they would be able to pay their next month's rent. Those, of course, are folks with overwhelmingly lower incomes and, in fact, in my State of Iowa, every one of these renters makes less than $50,000.

We worked on the CARES Act and we did create the eviction moratorium to protect those renters in federally-backed properties, and I know that most States have put in broader prohibitions on evictions to keep people in their homes over the last couple of months, but as Representative Tlaib just mentioned, and in States like Iowa, people still owe their rent, and some of these moratoriums have expired. Mine here in Iowa expired 2 weeks ago.

Ms. Oliva. I know that 70 percent of homeowners with mortgages backed by Fannie Mae or Freddie Mac have been provided financial assistance by giving forbearance and allowing them to delay payments until the end of their mortgage. I know we have covered this a bit so far today, but just to confirm, have we done anything similarly broad to help renters stay in their homes during this crisis?

Ms. OLIVA. No. We don't have a specific package for renters in this crisis in the same way yet, which is why we are so excited about what is included in the HEROES Act, because it provides short-term, medium-term, and long-term options that can really be

used together at the local level to address needs for people who are experiencing homelessness all the way through eviction prevention.

So, that is why we are so excited about this law.

Mrs. AXNE. Very good. Thank you and, of course, I want to thank Mr. Heck and Chairwoman Waters for their leadership in introducing the bill to provide the hundred billion dollars of emergency rental assistance. I am very proud to cosponsor that.

But given that homeowners typically have higher incomes and more ability to absorb hits during downturns like this, do you worry that leaving renters, who are most likely to have lost income during this crisis, much more so than probably homeowners—do you worry that leaving them out of assistance could worsen the income and wealth inequity during this crisis?

Ms. Oliva?

Ms. OLIVA. Oh, my apologies. I'm sorry. I wasn't sure that was for me.

Yes, of course, we are, because we know that people at zero to 30 percent of area median income are the people who experience homelessness the most. We know that folks who are extremely-low-income and very-low-income will have trouble paying their rent. And that we have this potential cliff coming, as you have mentioned and others have mentioned, where there are arrears that have to be paid, and a one-time stimulus check is not enough to pay those arrears.

So, emergency rental assistance and some long-term options for folks who need that is really important so that we are not increasing the gap that already exists, and it is also why we need to take a racial justice and equity approach as we design these programs at the State and local levels so that we are paying attention to how race and ethnicity plays into those gaps. And you can see some of the details on that in my written testimony.

Mrs. AXNE. Thank you, and thank you for bringing that up, because I was going to say I would be remiss if I didn't mention the impact that the current policy would have on the racial wealth gap that we are currently seeing, and we certainly need to address that structural inequity.

Last thing, the history of redlining and discrimination in this country has led directly to 74 percent of white households being homeowners, compared to only 44 percent of Black households. Ms. Hill, or anyone else, do you think targeting assistance only to homeowners is likely to further exacerbate that gap?

Ms. HILL. Absolutely. And we know from our experience here in Louisiana with disaster recovery work, that that is what has happened. When we target resources to homeowners, who tend to be overwhelmingly white, and we leave out renters, who are disproportionately people of color, then really what we are doing is just working to perpetuate segregation and inequity.

Mrs. AXNE. Thank you for that. We have a long way to go, and I am so grateful that we are having this conversation as we look to addressing these systemic issues across this country. I appreciate all of your support and work on this to everybody who is here today, so thank you so much.

And I yield back.

Chairman CLAY. The gentlewoman from Iowa yields back, and it's so good to see you too, Cindy.

That is the end of the list of Members to ask questions. I want to recognize the ranking member for 1 minute for closing remarks.

Mr. STIVERS. Thank you, Chairman Clay, for holding this hearing. It has been very informative, and even as we are seeing our economies open up in most States, it is clear that there are millions of Americans going through very difficult times.

Our witnesses have provided some very helpful insights that should inform our thinking moving forward and, as I said earlier, I have an open mind and I look forward to working together with both Republicans and Democrats to find solutions as we move forward.

We may have some disagreements on some specific form or substance of the policy response, but I stand ready to partner with the chairman and with Democrats and Republicans to try to make sure we can keep people in their homes and give people stable housing as we move forward.

Thank you, and I yield back. Thanks for doing this hearing, Mr. Chairman.

Chairman CLAY. Thank you so much, Mr. Stivers. And I look forward to working with you and all of the members of the subcommittee in a bipartisan fashion to address some of the most basic needs that our constituents' and the citizens of this country face, and one of them is housing, and a roof over their head. So, we will move expeditiously in that manner.

I would like to thank our witnesses for your testimony today, too. I found your insights to be invaluable and we will certainly use them as guidance as we move forward and consider legislation.

The Chair notes that some Members may have additional questions for this panel, which they may wish to submit in writing. Without objection, the hearing record will remain open for 5 legislative days for Members to submit written questions to these witnesses and to place their responses in the record. Also, without objection, Members will have 5 legislative days to submit extraneous materials to the Chair for inclusion in the record.

This hearing is now adjourned. Thank you.

Mr. STIVERS. Mr. Chairman, have a great day.

Chairman CLAY. You, too. Take care, Steve.

[Whereupon, at 2:06 p.m., the hearing was adjourned.]

A P P E N D I X

June 10, 2020

Cashauna Hill, Executive Director

Louisiana Fair Housing Action Center

Before the House Financial Services Committee, Subcommittee on Housing, Community Development, and Insurance

The Rent is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis

June 10, 2020

Good morning, my name is Cashauna Hill and I am the executive director of the Louisiana Fair Housing Action Center (LAFHAC). I want to thank Chair Maxine Waters and subcommittee Chair William Lacy Clay for the opportunity to address the subcommittee about some the threats we see to renting families in Louisiana and how Congress can intervene. We are immensely grateful for your consistent support for and advocacy on behalf of those most impacted by COVID-19 and the resulting economic crisis. I would also like to thank Ranking Member Patrick McHenry, subcommittee Ranking Member Steve Stivers, and all members of the subcommittee for welcoming us here today.

The Fair Housing Action Center is a non-profit, civil rights organization established in 1995 to eradicate housing discrimination and segregation. We are based in New Orleans and serve all of Louisiana as the only full-service fair housing advocacy group in the state. LAFHAC's work includes educational offerings, investigations into housing discrimination, litigation, and policy advocacy activities. We are dedicated to fighting housing discrimination because it is an illegal and divisive force that perpetuates poverty and segregation, and limits access to opportunity.

<u>An Opportunity to Do Better</u>

At the Louisiana Fair Housing Action Center, we have a lot of experience recovering from disasters. Whether from Hurricanes Katrina and Rita that devastated South Louisiana in 2005, the following levee breaches that drowned New Orleans, or the Great Flood of 2016 in the Baton Rouge area, we know that in all of their destruction and tragedy, disasters are an opportunity to imagine a different future. We have a chance now to deploy the resources and supports needed to right past wrongs that made so many members of our community vulnerable to COVID-19 in the first place. We missed that opportunity in New Orleans after Katrina, when our city received one of the largest investments in housing assistance in American history. Despite that investment, the city now faces higher levels of housing segregation than before the storm and it is in the most segregated, black neighborhoods where we have seen the highest rates of COVID-19.[1] It is imperative that we learn from our mistakes and do far better this time.

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[1] J. Adelson. (April 20, 2020). "'Glaring' racial disparities found in coronavirus infection rates in these New Orleans neighborhoods. *NOLA.com/The Times Picayune*. Available at: www.nola.com/news/coronavirus/article_0ea8b004-8357-11ea-81e3-ff26d085e141.html.

The Situation in Louisiana

To make good on this opportunity, we must address the challenges we face head on and I want to illustrate those challenges through the story of Danielle Seymour. Ms. Seymour was working not one, but three hospitality jobs when the pandemic hit in March. Her jobs at the local basketball arena, waiting tables on Bourbon Street, and helping to run a Tulane University cafeteria all disappeared within the same week as New Orleanians sheltered in place to slow the Coronavirus.[2] At the time, Ms. Seymour was staying in an extended stay hotel as she waited for an inspection on a rental home. Without income, many of the hotel's clients were short on rent and despite a local eviction moratorium, the proprietor moved to evict everyone. When Ms. Seymour and other families asserted their rights to stay safe from the coronavirus, the owner hired a security guard to cut off door locks and barge into rooms with a gun drawn. It was likely only the swift work of our local legal aid attorneys and their efforts to attract local news attention that kept the situation from devolving further. Ultimately, the hotel was closed, but our partners at Southeast Louisiana Legal Services were able to help Ms. Seymour find temporary housing.

I wish Ms. Seymour's story was an outlier, but nearly half of all renters in Louisiana, and approaching two-thirds of renters in New Orleans, were paying more than they could afford on rent and utilities before COVID-19.[3] With so many families already teetering on the edge, Louisiana is poised to see the worst recession of any state as a result of the COVID-19 pandemic.[4] According to WalletHub, this is due to the large share of Louisiana's workers with jobs in the hospitality or oil and gas industries, and our nearly non-existent safety net.

Like Ms. Seymour, hundreds of thousands of our residents lost income and jobs when they stayed home to keep us all safe. Louisiana's unemployment system was overwhelmed and the long delays in receiving assistance meant that many renters were late on April and May rent. Even if they are now paying on time, most will struggle to catch up on this back rent before eviction courts are scheduled to reopen on June 15th. In late May, 41% of Louisiana renters had little confidence they would make June 1st rent.[5] All of these factors set the scene for a wave of evictions and homelessness when emergency eviction suspensions are lifted.

As is true across the country, the effects of COVID-19 have fallen disproportionately on Louisiana's low-income and black households. In a state where 32% of the population is

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[2] Baurick, T. and Vargas, R.A. (April 3, 2020). "Motel staff arrested after forcibly evicting long-term tenants in New Orleans East during pandemic." *NOLA.com/The Times-Picayune*. Available at www.nola.com/news/coronavirus/article_9b535d52-7604-11ea-95c3-0f6cf76ae319.html.

[3] American Community Survey, 2018 1-year estimates, Gross Rent as a Percentage of Household Income in the Past 12 Months.

[4] McCann, Andrew. (March 31, 2020). "State Economies Most Exposed to Coronavirus." WalletHub, Available at wallethub.com/edu/state-economies-most-exposed-to-coronavirus/72631/.

[5] U.S. Census Bureau, Household Pulse Survey, May 21-May 26, 2020. Available at www.census.gov/data/tables/2020/demo/hhp/hhp4.html.

black, African Americans make up 54% of COVID-19 deaths.[6] In New Orleans, many of the census tracts with the highest COVID-19 per capita rates correlate with majority black neighborhoods that have also seen the highest eviction rates. New Orleans pre-COVID eviction rate of 5.2% was double the national average and in some majority-black neighborhoods like Little Woods in New Orleans East, the eviction rate was as high as 10.4%.[7] Little Woods now has some of the highest per capita Coronavirus infection rates as well. A deeper investigation by Jane Place Neighborhood Sustainability Initiative's (JPNSI) Eviction Court Monitoring Project also shows that 57% of all tenants facing eviction in New Orleans pre-COVID were black women.[8]

Without additional federal assistance, we expect the reopening of eviction courts to only deepen this disparity. LAFHAC supports the Rent and Mortgage Cancellation Act because it would make renters, homeowners, landlords, and lenders whole, and would immediately halt this coming tidal wave of evictions. Short of rent and mortgage cancellation, Louisiana renters and landlords desperately need a massive rental assistance program like the $100 billion set aside for rental assistance in the HEROES Act.

For those renters who cannot access rental assistance, JPNSI's eviction court monitoring report shows exactly how crucial it is to fully fund eviction defense. Data from the report suggest that ensuring all renters in eviction court have an attorney, could cut eviction rates in half. Of the 671 cases observed in the report, only 15% of the 41 renters who had representation were evicted, compared to 65% of 630 renters without. [9] One of the cases monitors observed involved an unrepresented woman who had recently given birth and was on disability. Her disability check was late, but when it arrived she paid rent and the late fee on the 6th of the month. The landlord refused to accept the payment and she and her newborn were evicted. An attorney could have easily prevented this unnecessary eviction because the Fair Housing Act allows people with disabilities to request reasonable accommodations, such as paying rent on a different date to account for when disability checks arrive. Congress can protect renters from eviction by ensuring that the final version of the HEROES Act continues to include $11.5 billion for Emergency Solutions Grants (ESG). Local jurisdictions can use that funding to provide eviction defense, among other services for those at risk of or experiencing homelessness.

Gaps in Renter Protections

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[6] Louisiana Department of Health. COVID-19 Deaths in Louisiana. June 5, 2010, available at: http://ldh.la.gov/coronavirus/

[7] Finger, D. and Jane Place Neighborhood Sustainability Initiative. (March 2019). *New Orleans Eviction Geography: Results of an Increasingly Precarious Housing Market*, Available at https://storage.googleapis.com/wzukusers/user-27881231/documents/5c95369d185a9kbj1pY4/JPNSI_Evictions_Final.pdf.

[8] Unequal Burden, Unequal Risk: Households Headed by Black Women Experience Highest Rates of Eviction. (June 2020). Jane Place Neighborhood Sustainability Initiative. Available at: https://storage.googleapis.com/wzukusers/user-27881231/documents/1b0abaecc16347ae90699173731e91ae/Unequal%20Burden%2C%20Unequal%20Risk%20Eviction%20Report%20JPNSI%20Final.pdf

[9] Unequal Burden, Unequal Risk.

Another crucial element of the HEROES Act is the extension of the CARES Act eviction moratorium to cover all renters. The CARES Act moratorium was an important step in the right direction, but has proved incredibly difficult to implement at the local level and leaves far too many renters out.

Covered properties under the CARES Act include those that accept nearly all housing subsidies as well as any property with a federally backed mortgage. In New Orleans, data suggest that eviction cases will disproportionately come from CARES Act-covered properties.[10] Federal databases of multifamily properties with federally backed loans and subsidized developments suggest at least half of all renters in New Orleans would be covered by the CARES Act. However, it is incredibly difficult to project the exact number of covered properties because our estimates do not include rentals in doubles, triples, and four-plexes with federally backed mortgages. Additionally, the Act covers "any property that participates in" programs like the Housing Choice Voucher Program ("Section 8"), suggesting that all units in a property that accepts vouchers are covered even if they are not all directly subsidized.[11] Unfortunately, it is virtually impossible for a renter to look up their landlord's mortgage to see if it is federally-backed. In many cases, it requires the last four digits of a landlord's social security number. Most renters also have no idea whether their neighbor is using a Section 8 voucher. The result is that most renters won't have any way to determine whether they're covered and it is already proving remarkably difficult to enforce the act and educate the public about it.

We also expect these provisions to cause chaos and confusion across the state when eviction courts reopen. Because renters will not have access to the information necessary to show they live in a covered property, courts will need to do individual research on each property where an eviction is filed to ensure that the property is not federally subsidized or subject to a federally-backed mortgage. In Louisiana, most jurisdictions handle evictions in justice of the peace courts, which are woefully unprepared to handle these cases. Justices of the peace are often non-lawyers; they have few, if any, staff, and in some communities, it is common for court to be held in the justice of the peace's garage, living room, or kitchen.

Since early April, LAFHAC's staff has diverted months of staff time and energy to dealing with this hole in the CARES Act, since the bill leaves addressing this gap in protections up to each individual state. Along with our partners at Southeast Louisiana Legal Services, LAFHAC has attempted to educate our state supreme court justices, state attorney general, and city court judges and justices of the peace. In neighboring Arkansas, the State Supreme Court opted to issue an order that places the burden on landlords to show that they are not a "covered property," rather than on the tenant.[12] The Louisiana Supreme Court failed to

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[10] Unequal Burden, Unequal Risk: Households Headed by Black Women Experience Highest Rates of Eviction. (June 2020). Jane Place Neighborhood Sustainability Initiative. Available at: https://storage.googleapis.com/wzukusers/user-27881231/documents/1b0abaecc16347ae90699173731e91ae/Unequal%20Burden%2C%20Unequal%20Risk%20Eviction%20Report%20JPNSI%20Final.pdf

[11] Coronavirus Aid, Relief, and Economic Security (CARES) Act, §4024 Temporary Moratorium on Eviction Filings, page 575.

[12] *IN RE RESPONSE TO THE COVID-19 PANDEMIC—EVICTION FILINGS*, 2020 Ark. 166 (Apr. 28, 2020),

issue a similar order, forcing LAFHAC and our partners to begin reaching out to the over 350 judicial jurisdictions across the state to encourage them to require landlords to sign affidavits affirming that their properties are not covered by the CARES Act, and thus that they can legally force a tenant out.

When eviction courts reopen on June 15th, New Orleans courts will have some protections in place to ensure dockets are not full of cases prohibited by the CARES Act, but in many smaller cities and towns, there are no protections at all. In Louisiana and across the country, there is now a patchwork of local policies that will determine whether renters are removed from their homes, often in violation of this federal law. We desperately need the uniform policy in the HEROES Act to ensure all renters are protected equally.

It's also important to note that the CARES Act and potential HEROES Act protections are being layered on top of each state's underlying landlord-tenant law, as well as emergency actions taken since the beginning of the COVID-19 pandemic. A recent survey of state eviction policy responses to the pandemic showed that the majority of states received less than one out of a total of five stars, noting their less than adequate tenant protections.[13] Louisiana scored .38 out of 5, because landlords can still legally send threatening eviction notices to tenants, can still file evictions even if hearings can't be scheduled, there has been no suspension of late fees, and our moratorium does not extend past the emergency declaration, among other things.

This low score was not surprising to advocates, as Louisiana has long failed to provide meaningful protections for renters. Landlords can begin the process of removing families from their homes when they are only one day late or one dollar short on rent. Renters are regularly kicked out of their homes in retaliation for reporting health and safety violations. Additionally, landlords continue to use criminal background screening procedures to discriminate against people impacted by the racism intrinsic to America's system of mass incarceration.

Congress now has a key opportunity to improve protections for millions of Americans who rent. Though it is described as "rental assistance," we should be clear that renters will not touch any of the money in the $100 billion fund in the HEROES Act. It would be paid directly from local jurisdictions to landlords and should be understood as a "landlord assistance" program as much as it is a renter assistance program. Therefore, we urge Congress to meet this moment and strongly advocate for these funds to be tied to basic renter protections. If we are going to make a massive investment in supporting landlords, then participating landlords should be asked to sign lease addendums with provisions that are already standard in many states and recommended by the Revised Unified Residential Landlord Tenant Act (RURLTA) or HUD guidance.[14] Those should include a 14-day right to

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https://opinions.arcourts.gov/ark/supremecourt/en/item/470061/index.do.

[13] *COVID-19 Housing Policy Scorecard*. Eviction Lab. Accessed June 7, 2020: https://evictionlab.org/covid-policy-scorecard/.

[14] Revised Uniform Residential Landlord Tenant Act (RURLTA), National Conference of Commissioners on Uniform State Laws, 2015, available:

cure lease breaches, anti-retaliation protections, just cause protections, and a requirement that criminal background screening procedures meet HUD guidelines.[15] We would be squandering these precious resources if we used them to pay rent to landlords, but didn't take these basic steps to ensure the longer-term stability of America's renting families.

Downstream Effects

I return now to the point I opened with—that if we do not address racial and other disparities early in our disaster recovery efforts, we are destined to amplify them. One of the highest profile examples of recovery gone wrong was the federally funded, state-administered Road Home rebuilding program after Hurricanes Katrina and Rita. Homeowners were offered rebuilding grants determined by the lesser of either pre-storm value of their damaged home, or the cost to rebuild. As a result, homeowners in segregated white neighborhoods, which had higher pre-storm home values, received higher grant awards than homeowners in predominantly African American neighborhoods, who were frequently awarded the lower pre-storm value of the home. This was true even when the homes were the same size and age, and the damage was similar. In 2008, LAFHAC led a lawsuit against HUD and the State of Louisiana alleging that the rebuilding grant formula was discriminatory, and had the effect of reinforcing historic patterns of segregation and disinvestment. HUD agreed to a $62 million settlement in 2011, but by that time many African American homeowners had already made their decisions not to return based on the lower award amounts offered.

Black homeownership, previously on the rise in New Orleans, has declined since Katrina.[16] As more African Americans are pushed back toward renting, COVID-19 and the resulting economic crisis are intensifying the vulnerability of our state's disproportionately black renter families.

Our local eviction suspension and the CARES Act moratorium are important protections, but they are only delaying an inevitable tsunami of evictions and homelessness when they expire. A plethora of research in the past decade definitively proves that evictions often trigger a spiral resulting in negative mental health outcomes for adults, poorer children's health, and families plunged deeper into poverty.[17] These are not short-term effects. The impact of an eviction can last years, as an eviction judgment on one's record will often bar a renter from future housing opportunities.

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www.uniformlaws.org/HigherLogic/System/DownloadDocumentFile.ashx?DocumentFileKey=2c1bcbbb-ea0e-f63c-2ed9-3eabec3611ae&forceDialog=0.

[15] Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transaction, HUD, April 4, 2016, available at: www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF

[16] A. Plyer and L. Gardere. (April 11, 2018). *The New Orleans Prosperity Index: Tricentennial Edition*. The Data Center. Available at: https://www.datacenterresearch.org/reports_analysis/prosperity-index/.

[17] M. Desmond and R. Tolbert Kimbro. (February 24, 2015). "Eviction's Fallout: Housing, Hardship, and Health." *Social Forces*. Available at: https://scholar.harvard.edu/files/mdesmond/files/desmondkimbro.evictions.fallout.sf2015_2.pdf.

Without further assistance, tens of thousands of families in Louisiana will see their possessions piled on the curb, spend their grocery budget on emergency shelter, and end up doubled up in overcrowded relatives' homes, homeless shelters, or on the street. These impacts in particular, set the stage for a potential second wave of COVID-19 infections that would again disproportionately impact African Americans. These unnecessary evictions would also dramatically hamper our ability to re-open businesses. Louisiana's economy runs on tourism, and our musicians, chefs, and hotel workers can't be expected to welcome people back if they're trying to keep their furniture off the street and find a new place to live.

As we continue what has become a more than overdue national conversation about racism in America, I want to offer that we sit at a similar decision point in history as we did just before the Fair Housing Act was passed in 1968. At that time, the recently-released Kerner Commission report implored Congress to begin undoing residential segregation and to address the past harms done to black communities, lest we move toward "two societies, one black, one white—separate and unequal."[18] Again, we have an opportunity to allocate the resources our communities needs, or watch as our failure further divides and segregates our country.

Fair housing advocates across the country understand that providing a just path forward begins with prioritizing unprecedented investments in rental assistance, baseline protections for renters, robust eviction defense programs, universal eviction moratoriums, and a recommitment to federal fair housing oversight to ensure our resources undo, rather than perpetuate, segregation.

On behalf of the Louisiana Fair Housing Action Center, I appreciate the opportunity to offer this testimony and will gladly be a resource on any issues discussed today.

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[18] *Report of the National Advisory Commission on Civil Disorder*. (February 29, 1968). National Advisory Commission on Civil Disorders. Available at: https://www.ncjrs.gov/pdffiles1/Digitization/8073NCJRS.pdf.



TESTIMONY BY
MIKE KINGSELLA
EXECUTIVE DIRECTOR
UP FOR GROWTH ACTION

BEFORE THE
HOUSE COMMITTEE ON FINANCIAL SERVICES SUBCOMMITTEE ON
HOUSING, COMMUNITY DEVELOPMENT, AND INSURANCE

FOR A HEARING ENTITLED
"THE RENT IS STILL DUE: AMERICA'S RENTERS, COVID-19, AND AN
UNPRECEDENTED EVICTION CRISIS"

JUNE 10, 2020

Chairman Clay, Ranking Member Stivers, esteemed members of the Subcommittee, thank you for inviting me to provide testimony on the effects of the COVID-19 pandemic on the stability of America's renters and housing providers.

My name is Mike Kingsella. I am the Executive Director of Up for Growth Action. By way of background, Up for Growth Action is a national legislative advocacy campaign focused on eliminating structural barriers to housing. We work with a nonpartisan network of stakeholders: housing advocacy organizations, environmentalists, multifamily and single-family developers and owners, leagues of cities, chambers of commerce, planning agencies, and transit agencies.

Representatives Himes, Heck, Murphy, Vargas and Peters, authors of the New Democrat Coalition's *Missing Millions of Homes Report* said it best: "America's housing ecosystem is in crisis." This reality unites our diverse stakeholders and informs Up for Growth Action's singular mission to eliminate structural barriers to housing.

On behalf of Up for Growth Action, I commend the work of this committee for advancing critical pieces of legislation to help address our broken housing ecosystem. H.R. 1122, the *Housing Choice Voucher Mobility Demonstration Act of 2019*, H.R. 2398, the *Veteran Housing Opportunities and Unemployment Support Extension Act of 2020*, and H.R. 4351, the *Yes in My Backyard Act*, represent steps to increase housing funding and address artificial barriers to housing.

The COVID-19 health pandemic rapidly exposed the fragility of critical systems and infrastructure in our country; the housing ecosystem is no exception. This testimony will show, failure to address the looming rent crisis will have dire consequences for millions of Americans and for the housing ecosystem that underpins our economy.

Immediate Emergency Rental Assistance, medium-term stimulation of housing production that will drive economic recovery, and bold policies that - once and for all - reverse structural barriers to housing, are essential to correct not just our national housing crisis – but a devastating market failure. Emergency Rental Assistance is the most important and urgent action Congress can take today.

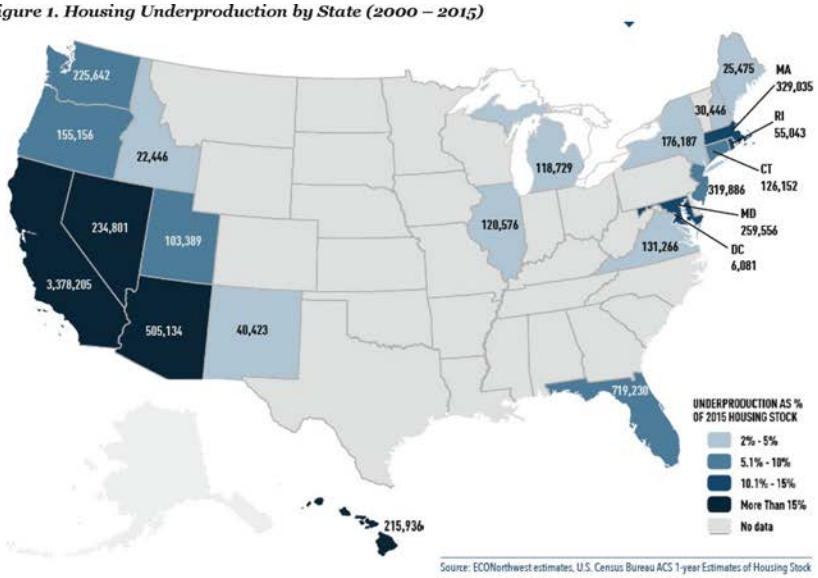
Since March, we have advocated for emergency rental assistance, first through Representative Denny Heck's *Emergency Rental Assistance Act of 2020*, and later through the *Emergency Rental Assistance and Rental Market Stabilization Act*, introduced by Senator Sherrod Brown, Chairwoman Maxine Waters, and Representative Heck. We are pleased that the provisions in the latter were included in the House-passed HEROES Act. We hope the Senate takes up this legislation immediately.

The National Housing Crisis

Even before the outbreak of COVID-19, the nation faced a severe housing crisis, driven in large part by an unprecedented shortage of homes. In the past decade, despite years of economic growth, housing starts approached the lowest levels in history. This level of underproduction resulted in a 7.3 million home shortfall of housing from 2000 to 2015. Twenty-two states and the District of Columbia suffered most acutely.[1]

[1] Baron, M., Buchman, M., Kingsella, M., Pozdena, R., & Wilkerson, M. (2020, April 9). *Housing Underproduction in the U.S.: Economic, Fiscal and Environmental Impacts of Enabling Transit-Oriented Accessible Growth to Address America's Housing Affordability Challenge*. Retrieved from https://www.upforgrowth.org/sites/default/files/2020-06/housing_underproduction_us.pdf.

Figure 1. Housing Underproduction by State (2000 – 2015)



The shortage of homes at every price point has left nearly half of American renters paying more than 30 percent of their gross income on rent.[2] More than 11 million households – most of whom have extremely low incomes – pay at least 50 percent of their gross income on rent.[3] This cost burden prevents families and individuals from saving, forces low and moderate-income households into unstable housing conditions, pushes people farther away from job opportunities, and limits economic growth across the nation. For those with the lowest incomes, high housing costs greatly increases the risk of evictions and, in worst cases, homelessness. Tens of millions of working families are not able to sustain any sudden loss of income. 42 million people have lost their jobs because of COVID-19, accelerating a crisis that we can no longer wait to address.[4]

Housing development depends on a web of interrelated inputs, namely, land, lumber, labor, and financing.[5] Any shortage of home construction relates back to a shortage of one or more of those inputs. Land use policies, development and planning regulations, financing structures, labor and supply costs, and the dynamics of existing neighborhoods interact to determine supply and

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[2] Joint Center for Housing Studies of Harvard University. (2019) *The State of the Nation's Housing 2019*. Retrieved from https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2019.pdf

[3] National Low Income Housing Coalition. (2019). The Gap: A Shortage of Affordable Rental Homes. Retrieved from https://reports.nlihc.org/gap

[4] Reinicke. C. (2020, June 6). *US Weekly Jobless Claims Hit 1.9 Million, Bringing the 11-Week Total to 43 Million.* Retrieved June 7, 2020, from https://www.businessinsider.com/us-weekly-jobless-claims-unemployment-filings-millions-layoffs-continue-coronavirus-2020-6

[5] Heck, D., Murphy, S., Vargas, J., & Peters, S. . (2018). *Missing Millions of Homes: Preliminary Findings of the New Democrat Coalition Housing Task Force.* Retrieved from https://newdemocratcoalition.house.gov/imo/media/doc/NDC%20Missing%20Millions%20of%20Homes_Housing%20TF%20Findings%20Report_June%202018.pdf

location of housing. The Obama administration's *White House Housing Development Toolkit*[6] and this administration's *Executive Order Establishing a White House Council on Eliminating Barriers to Affordable Housing*[7] each detailed the profound effects of the miscalibration of these policies.

Barriers to housing production like these add cost, decrease production volumes, and contribute to the price of rent. The National Multifamily Housing Council and National Association of Home Builders concluded in recent research that regulation accounts for 32.1 percent of the cost of an average multifamily development.[8] Recent research completed by Up for Growth, our affiliated policy and research organization, found that in the relatively low-regulation environment of Charlotte, North Carolina, rightsizing parking requirements, streamlining approval timelines and increasing zoned capacity could reduce rent by up to 12 percent.

A complex regulatory environment, combined with nation's history of discriminatory housing practices, limits the access to housing in high opportunity areas to only the most affluent of our citizens. Redlining and exclusionary zoning policies have resulted in zip codes correctly predicting access to quality education, health outcomes, and employment. We have confined communities of color to low-opportunity areas, stifling economic and social mobility. Large-scale reforms at every level of government are essential to stimulate growth of a healthy, more equitable housing landscape for every American.

Consequences of the National Housing Crisis

The rental housing market has important multiplier effects across the economy. Housing directly impacts individual household budgets, the mortgage, banking and finance industries, and the construction and property maintenance industry. Just as importantly, however, the rental housing market has less direct, but far-reaching, effects on the economy and the environment. The rental housing market's importance to the larger economy cannot be overstated. If the housing crisis continues without intervention, the economic and social repercussions will be severe – particularly for the lowest income and most marginalized populations.

Effects on Individuals

The more than 44 million renter households in the U.S. span the income spectrum, geographies, and demographics. The supply and demand imbalance created by the national housing crisis demonstrates one of the most basic economic principles: when supply is too low, prices increase. This is the reality in rental markets where the number of low-cost units fell by 3.1 million homes from 2012 – 2017.[9] Low-cost rental homes make up only 25 percent of the entire rental housing stock, despite the fact that low-income renters, those making 80 percent or less of area median income, comprise over 60 percent of the entire renter population.[10] This disparity means that families and individuals who already face significant financial challenges can find little relief in the rental market and remain most susceptible to sudden economic downturns.

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[6] The White House. (September 2016). *Housing Development Toolkit*. Retrieved from https://www.whitehouse.gov/sites/whitehouse.gov/files/images/Housing_Development_Toolkit%20f.2.pdf.
[7] Exec. Order No. 13878 (2019). Retrieved from: https://www.govinfo.gov/content/pkg/FR-2019-06-28/pdf/2019-14016.pdf
[8] National Association of Home Builders and National Multifamily Housing Council. (June 2018). *Regulation: Over 30 Percent of the Cost of a Multifamily Development*. Retrieved from: https://www.nmhc.org/contentassets/60365effa073432a8a168619e0f30895/nmhc-nahb-cost-of-regulations.pdf.
[9] Joint Center for Housing Studies of Harvard University. (2020). *America's Rental Housing 2020*. Retrieved from https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Americas_Rental_Housing_2020.pdf
[10] National Low -Income Housing Coalition. (2020). *The Gap: A Shortage of Affordable Homes*. Retrieved from https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2020.pdf

Cost burdening outpaces wage earning, which means that even households that are employed full time struggle to make monthly rent payments. A full-time minimum wage worker cannot afford to rent a two-bedroom apartment anywhere in the United States. In fact, a minimum wage worker must work 127 hours a week to afford a two-bedroom apartment or 103 hours a week to afford a one-bedroom apartment.[11] More than half of food service, maintenance and cleaning, and healthcare support jobs are cost burdened, even when fulltime employed.[4] These industries are critical to the nation's infrastructure, and they are also some of the most susceptible to COVID-19 related job loss.

Disproportionate Impacts on Low-Income Households

The housing crisis places financial strain on the overall economy and on individual households, but the lack of affordable rental homes and the resulting burdens are most acutely felt by low-income communities of color. 71 percent of extremely low-income renters, those making less than 30 percent of AMI, are severely cost-burdened which means that more than 50 percent of their income goes to rent payments.[5] When rent payments are such a large share of household budgets, people must make difficult decisions about what necessities to pay for and have few resources left for crisis. Families and individuals who are already economically marginalized stand little chance of economic mobility.

People of color experience cost burdening at a higher rate than white people. According to research from Harvard University's Joint Center for Housing Studies, 55 percent of Black renter households and 53 percent of Hispanic renter households are cost-burdened, compared to 43 percent of white households.[4] Historically, policies like redlining and exclusionary zoning have limited black and brown communities' access to quality, affordable housing in the highest opportunity areas. This history persists today, and housing is often an obstacle rather than an opportunity for growth. Quality housing in opportunity rich communities is among the most urgent and important social equity issues the country faces.

Effects on the Environment

Beyond individual household impacts and equity concerns, the consequences of the housing crisis extend into more macro levels. Choices about how we plan our communities have significant impacts on the environment. The post-WWII era of housing development in the U.S. meant expanding into suburban green fields outside of city centers.

Over the past two decades, consumer tastes have shifted and today there is far more demand for living in walkable urban neighborhoods than in the expansionary period following World War II. Existing exclusionary zoning and other restrictive land use policies in these walkable, high opportunity and job rich locations have limited the ability for builders to deliver housing in these places where housing is high in demand. This has the effect of driving up prices for scarce housing in walkable places and forcing individuals in search of affordable options to continue to commute long distances from jobs and opportunities. Research from University of California at Berkeley finds that the carbon footprint of households in the suburbs can be double or triple that of households in the urban core.[12]

Up for Growth's *Housing Underproduction in the U.S.* report found that if the 7.3 million underproduced homes across the U.S. were allocated to land uses more responsive to consumer

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[11] National Low Income Housing Coalition. (2019). *Out of Reach 2019*. Retrieved from https://reports.nlihc.org/sites/default/files/oor/OOR_2019.pdf

[12] University of California at Berkeley. (2020). *Cool Climate Network Calculator*. Retrieved June 8, 2020, from https://coolclimate.berkeley.edu/calculator

demand and in places that have greater access to jobs and opportunity, the U.S. would consume only 24 percent the land it otherwise would for housing production and vehicle miles traveled and consequent carbon emissions would decrease by as much as 35 percent in places like California. (Baron et. al., 2018, p.14-16)

Effects on the Economy

The housing shortage is most acute in high-demand areas: those with good-paying jobs, strong economies, reliable transit, and numerous amenities. The shortage of homes reduces the number of people who can live in economically vibrant areas and increases prices, leading to higher shares of household incomes being disproportionally directed to housing costs and away from other spending. Economists suggest the spatial mismatch in labor caused by the housing shortage and associated affordable housing crisis could be a $1.6 trillion annual drag on the national economy.[13]

Up for Growth's *Housing Underproduction in the U.S.* report put this underproduction in stark terms: From 2000 through 2015, the U.S. failed to produce 7.3 million homes needed to keep up with historic demand. The research found that building these underproduced units over a 20-year period could contribute up to $2.3 trillion to national GDP, a 2.4 percent increase over baseline economic forecasts. (Baron et. al., 2018, p.4)

Effects of Fiscal Revenues

Up for Growth's *Housing Underproduction in the U.S.* report also found that building 7.3 million homes would contribute $264 billion of federal payroll and income tax revenue compared to a baseline forecast. In the peak year of housing production, the additional federal revenue generated would equal 6.2 percent of the current federal deficit. (Baron et. al., 2018, p.4)

How the COVID-19 Pandemic has Worsened the National Housing Crisis

In a recent research note, Brookings observed that "the COVID-19 crisis seems poised to accelerate or intensify many economic and metropolitan trends that were already underway, with huge implications of their own."[14] The COVID-19 pandemic and associated economic shocks has further worsened our national housing crisis.

Research by the Terner Center for Housing Innovation at U.C. Berkeley suggests that approximately 16.5 million renter households are living in renter households have where at least one income earner works in an industry most likely to be immediately affected by COVID-19 related closures and layoffs. And 7.1 million of those households were *already* rent-burdened. The impacts are likely to be worse for renters living in high-cost states or metropolitan areas.[15]

The health of the housing ecosystem, and the health of our entire economy, begins with consistent rent payments. Property owners rely on steady rent payments to meet debt obligations, pay property taxes, meet payroll, and maintain and operate buildings. Lenders depend on mortgage payments to meet obligations to investors and maintain a steady flow of

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[13] Florida, R. (2015, May 18). *The Urban Housing Crunch Costs the U.S. Economy About $1.6 Trillion a Year.* Retrieved from https://www.citylab.com/equity/2015/05/the-urban-housing-crunch-costs-the-us-economy-about-16-trillion-a-year/393515/

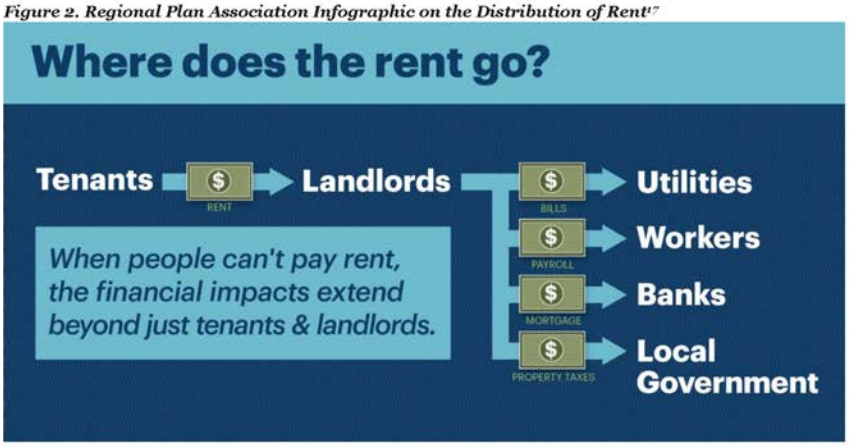
[14] Muro, M., Hadden Loh, T., Ross, M., Schuetz, J., Goger, A., Bateman, N., Frey, W., Parilla, J., Liu, S., & Tomer, A. (2020, April 14). Retrieved from https://www.brookings.edu/research/how-covid-19-will-change-the-nations-long-term-economic-trends-brookings-metro

[15] Kneebone, E., & Murray, C. (2020, April 24). *Estimating COVID-19's Near-Term Impact on Renters.* Retrieved from https://ternercenter.berkeley.edu/blog/estimating-covid-19-impact-renters

liquidity into the system. Local governments rely on rental payments to support property tax revenues and utility payments to balance the books and provide reliable public services.

Rent payments are the cornerstone of the housing ecosystem and any major loss in rental income will create disastrous economic effects. Residential rent payments alone total nearly $50 billion each month.[16] Rent payments are not an isolated transfer directly from renters to landlords, but instead underpin an entire marketplace of landlords, property management staff, maintenance crews, and local contractors. As unemployment claims remain at historic highs, preserving these jobs is critical.

Figure 2. Regional Plan Association Infographic on the Distribution of Rent[17]



Landlords and Property Owners

Of the nearly 20 million rental properties in the United States, 14.3 million are owned by individual property investors.[18] These individual landlords account for nearly 20 million of the 48 million rental units across the country. These units are more likely to be single family homes, duplexes, or other missing middle housing, which fills a critical housing need in this country. These property owners do not have cash reserves to cover large scale rental income loss for a sustained period, especially given the added costs of maintenance during the COVID-19 crisis.

Research from the Urban Institute finds that owners of small unit properties – those with fewer than 20 units – tend to have lower incomes and are more likely to rent to tenants with lower incomes who are more likely to be in COVID-19-impacted industries.[19] An analysis by Harvard's Joint Center for Housing Studies estimates that 20 percent of these renters will have difficulty paying rent. In contrast, only 12 percent of renters in larger buildings are likely to face similar

[16] ECONorthwest. (2020) *Emergency Rental Assistance: National and State Estimates.* Unpublished research.
[17] Regional Plan Association. (2020). *To Get Through the Coming Rent Crisis, We Need Everyone to Do Their Part.* Retrieved from https://rpa.org/latest/lab/to-get-through-the-coming-rent-crisis-we-need-everyone-to-do-their-part.
[18] U.S. Census Bureau. (2020). U.S. Census Bureau. *Rental Housing Finance Survey.* Retrieved June 5, 2020, from https://www.census.gov/data-tools/demo/rhfs/#/?s_type=1&s_tableName=TABLE2
[19] The Urban Institute. (2020, May). *Small Multifamily Units.* Retrieved from https://www.urban.org/sites/default/files/small_multifamily_units_0.pdf

challenges. These renters are also much more likely to live in homes that are not subject to federal eviction moratoria.[20]

As with many other industries, landlords and property owners – particularly affordable housing owners - operate under very tight margins. These margins are already strained by new COVID-19 related maintenance and safety costs, and without targeted relief, many will simply not survive the crisis.

As President and CEO of the affordable housing lender Community Preservation Corporation Rafael E. Cestero observed:

> "Our most vulnerable Americans are now facing historic levels unemployment and are being forced to choose between paying rent and affording life's necessities. The Emergency Rental Assistance Act will get critical rental assistance into the hands of these families, keeping people off the streets and allowing them the peace of mind that comes from knowing their living situation will remain stable. This rental income will also ensure that owners of affordable housing and small rental buildings, which already operate on thin margins, will be able to keep their properties safe and up to code."

Workers

As discussed earlier, U.S. rental payments account for approximately $50 billion each month. Rent and utility payments make up majority share of the housing sector's 15 percent to 18 percent contribution to GDP.[21] According to the National Multifamily Housing Council and the National Apartment Association, the rental housing industry supports over 17 million jobs. As the two organizations put it, "We are working alongside public officials to put residents and employees at ease. Yet as more residents face job loss or furloughs and are unable to fulfill rent obligations, many owners/operators fear they, too, will not be able to satisfy financial obligations required to operate their properties."[22] Without on-time and in-full rent payments, millions of workers directly and indirectly dependent on rental housing are put at significant risk.

Banking Sector and Credit Markets

A rent non-payment crisis poses significant risk to America's financial system. Debt service and repayment of loans on rental housing depends on individual renters making payments to property owners. Banks rely on current payments to ensure solvency to their depositors; loans in Fannie Mae, Freddie Mac, and private label Mortgage Backed Securities must be kept current to deliver repayment to investors – including pension funds – that provide liquidity. Large-scale non-payment of rent would increase probabilities of default and loss severities across the banking sector and credit markets, increasing systemic risk across America's financial system.

Like the actions taken in 2008 to stem systemic financial meltdown, emergency rental assistance is the type of swift intervention that must be taken to preserve this ecosystem. Lack of

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[20] Airgood-Obrycki, W. (2020, May 26). *COVID-19 Rent Shortfalls in Small Buildings*. Harvard Joint Center for Housing Studies. (May 26, 2020). Retrieved from https://www.jchs.harvard.edu/blog/covid-19-rent-shortfalls-in-small-buildings

[21] National Association of Home Builders. *Housing's Contribution to Gross Domestic Product*. Retrieved June 8, 2020, from: https://www.nahb.org/News-and-Economics/Housing-Economics/Housings-Economic-Impact/Housings-Contribution-to-Gross-Domestic-Product

[22] Richardson, B. (2020, April 7). *Apartment Industry Calls on Congress to Provide More Support to Renters, Rental Operators*. Retrieved from https://www.forbes.com/sites/brendarichardson/2020/04/07/apartment-industry-calls-on-congress-to-provide-more-support-to-renters-rental-operators/#2bb10c3c5107

action now and a potential financial market collapse would cost the American taxpayer more than emergency rental assistance today.

The current crisis could have a huge impact on future housing production. After first quarter lending data became available, the Mortgage Bankers Association observed, "property investors and lenders have now turned more of their attention to their existing portfolios instead of new business opportunities."[23]

Jim Morell, President and CEO of the Shelton, Washington-based Peninsula Community Federal Credit Union:

> "As a financial cooperative, we are concerned about the impact a large volume of mortgage forbearances will have on the liquidity of mortgage services. Peninsula Credit Union relies on non-bank servicing companies like credit union services organizations (CUSOs) to support member needs to affordably borrow for the purchase of homes and loans directly to borrowers for bare land and construction loans. The longer the CUSO or credit union is without payments due to borrower deferment, liquidity issues will arise, and the result will be a significant reduction of affordable mortgage lending and housing construction.

Local Governments

Local governments on the front lines of this crisis are requesting federal emergency rental assistance. Carl Schroeder, Government Relations Advocate with the Association of Washington Cities, an association that represents Washington State's cities and towns:

> "We are very concerned that without significant action many housing vulnerable people in our communities risk falling into homelessness. Our state's homelessness response system was not adequate before the pandemic and is not prepared for that influx. We are particularly concerned about what will happen after the expiration of the Governor's eviction moratorium. We fear that tenants still will not be in a position to pay rent without assistance."

Cities and counties rely on property taxes to maintain budgets and pay for critical infrastructure, including schools, police and fire departments, road maintenance, and public works. On average, property taxes make up 47 percent of local budgets and are the largest single source of revenue.[24] While property taxes are a less significant portion of state budgets, the downstream effects of COVID-19 related state budgetary shortfalls will dramatically reduce funds to local governments, making property tax revenue even more important for keeping local governments afloat. The Center for Budget and Policy Priorities estimates that state budgets will experience a more than 25 percent shortfall in fiscal year 2021, and that revenue could fall to levels not seen since the worst years of the Great Recession.[25]

This major loss in revenue is compounded by increased costs associated with health and safety measures taken to mitigate the impact of the pandemic. Furthermore, critical public works infrastructure relies on consistent utility payments. These payments are directly tied to rental

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[23] Mortgage Bankers Association. (2020, May 7). *Commercial/Multifamily Borrowing Declines 2 Percent in the First Quarter of 2020*. Retrieved from https://www.mba.org/2020-press-releases/may/commercial/multifamily-borrowing-declines-2-percent-in-the-first-quarter-of-2020

[24] The Tax Policy Center. (2020 May). *The Tax Policy Center Briefing Book: The State of State (and Local) Tax Policy*. Retrieved June 4, 2020, from https://www.taxpolicycenter.org/briefing-book/how-do-state-and-local-property-taxes-work

[25] Center on Budget and Policy Priorities. (2020, June 4). *States Grappling with Hit to Tax Collections*. Retrieved from https://www.cbpp.org/research/state-budget-and-tax/states-grappling-with-hit-to-tax-collections

units, and cities and counties cannot maintain these public works without consistent payments. The loss of tax revenue from rental housing would be a major blow to local governments, and emergency rental assistance is critical in ensuring these tax payments continue. The National Energy Assistance Directors Association estimates that the number of Americans eligible for the Low-Income Home Energy Assistance Program (LIHEAP) has grown from 28 percent to 36 percent because of the pandemic. There is concern that the funds allocated by the CARES Act for additional LIHEAP assistance will not be enough to cover Americans' growing need for help paying their utilities.[26]

Proposed Legislative Solutions to Address America's Housing Crisis

COVID-19 will continue to have unprecedented devastating impacts on public health, jobs, and the economy. The immediate effects of the crisis have sent millions of households into dire situations – leaving millions of families and individuals to make difficult financial decisions. Ensuring that people have access to affordable, quality housing should be a public policy priority, as shocks to the rental market will spill over into every sector of the economy and stifle recovery. To prevent the crisis from getting worse – and to solve it once and for all – action is needed in the immediate, intermediate, and long-term horizons.

Immediate - Emergency Rental Assistance

As the coronavirus pandemic continues to ravage the healthcare systems, the economy, and labor markets, millions of households are facing unprecedented economic and health burdens. The crisis has disproportionately affected low-income communities and those without access to safe, affordable housing. Uninterrupted access to housing is central to providing the stability essential to recovery.

In the period prior to COVID-19, nearly 50 percent of all renters were cost-burdened. And renters earning between 0-80 percent AMI represent most of that statistic.[27] These renters pay nearly $22 billion in rent each month and are most at-risk of losing jobs because of COVID-19.[28] Because cost-burdening disproportionately affects very-low to low-income households, this segment also represents those with the fewest savings, and are least able to absorb sudden financial shock.

Andrea Ponsor, CEO of the Stewards for Affordable Housing for the Future explains why not addressing the need for emergency rental assistance will create additional barriers to production of housing – at a time when housing is needed most:

> "When tenants can't pay the rent – and the unpaid rent is mounting – landlords don't have enough money to make debt service payments and operate the properties. And at the same time, these properties are including tens of thousands of dollars of unplanned expenses on cleaning, safety and services to keep residents stable during the pandemic. That has long term consequences for the preservation of rental homes, both because repairs and plans for upkeep aren't being followed, but because unpaid rent will make lenders and investors more cautious about the risk of investing in rental housing in the future. This makes it harder to finance the preservation of affordable homes."

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[26] Wire, S., & Phillips. A. (2020, May 22). *States are Reopening from Coronavirus Shutdowns. What Happens to Frozen Utility Payments?* Retrieved from https://www.latimes.com/politics/story/2020-05-22/coronavirus-shutdowns-consumers-unpaid-utility-bills-loom-as-costly-problem

[27] ECONorthwest. (2020). *Emergency Rental Assistance: National and State Estimates*. Unpublished research.

[28] Ibid.

Large scale federal action is necessary for Americans facing eviction associated with COVID-19-related work disruptions. Keeping millions of people housed in properties that are clean and healthy while minimizing the financial burden on property owners is critical. Rental assistance cost estimates range from $24 billion — $96 billion, depending on the percentage of renters who become unemployed and the duration of unemployment. The low estimate assumes a low share of renters requiring assistance for 3 months; the high estimate assumes a high share of renters requiring assistance for 6 months.[29]

The National Low Income Housing Coalition estimates that it will cost $99.5 billion just to keep extremely-low and very-low income renters (those making less than 50 percent of Area Median Income) in their homes.[30] Intervention is critical to prevent a massive eviction and housing crisis that will exacerbate the public health risks of COVID-19 and stall economic recovery. Federal emergency rental assistance is critical for protecting millions of vulnerable Americans from losing their homes and for preventing a housing market crisis.

Millions of households are experiencing prolonged job loss and wage reduction. As a result, the number of households paying rent on time and in full is likely to continue to dwindle. As cash flows dry up for property owners who, in turn, cannot pay lenders, the crisis deepens. 74 percent of multifamily properties are owned by individuals who face significant economic hardship as rental income withers.[31] Without rent income, landlords may be forced to defer property maintenance, lay off property management staff, and default on mortgage obligations, resulting in few options for employees, renters, and all levels of the real estate market.

The full extent of rent nonpayment may not be visible for several months, but with staggering unemployment numbers and with no certain path for a return to pre-COVID economic conditions, rental assistance is critical. Swift, preemptive action from the federal government can prevent the upending of the housing market.

Expanded Unemployment Insurance (UI) benefits and the one-time $1,200 per person stimulus payment included in the CARES Act have offered relief to financially burdened renters, but that money will not go far enough to keep people housed or to ward off a looming housing crisis. The Expanded $600 per week UI benefit is set to expire on July 31, but high unemployment rates are likely to continue far beyond this state. State unemployment offices have been delayed in processing claims and are under-resourced to reach an unprecedented number of filers, particularly as eligibility has been expanded to part-time and contract workers. In fact, research from the Economic Policy Institute finds that for every 10 successful UI filers, 3-4 additional filers were unable to make a claim through the system and 2 additional people avoid applying entirely because of the difficulty of the process.[32] While UI benefits offer financial relief, the dollars must cover all household expenses, including increased healthcare costs, so there is still potential for high rental non-payment rates, particularly as the economic impacts of the crisis continue into the summer.

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[29] Winkler, M.. (2020, April 28). *Up for Growth Legislative Brief: Emergency Rental Assistance*. Retrieved from https://www.upforgrowth.org/sites/default/files/2020-05/UFGLegislativeBriefERA04-28-2020_0.pdf

[30] Aurand, A., Emmanuel, D., & Threet. D. (2020, May 8). *NLIHC Research Note: Emergency Rental Assistance Needs for Workers Struggling Due to COVID-19*. Retrieved from https://nlihc.org/sites/default/files/Emergency-Rental-Assistance-Needs-for-Workers-Struggling-due-to-COVID-19.pdf

[31] National Multifamily Housing Council. (2019). *Quick Facts: Ownership and Management*. Retrieved from https://www.nmhc.org/research-insight/quick-facts-figures/quick-factsownership-and-management/#ownsaptunits

[32] Ben Zipperer and Elise Gould. (April 28, 2020). *Unemployment filing failures*. Economic Policy Institute. Retrieved from: https://www.epi.org/blog/unemployment-filing-failures-new-survey-confirms-that-millions-of-jobless-were-unable-to-file-an-unemployment-insurance-claim/.

Historically, unemployment rates have directly tracked with an increase in homelessness. UI benefits are not enough to cover rent and household costs. The temporary eviction moratoriums and increased UI benefits will delay but not prevent a rise in homelessness. Columbia University researchers estimate that homelessness will increase 40-45% this year, which will leave more than 800,000 people without housing.[33] Even absent a pre-existing housing crisis, the COVID-19 would have sent dire shockwaves across the rental housing market. Such significant economic blows and job loss would have left millions of people at risk of losing their homes. Because the pre-COVID rental market was already in crisis, the effects of the pandemic are even more significant. More direct emergency rental assistance is necessary-particularly for those who do not presently receive federal housing assistance through the U.S. Department of Housing and Urban Development. Congress must create an emergency rental assistance program for those who are impacted by the COVID-19 crisis and struggle to cover housing expenses.

Eviction moratoriums and mortgage forbearance periods provide short-term relief that is quickly coming to an end, but without direct financial assistance to cover lost payments, these protections are merely delaying eviction and another housing market crisis. Put simply, letting the rent go unpaid is not a realistic solution for tenants, landlords, and the health of the economy.

Fortunately, the House has already laid groundwork for efficiently providing support through the $100 billion of direct rental assistance included in the HEROES Act. The legislation utilizes the Emergency Solutions Grant (ESG) program to provide states a method for quickly distributing needed aid through a proven and existing program. The legislation acknowledges the staggering number of Americans made financially insecure by COVID-19 by expanding eligibility to those making up to 120 percent of AMI.

I encourage this committee to continue its work to ensure this legislation ultimately becomes law.

Intermediate – Economic Stimulus

Beyond the immediate imperative to address large scale non-payment of rent, Congress has an opportunity to advance specific legislation to expedite shovel-ready housing to stimulate the economy in the near term.

Up for Growth Action encourages Congress to support the following legislation:

- H.R. 3077, the *Affordable Housing Credit Improvement Act of 2019* and associated proposals to fix the 4 percent Low Income Housing Tax Credit and reform the 50 percent bond test to a 25 percent test, which would enable limited volume cap to extend to twice the number of homes it currently is available to in states where the volume cap is the limit.

- H.R. 3316, the *Neighborhood Homes Investment Act*. The bill would establish a new business-related tax credit to support home building and rehabilitation in neighborhoods that meet certain eligibility criteria relating to poverty rates, income, and

[33] Community Solutions. (May 2020). *Analysis on Unemployment Projects 40-45% Increase in Homelessness This Year*. Retrieved from: https://community.solutions/analysis-on-unemployment-projects-40-45-increase-in-homelessness-this-year/.

home values. The bill would go a long way in addressing the shortage of quality housing options in rural and exurban places throughout the U.S.

- H.R. 4307, the *Build More Housing Near Transit Act*, and the related Section 2703 in the *INVEST in America Act*, recently released by the House Transportation & Infrastructure Committee. This legislation makes housing a higher priority in the evaluation of fixed-guideway public transit applications to the New Starts Capital Investment Grant program, and encourages project sponsors to prepare Housing Feasibility Assessments as part of such applications to ensure investments in transit are more closely aligned with housing and land use policies.

- H.R. 4351, the *Yes in My Backyard Act*, legislation that passed the House of Representatives on March 3, 2020. This bill enhances existing reporting requirements in consolidated plan reporting to provide CDBG recipients the opportunity to report on the extent to which they are eliminating barriers to housing. The bill is under consideration in the Senate.

- H.R. 5187, the *Housing is Infrastructure Act of 2019*; in particular, Section 13, *Community Development Block Grant (CDBG) Funding for Affordable Housing and Infrastructure*. This legislation appropriates $10 billion in CDBG funding available to local governments demonstrating responsible streamlining of development approvals by eliminating barriers, including: high density and multifamily restrictions, off-street parking requirements, height limitations, and eliminating or reducing impact fees for housing.

Together, these legislative proposals will increase housing production, drive job creation, and expedite economic recovery.

Long Term – Remove Structural Barriers to Housing

With half of the nation's renters meeting the HUD definition of cost burdened, the United States is facing an unprecedented housing crisis. The U.S. GDP is $1.6 - $2.3 trillion dollars lower than it should be, and commutes are up 20 percent since 1980 because housing prices are forcing more American's to "drive until they qualify" for more affordable homes.[34]

Unfortunately, many impediments to housing and processes that enable Not-in-My-Backyardism are under local control, and cities have not been able to resolve core opposition to new housing without significant political downsides. New York University's Vicki Been, Ingrid Gould Ellen, and Katherine O'Regan, concluded in a recent paper "there is a need to revisit whether the political economy of local opposition to new development has become such an impediment to larger societal goals that the distribution of power between local, regional, and state governments and between the states and the federal government should be changed."[35]

Up for Growth Action agrees. An important part of the solution to this challenge will come from a stronger federal and state role in setting minimum standards around housing and encouraging and supporting local governments to take actions that eliminate barriers to housing.

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[34] Holder, S. (2018, April 25). *Where Commuting Is Out of Control*. Retrieved from https://www.citylab.com/transportation/2018/04/where-commuting-is-the-worst/558671/

[35] Been, V., Gould Ellen, I., & O'Regan, K. (2017, October 26). *Supply Skepticism: Housing Supply and Affordability*. Retrieved from https://www.law.nyu.edu/sites/default/files/Been%20Ellen%20O%27Regan%20supply_affordability_Oct%2026%20revision.pdf

We applaud the range of options represented in the following bills:

- H.R. 5187, the *Housing is Infrastructure of 2019*, takes a carrot approach by appropriating $10 billion in CDBG funding made available to local governments to remove barriers,

- H.R. 4351, the *Yes in My Backyard Act*, a transparency bill that puts a spotlight on the extent to which local governments reduce barriers, and,

- H.R. 4808, the *Housing, Opportunity, Mobility, and Equity Act of 2019*, conditions funding of CDBG and Surface Transportation Block Grants on local governments enacting and executing plans to remove barriers.

Up for Growth Action will continue to support members of Congress to advance policies that eliminate unnecessary and structural barriers to housing.

Conclusion

The United States is already suffering from an unprecedented housing shortage. COVID-19 has further destabilized housing, healthcare, and the national economy. Individuals and households are forced to choose between paying rent, or providing their families with necessities, like groceries, childcare, and healthcare. Unemployment has risen to unprecedented levels, leaving low-income workers with dangerously few resources and little choice over how to use them. Landlords and property owners, bankers and credit markets, an even local governments are bracing for downstream effects of widespread rent non-payment.

Without federal intervention, the current rent crisis will grow into an eviction crisis. Congress must act to ease the suffering of American families, and to mitigate the downstream effects at every level of our economy. Immediate emergency rental assistance, intermediate policies to stimulate housing development, and long-term focus on deconstructing discriminatory barriers to housing are essential to creating a stable and healthy American housing ecosystem.

Up for Growth Action looks forward to working with you to secure the health and stability of housing for all Americans.

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The Rent Is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis

Testimony of Ann Oliva, Visiting Senior Fellow, Before the House Financial Services Committee, Subcommittee on Housing, Community Development and Insurance

Thank you for the opportunity to testify. My name is Ann Oliva; I am a Visiting Senior Fellow at the Center on Budget and Policy Priorities. The Center is an independent, nonprofit policy institute that conducts research and analysis on a range of federal and state policy issues affecting low- and moderate-income individuals and families. The Center's housing work focuses on increasing access to and improving the effectiveness of federal low-income rental assistance programs. Prior to coming to the Center, I spent ten years as a senior career public servant at the U.S. Department of Housing and Urban Development (HUD), most recently as Deputy Assistant Secretary for Special Needs. At HUD I implemented the Homelessness Prevention and Rapid Re-Housing Program (HPRP), funded by the 2009 Recovery Act, which serves as a foundation for the emergency rental assistance program in the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, H.R. 6800.

I want to begin today by acknowledging the events of the last several weeks and the systemic racism resulting in the deaths of George Floyd, Breonna Taylor, Ahmaud Arbery, and many other Black Americans. As a nation we must pursue racial justice and equity, and housing justice must be a part of the discussion because systemic racism also results in homelessness, housing instability, and the disproportionate impact of COVID-19 on communities of color. It is unjust that we can predict a child's health, wealth, and overall well-being in adulthood based on the zip code they were born in. It is also unjust that the zip codes with the worst outcomes also have a disproportionate share of low-income people of color living in them. Racist and discriminatory housing policies and programs have led to the overrepresentation of people of color in communities that policymakers have neglected.

Most of us have heard the data. PolicyLink[1] reported recently that Black people are dying of COVID-19 at 2.4 times the rate of white people. The May unemployment data, while apparently

[1] Abbie Langston *et al.*, "Race, Risk, and Workforce Equity in the Coronavirus Economy," PolicyLink, https://www.policylink.org/our-work/economy/national-equity-atlas/COVID-workforce.

understating joblessness due a data coding error, showed unemployment (relative to April) falling among white workers but rising among Black and Latinx workers, to 16.8 percent and 17.6 percent, respectively. May unemployment for Latinas aged 20 and over was 19 percent. These communities have been disproportionally impacted both by the virus itself and by the related economic crisis.

HUD data released in January 2020[2] show that in January 2019, Black people accounted for 40 percent of those experiencing homelessness, although they make up only 13 percent of the U.S. population. Latinx people made up 22 percent of the homeless population but only 18 percent of the population.

The COVID-19 pandemic has created an extraordinary need for flexible rental assistance. But if our response to the current health and economic crises follows the same policy script as in the past, we will do too little to stop a spike in evictions and homelessness and Black and Latinx communities will be hardest hit. We must actively combat disparities caused by systemic racism, not exacerbate them by conducting business as usual.

The federal response to addressing housing needs should focus on three groups: people now experiencing homelessness; people at risk of homelessness, including those who may need longer-term help affording housing; and people now receiving federal assistance who need additional help.

Specifically, it is essential that Congress provide:

1. An additional $11.5 billion for homelessness services through the Emergency Solutions Grant program, as included in the HEROES Act, to close the gap between what is needed to provide proper shelter and access to medical services for people experiencing homelessness or at high risk of becoming homeless as a result of the pandemic, and what has already been appropriated for this purpose.
2. Significant additional funding for emergency rental assistance to prevent homelessness for those who are at risk and safely house people who are already experiencing homelessness, in settings consistent with Centers for Disease Control and Prevention (CDC) guidance.
3. At least $10 billion for 200,0000 Housing Choice Vouchers to help those who will need longer-term assistance due both to the pandemic and to the difficulty of raising their incomes sufficiently to afford adequate, safe housing.
4. Additional funding for federal rental assistance programs so they can continue serving currently assisted residents despite budget challenges due to residents' reduced income (and, thus, reduced rental payments) and additional costs to keep residents safe during the pandemic.

As HPRP showed, funding for emergency purposes can have not only immediate benefits in addressing the crisis but also long-term benefits by leveraging funding and innovation to achieve systemic change.

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[2] The 2019 Annual Homeless Assessment Report to Congress, Part 1," Department of Housing and Urban Development, January 2020, https://files.hudexchange.info/resources/documents/2019-AHAR-Part-1.pdf.

The Need for Housing Assistance

Housing assistance will be a key component in community recovery from COVID-19's public health and economic impacts.

Public Health Impact

COVID-19 has shown vividly that housing is a form of health care. People living in doubled-up or overcrowded situations, congregate settings like shelters and jails, or on the street cannot socially isolate and follow other basic public health guidance. Many of them are older[3] or have disabilities or underlying health conditions that make them more susceptible to getting sick. Further, many individuals are being released early from jails and prisons due to concerns about the spread of COVID-19.[4] An estimated 40 percent of people who are incarcerated report having chronic health conditions that could put them at higher risk of contracting or having serious complications from COVID-19, either while incarcerated or upon release;[5] many have nowhere to go and could end up in shelters or on the street without housing support.

Disproportionately Black counties have five times — and disproportionately Hispanic counties have three times — as many confirmed COVID-19 cases per capita as disproportionately white counties, a recent analysis found.[6] Early state and local data also show that Black and Hispanic people are dying of complications from COVID-19 at higher rates than white people.[7] The Indian Health Service also reports concerns due to lack of testing and outbreaks during the pandemic's early stages within the Navajo Nation.[8]

COVID-19 is particularly harmful for people with underlying health conditions like lung disease, diabetes, and high blood pressure; obesity and smoking are also risk factors for the worst COVID-19 health outcomes. Black people and American Indians and Native Alaskans experience chronic health conditions more often than white people.[9] Both populations have higher rates of heart disease, lung disease and asthma, diabetes, kidney and liver disease, and immuno-compromising

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[3] Dennis Culhane *et al.*, "The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?" Actionable Intelligence for Social Policy, January 2019, https://www.aisp.upenn.edu/aginghomelessness/.

[4] LaDonna Pavetti and Peggy Bailey, "Boost the Safety Net to Help People With Fewest Resources Pay for Basics During the Crisis," CBPP, April 29, 2020, https://www.cbpp.org/research/poverty-and-inequality/boost-the-safety-net-to-help-people-with-fewest-resources-pay-for.

[5] Laura M. Maruschak, Marcus Berzofsky, and Jennifer Unangst, "Medical Problems of State and Federal Prisoners and Jail Inmates, 2011-12," Department of Justice Bureau of Justice Statistics, October 4, 2016, https://www.bjs.gov/content/pub/pdf/mpsfpji1112.pdf.

[6] Jillian McGrath, Jim Kessler, and Akunna Cook, "Coronavirus is Decimating Racially Diverse Communities Large and Small," Third Way, April 2020, https://thirdway.imgix.net/pdfs/override/Coronavirus-is-Decimating-Racially-Diverse-Communities-Large-and-Small-website.pdf.

[7] Centers for Disease Control and Prevention (CDC), "COVID-19 in Racial and Ethnic Minority Groups," April 22, 2020, https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html.

[8] Kent Sepkowitz, "The risk to Native American Nations from Covid-19," CNN, April 7, 2020, https://www.cnn.com/2020/04/07/opinions/natve-american-nations-risk-from-covid-19-sepkowitz/index.html.

[9] Samantha Artiga, Rachel Garfield, and Kendal Orgera, "Communities of Color at Higher Risk for Health and Economic Challenges due to COVID-19," Kaiser Family Foundation, April 7, 2020, https://www.kff.org/disparities-policy/issue-brief/communities-of-color-at-higher-risk-for-health-and-economic-challenges-due-to-covid-19/.

diseases. Also, Hispanic people have high rates of diabetes, asthma, and obesity.[10] Adult residents of Puerto Rico, with higher rates of diabetes, coronary heart disease, and obesity, are also at high risk of COVID-19 complications.[11]

These health disparities exist because people of color have experienced years of economic hardship, receive lower-quality health care, and have been segregated into neighborhoods that lack access to nutritious food, green space for exercise, clean air, and jobs that pay enough for families to have the money or time for recreational outlets such as belonging to a gym.[12]

Economic Impact

Rental assistance is also needed to address COVID-19's *economic* impact. Even before the pandemic, 23 million people in 10.7 million low-income households paid more than half their income in rent,[13] and rents across the country had become increasingly unaffordable.[14] (See Figure 1.) The median renter household income rose just 0.5 percent from 2001 to 2018 after adjusting for inflation, while rents rose nearly 13 percent. Even before the pandemic, a parent working full-time at the federal minimum wage could not afford a modest two-bedroom apartment in any state[15] without receiving rental assistance or having to make tough choices between paying the rent and meeting essential daily needs such as food, medicine, and child care.[16]

When families spend so much of their income on rent, it is harder for them to save, which makes it nearly impossible to meet basic needs if they lose a job, their income falls, or costs for basic needs rise. Without assistance, some could lose their homes and be compelled to live with other family members or friends, in shelters, or on the street. Before the crisis, 3 in 4 households likely eligible for federal rental assistance didn't receive it due to scarcity of funding,[17] and the need for housing

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[10] Artiga, Garfield, and Orgera, *op. cit.*; CDC, "Adult Obesity Facts," February 27, 2020, https://www.cdc.gov/obesity/data/adult.html; and U.S. Department of Health and Human Services Office of Minority Health, "Asthma and Hispanic Americans," March 13, 2017, https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=4&lvlid=60.

[11] Josiemer Mattei *et al.*, "Health conditions and lifestyle risk factors of adults living in Puerto Rico: a cross-sectional study," *BMC Public Health,* April 12, 2018, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5898045/.

[12] Martha Hostetter and Sarah Klein, "In Focus: Reducing Racial Disparities in Health Care by Confronting Racism," Commonwealth Fund, September 27, 2018, https://www.commonwealthfund.org/publications/newsletter-article/2018/sep/focus-reducing-racial-disparities-health-care-confronting.

[13] CBPP, "Federal Rental Assistance Fact Sheets," updated December 10, 2019, https://www.cbpp.org/research/housing/federal-rental-assistance-fact-sheets#US.

[14] Alicia Mazzara, "Rents Have Risen More Than Incomes in Nearly Every State Since 2001," CBPP, December 10, 2019, https://www.cbpp.org/blog/rents-have-risen-more-than-incomes-in-nearly-every-state-since-2001; and Alicia Mazzara, "Report: Rental Housing Affordability Crisis Worst for Lowest-Income Families," CBPP, January 31, 2020,https://www.cbpp.org/blog/report-rental-housing-affordability-crisis-worst-for-lowest-income-families.

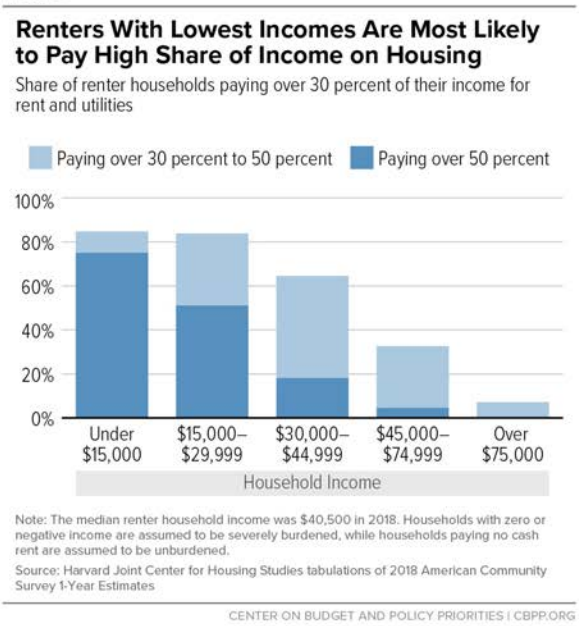
[15] National Low Income Housing Coalition, "How Much do you Need to Earn to Afford a Modest Apartment in Your State?"

[16] Douglas Rice, Stephanie Schmit, and Hannah Matthews, "Child Care and Housing: Big Expenses With Too Little Help Available," Center on Budget and Policy Priorities and CLASP, April 26, 2019, https://www.cbpp.org/research/housing/child-care-and-housing-big-expenses-with-too-little-help-available.

[17] CBPP, "Three Out of Four Low-Income At-Risk Renters Do Not Receive Federal Rental Assistance," August 2017, https://www.cbpp.org/three-out-of-four-low-income-at-risk-renters-do-not-receive-federal-rental-assistance.

assistance will grow significantly during this economic downturn, as it did during the Great Recession.[18]

FIGURE 1



As many as 44.7 million people could be out of work due to COVID-19, preliminary figures from the Census Bureau's Household Pulse Survey for the week of May 21-26 show. The unemployment rate was 13.3 percent in May, and the pandemic's economic effects could be long-lasting;[19] the Congressional Budget Office estimates that unemployment will be 8.6 percent in the fourth quarter of 2021, more than double the pre-crisis level of 3.5 percent.[20]

[18] Barbara Sard, "More Households Facing Unaffordable Housing Costs Than Before Recession," CBPP, February 9, 2015, https://www.cbpp.org/blog/more-households-facing-unaffordable-housing-costs-than-before-recession.

[19] Pavetti and Bailey, *op. cit.*

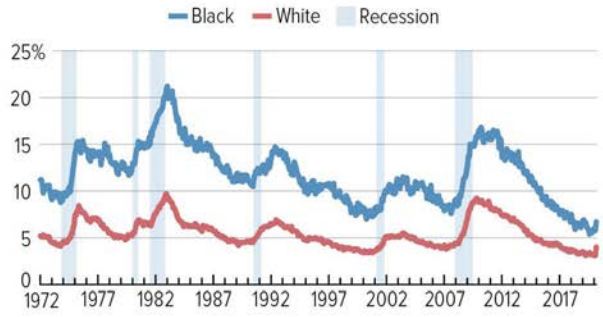
[20] Congressional Budget Office, "Interim Economic Projections for 2020 and 2021," May 2020, https://www.cbo.gov/system/files/2020-05/56351-CBO-interim-projections.pdf. The data on unemployment prior to the crisis reflect the average unemployment rate for the December 2019-February 2020 period.

The gap between Black and White unemployment rates tends to grow when unemployment rises.[21] When unemployment initially spiked in March and April, unemployment remained significantly higher among Black and Latinx workers than among White workers but the gap did not widen significantly. May data, however, showed the gap widening, with unemployment falling among White workers but rising for Black workers, though more data will be needed to see these trends over time (and to understand the impact of a coding error identified by the Bureau of Labor Statistics).

Historically, the gaps that widen during downturns do not narrow until unemployment has fallen substantially, and even then, a large disparity remains. (See Figure 2.) Not until several years after the Great Recession did the Black unemployment rate return to its pre-recession level, and it remained well above the white rate.[22]

FIGURE 2

Black Unemployment Fell to Historic Low But Remains Much Higher Than White Rate



Note: Black unemployment data were first available beginning January 1972.
Source: Bureau of Labor Statistics and National Bureau of Economic Research

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Thus, history shows that as the economy begins recovering overall, the labor market can remain weak far longer for Black workers than for white workers. This means that many Black households will continue struggling with low or no earnings — and face significant difficulties affording housing — for long periods of time.

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[21] Center on Budget and Policy Priorities (CBPP), "Chart Book: Tracking the Post-Great Recession Economy," updated regularly, https://www.cbpp.org/research/economy/chart-book-tracking-the-post-great-recession-economy.

[22] Vincent Adejumo, "African-Americans' economic setbacks from the Great Recession are ongoing – and could be repeated," *The Conversation*, February 5, 2019, https://theconversation.com/african-americans-economic-setbacks-from-the-great-recession-are-ongoing-and-could-be-repeated-109612; Chad Stone, "Fiscal Stimulus Needed to Fight Recessions," CBPP, April 16, 2020, https://www.cbpp.org/sites/default/files/atoms/files/4-16-20econ.pdf.

Recommendations: Federal Investments in Housing for COVID-19 Recovery

Communities must have a variety of short-, medium- and longer-term rental assistance options that together form a comprehensive COVID-19 response for a variety of housing needs. The options must include housing and services for people currently experiencing homelessness, as well as homelessness prevention and housing vouchers for households that will need longer-term help to weather the current storm and remain housed until they can afford rent. Together, these resources can provide additional housing stability during the health and economic crisis and as the nation recovers.[23]

Helping People Currently Experiencing Homelessness

Researchers from the University of Pennsylvania, the University of California at Los Angeles, and Boston University recently estimated that the homeless system needs $11.5 billion in funding above its pre-crisis level to ensure that those currently experiencing homelessness can have proper shelter and access to medical services.[24] Importantly, this estimate did not include temporary rental assistance for rehousing or homelessness prevention. The CARES Act provided $4 billion for ESG grants for the above purposes, but the recent study makes clear that significantly more will be needed.

The HEROES Act includes critical resources for homelessness services through ESG. States and localities can use ESG grants to reconfigure or reimagine congregate shelters so that residents and staff can adhere to proper social distancing guidance, to deliver medical respite services to people who contract the virus or are at high risk of serious complications if they contract the virus, to support people in temporary housing such as hotels and motels, and to increase street outreach to provide medical, hygiene, and other supports to people living in unsheltered settings. They can also use the grants to prevent homelessness for at-risk families. ESG under the CARES Act does not require matching funds, a critical advantage given the sharp revenue declines for states and localities.[25]

Providing Flexible Emergency Rental Assistance for Households Impacted by COVID-19

Substantial additional resources are needed for short- and medium-term rental assistance that prioritizes extremely low-income households impacted by COVID-19 but gives localities flexibility to serve other households facing illness, job loss, or reduced earnings. Communities could use these resources to shorten people's time spent without housing and help people stay in their current home and avoid homelessness altogether. Innovative tools like the Urban Institute tool that maps low-income job losses can be used to target this assistance to the communities most impacted by COVID-19, such as neighborhoods whose residents primarily have low incomes and are people of

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[23] Will Fischer, "Urgent Need for More Housing Vouchers, Other Rental Assistance Amid Pandemic," CBPP, April 24, 2020, https://www.cbpp.org/blog/urgent-need-for-more-housing-vouchers-other-rental-assistance-amid-pandemic.

[24] Dennis Culhane *et al.*, "Estimated Emergency and Observation/Quarantine Capacity Need for the US Homeless Population Related to COVID-19 Exposure by County; Projected Hospitalizations, Intensive Care Units and Mortality," National Alliance to End Homelessness, March 2020, https://endhomelessness.org/wp-content/uploads/2020/03/COVID-paper_clean-636pm.pdf.

[25] Michael Leachman, "Projected State Shortfalls Grow as Economic Forecasts Worsen," CBPP, May 20, 2020, https://www.cbpp.org/blog/projected-state-shortfalls-grow-as-economic-forecasts-worsen.

color.[26] (See below for more detail on using these funds to create systemic change within the housing and homelessness services systems.)

Providing Sustainable Assistance to People with High Needs

Evidence shows vouchers are highly effective at preventing homelessness and housing instability, and vouchers would assist families until their incomes rise enough that they can afford housing on their own. Thus, a robust increase in housing vouchers should be part of our overall housing strategy in response to the current crisis.

The $10 billion in the Emergency Housing Voucher Act of 2020 (H.R. 7084) would enable some 200,000 additional families to receive Housing Choice Vouchers, significantly reducing the number of families facing eviction and homelessness due to the current crisis if the funds are properly targeted. These vouchers should be aimed at people experiencing homelessness and with significant barriers to housing, people at risk of homelessness (such as those leaving jails or prisons without a safe place to live and those leaving nursing homes or hospitals), and people with other challenges to securing stable housing (such as people leaving violent or otherwise unsafe living environments).

A key advantage of vouchers is that households can use them as long as they need help affording rent. This ensures that individuals who get help now can remain stably housed even if it takes them longer to have incomes high enough to no longer need assistance. Given the long period that unemployment remained high after the Great Recession — particularly for Black and Latinx families —many families may need the lasting help that vouchers can provide.

Protecting Against Adverse System-Level Impacts of COVID-19

Federal rental assistance enables more than 5 million households to obtain decent, stable housing, primarily through three major programs administered by state and local agencies and private owners: Housing Choice Vouchers, Section 8 Project-Based Rental Assistance (PBRA), and public housing.

Federal rental assistance is well designed to enable families to continue to afford housing even as their incomes drop due to the pandemic and the economic downturn. Housing agencies and owners must recalculate a household's rent — which generally equals 30 percent of its income — when its income falls. But agencies and owners can only maintain properties and continue assisting the same number of families if they receive adequate federal subsidies to both make up for the reduced rent payments and cover the costs of activities such as providing services to quarantined residents, encouraging social distancing, sanitizing developments, and transitioning to remote operations. Otherwise, the number of assisted families could fall substantially. In addition, inadequate funding for site-based programs such as public housing, PBRA, and other privately owned assisted housing could jeopardize the safety and well-being of residents, more than half of whom are seniors or people with disabilities.

The HEROES Act provides $2 billion in needed supplemental funding for public housing operating subsidies. The CARES Act provided $685 million for that purpose, but much of that funding is needed simply to offset the decline in housing agencies' rent revenues as

[26] Urban Institute, "Where Low-Income Jobs Are Being Lost to COVID-19," June 5, 2020, https://www.urban.org/features/where-low-income-jobs-are-being-lost-covid-19.

the incomes of public housing tenants fall. Agencies need additional funds now for expenses related to the virus.

What Happens If We Do Nothing?

Further action is needed to prevent the current health and economic crises from causing a large increase in homelessness.

Homelessness

In many areas, community-based homeless service providers and local leaders have made heroic efforts to protect the health and safety of people experiencing homelessness by opening overflow or non-congregate shelter options to isolate and quarantine high-risk individuals. To cite just a few examples:

- In Los Angeles, Project Roomkey — a collaborative effort by the state, city, county, and the Los Angeles Homeless Services Authority — secures hotel and motel rooms for vulnerable people experiencing homelessness to enable them to stay inside and prevent the spread of COVID-19. It has served more than 4,000 people in 33 hotels to date. [27]
- North Carolina's non-congregate sheltering program is a collaborative effort between the state, counties, and local partners to secure hotel and motel rooms, as well as essential wraparound services, for individuals with no other safe place to quarantine, isolate, or social distance. It has secured over 3,800 hotel and motel rooms for health care workers, farm workers, individuals experiencing homelessness, and other individuals and families that have been exposed to or are at high risk for the disease and need a safe place to stay.
- In Louisiana, nearly 1,200 people experiencing homelessness have received non-congregate shelter across the state through a state-led COVID-19 program. The Continuum of Care reports that essentially all of the unsheltered population in New Orleans and Jefferson Parish have been sheltered. The program provides services such as meals; COVID-19 and other infectious disease testing; assistance with Medicaid, SNAP, SSI/SSDI, and unemployment benefits; links to employment; and assistance with securing government identification.
- In Connecticut, homeless services providers have relocated 50 percent of homeless shelter residents (approximately 1,000 people) to 15 hotels to enable greater social distancing among staff and residents. Homeless services providers relocated operations and staff to provide services within those hotel settings. In order to avoid future outbreaks of COVID-19, providers in Connecticut estimate that 1,000 people must be housed in the next four months and that as many people as possible must be diverted from shelters so the shelters can operate at 50 percent of their pre-COVID capacity.
- San Diego took a slightly different approach based on its deep experience with other public health crises, including a Hepatitis A outbreak that significantly impacted people experiencing homelessness in 2017. Non-congregate shelter is being used to decompress family shelters and for people who are homeless and over 65, and the San Diego Convention Center is housing another 1,500 people experiencing homelessness in compliance with CDC standards.

However, getting vulnerable people off the streets during the pandemic will be a short-lived victory if people now housed in safe, non-congregate settings or other temporary locations are

[27] "The Road Home: News and Updates from LAHSA," https://www.lahsa.org/.

pushed back to the street because no rental assistance is available to transition them to more permanent solutions. And, while many communities have made strides, large numbers of people living in unsheltered locations who want to come inside continue to be ignored, criminalized, and underserved.

The only way to make long-term progress — and to avoid rather than simply delay homelessness for many families — is to put additional resources into rental assistance and target that aid to those most at risk of homelessness, rather than more politically favored populations with higher incomes.

People at Risk of Homelessness

While eviction moratoria are protecting some households for the moment, renters who cannot afford to pay rent continue to accrue debt that may cause a wave of evictions once the moratoria end. Some households will continue to pay rent by stopping payment on other bills like utilities, or will use credit cards or short-term loans and acquire debt that may be difficult to repay — placing them at high risk of losing their housing. When housing costs too much, households — particularly seniors and families with children — spend less on food and health care. Also, they often have little money left to cover other basic needs, putting them one financial emergency away from eviction or homelessness.[28] Rental assistance can reduce these hardships and improve stability.

Forty percent of working-age renters are worried about paying their rent, according to a recent survey,[29] and a recent analysis[30] projects that homelessness could rise by as much as 40-45 percent this year without additional income supports. These are not perfect predictors of what is to come, but they illuminate an important point: COVID-19 has created a perfect storm of factors that will weaken communities and widen disparities with long-lasting effects unless flexible rental assistance is available to address short-, medium-, and long-term needs of extremely low-income people and renters.

Lessons From HPRP and Beyond for Improving Housing and Homelessness Systems

At HUD I led the team that designed and implemented the Homelessness Prevention and Rapid Re-Housing Program (HPRP), funded by the 2009 Recovery Act. That $1.5 billion program was the first time HUD funded either rapid re-housing or homelessness prevention at that scale. As a field we learned a great deal implementing HPRP, and those lessons can inform the design and implementation of new emergency rental assistance programs responding to COVID-19.

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[28] Will Fischer, Douglas Rice, and Alicia Mazzara, "Research Shows Rental Assistance Reduces Hardship and Provides Platform to Expand Opportunity for Low-Income Families," CBPP, December 5, 2019, https://www.cbpp.org/research/housing/research-shows-rental-assistance-reduces-hardship-and-provides-platform-to-expand.

[29] Mary K. Cunningham, "When People Can't Pay Their Rent, What Comes Next?" Urban Institute, May 5, 2020, https://www.urban.org/urban-wire/when-people-cant-pay-their-rent-what-comes-next.

[30] "Analysis on Unemployment Projects 40-45% Increase in Homelessness This Year," Community Solutions, May 11, 2020, https://community.solutions/analysis-on-unemployment-projects-40-45-increase-in-homelessness-this-year/.

Background on HPRP

Rental assistance in HPRP — and in the permanent Emergency Solutions Grants program — is designed to be flexible to meet a household's needs based on its specific circumstances. It generally takes one of two forms: rapid re-housing for households already experiencing homelessness or homelessness prevention for households at risk of homelessness. Both interventions can include financial assistance, like rent subsidies or payment of rent or utility arrears or moving costs, and services to support housing stability. HPRP's income limit for homelessness prevention services was 50 percent of the area median income.

HUD allocated HPRP funding to 454 state and local government grantees and 2,545 subgrantees,[31] and the program served over 1.3 million people in roughly 537,000 households between July 2009 and its end on September 30, 2012. Approximately 78 percent of participants received homelessness prevention assistance and 23 percent received rapid re-housing assistance, making it the largest homelessness prevention program in U.S. history[32] to date. Guidance for HPRP was released 30 days after the Recovery Act's passage, which allowed communities to get new programs up and running quickly. Many communities used HPRP funds to make long-term changes in their homeless systems, including implementing permanent coordinated entry processes and rapid re-housing programs, building more robust partnerships across government and non-profits, and increasing analytical capability so that data can be used in real time for improved decision-making.

It is important to note that HUD has not yet released guidance on several CARES Act programs, including Emergency Solutions Grants. This delay is causing confusion at the local level and harming the most heavily affected communities, who need help quickly.

Elements of a COVID-19 Emergency Rental Assistance Program

Given both the HPRP experience and the evolution of the field since then, a new Emergency Rental Assistance program should incorporate several key elements:

1. *HUD should require communities to use a racial justice and equity approach in their programs*. It is critical that planning, design, and implementation of responses to COVID-19 aim to close gaps in systems of care that lead to disparities and disproportionate impacts. Communities should consult the people most affected by these gaps to understand their impacts and identify effective responses. For example, funding recipients should hire people with lived expertise to design and operate programs and should solicit and incorporate direct community input into program design and outreach.
2. *Recipients should use funds to end homelessness for as many people as possible.* Pressure to spend these resources rapidly can motivate communities to spend more on preventing evictions than on targeting people already experiencing homelessness, because prevention is faster and easier to administer. Communities should resist this pressure and instead re-house as many people as possible with emergency rental assistance to protect individual and community health.

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[31] Homelessness Prevention and Rapid Re-Housing Program (HPRP): Year 3 & Final Program Summary, HUD, June 2016, https://files.hudexchange.info/resources/documents/HPRP-Year-3-Summary.pdf.

[32] Gabriel Piña & Maureen Pirog, "The Impact of Homeless Prevention on Residential Instability: Evidence From the Homelessness Prevention and Rapid Re-Housing Program," *Housing Policy Debate,* Vol. 29 No. 4, December 13, 2018, 10.1080/10511482.2018.1532448.

3. *When designing prevention programs, recipients should focus on homelessness prevention before eviction prevention.* The two are not the same, and as the Center for Evidence Based Solutions to Homelessness explains, "the single best predictor of eventual homelessness is having previously been in a shelter."[33] First targeting funds to extremely low-income households that have experienced homelessness (or who have multiple predictors) will reduce the number of households becoming homeless more effectively.
4. *Both HUD and state/local recipients should reduce barriers that prevent historically marginalized populations and other subpopulations from accessing the funds.* Recipients should work with homeless assistance and affordable housing providers to ensure that people of color, LGBTQ people, youth and young adults, people with disabilities, survivors of domestic violence, immigrants, families with children, and others have access to resources, such as through robust community outreach and inclusive program design.
5. *Recipients should work with non-traditional partners that can reach into highly impacted neighborhoods.* Pressure to spend funds quickly can also motivate funding recipients to limit subrecipients to organizations with whom they traditionally partner. To reach the hardest-hit neighborhoods, recipients must foster new relationships with community-based organizations.
6. *Recipients should work closely with landlords.* Both rapid re-housing and homelessness prevention rely on relationships with landlords; communities with the most effective such programs have strong connections with landlords. We also know that small landlords can be especially impacted when their tenants are behind in rent, making those neighborhoods vulnerable to gentrification and loss of affordable housing. Recipients and subrecipients should execute landlord engagement strategies that reach small landlords with tenants who may be eligible for homelessness prevention, while also identifying new units to house people experiencing homelessness.

A Framework for an Equitable COVID-19 Homelessness Response

The Center has partnered with a number of national experts, including the National Alliance to End Homelessness, National Health Care for the Homeless Council, National Low Income Housing Coalition, National Innovation Service, Urban Institute, and former U.S. Interagency Council on Homelessness Executive Directors Barbara Poppe and Matthew Doherty, to develop a Framework and related tools for communities as they create and implement public health and economic recovery plans.[34] While it is oriented toward the use of CARES Act funding and related resources, it will also be a useful tool in designing or expanding current efforts as Congress makes additional resources available and in using these funds most effectively.

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[33] Marybeth Shinn and Rebecca Cohen, "Homelessness Prevention: A Review of the Literature," Center for Evidence-based Solutions to Homelessness, January 2019, http://www.evidenceonhomelessness.com/wp-content/uploads/2019/02/Homelessness_Prevention_Literature_Synthesis.pdf.

[34] "The Framework for an Equitable COVID-19 Homelessness Response," https://endhomelessness.org/a-framework-for-covid-19-homelessness-response-responding-to-the-intersecting-crises-of-homelessness-and-covid-19/.

U.S. House of Representatives, Committee on Financial Services
Subcommittee on Housing, Community Development, and Insurance

Written testimony for hearing: The Rent Is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis

June 10, 2020

Chairman Clay, Ranking Member Stivers, and Members of the Subcommittee, thank you for the opportunity to testify on the critically important issue of housing insecurity among renters. It is an honor to be here before you this afternoon. I'm grateful for your continued leadership and attention on this issue.

My name is Jenny Schuetz. I am a Fellow at Brookings Metropolitan Policy Program and the Future of the Middle Class Initiative. The views expressed in my testimony are my personal views and do not reflect the views of Brookings, other scholars, officers, or trustees.

You asked me to address several challenges facing renters today, namely:

- The consequences renters face when they are unable to pay their rent;
- How the pandemic has disproportionately affected low income households and households of color;
- The current gaps in protections for and resources available to renters who are struggling to pay their rent due to the pandemic; and
- How renters' inability to pay rent has downstream impacts on other stakeholders and entities.

Below I provide some larger context for the current rental housing crisis, and offer recommendations for how Congress can help address the needs of America's renters.

Low-income renters faced housing insecurity even before the COVID-19 pandemic

The COVID-19 pandemic and subsequent recession has exacerbated an already widespread problem of housing insecurity among low-income renters. Even before the crisis, more than 10 million households spent more than half their income on rent, well above the 30% guideline recommended by the U.S. Department of Housing and Urban Development (HUD).[1] When families devote such a large share of their monthly budget to pay for housing, they often have too little remaining income to pay for food, health, care, and other necessities. Any unexpected loss of income will leave them unable to pay rent, increasing the risk of eviction and displacement. Financial stress also harms people's physical and mental health.[2]

[1] Joint Center for Housing Studies. 2020. America's Rental Housing 2020. Cambridge MA: Harvard University. https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Americas_Rental_Housing_2020.pdf
[2] Desmond, Matthew. 2016. *Evicted: Poverty and Profit in the American City.* New York, NY: Crown Publishers; Edin, Kathryn J. and H. Luke Shaffer. 2016. *$2.00 a Day: Living on Almost Nothing in America.* New York, NY: Houghton Mifflin Harcourt Publishing; Gabriel, Stuart and Gary Painter. 2017. "Why Does Housing Affordability Matter?" Working Paper.

Housing insecurity among low-income households is a national problem: the poorest 20% of households everywhere in the U.S. do not earn enough income to afford the rent on even modest-quality market-rate housing.[3] Most low-income renters receive no federal housing subsidies. Unlike food stamps and Medicaid, federal rental assistance is not an entitlement. Roughly one in four eligible renter households receive any subsidy. Most public housing authorities have years-long wait lists for housing vouchers.[4]

While housing affordability before COVID-19 was clearly worst for poor renters, lower-middle-income households were also financially strained to pay rent in high-cost metropolitan areas. Renters in the second income quintile spend on average 40% of their income on housing, well above HUD's guideline.[5] Middle-income families with children face high rates of crowding, particularly in California, Texas, and the New York metropolitan area. Too many people sharing too little space makes it difficult to practice social distancing during the current public health crisis. Lower-income households in the Northeast and Midwest are more likely to live in older, poor quality housing,[6] which can contribute to health problems.[7]

The precarious plight of low- and moderate-income renters prior to the current crisis reflects a series of policy choices made by federal, state, and local governments. Excessively strict state and local regulations, such as prohibitions on building apartments, contribute to the high cost and limited availability of rental housing.[8] The share of low-income households receiving federal rental assistance has declined over the past 20 years.[9]

Policy recommendations to support low-income renters:
In the short run, Congress can assist renters who have lost income due to COVID-19 by providing direct financial assistance. This could take the form of additional stimulus funds, expanded unemployment insurance, or emergency rental assistance. In the medium- and long-term, reducing housing insecurity among low-income renters will require either an expansion of

[3] Larrimore, Jeff and Jenny Schuetz. 2017. Assessing the Severity of Rent Burden on Low-Income Families. Board of Governors of the Federal Reserve System. FEDS Notes. https://www.federalreserve.gov/econres/notes/feds-notes/assessing-the-severity-of-rent-burden-on-low-income-families-20171222.htm
[4] Ellen, Ingrid Gould. 2020. What do we know about housing choice vouchers? Regional Science and Urban Economics Vol 80. https://www.sciencedirect.com/science/article/pii/S0166046217302983
[5] Schuetz, Jenny. 2019. Cost, Crowding, or Commuting? Housing Stress on the Middle Class. Brookings Institution. https://www.brookings.edu/research/cost-crowding-or-commuting-housing-stress-on-the-middle-class/
[6] Schuetz, Jenny. 2019. Housing affordability and quality create stress for Heartland families. Brookings Institution. https://www.brookings.edu/blog/the-avenue/2019/07/02/housing-affordability-and-quality-create-stress-for-heartland-families/
[7] Boch, Samantha, Danielle Taylor, Melissa Danielson, Deena Chisholm, and Kelly Kelleher. 2020. "Home is Where the Health Is": Housing quality and adult health outcomes in the Survey of Income and Program Participation. Preventative Medicine Vol 132. https://www.sciencedirect.com/science/article/pii/S0091743520300141
[8] Gyourko, Joseph and Raven Molloy. 2014. Regulation and Housing Supply. NBER Working Paper 20536. Hsieh, Chang-Tai and Enrico Moretti. 2019. Housing Constraints and Spatial Misallocation. American Economic Journal: Macroeconomics 11(2): 1-29. Murray, Cecile and Jenny Schuetz. 2019. Is California's Apartment Market Broken? University of California-Berkeley, Terner Center Working Paper. Ganong, Peter and Daniel Shoag. 2017. Why has income convergence in the U.S. declined? Journal of Urban Economics 102: 76-90.
[9] Kingsley, G. Thomas. 2017. Trends in Housing Problems and Federal Housing Assistance. Urban Institute. https://www.urban.org/sites/default/files/publication/94146/trends-in-housing-problems-and-federal-housing-assistance.pdf

funding for existing federal rental assistance or restructuring existing housing subsidies to cover more households. The federal government should also work with state and local governments to reform land use regulations that make it difficult and expensive to build rental housing.[10]

Consumer protections for renters vary widely across states and local jurisdictions

The federal government plays a more active role in regulating mortgage markets for owner-occupied housing than the rental housing market, even though renters are typically less affluent than homeowners. In the wake of the Great Recession, federal agencies enacted new consumer protections for homebuyers, such as requiring more transparent disclosure of key mortgage terms, and restricting certain risky loan characteristics.[11] By contrast, state governments set most of the legal parameters for rental housing, leading to wide variation across states in renter protections.[12] Some states have pre-empted the ability of local governments to adopt additional tenant protections.[13] The current patchwork of approaches to temporary eviction moratoria is simply the logical extension of rental housing regulations that are adopted and enforced at the state and local level.[14]

The different levels of federal engagement in the owner-occupied and rental housing markets can be seen in responses to the current crisis. The Federal Housing Finance Agency has directed Fannie Mae and Freddie Mac to allow borrowers harmed by the pandemic up to one year of forbearance on their mortgages.[15] Missed payments do not have to be repaid in a lump sum after the forbearance period—a critical difference from most eviction moratoria. Neither HUD nor any other federal agency has equivalent authority over private-sector landlords who own and operate most of the nation's rental housing.

Policy recommendations for more consistent renter protections

In the short run, providing renters with sufficient financial support to continue paying their rent is the most direct and effective action Congress could take. Because evictions are carried out at the local level, the resources available to local governments—such as the number of lawyers available to counsel tenants—will affect what happens once temporary eviction moratoria end. Financial assistance to local governments for additional legal staff could help them more equitably manage the anticipated high volume of eviction filings. In the longer term, Congress may wish to consider whether CFBP could provide more consistent consumer protection for renters across states.

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[10] Schuetz, Jenny. 2018. HUD can't fix exclusionary zoning by withholding CDBG funds. Brookings Institution. https://www.brookings.edu/research/hud-cant-fix-exclusionary-zoning-by-withholding-cdbg-funds/

[11] https://www.consumerfinance.gov/ask-cfpb/what-is-a-qualified-mortgage-en-1789/ https://www.consumerfinance.gov/ask-cfpb/what-is-a-hud-1-settlement-statement-en-178/

[12] https://www.law.cornell.edu/wex/landlord-tenant_law

[13] Hatch, Megan. 2017. Statutory Protection for Renters: Classification of state landlord-tenant approaches. Housing Policy Debate 27(1): 98-119.

[14] https://nlihc.org/eviction-and-foreclosure-moratoriums

[15] https://www.fhfa.gov/Media/PublicAffairs/Pages/No-Lump-Sum-Required-at-the-End-of-Forbearance-says-FHFAs-Calabria.aspx

The COVID-19 pandemic has disproportionately affected low-wage workers, Black and Latino households

The economic impacts of the pandemic have fallen especially hard on low-wage workers. Nearly 40% of households with annual incomes under $40,000 experienced job loss in March, a substantially higher share than higher-income households.[16] Additionally, Black and Latino households have been more at risk of severe health outcomes related to COVID-19.[17] Within many cities, majority Black or Latino neighborhoods have registered higher incidence of COVID-19 cases.[18] Black and Latino workers are overrepresented among "essential workforce" jobs and are less likely to hold jobs that can be carried out remotely.[19] The most recent jobs report from the Bureau of Labor Statistics showed slight improvement in the unemployment rate among white workers, while the Black unemployment rate rose between April and May.[20]

Income and race are strongly correlated with homeownership rates, which means the economic crisis has been particularly pronounced among renter households.[21] Many renter households had very limited savings even before COVID-19, which will make it difficult for them to weather even short-term income losses.

Policy recommendations addressing racially disparate impacts of COVID-19
Continuing to provide financial support directly to households who have lost income due to the pandemic is critical.[22] The most recent jobs report suggests that the economic recovery may be uneven across workers; enhanced unemployment insurance or other support may be needed for longer periods for workers in heavily affected industries or geographic areas, even as the overall labor market improves. It is also important to ensure that assistance programs for businesses are accessible to small, women- and minority-owned businesses.[23]

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[16] Board of Governors of the Federal Reserve. 2020. Survey of Household Economics and Well-Being 2020. https://www.federalreserve.gov/publications/2020-economic-well-being-of-us-households-in-2019-financial-repercussions-from-covid-19.htm

[17] Hooper, Monica Webb, Anna María Nápoles, and Eliseo J. Pérez-Stable. 2020. COVID-19 and Racial/Ethnic Disparities. Journal of the American Medical Association. https://jamanetwork.com/journals/jama/article-abstract/2766098

[18] https://furmancenter.org/thestoop/entry/covid-19-cases-in-new-york-city-a-neighborhood-level-analysis

[19] Brown, Steven. 2020. How COVID-19 is affecting Black and Latino Families Well-Being. Urban Institute. https://www.urban.org/urban-wire/how-covid-19-affecting-black-and-latino-families-employment-and-financial-well-being

[20] https://www.bls.gov/news.release/pdf/empsit.pdf

[21] Schuetz, Jenny. 2020. When middle-class incomes collapse, how you gonna pay next month's rent. Brookings Institution. https://www.brookings.edu/blog/up-front/2020/03/26/when-middle-class-incomes-collapse-how-you-gonna-pay-next-months-rent/

[22] Boushey, Heather, Ryan Nunn, and Jay Shambaugh. 2019. Recession Ready: Fiscal policies to stabilize the American economy. Brookings Institution. https://www.brookings.edu/multi-chapter-report/recession-ready-fiscal-policies-to-stabilize-the-american-economy/

[23] Liu, Sifan and Joseph Parilla. 2020. Businesses owned by women and minorities have grown. Will COVID-19 undo that? Brookings Institution. https://www.brookings.edu/research/businesses-owned-by-women-and-minorities-have-grown-will-covid-19-undo-that/

Suspending or cancelling rent payments could harm local economies

In order to protect renters from displacement during the pandemic, a number of states and localities have adopted temporary eviction moratoriums. While allowing renters to suspend rent payments for a few months can help them in the short term, these moratoriums could increase households' longer-term financial insecurity. Suspending rent payments may also harm other stakeholders in the local economy.[24]

Allowing renters to defer current rent payments to some future date will most likely result in households accumulating debt that they cannot pay off.[25] Families who cannot afford one month of rent now will face even greater difficulty paying several months of overdue rent when the moratorium comes to an end. Unlike mortgage forbearance offered through the government sponsored enterprises, eviction moratoria do not provide a mechanism for renters to spread missed rent payments over a longer term, unless negotiated on a case-by-case basis with landlords.

Halting rent payments can have harmful ripple effects throughout local economies. Landlords rely on rent checks to pay their mortgages, insurance, utilities, and property taxes to local governments.[26] Landlords with federally-backed mortgages can qualify for one year of forbearance, but many landlords will not qualify for this program. Local government budgets have already been hit hard by declining revenues and increased need for services; delayed or diminished property tax revenues will impact their ability to provide essential services.[27] Rent checks pay the wages of other workers. Large property owners employ in-house maintenance and housekeeping staff, while small landlords hire independent contractors, such as plumbers and electricians. When renters cannot pay their landlords, other workers and small businesses will lose income. If landlords are forced to defer building maintenance due to cash shortfalls, the quality of the housing can deteriorate and become hazardous to tenants.

Interrupting cash flows will inflict the most harm on small-scale, non-professional property owners. Many of these landlords operate on very thin margins, so the delay or loss of rent payments may force them to sell their properties. These are also the types of apartment buildings that are most likely to house economically vulnerable renters.[28] Black and Latino landlords own and operate a substantial share of older, small rental properties that make up the unsubsidized ("naturally occurring") affordable rental stock. Additionally, in recent years, many cities have

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[24] Fields, Samantha. 2020. HUD, Fannie Mae, Freddie Mac, and a growing list of cities suspend evictions because of coronavirus. Marketplace. https://www.marketplace.org/2020/03/16/growing-number-of-cities-states-halting-evictions-because-of-coronavirus/

[25] Burrows, Kimberly and Maya Brennan. 2020. When pandemic hits, pausing evictions can help renters and landlords—but it's not enough. Urban Institute. https://housingmatters.urban.org/articles/when-pandemic-hits-pausing-evictions-can-help-renters-and-landlords-its-not-enough

[26] Schuetz, Jenny. 2020. Halting evictions during the coronavirus crisis isn't as good as it sounds. Brookings Institution. https://www.brookings.edu/blog/the-avenue/2020/03/25/halting-evictions-during-the-coronavirus-crisis-isnt-as-good-as-it-sounds/

[27] Belz, Sage and Louise Sheiner. 2020. Brookings Institution. https://www.brookings.edu/blog/up-front/2020/03/23/how-will-the-coronavirus-affect-state-and-local-government-budgets/

[28] https://furmancenter.org/thestoop/entry/covid-19-and-the-rental-market

tried to increase the supply of rental housing through "gentle density".[29] For instance, homeowners are encouraged to convert their basement or garage into an accessory dwelling unit (ADU).[30] Policies that make being a landlord more complicated or riskier are a disincentive to operating small-scale rental housing.

Policy recommendations to support owners of affordable rental properties

In addition to direct financial support to households, Congress could provide targeted grants or low-interest loans to property owners. Such grants could help preserve the physical condition and financial viability of existing affordable housing. Renters are at higher risk of eviction when their landlords fall behind on taxes and other bills.[31] Older apartment buildings are often targeted by investors who plan to raise rents. Targeted support to small property owners could help avoid the permanent loss of existing affordable housing.[32]

Conclusion

Congress has already acted to help households and businesses weather the initial impact of the pandemic. More targeted assistance is needed to keep renters in their homes and allow landlords to continue providing safe, habitable housing to all their tenants.

Thank you again for the opportunity to testify virtually here today on this important issue. I look forward to answering your questions.

[29] https://www.smartergrowth.ca/what-gentle-density-and-why-do-we-need-it

[30] Kirk, Mimi. 2018. The granny flats are coming. CityLab. https://www.citylab.com/design/2018/01/the-granny-sflats-are-coming/550388/

[31] Raymond, Elora Lee, Richard Duckworth, Benjamin Miller, Michael Lewis, Shiraj Pokharel. 2018. From Foreclosure to Eviction: Housing insecurity in corporate-owned single-family rentals. Cityscape 20(3): 159-185. https://www.huduser.gov/portal/periodicals/cityscpe/vol20num3/Cityscape-November_2018.pdf#page=165

[32] Graves, Erin, Ingrid Gould Ellen, Katherine O'Regan, and Jenny Schuetz. 2020. Strategies for increasing affordable housing amid the COVID-19 economic crisis. Brookings Institution.

Credit Union National Association

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June 10, 2020

The Honorable Wm. Lacy Clay
Chairman
Committee on Financial Services
Subcommittee on Housing, Community Development and Insurance
United States House of Representatives
Washington, DC 20515

The Honorable Steven E. Stivers
Ranking Member
Committee on Financial Services
Subcommittee on Housing, Community Development and Insurance
United States House of Representatives
Washington, DC 20515

Dear Chairman Clay and Ranking Member Stivers:

On behalf of America's credit unions, I am writing regarding the Financial Services Subcommittee on Housing, Community Development, and Insurance hearing entitled "The Rent Is Still Due: America's Renters, COVID-19 and an Unprecedented Eviction Crisis." CUNA represents America's credit unions and their 115 million members.

Since the beginning of the pandemic, credit unions have been working to ensure they remain in a position to serve their members during and after the crisis. The good news is that credit unions entered the crisis very strong, with capital, liquidity and asset quality levels at post-financial crisis highs. This puts credit unions in a good position to flex their people helping people muscle to help their members weather financial challenges presented by the current economic disruption. Throughout the COVID-19 pandemic, 95 percent of credit unions are offering loan forbearances; more than 85 percent are waiving fees; and, 80 percent have created new loan products to meet members' pressing needs[1].

Still, many Americans have experienced extreme hardship and job loss as a result of the pandemic. Economic experts anticipate a host of foreclosures and evictions in the months ahead; more than 70 percent of renters are not covered by the CARES Act's prohibition against evictions for failure to pay rent according to the Urban Institute's calculations. Even more worrisome, households of color are disproportionately more vulnerable to the financial burdens caused by the COVID-19 pandemic. Households of color disproportionately rent their homes compared to white households[2] and are being laid off at a higher rate due to the COVID-19 pandemic[3]. Some of these inequalities were caused by the 2008 financial crisis where people of color were targeted for subprime mortgages[4].

That said, we share the same goal of keeping Americans in their homes. Millions of renters and homeowners are at risk because of the pandemic. We know this because many of them are credit union members. It is imperative to ensure that they can stay in their homes as the economy recovers. We must also take into account that all stakeholders throughout the mortgage and rental pipelines are supported as well.

[1] Ongoing survey of credit unions conducted by the Credit Union National Association (CUNA). Survey results as of March 27, 2020 See https://www.americascreditunions.org/
[2] https://www.urban.org/sites/default/files/publication/101160/explaining_the_black-white_homeownership_gap_a_closer_look_at_disparities_across_local_markets.pdf
[3] https://www.washingtonpost.com/business/2020/05/06/layoffs-race-poll-coronavirus/
[4] Rugh and Massey, "Racial Segregation and the American Foreclosure Crisis," Oct. 1, 2010.

That is why we support H.R. 6820, the Emergency Rental Assistance and Rental Market Stabilization Act of 2020 which would establish a $100 billion emergency rental assistance program that is direct to the states. A model that we believe can and should be expanded.

Credit unions mission has always been to serve the underserved and believe it is paramount that we assist and protect the most vulnerable during the pandemic. With that in mind, CUNA supports H.R. 6736, the Protect Rural Renters Act of 2020 that would authorize $700 million for the USDA's rental assistance program which helps to provide assistance to over 270,000 households[5]; H.R. 6873, the Emergency Housing Assistance for Older Adults Act of 2020, which would authorize $1.2 billion for the Supportive Housing for the Elderly program; and H.R. 7084, the Emergency Housing Voucher Act of 2020, which would authorize $10 billion for vouchers for individuals experiencing or at risk of homelessness and survivors of domestic violence.

However, our shared goal of keeping Americans in their homes must not be achieved simply by the imposition of eviction moratoria or mandatory rent forbearance because measures like that undermine an increasingly fragile mortgage market that we know is critical to the health of the broader economy. Thus, we must oppose H.R. 6741, the COVID-19 Mortgage Relief Act.

Additionally, we oppose H.R. 6423, which would temporarily prohibit certain actions used in the collection of debt related to past due consumer and small business loans. While this restriction may be well-intentioned, credit unions have significant concerns about the impact this policy may have on community financial service providers and the consumers they serve. A blanket suspension of the debt collection process—even for a temporary period—will disrupt creditors' ability to actively manage their loan portfolios, increase the cost of credit for all borrowers, and reduce access to credit from reputable lenders when Americans need it most. The safety and soundness of any financial institutions depends on the continuation of their income streams and includes the responsible collection of debts from borrowers. Credit unions have a history of working with their members who encounter financial hardship or economic disruption. It is in the best interest of both the credit union member and the credit union to work out payment plans and other accommodations. In fact, as a result of their cooperative structure and member-focused mission, many credit unions are already working with financially distressed members to develop customized solutions that secure their financial well-being during this pandemic and beyond.

On behalf of America's credit unions and their 115 million members, thank you for holding this important hearing and considering our views.

Sincerely,

Jim Nussle
President & CEO

[5] https://www.cbpp.org/research/housing/federal-rental-assistance-provides-affordable-homes-for-vulnerable-people-in-all#:~:text=USDA%20Section%20521%20Rural%20Rental,to%20pay%20their%20full%20rent.



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HEARING BEFORE THE

HOUSE FINANCIAL SERVICES

SUBCOMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT

AND INSURANCE

ENTITLED

"THE RENT IS STILL DUE: AMERICA'S RENTERS, COVID-19 AND AN UNPRECEDENTED EVICTION CRISIS"

STATEMENT FOR THE RECORD OF

THE NATIONAL ASSOCIATION OF REALTORS®

JUNE 10, 2020

REALTOR® is a registered collective membership mark which may be used only by real estate Professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

EQUAL HOUSING OPPORTUNITY

Thank you for holding this important hearing on "The Rent Is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis." The National Association of REALTORS® represents more than 1.4 million real estate professionals involved in all aspects of the real estate industry, including the ownership and management of single-family and multifamily rentals.

As the pandemic continues, we are encouraged by the signs of communities and businesses reopening. As unemployment rates start to slow, our nation has started on the path to economic recovery. But some renters may still be struggling to pay their rent. The prohibition on eviction ensures these residents will not lose their housing – but may make that housing unsustainable in the long run. According to the Rental Housing Survey of the U.S. Census Bureau, more than 40 percent of the nation's 48 million total rental units are owned by mom-and-pop individual investors.[1] Without rental income, it will be difficult for these housing providers to pay their mortgages, taxes, insurance, maintenance workers, and other expenses. The forbearance for federal properties was helpful, but short-lived. While renters were already promised eviction protection for 120 days (plus 30-days-notice), housing providers were only provided up to a total of 90 days of forbearance. Furthermore, while many cities have prohibited evictions or closed their courts, property owners without a federal mortgage were left with no relief from their financial obligations.

The National Association of REALTORS® urges support for emergency rental assistance. Direct federal rental assistance to housing providers will help alleviate some of the financial strain on the industry and stop the cascading effects on local economies. We also believe that any extension of the eviction moratorium should be narrowly tailored to provide relief to renters who are financially impacted due to COVID-19, as is required for housing providers seeking relief. Furthermore, the eviction moratorium should be matched with mortgage forbearance relief for housing providers.

Such forbearance, however, will have a ripple effect on mortgage liquidity. Congress should direct the Board of Governors of the Federal Reserve System and the Secretary of the Treasury, pursuant to the authority granted under section 13(3) of the Federal Reserve Act, to extend credit to multifamily mortgage servicers and other obligated advancing parties that, in each case, have liquidity needs due to the COVID–19 emergency or due to the actual or imminent delinquency or default on mortgage loans due to the COVID–19 emergency. Without such a program, multifamily liquidity will dry up, and our existing lack of affordable housing inventory will be exacerbated.

Unlike the great recession, the current economic situation is the result of a health emergency. Let us make sure we do not end up with a larger housing crisis as a result. REALTORS® stand ready to work with you on this important issue.

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[1] https://www.census.gov/data-tools/demo/rhfs/#/?s_tableName=TABLE2&s_type=2



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Congressional Testimony

The Rent Is Still Due: America's Renters, COVID-19 and an Unprecedented Eviction Crisis

Testimony before
Subcommittee on Housing, Community Development, and Insurance

Committee on Financial Services

United States House of Representatives

June 10, 2020

Jim Baker
Executive Director,
Private Equity Stakeholder Project

My name is Jim Baker. I am the Executive Director of the Private Equity Stakeholder Project, a nonprofit that works with stakeholders such as workers, tenants, borrowers, patients, and others impacted by private equity and other private funds investments.

I want to thank Chairman Lacy Clay, Ranking Member Stivers, and the other Members of the Subcommittee for the opportunity to present on an important issue facing renters throughout the United States.

Evictions by Private Equity Landlords During the COVID-19 Pandemic

Over the last decade, private equity and private real estate firms have become major residential landlords, buying up millions of apartments, single family homes, and mobile home communities.[1]

While much of the United States has been trying to stay at home and a number of states, localities, and the federal government have adopted moratoriums barring evictions, many private equity landlords have continued to file and advance evictions cases.

The Private Equity Stakeholder Project has identified several hundred eviction cases filed since mid-March by private equity and private real estate firms. A list of the cases we have identified so far is below.

Some private equity firms report that they have temporarily halted evictions. **The Blackstone Group**, which owns more than 80,000 apartment units throughout the US[2], has reportedly halted evictions through at least July 31. **Cerberus Capital**, which owns single family rental owner FirstKey Homes, **Amherst Holdings**, owner of single-family rental firm Main Street Renewal, and Progress Residential, owned by PE firm **Pretium Partners**, have also reportedly stopped evictions temporarily at their properties, though they did not say for how long they plan to maintain that policy.

But some of the largest private equity owners of housing have continued to advance eviction cases. We have identified dozens of eviction cases filed by **Greystar Real Estate Partners**, which manages nearly 500,000 apartments throughout the US and owns apartment properties with more than 63,000 units.[3] Private equity firm **Starwood Capital**, with more than 75,000 apartments around the country[4], has filed at least 60 eviction cases since mid-March. **Goldman Sachs** has continued to advance eviction and foreclosure cases despite the pandemic.[5]

Some Evictions by Private Equity Landlords Violate the CARES Act Eviction Moratorium

On March 27 the President signed into law the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. The CARES Act includes a temporary moratorium on eviction filings (Sec. 4024) for the 120-day period beginning on the date of enactment of the Act.

The Act is very clear that the lessor of a covered dwelling with a federally backed multifamily mortgage loan may not:

(1) make, or cause to be made, any filing with the court of jurisdiction to initiate a legal action to recover possession of the covered dwelling from the tenant for nonpayment of rent or other fees or charges; or

(2) charge fees, penalties, or other charges to the tenant related to such nonpayment of rent.

We have identified dozens of eviction filings that appear to violate the moratorium on evictions that was adopted as part of the CARES Act in that they were filed after March 27 at properties with mortgages backed by Fannie Mae or Freddie Mac.

Each such eviction filing would appear to be in direct violation of federal law.

A list of eviction filings we have identified is below. This is by no means an exhaustive list. Rather, we expect there are many more such filings at properties with mortgages backed by Fannie Mae or Freddie Mac that we have not yet identified.

Many of the firms listed are not small operations. Greystar Real Estate Partners, for example, is the largest manager of apartments in the United States.[6]

The number of eviction filings we have been able to identify with a limited search suggests that lessors of multifamily properties with federally-backed mortgages are not taking the CARES Act eviction moratorium seriously, instead threatening residents with eviction as they attempt to stay at home to prevent the spread of COVID-19.

As we begin a new month, we could see a new wave of eviction filings. Indeed, some of the eviction cases on the below list were filed within the past few weeks.

We have provided a copy of this list to the Federal Housing Finance Agency (FHFA), the agency that regulates Fannie Mae and Freddie Mac.

To date, the FHFA has not provided a response or an explanation of what actions it will take to enforce the law.

As you know, Fannie Mae and Freddie Mac, under conservatorship of the United States Treasury, backed nearly $148 billion in multifamily mortgages last year alone[7], providing a significant benefit to landlords including a number of the private equity landlords listed below.

Fannie Mae and Freddie Mac have numerous tools to ensure that multifamily borrowers are in compliance with federal law. Many of the private equity landlords that have filed eviction cases during the COVID-19 pandemic have repeatedly sought Fannie Mae and Freddie Mac-backed financing for their purchases.

As tenants face an unprecedented crisis in the wake of the COVID-19 pandemic, Fannie Mae, Freddie Mac, and the Federal Housing Finance Agency should ensure that borrowers, including private equity landlords, are not violating federal law.

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[1] "A $60 Billion Housing Grab by Wall Street," New York Times Magazine, mar 4, 2020. "PRIVATE EQUITY GIANTS CONVERGE ON MANUFACTURED HOMES," Private Equity Stakeholder Project, Americans for Financial Reform Education Fund, MHAction, Feb 2019.
[2] https://www.beamliving.com/, accessed Jun 9, 2020. https://www.livcor.com/ accessed Jun 9, 2020.
[3] NMHC 50 Largest Apartment Managers, 2020. NMHC 50 Largest Apartment Owners, 2020.
[4] NMHC 50 Largest Apartment Owners, 2020.
[5] "Goldman Sachs Forecloses on 10,000 Homes for 'Consumer Relief'," NY Times, May 22, 2020.
[6] NMHC 50 Largest Apartment Managers, 2020.
[7] Fannie Mae 2019 Form 10-K, Freddie Mac 2019 Form 10-K.

Evictions by Private Equity Landlords that Appear to Violate the CARES Act Eviction Moratorium:

Landlord	Case Number	Plaintiff	County	State	Date Filed	GSE-backed?
29th Street Capital	CC2020-087668	29SC MISSION SPRINGS LP	Maricopa	AZ	5/29/20	Freddie Mac
29th Street Capital	CC2020-082691	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Freddie Mac
29th Street Capital	CC2020-082680	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Freddie Mac
29th Street Capital	CC2020-082704	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Freddie Mac
29th Street Capital	CC2020-082712	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Freddie Mac
29th Street Capital	CC2020-082688	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Freddie Mac
29th Street Capital	CC2020-069745	29SC MISSION SPRINGS LP	Maricopa	AZ	4/23/20	Freddie Mac
29th Street Capital	CC2020-069141	29SC MISSION SPRINGS LP	Maricopa	AZ	4/22/20	Freddie Mac
Abacus Capital	CC2020-086388	ACIF I LEVEL LLC	Maricopa	AZ	5/27/20	Fannie Mae
AllianceBernstein/ Prospect Ridge	CC2020-085708	AB WWC URBAN TRAILS LP	Maricopa	AZ	5/26/20	Freddie Mac
AllianceBernstein/ Prospect Ridge	CC2020-061983	AB EVEREST PARK VIEW OWNER LLC	Maricopa	AZ	3/31/20	Freddie Mac
Blackstone Group	CC2020-071983	BREIT OLYMPUS MF VISTARA LLC	Maricopa	AZ	4/29/20	Freddie Mac
Blackstone Group	CC2020-068103	BREIT MF FINISTERRA LLC	Maricopa	AZ	4/20/20	Fannie Mae
Capital Real Estate	CC2020-087404	CRE/K & C VILLAS LLC	Maricopa	AZ	5/28/20	Freddie Mac
Capital Real Estate	CC2020-084734	CRE/K & C VILLAS LLC	Maricopa	AZ	5/22/20	Freddie Mac
Capital Real Estate	CC2020-061302	CRE/K & C VILLAS LLC	Maricopa	AZ	3/27/20	Freddie Mac
Capital Real Estate	CC2020-061307	CRE/K & C VILLAS LLC	Maricopa	AZ	3/27/20	Freddie Mac
Capital Real Estate	CC2020-061242	CRE LATITUDE TIC OWNER LLC	Maricopa	AZ	3/27/20	Freddie Mac
DiNapoli Capital	CC2020-075708	MET APARTMENTS, LLC	Maricopa	AZ	5/6/20	Fannie Mae
Emerald Equity Group	20D08153	LANDMARK EAST PONCE, LLC D/B/A 13 TEN APARTMENTS	DeKalb	GA	4/1/2020	Fannie Mae
Emerald Equity Group	20D08151	LANDMARK EAST PONCE, LLC D/B/A 13 TEN APARTMENTS	DeKalb	GA	4/1/2020	Fannie Mae
FSC Realty	CC2020-082025	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/19/20	Freddie Mac
FSC Realty	CC2020-080610	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	Freddie Mac
FSC Realty	CC2020-080648	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	Freddie Mac
FSC Realty	CC2020-080633	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	Freddie Mac
Greystar Real Estate Partners	CC2020-086460	GS AVANA AT THE POINTE LLC	Maricopa	AZ	5/27/20	Freddie Mac
Greystar Real Estate Partners	CC2020-082633	GS CARTER DRIVE LLC	Maricopa	AZ	5/20/20	Freddie Mac
Greystar Real Estate Partners	CC2020-079860	GS CARTER DRIVE LLC	Maricopa	AZ	5/14/20	Freddie Mac
Greystar Real Estate Partners	CC2020-069023	GS CHANDLER LLC	Maricopa	AZ	4/22/20	Freddie Mac

Greystar Real Estate Partners	19AV-CV-20-949	GS Southview LLC	Dakota	MN	4/20/20	Freddie Mac
Greystar Real Estate Partners	CC2020-065243	GS CARTER DRIVE LLC	Maricopa	AZ	4/10/20	Freddie Mac
Greystar Real Estate Partners	CC2020-062322	GS HIGHLANDS LLC	Maricopa	AZ	4/1/20	Freddie Mac
Heitman	CC2020-068156	TR SKYWATER LLC	Maricopa	AZ	4/20/20	Freddie Mac
Knightvest Capital	CC2020-080231	KV PASEO PARK APARTMENTS LLC	Maricopa	AZ	5/15/20	Freddie Mac
MG Real Estate	CC2020-085753	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	5/26/20	Fannie Mae
MG Real Estate	CC2020-078759	MG SONORAN APARTMENTS LLC	Maricopa	AZ	5/13/20	Fannie Mae
MG Real Estate	CC2020-076944	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	5/8/20	Fannie Mae
MG Real Estate	CC2020-076406	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	5/7/20	Fannie Mae
MG Real Estate	CC2020-069163	MG SCOTTSDALE HORIZON APARTMENTS LP	Maricopa	AZ	4/22/20	Fannie Mae
OpenPath Investments	CC2020-083327	Indian Springs Apartments: Indian Springs Mesa LLC	Maricopa	AZ	5/21/20	Freddie Mac
Security Properties	CC2020-083296	ANDANTE OWNER LLC	Maricopa	AZ	5/21/20	Freddie Mac
Starwood Capital	35-2020-CC-001830	SPT Dolphin Spring Harbor LLC	Lake	FL	4/2/20	Freddie Mac
Starwood Capital	2020-006200-CC-26	SCG ATLAS KINGS COLONY LLC	Miami Dade	FL	4/2/20	Fannie Mae
Starwood Capital	2020-006201-CC-26	SCG ATLAS KINGS COLONY LLC	Miami Dade	FL	4/2/20	Fannie Mae
Starwood Capital	2020-CC-003991-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/31/20	Freddie Mac
Starwood Capital	2020-CC-003989-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/31/20	Freddie Mac
Starwood Capital	CONO20004605	SCG Atlas Coconut Palm Club LLC	Broward	FL	3/30/20	Fannie Mae
Starwood Capital	2020-CC-001019-21-S	SREIT Vista Haven LLC dba Vista Haven Apartment Homes	Seminole	FL	3/27/20	Freddie Mac
Westmount Realty Capital	CC2020-084056	WESTMOUNT AT 949 LP	Maricopa	AZ	5/22/20	Fannie Mae
Wexler Partners	CC2020-084002	WEXLER PARTNERS LLC/ WIP- PARK VILLAGE II LLC/W	Maricopa	AZ	5/22/20	Fannie Mae
Wexler Partners	CC2020-084006	WEXLER PARTNERS LLC/ WIP- PARK VILLAGE II LLC/W	Maricopa	AZ	5/22/20	Fannie Mae
Wexler Partners	CC2020-082538	WEXLER PARTNERS LLC/ WIP-PARK VILLAGE LLC/W	Maricopa	AZ	5/20/20	Fannie Mae
Yes! Communities	CC2020-084124	MOUNTAIN GATE MOBILE HOME PARK	Maricopa	AZ	5/22/20	Fannie Mae
Yes! Communities	CC2020-083345	mountain gate mobile home park c/o compnaies fred llc	Maricopa	AZ	5/21/20	Fannie Mae
Yes! Communities	CC2020-082604	MOUNTAIN GATE MOBILE HOME PARK c/o YES COMPANIES FRED LLC	Maricopa	AZ	5/20/20	Fannie Mae

Evictions by Private Equity Landlords During the COVID-19 Pandemic

Landlord	Case Number	Plaintiff	County/ Region	State	Date Filed	Property/Community Name
29th Street Capital	CC2020-087668	29SC MISSION SPRINGS LP	Maricopa	AZ	5/29/20	Mission Springs Apartments
29th Street Capital	CC2020-082691	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Mission Springs Apartments
29th Street Capital	CC2020-082680	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Mission Springs Apartments
29th Street Capital	CC2020-082704	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Mission Springs Apartments
29th Street Capital	CC2020-082712	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Mission Springs Apartments
29th Street Capital	CC2020-082688	29SC MISSION SPRINGS LP	Maricopa	AZ	5/20/20	Mission Springs Apartments
29th Street Capital	CC2020-069745	29SC MISSION SPRINGS LP	Maricopa	AZ	4/23/20	Mission Springs Apartments
29th Street Capital	CC2020-069141	29SC MISSION SPRINGS LP	Maricopa	AZ	4/22/20	Mission Springs Apartments
29th Street Capital	CC2020-055209	29 SC CASITAS LP	Maricopa	AZ	3/18/20	Las Casitas Apartments
29th Street Capital	CC2020-055216	29 SC CASITAS LP	Maricopa	AZ	3/18/20	Las Casitas Apartments
29th Street Capital	CC2020-054148	29SC PARK TOWER LP	Maricopa	AZ	3/17/20	Park Tower Apartments
Abacus Capital	CC2020-086388	ACIF I LEVEL LLC	Maricopa	AZ	5/27/20	
Abacus Capital	CC2020-057218	ACIF I LEVEL LLC	Maricopa	AZ	3/20/20	
AEW Capital Management	CC2020-079573	CPT PALLADIUM APARTMENTS LLC	Maricopa	AZ	5/14/20	The Palladium
AEW Capital Management	CC2020-071553	MP Gleneagles Apartments LLC	Maricopa	AZ	4/28/20	GlenEagles Apartments
AEW Capital Management	CC2020-071554	MP Gleneagles Apartments LLC	Maricopa	AZ	4/28/20	GlenEagles Apartments
AEW Capital Management	CC2020-054283	MP Gleneagles Apartments LLC	Maricopa	AZ	3/17/20	GlenEagles Apartments
Alliance Residential	20D07936	Alliance Residential Company a/a/f BCORE MF Perimeter Drexel, LLC	Dekalb	GA	3/20/20	The Drexel
Alliance Residential	20D07935	Alliance Residential Company a/a/f BCORE MF Perimeter Drexel, LLC	Dekalb	GA	3/20/20	The Drexel

Alliance Residential	20D07938	Alliance Residential Company a/a/f BCORE MF Perimeter Drexel, LLC	Dekalb	GA	3/20/20	The Drexel
Alliance Residential	20D07937	Alliance Residential Company a/a/f BCORE MF Perimeter Lofts, LLC	Dekalb	GA	3/20/20	The Lofts Perimeter Center
Alliance Residential	20D07933	Alliance Residential Company a/a/f BCORE MF Perimeter Lofts, LLC	Dekalb	GA	3/20/20	The Lofts Perimeter Center
Alliance Residential	20D07931	Alliance Residential Company a/a/f BCORE MF Perimeter Lofts, LLC	Dekalb	GA	3/20/20	The Lofts Perimeter Center
AllianceBernstein/ Prospect Ridge	CC2020-085708	AB WWC URBAN TRAILS LP	Maricopa	AZ	5/26/20	Urban Trails at The District
AllianceBernstein/ Prospect Ridge	CC2020-061983	AB EVEREST PARK VIEW OWNER LLC	Maricopa	AZ	3/31/20	Highland Park Apartments
AllianceBernstein/ Prospect Ridge	CC2020-053974	AB WWC VILLA SERENA LP	Maricopa	AZ	3/17/20	Villa Serena Apartments
Almanac Realty?	205200102938	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102920	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102923	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102926	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102930	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102932	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103048	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103052	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments

Almanac Realty?	205200102922	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200102939	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103050	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103054	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103056	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
Almanac Realty?	205200103060	Macg Houston Towne West Llc dba Towne West	Harris	TX	3/16/20	Towne West Apartments
American Landmark	COCE20006472	SCG Atlas Sheridan Lake Club	Broward	FL	3/20/20	Beach Walk at Sheridan
American Realty Investors	205200139278	CDPO Spring Meadows Llc	Harris	TX	5/22/20	
AMLI/ Morgan Stanley	2020-M2-001403	AMLI MANAGEMENT CO	Cook	IL	4/17/20	
AMLI/ Morgan Stanley	2020-001651-CC-21	PPF AMLI 11481 NW 41ST STREET LLC	Miami Dade	FL	3/20/20	AMLI Doral
AMLI/ Morgan Stanley	2020-001610-CC-21	PPF AMLI 11481 NW 41ST STREET LLC	Miami Dade	FL	3/18/20	AMLI Doral
AMLI/ Morgan Stanley	2020-001592-CC-21	PPF AMLI 8800, LLC	Miami Dade	FL	3/17/20	AMLI 8800
Angelo Gordon	2020-000958-CC-24	AG-ICC-MC TREASURES POINT LLC	Miami Dade	FL	4/2/20	Treasures on the Bay
Angelo Gordon	2020-000959-CC-24	AG-ICC-MC Treasures Point LLC	Miami Dade	FL	4/2/20	Treasures on the Bay
Atlas Rents	SC-2020-1503	API OKC PROPERTIES LLC	Cleveland	OK	3/16/20	
Axonic Properties LLC	20-002571-CO	148 54TH AVE LLC DOING BUSINESS AS ENCLAVE AT SABAL POINTE	Pinellas	FL	4/22/20	Enclave at Sabal Pointe
Baron Properties	CC2020-082457	SANTAN APTS LLLP	Maricopa	AZ	5/20/20	
Baron Properties	CC2020-082456	SANTAN APTS LLLP	Maricopa	AZ	5/20/20	

Bean Investment Real Estate	CC2020-083371	T & D ALDER CREEK EQUITY LLC AND BEAN SYCAMORE EQUITY LLC	Maricopa	AZ	5/21/20	Sycamore Square Apartments
Bean Investment Real Estate	CC2020-082925	PALM VILLAS EQUITY LLC	Maricopa	AZ	5/20/20	Palm Villas
Bean Investment Real Estate	CC2020-081343	3030 NORTH EQUITY LLC	Maricopa	AZ	5/18/20	Solano Village Apartments
Bean Investment Real Estate	CC2020-081310	BILTMORE POINTE OWNER LLC	Maricopa	AZ	5/18/20	Biltmore Pointe
Bean Investment Real Estate	CC2020-080241	3030 NORTH EQUITY LLC	Maricopa	AZ	5/15/20	Solano Village Apartments
Bean Investment Real Estate	CC2020-079456	3030 NORTH EQUITY LLC	Maricopa	AZ	5/14/20	Solano Village Apartments
Bean Investment Real Estate	CC2020-079457	3030 NORTH EQUITY LLC	Maricopa	AZ	5/14/20	Solano Village Apartments
Bean Investment Real Estate	CC2020-078974	T & D ALDER CREEK EQUITY LLC AND BEAN SYCAMORE EQUITY LLC	Maricopa	AZ	5/13/20	Sycamore Square Apartments
Bean Investment Real Estate	CC2020-078979	T & D ALDER CREEK EQUITY LLC AND BEAN SYCAMORE EQUITY LLC	Maricopa	AZ	5/13/20	Sycamore Square Apartments
Bean Investment Real Estate	CC2020-078156	BILTMORE POINTE OWNER LLC	Maricopa	AZ	5/12/20	Biltmore Pointe
Bean Investment Real Estate	CC2020-078152	BILTMORE POINTE OWNER LLC	Maricopa	AZ	5/12/20	Biltmore Pointe
Bean Investment Real Estate	CC2020-068113	BILTMORE POINTE OWNER LLC	Maricopa	AZ	4/20/20	Biltmore Pointe
Bean Investment Real Estate	CC2020-068132	BILTMORE POINTE OWNER LLC	Maricopa	AZ	4/20/20	Biltmore Pointe
Benedict Canyon Equities	CC2020-082536	SOUTH 36TH STREET PROPERTY OWNER LLC	Maricopa	AZ	5/20/20	
Benedict Canyon Equities	CC2020-082547	SOUTH 36TH STREET PROPERTY OWNER LLC	Maricopa	AZ	5/20/20	
Berkshire Residential Investments	205100136782	BVF IV Vargos LLC	Harris	TX	5/18/20	Vargos on the Lake

Berkshire Residential Investments	205100136796	BVF IV Vargos LLC	Harris	TX	5/18/20	Vargos on the Lake
Berkshire Residential Investments	205100136801	BVF IV Vargos LLC	Harris	TX	5/18/20	Vargos on the Lake
Berkshire Residential Investments	205100136805	BVF IV Vargos LLC	Harris	TX	5/18/20	Vargos on the Lake
Berkshire Residential Investments	205100136811	BVF IV Vargos LLC	Harris	TX	5/18/20	Vargos on the Lake
BH Properties	CC2020-082452	BH BILTMORE LLC	Maricopa	AZ	5/20/20	Biltmore on the Lake Apartments
BH Properties	CC2020-081902	BH BILTMORE LLC	Maricopa	AZ	5/19/20	Biltmore on the Lake Apartments
BH Properties	CC2020-081898	BH BILTMORE LLC	Maricopa	AZ	5/19/20	Biltmore on the Lake Apartments
BH Properties	CC2020-081236	B.H. Avalon, LLC	Maricopa	AZ	5/18/20	
BH Properties	CC2020-081237	B.H. Avalon, LLC	Maricopa	AZ	5/18/20	
BH Properties	CC2020-078728	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078719	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078730	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078717	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078722	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078729	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-078706	BH BILTMORE LLC	Maricopa	AZ	5/13/20	Biltmore on the Lake Apartments
BH Properties	CC2020-064572	BH BILTMORE LLC	Maricopa	AZ	4/8/20	Biltmore on the Lake Apartments

BH Properties	CC2020-062225	B.H. Avalon, LLC	Maricopa	AZ	4/1/20	
BH Properties	CC2020-061717	BH MADERA AT METRO LLC	Maricopa	AZ	3/30/20	
BH Properties	CC2020-061716	BH MADERA AT METRO LLC	Maricopa	AZ	3/30/20	
Blackstone Group	CC2020-071983	BREIT OLYMPUS MF VISTARA LLC	Maricopa	AZ	4/29/20	Vistara at SanTan Village Apartments
Blackstone Group	CC2020-068103	BREIT MF FINISTERRA LLC	Maricopa	AZ	4/20/20	Finisterra Apartment Homes
Blackstone Group	CC2020-067624	BCORE MF STC AZ OWNER LLC	Maricopa	AZ	4/17/20	
Blackstone Group	20-002363-CO	BREIT Tarponaire MHC LLC	Pinellas	FL	3/31/20	Tarponaire
Blackstone Group	50-2020-CC-003825-XXXX-NB	BREIT Operating Partnership LP dba San Merano at Mirasol	Palm Beach	FL	3/26/20	San Merano at Mirasol
Blackstone Group	2020-CC-004030-O	BREIT MF Knightsbridge Owner, LLC	Orange	FL	3/25/20	Knightsbridge at Stoneybridge
Blackstone Group	CC2020-052864	BREIT MF PEORIA LLC	Maricopa	AZ	3/24/20	
Blackstone Group	CC2020-058717	BREIT MF AZ VELAIRE LLC	Maricopa	AZ	3/23/20	
Blackstone Group	16-2020-CC-003659-XXXX-MA	BREIT OLYMPUS MF MIRADOR LLC	Duval	FL	3/18/20	Mirador at River City
Blackstone Group	16-2020-CC-003660-XXXX-MA	BREIT OLYMPUS MF STOVALL LLC	Duval	FL	3/18/20	Broxton Bay Apartments
Blackstone Group	CC2020-055615	BREIT PARKHEVEN MHC LLC	Maricopa	AZ	3/18/20	
Blackstone Group	CC2020-053954	BREIT MF SIERRA FOOTHILLS LLC	Maricopa	AZ	3/17/20	
Blackstone Group	CC2020-054176	BREIT OLYMPUS MF VISTARA LLC	Maricopa	AZ	3/17/20	Vistara at SanTan Village Apartments
Blackstone Group	CC2020-054180	BREIT OLYMPUS MF VISTARA LLC	Maricopa	AZ	3/17/20	Vistara at SanTan Village Apartments
Blackstone Group	2020-005323-CC-26	BREIT MF Kendall Phase II LLC dba Case Vera Apts	Miami Dade	FL	3/17/20	Casa Vera Apartments
Blackstone Group	204100103394	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103401	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates

Blackstone Group	204100103401	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103401	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103420	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103420	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103420	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103413	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	204100103418	BRE Silver MF Cypress TX LP/Avana Cypress Estates	Harris	TX	3/16/20	Avana Cypress Estates
Blackstone Group	CC2020-052966	BREIT MF LUMIERE CHANDLER LLC	Maricopa	AZ	3/16/20	
Blackstone Group	CC2020-052890	BREIT MF SIERRA CANYON LLC	Maricopa	AZ	3/16/20	
Blackstone Group	CC2020-052997	BREIT MF SIERRA FOOTHILLS LLC	Maricopa	AZ	3/16/20	Sierra Foothills
Blackstone Group	CC2020-052988	BREIT MF SIERRA FOOTHILLS LLC	Maricopa	AZ	3/16/20	Sierra Foothills
Blackstone Group	CC2020-052998	BREIT MF SIERRA FOOTHILLS LLC	Maricopa	AZ	3/16/20	Sierra Foothills
Blackstone Group	CC2020-052866	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village
Blackstone Group	CC2020-052863	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village
Blackstone Group	CC2020-052887	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village
Blackstone Group	CC2020-052870	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village
Blackstone Group	CC2020-052850	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village

Blackstone Group	CC2020-052849	BREIT MF STADIUM VILLAGE LLC	Maricopa	AZ	3/16/20	Residences at Stadium Village
Bridge Investment Group	20-2-06617-6	BMF IV WA RETREAT MAPLE HILL LLC	King	WA	3/16/20	The Retreat at Maple Hill
Bridge Investment Group	20-2-06617-6	BMF IV WA RETREAT MAPLE HILL LLC	King	WA	3/16/20	The Retreat at Maple Hill
Cal-Am Properties	20-2-06749-1	MOUNTAIN VILLA MOBILE MANOR LLC	King	WA	3/17/20	Mountain Villa
Canyon Partners, LLC	2020-001722-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/26/20	The Landmark South
Canyon Partners, LLC	2020-001706-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/24/20	The Landmark South
Canyon Partners, LLC	2020-001707-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/24/20	The Landmark South
Canyon Partners, LLC	2020-001699-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/24/20	The Landmark South
Canyon Partners, LLC	2020-001700-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/24/20	The Landmark South
Canyon Partners, LLC	2020-001704-CC-21	EHOF CONGRESS DORAL LLC	Miami Dade	FL	3/24/20	The Landmark South
Capital Assets	SC-2020-4462	OBSERVATION POINT INVESTORS LLC DBA, AND UNION POINT APARTMENTS	Tulsa	OK	3/16/20	Union Point Apartments
Capital Assets	SC-2020-4463	OBSERVATION POINT INVESTORS LLC DBA, AND UNION POINT APARTMENTS	Tulsa	OK	3/16/20	Union Point Apartments
Capital Assets	SC-2020-4464	OBSERVATION POINT INVESTORS LLC DBA, AND UNION POINT APARTMENTS	Tulsa	OK	3/16/20	Union Point Apartments
Capital Real Estate	CC2020-087404	CRE/K & C VILLAS LLC	Maricopa	AZ	5/28/20	
Capital Real Estate	CC2020-084734	CRE/K & C VILLAS LLC	Maricopa	AZ	5/22/20	
Capital Real Estate	CC2020-061302	CRE/K & C VILLAS LLC	Maricopa	AZ	3/27/20	

Capital Real Estate	CC2020-061307	CRE/K & C VILLAS LLC	Maricopa	AZ	3/27/20	
Capital Real Estate	CC2020-061242	CRE LATITUDE TIC OWNER LLC	Maricopa	AZ	3/27/20	
Capital Real Estate	CC2020-054591	CRE LATITUDE TIC OWNER LLC	Maricopa	AZ	3/17/20	
Capital Real Estate	CC2020-053563	CRE/K & C VILLAS LLC	Maricopa	AZ	3/16/20	
Capital Real Estate	CC2020-053564	CRE/K & C VILLAS LLC	Maricopa	AZ	3/16/20	
Capital Real Estate	CC2020-053519	CRE LATITUDE TIC OWNER LLC	Maricopa	AZ	3/16/20	
Capital Real Estate	CC2020-053502	CRE LATITUDE TIC OWNER LLC	Maricopa	AZ	3/16/20	
Carlyle Group	205200108286	CRP/Maple Hidalgo Owner LP	Harris	TX	3/18/20	Alexan 5151
CBRE	CC2020-082078	CPUS NINETY DEGREES LP	Maricopa	AZ	5/19/20	Ninety Degrees Apartments
CBRE	CC2020-063863	CPUS NINETY DEGREES LP	Maricopa	AZ	4/6/20	Ninety Degrees Apartments
CBRE	CC2020-063321	CPUS NINETY DEGREES LP	Maricopa	AZ	4/3/20	Ninety Degrees Apartments
CBRE	CC2020-055444	CPUS NINETY DEGREES LP	Maricopa	AZ	3/18/20	Ninety Degrees Apartments
CBRE	CC2020-055418	CPUS NINETY DEGREES LP	Maricopa	AZ	3/18/20	Ninety Degrees Apartments
CBRE	CC2020-055458	CPUS NINETY DEGREES LP	Maricopa	AZ	3/18/20	Ninety Degrees Apartments
CBRE	CC2020-055465	CPUS NINETY DEGREES LP	Maricopa	AZ	3/18/20	Ninety Degrees Apartments
CBRE	CC2020-055442	CPUS NINETY DEGREES LP	Maricopa	AZ	3/18/20	Ninety Degrees Apartments
Cerberus Capital	2020CM07679 WD	FIRSTKEY HOMES LLC	Clayton	GA	3/18/20	

CIM Group	205100104428	CIM Group as Agent for 2345 Sage Road (Houston) Owner LLC	Harris	TX	3/16/20	Montierra Apartments
CIM Group	205100104431	CIM Group as Agent for 2345 Sage Road (Houston) Owner, LLC	Harris	TX	3/16/20	Montierra Apartments
CIM Group	205100104444	CIM Group as Agentfor 2345 Sage Road (Houston) Owner, LLC	Harris	TX	3/16/20	Montierra Apartments
Clarion Partners (Legg Mason)	16-2020-CC-004394-XXXX-MA	ENCLAVE APARTMENTS PROPERTY, LLC FOR THE ENCLAVE	Duval	FL	5/13/20	The Enclave
Cortland Partners	50-2020-CC-003763-XXXX-MB	WPB MULTIFAMILY OWNER I LLC, AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC, DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/25/20	Portofino Place Apartments
Cortland Partners	2020CC000957	DD SANFORD 22.65 LLC	Seminole	FL	3/19/20	Cortland Vera Sanford
Cortland Partners	50-2020-CC-003465-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/18/20	Portofino Place Apartments
Cortland Partners	50-2020-CC-003423-XXXX-MB	WPB MULTIFAMILY OWNER I LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments

Cortland Partners	50-2020-CC-003429-XXXX-MB	WPB MULTIFAMILY OWNER I LLC, AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC, DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments
Cortland Partners	50-2020-CC-003438-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments
Cortland Partners	50-2020-CC-003419-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments
Cortland Partners	50-2020-CC-003420-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments
Cortland Partners	50-2020-CC-003451-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments

Cortland Partners	50-2020-CC-003448-XXXX-MB	WPB MULTIFAMILY OWNER II LLC AS SUCCESSOR IN INTEREST TO CARROLL ORGANIZATION LLC DBA PORTOFINO PLACE APARTMENTS FKA ARIUM PALM COVE	Palm Beach	FL	3/17/20	Portofino Place Apartments
Crow Holdings	207200113544	CH REALTY VI CARROLL MG HOUSTON CITYLAKE LP	Harris	TX	3/18/20	ARIUM City Lake
Crow Holdings	207200107575	CH REALITY VI - CARROLL MF HOUSTON CITYLAKE LP	Harris	TX	3/17/20	ARIUM City Lake
Crow Holdings	207200107624	CH REALITY VI - Carroll MF HOUSTON CITYLAKE LP	Harris	TX	3/17/20	ARIUM City Lake
Crow Holdings	207200107630	CH REALITY VI - CARROLL MF HOUSTON CITYLAKE LP	Harris	TX	3/17/20	ARIUM City Lake
DiNapoli Capital	CC2020-075708	MET APARTMENTS, LLC	Maricopa	AZ	5/6/20	
DRA Advisors	16-2020-SC-007995-XXXX-MA	G&I VII ST. JOHNS PLANTATION, LLC D/B/A ST JOHNS PLANTATION	Duval	FL	4/21/20	St. Johns Plantation
DRA Advisors	16-2020-CC-004056-XXXX-MA	G&I VII WESTLAND PARK LLC	Duval	FL	3/31/20	Westland Park
DRA Advisors	16-2020-003996-XXXX-MA	G&I VII Westland Park LLC	Duval	FL	3/30/20	WestLand Park Apartments
DRA Advisors	16-2020-003995-XXXX-MA	G&I VII Westland Park LLC	Duval	FL	3/30/20	WestLand Park Apartments
DRA Advisors	16-2020-CC-003950-XXXX-MA	G&I VII GREENTREE PLACE LLC AS MANAGER FOR GREENTREE PLACE	Duval	FL	3/27/20	Green Tree Place Apartments
DRA Advisors	16-2020-003966-XXXX-MA	G & I VII ANTLERS, LLC DBA THE ANTLERS APARTMENTS	Duval	FL	3/25/20	The Antlers Apartments
DRA Advisors	16-2020-CC-003939-XXXX-MA	G & I VII ANTLERS, LLC DBA THE ANTLERS APARTMENTS	Duval	FL	3/25/20	The Antlers Apartments
DRA Advisors	16-2020-CC-003967-XXXX-MA	G & I VII ANTLERS, LLC DBA THE ANTLERS APARTMENTS	Duval	FL	3/25/20	The Antlers Apartments

DRA Advisors	205200112261	G & I IX Artesian JV LLC dba Artesian on Westheimer I	Harris	TX	3/20/20	Artesian on Westheimer
DRA Advisors	205200112263	G & I IX Artesian JV LLC dba Artesian on Westheimer I	Harris	TX	3/20/20	Artesian on Westheimer
DRA Advisors	205100112176	G & I IX Artesian JV LLC dba Artesian on Westheimer II	Harris	TX	3/20/20	Artesian on Westheimer
DRA Advisors	204100111065	G &I IX Steeplechase JV LLC dba The Retreat at Steeplechase	Harris	TX	3/19/20	The Retreat at Steeplechase
DRA Advisors	204100111069	G &I IX Steeplechase JV LLC dba The Retreat at Steeplechase	Harris	TX	3/19/20	The Retreat at Steeplechase
DRA Advisors	16-2020-CC-003649-XXXX-MA	G&I VII GREENTREE PLACE LLC AS MANAGER FOR GREENTREE PLACE	Duval	FL	3/16/20	Green Tree Place Apartments
DSF Group	20H82SP00701	Corcoran Management Co., Inc. and DSF Stoughton, LLC	Metro South Housing Court	MA	4/17/20	
DSF Group	20H85SP001283	1610 Worcester Road Owner Llc	Central Housing Court	MA	4/13/20	
DSF Group	20H85SP001284	1610 Worcester Road Owner Llc	Central Housing Court	MA	4/13/20	
DSF Group	20H85SP001285	1610 Worcester Road Owner Llc	Central Housing Court	MA	4/13/20	
DSF Group	20H82SP00651	Corcoran Management Co., Inc. et al	Metro South Housing Court - Canton	MA	3/27/20	
Eagle Property Capital	205200103038	Landmark Bc Apartments Llc dba Grand Palms	Harris	TX	3/16/20	Landmark at Barker Cypress
Eagle Property Capital	205200103040	Landmark Bc Apartments Llc dba Grand Palms	Harris	TX	3/16/20	Landmark at Barker Cypress

Eagle Property Capital	205200103043	Landmark Bc Apartments Llc dba Grand Palms	Harris	TX	3/16/20	Landmark at Barker Cypress
Eagle Property Capital	205200103045	Landmark Bc Apartments Llc dba Grand Palms	Harris	TX	3/16/20	Landmark at Barker Cypress
Eagle Property Capital	205200103047	Landmark Bc Apartments Llc dba Grand Palms	Harris	TX	3/16/20	Landmark at Barker Cypress
Eagle Property Capital	205200103036	LANDMARK BC APARTMENTS LLC, dba GRAND PALMS	Harris	TX	3/16/20	Landmark at Barker Cypress
Edge Principal Advisors	202-M1-704284	ECI Chicago Center	Cook	IL	3/18/20	
Emerald Equity	20D08153	LANDMARK EAST PONCE, LLC D/B/A 13 TEN APARTMENTS	DeKalb	GA	4/1/20	13Ten Apartments
Emerald Equity	20D08151	LANDMARK EAST PONCE, LLC D/B/A 13 TEN APARTMENTS	DeKalb	GA	4/1/20	13Ten Apartments
Ergas Group	CC2020-082030	EGW SHADE INVESTMENT LP	Maricopa	AZ	5/19/20	
F&B Capital	203100110669	W-F &B Bellow Falls Owner VIII, L.L.C.dba Sierra at Fall Creek	Harris	TX	3/19/20	Sierra at Fall Creek
F&B Capital	203100110692	W-F &B Bellow Falls Owner VIII, L.L.C.dba Sierra at Fall Creek	Harris	TX	3/19/20	Sierra at Fall Creek
F&B Capital	203100110705	W-F &B Bellow Falls Owner VIII, L.L.C.dba Sierra at Fall Creek	Harris	TX	3/19/20	Sierra at Fall Creek
F&B Capital	201200110966	W-F &B Hollow Lane Owner VIII LP dba Harlow River Oaks	Harris	TX	3/19/20	Harlow River Oaks
F&B Capital	204100108229	W-F &B Holdings VIII LLC dba San Cierra	Harris	TX	3/17/20	San Cierra
Fairfield Residential	20D08217	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	4/15/20	Morgan Place Apartments
Fairfield Residential	20D08216	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	4/15/20	Morgan Place Apartments
Fairfield Residential	20D08215	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	4/15/20	Morgan Place Apartments

Fairfield Residential	20D08214	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	4/15/20	Morgan Place Apartments
Fairfield Residential	20D07563	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	3/16/20	Morgan Place Apartments
Fairfield Residential	20D07558	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	3/16/20	Morgan Place Apartments
Fairfield Residential	20D07557	Fairfield Residential AAF Morgan Place Apts	DeKalb	GA	3/16/20	Morgan Place Apartments
FPA Multifamily, LLC	20D07753	Trinity Property Contultants AAF Arrive Perimeter	Dekalb	GA	3/17/20	Arrive Perimeter
FPA Multifamily, LLC	20D07744	Trinity Property Contultants AAF Arrive Perimeter	Dekalb	GA	3/17/20	Arrive Perimeter
FPA Multifamily, LLC	20D07548	Trinity Property Consultants DBA TwentyNine24 Brookhaven	Dekalb	GA	3/16/20	TwentyNine24 Brookhaven
FSC Realty	CC2020-082025	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/19/20	
FSC Realty	CC2020-080610	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	
FSC Realty	CC2020-080648	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	
FSC Realty	CC2020-080633	FSC OLIVE TREE ASSOCIATES LLC	Maricopa	AZ	5/15/20	
Gables Residential	201200119044	LG WEST AVENUE II LP	Harris	TX	4/2/20	
Gamma Real Estate	20D08148	GRE Highland Owner LLC d/b/a Highland Lake Apts	DeKalb	GA	4/1/20	
Geringer Capital	CC2020-081604	Town Center Apartments: GC Town Center, LLC	Maricopa	AZ	5/18/20	Town Center
Geringer Capital	CC2020-081610	Town Center Apartments: GC Town Center, LLC	Maricopa	AZ	5/18/20	Town Center
Goldman Sachs	DC00054720	MTGLQ Investors	Hunterdon	NJ	4/6/20	
Goldman Sachs	2020-M1-704375	MTGLQ Investors	Cook	IL	3/25/20	

Goldman Sachs	2020-M1-704375	MTGLQ Investors	Cook	IL	3/25/20	
Goldman Sachs	2020-M1-704363	MTGLQ Investors	Cook	IL	3/24/20	
Goldman Sachs	20-2-00181-8	MTGLQ Investors	Island	WA	3/24/20	
GPI Investment	205200137325	GPI Mansion LLC	Harris	TX	5/19/20	
GPI Investment	205200137327	GPI Mansion LLC	Harris	TX	5/19/20	
GR Partners	CC2020-082546	GR Partners Addison LLC	Maricopa	AZ	5/20/20	
GR Partners	CC2020-055702	GR Partners Addison LLC	Maricopa	AZ	3/18/20	
GR Partners	CC2020-055665	GR Partners Addison LLC	Maricopa	AZ	3/18/20	
GR Partners	CC2020-055689	GR Partners Addison LLC	Maricopa	AZ	3/18/20	
GR Partners	CC2020-055696	GR Partners Addison LLC	Maricopa	AZ	3/18/20	
GR Partners	CC2020-057217	GR Partners Addison LLC	Maricopa	AZ	3/18/20	
Greystar	CC2020-086460	GS AVANA AT THE POINTE LLC	Maricopa	AZ	5/27/20	
Greystar	CC2020-082633	GS CARTER DRIVE LLC	Maricopa	AZ	5/20/20	Avana Tempe Apartments
Greystar	CC2020-079860	GS CARTER DRIVE LLC	Maricopa	AZ	5/14/20	Avana Tempe Apartments
Greystar	CC2020-069023	GS CHANDLER LLC	Maricopa	AZ	4/22/20	The Art on Highland
Greystar	19AV-CV-20-949	GS Southview LLC	Dakota	MN	4/20/20	
Greystar	CC2020-065243	GS CARTER DRIVE LLC	Maricopa	AZ	4/10/20	Avana Tempe Apartments

Greystar	CC2020-062322	GS HIGHLANDS LLC	Maricopa	AZ	4/1/20	The Art on Highland
Greystar	2020-M1-704429	GREYSTAR ILLINOIS	Cook	IL	3/27/20	
Greystar	20D08066	Greystar Management	DeKalb	GA	3/26/20	Flats at Perimeter Place
Greystar	20LT03728	Greystar RS West, LLC; Park Plaza Communities, LLC	Multnomah	OR	3/25/20	Park Plaza Apartments
Greystar	CC2020-057517	GS BASELINE LLC	Maricopa	AZ	3/20/20	
Greystar	CC2020-057226	GS HIGHLANDS LLC	Maricopa	AZ	3/20/20	The Art on Highland
Greystar	16-2020-CC-003678-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR JTB APTS	Duval	FL	3/19/20	JBJ Apartments
Greystar	16-2020-CC-003763-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR TERRACES AT TOWN CENTER	Duval	FL	3/19/20	TERRACES AT TOWN CENTER
Greystar	16-2020-CC-003758-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR COURTNEY MEADOWS	Duval	FL	3/18/20	COURTNEY MEADOWS
Greystar	16-2020-CC-003750-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR COURTNEY MEADOWS	Duval	FL	3/18/20	COURTNEY MEADOWS
Greystar	16-2020-CC-003757-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR COURTNEY MEADOWS	Duval	FL	3/18/20	COURTNEY MEADOWS
Greystar	CC2020-055201	GS CHANDLER LLC	Maricopa	AZ	3/18/20	
Greystar	16-2020-CC-003651-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP AS MANAGER FOR THE POINT AT TAMAYA	Duval	FL	3/16/20	THE POINT AT TAMAYA
Greystar	16-2020-CC-003575-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR BAY CLUB APTS	Duval	FL	3/16/20	Bay Club Apartments

Greystar	16-2020-CC-003573-XXXX-MA	GREYSTAR MANAGEMENT SERVICES LP FOR JTB APTS	Duval	FL	3/16/20	JBJ Apartments
Greystar	CC2020-052964	GS CARTER DRIVE LLC	Maricopa	AZ	3/16/20	Avana Tempe Apartments
Greystar	CC2020-052977	GS CARTER DRIVE LLC	Maricopa	AZ	3/16/20	Avana Tempe Apartments
Harbor Group Intl	2020-CC-004131-O	Landstar Gardens LLC	Orange	FL	3/31/20	Linden on the Greeneway
Harrison Street	SC-2020-1525	VARSITY HOUSE LLC	Cleveland	OK	3/16/20	Varsity House Norman
Harrison Street	SC-2020-1527	VARSITY HOUSE LLC	Cleveland	OK	3/16/20	Varsity House Norman
Harrison Street	SC-2020-1529	VARSITY HOUSE LLC	Cleveland	OK	3/16/20	Varsity House Norman
Heitman	CC2020-082592	TR SKYWATER LLC	Maricopa	AZ	5/20/20	SkyWater at Town Lake Apartments
Heitman	CC2020-082596	TR SKYWATER LLC	Maricopa	AZ	5/20/20	SkyWater at Town Lake Apartments
Heitman	CC2020-082651	TR SKYWATER LLC	Maricopa	AZ	5/20/20	SkyWater at Town Lake Apartments
Heitman	CC2020-082699	TR SKYWATER LLC	Maricopa	AZ	5/20/20	SkyWater at Town Lake Apartments
Heitman	CC2020-074107	TR SKYWATER LLC	Maricopa	AZ	5/1/20	SkyWater at Town Lake Apartments
Heitman	CC2020-069151	TR SKYWATER LLC	Maricopa	AZ	4/22/20	SkyWater at Town Lake Apartments
Heitman	CC2020-068156	TR SKYWATER LLC	Maricopa	AZ	4/20/20	SkyWater at Town Lake Apartments
Heitman	CC2020-052949	TR SKYWATER LLC	Maricopa	AZ	3/16/20	SkyWater at Town Lake Apartments
Henley Investments	CC2020-080259	HUSA MR 8650WPP LLC	Maricopa	AZ	5/15/20	
Henley Investments	CC2020-080242	HUSA MR 8650WPP LLC	Maricopa	AZ	5/15/20	

Henley Investments	CC2020-080257	HUSA MR 8650WPP LLC	Maricopa	AZ	5/15/20	
Henley Investments	CC2020-080268	HUSA MR 8650WPP LLC	Maricopa	AZ	5/15/20	
Henley Investments	CC2020-078304	HUSA MR 8650WPP LLC	Maricopa	AZ	5/12/20	
Henley Investments	CC2020-078312	HUSA MR 8650WPP LLC	Maricopa	AZ	5/12/20	
Henley Investments	CC2020-078307	HUSA MR 8650WPP LLC	Maricopa	AZ	5/12/20	
Highland Capital Management	2020-002413-1	Venue at 8651 Apartments	Tarrant	TX	3/30/20	
Highland Capital Management	50-2020-CC-003726-XXXX-MB	NXRTBH BAYBERRY LLC DBA SEASON 704	Palm Beach	FL	3/24/20	Seasons 704 Apartments
Highland Capital Management	50-2020-CC-003728-XXXX-MB	NXRTBH BAYBERRY LLC DBA SEASONS 704	Palm Beach	FL	3/24/20	Seasons 704 Apartments
Highland Capital Management	50-2020-CC-003680-XXXX-MB	NXRTBH BAYBERRY LLC DBA SEASONS 704	Palm Beach	FL	3/23/20	Seasons 704 Apartments
Highland Capital Management	50-2020-CC-003521-XXXX-MB	NXRTBH CITYVIEW LLC DBA PARC500	Palm Beach	FL	3/18/20	Parc500 Apartments
Highland Capital/ Nexpoint Advisors, L.P.	205100110949	NXRTBH Old Farm II LLC dba Old Farm Apartments	Harris	TX	3/18/20	Old Farm Apartments
Highland Capital/ Nexpoint Advisors, L.P.	205100110951	NXRTBH Old Farm II LLC dba Old Farm Apartments	Harris	TX	3/18/20	Old Farm Apartments
Highland Capital/ Nexpoint Advisors, L.P.	205100110954	NXRTBH Old Farm II LLC dba Old Farm Apartments	Harris	TX	3/18/20	Old Farm Apartments
Highland Capital/ Nexpoint Advisors, L.P.	205100110955	NXRTBH Old Farm II LLC dba Old Farm Apartments	Harris	TX	3/18/20	Old Farm Apartments
Highland Capital/ Nexpoint Advisors, L.P.	205100110957	NXRTBH Old Farm II LLC dba Old Farm Apartments	Harris	TX	3/18/20	Old Farm Apartments

Highland Capital/ Nexpoint Advisors, L.P.	205100110947	NXRTBH Stone Creek, LLC dba Stone Creek at Old Farm	Harris	TX	3/18/20	Stone Creek at Old Farm
HM Equity Management	205200136856	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136860	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136863	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136868	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136875	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136879	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136880	Hm Gramercy Park Lp	Harris	TX	5/18/20	Gramercy Park Apartments
HM Equity Management	205200136881	HM Gramercy Park LP	Harris	TX	5/18/20	Gramercy Park Apartments
Holualoa Cos	CC2020-079464	MPH Arrowhead LLC	Maricopa	AZ	5/14/20	Arrowhead Ranch
Iliad Realty Group	207100139053	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100139055	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100139057	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100139066	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100139077	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100139086	IRG Sandrock	Harris	TX	5/21/20	Park Houston Apartments
Iliad Realty Group	207100126618	IRG Sandrock	Harris	TX	4/23/20	Park Houston Apartments

Iliad Realty Group	207100126823	IRG Sandrock	Harris	TX	4/23/20	Park Houston Apartments
Iliad Realty Group	207100126826	IRG Sandrock	Harris	TX	4/23/20	Park Houston Apartments
Iliad Realty Group	207100126828	IRG Sandrock	Harris	TX	4/23/20	Park Houston Apartments
JRK Property Holdings	50-2020-CC-003531-XXXX-SB	ARBOR OAKS APARTMENTS PROPERTY OWNER LLC	Palm Beach	FL	3/18/20	Arbor Oaks
JRK Property Holdings	50-2020-CC-003499-XXXX-SB	ARBOR OAKS APARTMENTS PROPERTY OWNER LLC	Palm Beach	FL	3/18/20	Arbor Oaks
JRK Property Holdings	50-2020-CC-003506-XXXX-SB	ARBOR OAKS APARTMENTS PROPERTY OWNER LLC	Palm Beach	FL	3/18/20	Arbor Oaks
Kingsley Management Corp	CC2020-081981	FOUNTAIN EAST LLC	Maricopa	AZ	5/19/20	Fountain East Mobile Home Park
Kingsley Management Corp	CC2020-055922	FOUNTAIN EAST LLC	Maricopa	AZ	3/18/20	Fountain East Mobile Home Park
Kingsley Management Corp	CC2020-055886	FOUNTAIN EAST LLC	Maricopa	AZ	3/18/20	Fountain East Mobile Home Park
Kingsley Management Corp	CC2020-055893	FOUNTAIN EAST LLC	Maricopa	AZ	3/18/20	Fountain East Mobile Home Park
Kingsley Management Corp	CC2020-055910	FOUNTAIN EAST LLC	Maricopa	AZ	3/18/20	Fountain East Mobile Home Park
Kingsley Management Corp	CC2020-055935	FOUNTAIN EAST LLC	Maricopa	AZ	3/18/20	Fountain East Mobile Home Park
Kingsley Management Corp	CV03-20-01058	Kingsley Management Corporation, Highland Meadows MHP, LLC	Bannock	ID	3/17/20	Highland Meadows Mobile Home Park
Knightvest Capital	CC2020-080231	KV PASEO PARK APARTMENTS LLC	Maricopa	AZ	5/15/20	Paseo Park Apartments
Knightvest Capital	CC2020-079557	KV MARQ APARTMENTS LLC	Maricopa	AZ	5/14/20	
Knightvest Capital	CC2020-055133	KV PASEO PARK APARTMENTS LLC	Maricopa	AZ	3/18/20	Paseo Park Apartments
Knightvest Capital	CC2020-055183	KV URBAN APARTMENTS, LP	Maricopa	AZ	3/18/20	The Urban

Knightvest Capital	CC2020-055165	KV URBAN APARTMENTS, LP	Maricopa	AZ	3/18/20	The Urban
Knightvest Capital	CC2020-055178	KV URBAN APARTMENTS, LP	Maricopa	AZ	3/18/20	The Urban
Knightvest Capital	CC2020-055169	KV URBAN APARTMENTS, LP	Maricopa	AZ	3/18/20	The Urban
Lincoln Property	2020-M1-704553	LINCOLN PROPERTY	Cook	IL	4/8/20	
Lincoln Property	20D07403	The Reserve at Lenox Park, Lincoln Property Company	Dekalb	GA	3/16/20	Reserve at Lenox Park
Magnolia Capital	2020-M4-002041	MCREF Oak Park, LLC	Cook	IL	3/30/20	Vantage Oak Park Apartments
Magnolia Capital	2020-M4-002044	MCREF Oak Park, LLC	Cook	IL	3/30/20	Vantage Oak Park Apartments
Magnolia Capital	20D08065	MCREF Dunwoody LLC	DeKalb	GA	3/26/20	Flats at Perimeter Place
Magnolia Capital	20D08067	MCREF Dunwoody LLC	DeKalb	GA	3/26/20	Flats at Perimeter Place
Magnolia Capital	20D08068	MCREF Dunwoody LLC /d/b/a Flats at Perimeter Place	DeKalb	GA	3/26/20	Flats at Perimeter Place
Magnolia Capital	20D08069	MCREF Dunwoody LLC /d/b/a Flats at Perimeter Place	DeKalb	GA	3/26/20	Perimeter Circle
MDC Realty Advisors USA	205100112209	WREF, Oxford LP	Harris	TX	3/20/20	
Metlife	CC2020-081233	MMP ARTESSA OWNER LLC	Maricopa	AZ	5/18/20	Artessa
Metlife	CC2020-071968	MMP ARTESSA OWNER LLC	Maricopa	AZ	4/29/20	Artessa
Metlife	CC2020-071969	MMP ARTESSA OWNER LLC	Maricopa	AZ	4/29/20	Artessa
Metlife	CC2020-063303	MMP ARTESSA OWNER LLC	Maricopa	AZ	4/3/20	Artessa
Metropolitan Real Estate	CC2020-083607	REGENCY INTERNATIONAL EQUITIES LLLP in care of METROPOLITAN REAL ESTATE	Maricopa	AZ	5/21/20	

MG Real Estate	CC2020-085753	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	5/26/20	
MG Real Estate	CC2020-078759	MG SONORAN APARTMENTS LLC/MG SONORAN APTS ACF LLC/MG SONORAN APTS RIA LLC/MG SONORAN APTS BSR LLC	Maricopa	AZ	5/13/20	Sonoran Apartments
MG Real Estate	CC2020-076944	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	5/8/20	
MG Real Estate	CC2020-076406	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	5/7/20	
MG Real Estate	CC2020-069163	MG SCOTTSDALE HORIZON APARTMENTS LP	Maricopa	AZ	4/22/20	
MG Real Estate	CC2020-057492	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	3/20/20	
MG Real Estate	CC2020-055213	MG SONORAN APARTMENTS LLC/MG SONORAN APTS ACF LLC/MG SONORAN APTS RIA LLC/MG SONORAN APTS BSR LLC	Maricopa	AZ	3/18/20	Sonoran Apartments
MG Real Estate	CC2020-055198	MG SONORAN APARTMENTS LLC/MG SONORAN APTS ACF LLC/MG SONORAN APTS RIA LLC/MG SONORAN APTS BSR LLC	Maricopa	AZ	3/18/20	Sonoran Apartments
MG Real Estate	CC2020-055502	MG COUNTRY BROOK APARTMENTS	Maricopa	AZ	3/18/20	COUNTRY BROOK APARTMENTS
MG Real Estate	CC2020-054318	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	3/17/20	LAKEVIEW APARTMENTS
MG Real Estate	CC2020-054319	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	3/17/20	LAKEVIEW APARTMENTS
MG Real Estate	CC2020-054328	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	3/17/20	LAKEVIEW APARTMENTS
MG Real Estate	CC2020-054334	MG LAKEVIEW APTS WFS, LLC	Maricopa	AZ	3/17/20	LAKEVIEW APARTMENTS

MG Real Estate	CC2020-053319	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	3/16/20	GARDEN GROVE APARTMENTS
MG Real Estate	CC2020-053317	MG GARDEN GROVE APARTMENTS PKS LP	Maricopa	AZ	3/16/20	GARDEN GROVE APARTMENTS
Momentum Real Estate Partners	204100124548	MREF II Waterstone LLC	Harris	TX	4/20/20	Waterstone
Momentum Real Estate Partners	204100113522	MREF II Waterstone LLC	Harris	TX	3/23/20	Waterstone
NALS Apartment Homes	205100113451	NALS Briar Forest 102, L.P. dba Aliso Briar Forest	Harris	TX	3/23/20	Aliso Briar Forest
NALS Apartment Homes	205100113456	NALS Briar Forest 102, L.P. dba Aliso Briar Forest	Harris	TX	3/23/20	Aliso Briar Forest
NALS Apartment Homes	205100110939	NALS Briar Forest 102, L.P. dba Aliso Briar Forest	Harris	TX	3/18/20	Aliso Briar Forest
NALS Apartment Homes	205100110938	NALS Briar Forest 102,L.P. dba Aliso Briar Forest	Harris	TX	3/18/20	Aliso Briar Forest
New York Life Real Estate Investors	20H77CV000073	MIREF Hawthorne, LLC	Northeast Housing Court	MA	5/15/20	
Next Fortune Capital	CC2020-083981	SANDALWOOD SQUARE PARTNERS LLC	Maricopa	AZ	5/18/20	
Northland Investment Corporation	2020-CC-004167-O	Northland Paramount LLC	Orange	FL	4/1/20	Paramount Apartments
Olympus Property	205100110970	WW Olympus Grand Crossing LP dba WW Olympus Grand Crossing - WW Olympus Grand Crossing LP	Harris	TX	3/18/20	
Omninet Capital	2020-CC-003925-O	Omninet Fountain LP	Orange	FL	3/19/20	Village Springs at Lake Orlando
Omninet Capital	2020-CC-003922-O	Omninet Fountain LP	Orange	FL	3/19/20	Village Springs at Lake Orlando
Omninet Capital	2020-CC-003868-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Park Apartments

Omninet Capital	2020-CC-003863-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Townhomes
Omninet Capital	2020-CC-003873-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Park Apartments
Omninet Capital	2020-CC-003889-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Park Apartments
Omninet Capital	2020-CC-003874-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Park Apartments
Omninet Capital	2020-CC-003887-O	Omninet Village Park LLC	Orange	FL	3/18/20	Village Park Apartments
OpenPath Investments	CC2020-084436	DANA PARK APARTMENTS: OP DANA PARK LLC	Maricopa	AZ	5/22/20	DANA PARK APARTMENTS
OpenPath Investments	CC2020-083327	Indian Springs Apartments: Indian Springs Mesa LLC	Maricopa	AZ	5/21/20	Indian Springs Apartments
Pacific Development Partners	CC2020-084008	ON CAMELBACK PARTNERS LLC	Maricopa	AZ	5/22/20	
Pacific Development Partners	CC2020-083997	ON CAMELBACK PARTNERS LLC	Maricopa	AZ	5/22/20	
PGIM	50-2020-CC-003723-XXXX-SB	PR STONYBROOK OWNER LLC	Palm Beach	FL	3/24/20	
PGIM	50-2020-CC-003720-XXXX-SB	PR STONYBROOK OWNER LLC	Palm Beach	FL	3/23/20	
Praedium Group	CC2020-081873	GILBERT ROAD OWNER LLC	Maricopa	AZ	5/19/20	
Praedium Group	CC2020-081871	GILBERT ROAD OWNHER LLC	Maricopa	AZ	5/19/20	
Pretium Partners	CC2020-071604	Progress Residential	Maricopa	AZ	4/28/20	
Pretium Partners	2020-CC-003975-O	Progress Residential Borrower 9 LLC	Orange	FL	3/24/20	
Pretium Partners	2045207	PROGRESS RESIDENTIAL BORROWER 5 LLC	Shelby	TN	3/17/20	

Pretium Partners	2020-CC-003736-O	Progress Residential Borrower 10 LLC	Orange	FL	3/16/20	
Pretium Partners	2045054	PROGRESS MEMPHIS LLC	Shelby	TN	3/16/20	
Pretium Partners	2045053	PROGRESS RESIDENTIAL BORROWER 5 LLC	Shelby	TN	3/16/20	
Prime Group	20-2-06610-9	PRIME BELVEDERE EAST LLC	King	WA	3/16/20	
Redhill Realty Investment	20-2-06865-9	RHB MIRO OWNER LLC	King	WA	3/18/20	
Related Companies	20H85CV000221	Related Management Company as Lessor and Washington Heights, Preservation as owner	Central Housing Court	MA	4/16/20	
Related Companies	20H79SP001032	Related Village Park, Llc	Western Housing Court	MA	3/23/20	
Related Companies	20H85SP001201	Related Management Company, as lessor	Central Housing Court	MA	3/16/20	
Related Group	2020-CC-004611-O	Seville Place Holdings LTD	Orange	FL	4/27/20	Emerald Villas Apartments
Related Group	50-2020-CC-003510-XXXX-WB	RD ROYAL PALM BEACH LLC DBA TOWN SOUTHERN APARTMENTS	Palm Beach	FL	3/18/20	TOWN SOUTHERN APARTMENTS
Related Group	50-2020-CC-003433-XXXX-WB	RD ROYAL PALM BEACH LLC DBA TOWN SOUTHERN APARTMENTS	Palm Beach	FL	3/17/20	TOWN SOUTHERN APARTMENTS
Related Group	50-2020-CC-003424-XXXX-WB	RD ROYAL PALM BEACH LLC DBA TOWN SOUTHERN APARTMENTS	Palm Beach	FL	3/17/20	TOWN SOUTHERN APARTMENTS
Resource Real Estate	204100112985	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
Resource Real Estate	204100112996	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station

Resource Real Estate	204100113004	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
Resource Real Estate	204100113005	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
Resource Real Estate	204100113010	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
Resource Real Estate	204100113001	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
Resource Real Estate	204100113008	RRE Wyndham Crossing TIC dba City Station	Harris	TX	3/23/20	City Station
RHP Properties	2020-CC-004046-O	Silver Star MHC, LLC	Orange	FL	3/27/20	Silver Star MHC
RHP Properties	2020-CC-004045-O	Silver Star MHC, LLC	Orange	FL	3/27/20	Silver Star MHC
RHP Properties	50-2020-CC-003811-XXXX-SB	LANTANA CASCADE MHC LIMITED PARTNERSHIP LLC	Palm Beach	FL	3/26/20	
Rockwood Capital	CC2020-082582	RW METROPOINTE OWNER LLC	Maricopa	AZ	5/20/20	
Rockwood Capital	CC2020-082668	RW METROPOINTE OWNER LLC	Maricopa	AZ	5/20/20	
Rockwood Capital	CC2020-082226	RW METROPOINTE OWNER LLC	Maricopa	AZ	5/19/20	
Rockwood Capital	CC2020-073474	RW METROPOINTE OWNER LLC	Maricopa	AZ	4/30/20	
Rockwood Capital	CC2020-068820	RW METROPOINTE OWNER LLC	Maricopa	AZ	4/21/20	
Rockwood Capital	CC2020-068823	RW METROPOINTE OWNER LLC	Maricopa	AZ	4/21/20	
Rockwood Capital	CC2020-060426	RW METROPOINTE OWNER LLC	Maricopa	AZ	3/26/20	
Rockwood Capital	CC2020-054092	RW METROPOINTE OWNER LLC	Maricopa	AZ	3/17/20	
Rockwood Capital	CC2020-054013	RW METROPOINTE OWNER LLC	Maricopa	AZ	3/17/20	

Security Properties	CC2020-083296	ANDANTE OWNER LLC	Maricopa	AZ	5/21/20	ANDANTE
Security Properties	CC2020-055202	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055188	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055220	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055235	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055274	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055176	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Security Properties	CC2020-055229	ANDANTE OWNER LLC	Maricopa	AZ	3/18/20	ANDANTE
Seneca Investments	207100139845	CW Med Center Apts.,LLC dba The Huxley At Medical Center (fka Edge at City Centre)	Harris	TX	5/21/20	The Huxley At Medical Center
Seneca Investments	207100139847	CW Med Center Apts.,LLC dba The Huxley At Medical Center (fka Edge at City Centre)	Harris	TX	5/21/20	The Huxley At Medical Center
Seneca Investments	207100139849	CW Med Center Apts.,LLC dba The Huxley At Medical Center (fka Edge at City Centre)	Harris	TX	5/21/20	The Huxley At Medical Center
Seneca Investments	207100139851	CW Med Center Apts.,LLC dba The Huxley At Medical Center (fka Edge at City Centre)	Harris	TX	5/21/20	The Huxley At Medical Center
Seneca Investments	207100139852	CW Med Center Apts.,LLC dba The Huxley At Medical Center (fka Edge at City Centre)	Harris	TX	5/21/20	The Huxley At Medical Center
Sentinel Real Estate	20-LM-000401	Sentinel Real Estate	Kane	IL	3/19/20	Covey at Fox Valley
Sentinel Real Estate	20-LM-000400	Sentinel Real Estate	Kane	IL	3/19/20	Covey at Fox Valley

Sentinel Real Estate	16-2020-CC-003744-XXXX-MA	Sentinel Real Estate	Duval	FL	3/17/20	Colony at Deerwood
Siegel Companies	CC2020-079539	Fifty Third Phoenix Holding LLC	Maricopa	AZ	5/14/20	
Starwood Capital	35-2020-CC-001830	SPT Dolphin Spring Harbor LLC	Lake	FL	4/2/20	Spring Harbor Apartments
Starwood Capital	2020-006200-CC-26	SCG ATLAS KINGS COLONY LLC	Miami Dade	FL	4/2/20	Kings Colony Apartments
Starwood Capital	2020-006201-CC-26	SCG ATLAS KINGS COLONY LLC	Miami Dade	FL	4/2/20	Kings Colony Apartments
Starwood Capital	2020-CC-003991-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/31/20	Grande Court Apartments
Starwood Capital	2020-CC-003989-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/31/20	Grande Court Apartments
Starwood Capital	CONO20004605	SCG Atlas Coconut Palm Club LLC	Broward	FL	3/30/20	Coconut Palm Club
Starwood Capital	2020-CC-001019-21-S	SREIT Vista Haven LLC dba Vista Haven Apartment Homes	Seminole	FL	3/27/20	Vista Haven Apartments
Starwood Capital	2020-CC-003835-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/26/20	Bentley Green Apts
Starwood Capital	20-CC-020655	SPT WAH WEXFORD LLC	Hillsborough	FL	3/26/20	Wexford Apartments
Starwood Capital	CONO20004434	SCG Atlas Sabal Pointe LLC	Broward	FL	3/24/20	Sabal Pointe Apartments
Starwood Capital	CONO20004438	SCG Atlas Sabal Pointe LLC	Broward	FL	3/24/20	Sabal Pointe Apartments
Starwood Capital	CONO20004431	SCG Atlas Sabal Pointe LLC	Broward	FL	3/24/20	Sabal Pointe Apartments
Starwood Capital	COCE20006814	SCG Atlas Wyndham Lakes LLC	Broward	FL	3/24/20	Wyndham West Villas
Starwood Capital	2020-CC-003701-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/24/20	Bentley Green Apts
Starwood Capital	2020-CC-003714-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/24/20	Lindsey Terrace Apts

Starwood Capital	2020-005575-CC-26	SCG ATLAS HAMMOCKS PLACE LLC	Miami Dade	FL	3/24/20	Kings Colony Apartments
Starwood Capital	50-2020-CC-003715-XXXX-SB	SCG ATLAS BOYNTON I LLC	Palm Beach	FL	3/24/20	The Cove at Boynton Beach Apartments
Starwood Capital	50-2020-CC-003727-XXXX-WB	SCG ATLAS PARK AIRE LLC DBA PARK AIRE	Palm Beach	FL	3/24/20	Park Aire
Starwood Capital	2020 LTB 007235	HIGHMARK RESIDENTIAL, LLC	Washington	DC	3/24/20	Ellicott House
Starwood Capital	2020 LTB 007234	HIGHMARK RESIDENTIAL, LLC	Washington	DC	3/24/20	Ellicott House
Starwood Capital	COCE20006682	SCG Atlas Pembroke LLC	Broward	FL	3/23/20	The Landings at Pembroke Pines
Starwood Capital	CONO20004375	SCG Atlas Sabal Pointe LLC	Broward	FL	3/23/20	Sabal Pointe Apartments
Starwood Capital	2020-CC-003647-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/23/20	Lindsey Terrace Apts
Starwood Capital	20-CC-019832	SPT WAH WEXFORD LLC	Hillsborough	FL	3/23/20	Wexford Apartments
Starwood Capital	2020-007187-CC-23	S C G ATLAS AVENTURA (LLC)	Miami Dade	FL	3/23/20	Promenade at Aventura
Starwood Capital	COCE20006483	SCG Atlas New River Cove LLC	Broward	FL	3/20/20	New River Cove Apartments
Starwood Capital	20LT03702	SPT Properties II LLC	Jackson	OR	3/20/20	
Starwood Capital	362020CC001351A001CH	SPT WAH Westwood LLC	Lee	FL	3/20/20	Westwood Apartments
Starwood Capital	2020-006970-CC-23	S C G ATLAS AVENTURA (LLC)	Miami Dade	FL	3/20/20	Promenade at Aventura
Starwood Capital	2020-CC-003929-O	SREIT River Reach LLC	Orange	FL	3/20/20	River Ridge Apartments
Starwood Capital	COCE20006325	SCG Atlas New River Cove LLC	Broward	FL	3/19/20	New River Cove Apartments
Starwood Capital	122020CC000368CCAXMX	SPT WAH Windsong I LLC	Columbia	FL	3/19/20	Windsong Apartments

Starwood Capital	122020CC000367CCAXMX	SPT WAH Windsong II LLC	Columbia	FL	3/19/20	Windsong Apartments
Starwood Capital	20-CC-019063	SPT WAH WEXFORD LLC	Hillsborough	FL	3/19/20	Wexford Apartments
Starwood Capital	2020-006940-CC-23	S C G ATLAS AVENTURA (LLC)	Miami Dade	FL	3/19/20	Promenade at Aventura
Starwood Capital	50-2020-CC-003561-XXXX-SB	SCG ATLAS BOYNTON I LLC	Palm Beach	FL	3/19/20	The Cove at Boynton Beach Apartments
Starwood Capital	50-2020-CC-003566-XXXX-SB	SCG ATLAS BOYNTON I LLC	Palm Beach	FL	3/19/20	The Cove at Boynton Beach Apartments
Starwood Capital	COCE20006175	SCG Atlas Sheridan Ocean Club LLC	Broward	FL	3/18/20	Sheridan Ocean Club Apartments
Starwood Capital	20D07952	SFR ATL Owner 5 LP	DeKalb	GA	3/18/20	
Starwood Capital	20-CC-000988	SPT Dolphin Glen Oaks LLC	Leon	FL	3/18/20	Glen Oaks Apartments
Starwood Capital	20-CC-000989	SPT Dolphin Glen Oaks LLC	Leon	FL	3/18/20	Glen Oaks Apartments
Starwood Capital	20-CC-000983	SPT Dolphin Glen Oaks LLC	Leon	FL	3/18/20	Glen Oaks Apartments
Starwood Capital	CC2020-055320	SREIT Griffin Scottsdale	Maricopa	AZ	3/18/20	The Griffin Apartments
Starwood Capital	2020-006886-CC-23	S C G ATLAS AVENTURA (LLC)	Miami Dade	FL	3/18/20	Promenade at Aventura
Starwood Capital	2020-CC-003865-O	SPT Dolphin Sand Lake Pointe LLC	Orange	FL	3/18/20	Sandlake Pointe Apartments
Starwood Capital	50-2020-CC-003488-XXXX-SB	SCG ATLAS BOYNTON I LLC	Palm Beach	FL	3/18/20	The Cove at Boynton Beach Apartments
Starwood Capital	50-2020-CC-003507-XXXX-SB	SCG ATLAS BOYNTON I LLC	Palm Beach	FL	3/18/20	The Cove at Boynton Beach Apartments
Starwood Capital	502020CC003498XXXXMB	SREIT ROYAL POINCIANA LLC DBA PARKSIDE RESIDENCE	Palm Beach	FL	3/18/20	Parkside Residence
Starwood Capital	16-2020-CC-003732-XXXX-MA	HIGHMARK RESIDENTIAL LLC FOR LINDSEY TERRACE APTS	Duval	FL	3/17/20	Lindsey Terrace Apts

Starwood Capital	CC2020-054134	SREIT 1441 S Lindsay LLC	Maricopa	AZ	3/17/20	The Village at Lindsay Park Apartments
Starwood Capital	CC2020-054125	SREIT 1441 SOUTH LINDSAY ROAD LLC	Maricopa	AZ	3/17/20	The Village at Lindsay Park Apartments
Starwood Capital	2020-CC-003821-O	SREIT River Reach LLC	Orange	FL	3/17/20	River Ridge Apartments
Starwood Capital	50-2020-CC-003398-XXXX-SB	SCG ATLAS ASHLEY LAKE LLC DBA THE RESERVE AT ASHLEY LAKE APARTMENTS	Palm Beach	FL	3/17/20	The Reserve at Ashley Lake Apartments
Starwood Capital	2020-CC-003580-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/16/20	Lindsey Terrace Apts
Starwood Capital	2020-CC-003578-XXXX	HIGHMARK RESIDENTIAL LLC	Duval	FL	3/16/20	Lindsey Terrace Apts
Starwood Capital	50-2020-CC-003359-XXXX-SB	SCG ATLAS ASHLEY LAKE LLC DBA THE RESERVE AT ASHLEY LAKE APARTMENTS	Palm Beach	FL	3/16/20	The Reserve at Ashley Lake Apartments
Starwood Capital	50-2020-CC-003357-XXXX-SB	SCG ATLAS ASHLEY LAKE LLC DBA THE RESERVE AT ASHLEY LAKE APARTMENTS	Palm Beach	FL	3/16/20	The Reserve at Ashley Lake Apartments
Stonetown Capital	SC-2020-1539	STONETOWN CLEARVIEW LLC, AND CLEARVIEW MHC	Cleveland	OK	3/17/20	CLEARVIEW MHC
Stonetown Capital	SC-2020-1540	STONETOWN CLEARVIEW LLC, AND CLEARVIEW MHC	Cleveland	OK	3/17/20	CLEARVIEW MHC
Stonetown Capital	SC-2020-1501	OKC RESIDENTIAL INCOME LLC	Cleveland	OK	3/16/20	
Sundance Bay Multifamily	CC2020-079497	SBMF ROYAL PALMS LLC	Maricopa	AZ	5/14/20	
TIAA-CREF	2020 LTB 007730	T-C Mass Court	Washington	DC	4/20/20	
TIAA-CREF	2020 LTB 007731	T-C Mass Court	Washington	DC	4/20/20	
TIAA-CREF	2020 LTB 007732	T-C Mass Court	Washington	DC	4/20/20	
TIAA-CREF	CONO-20-004181	T-C The Edge at Flagler Village LLC	Broward	FL	3/18/20	The Edge at Flagler Village

TPCG Asset Management	202100139984	TPCG MF7 LLC dba CAMINO DEL SOL	Harris	TX	5/27/20	Camino Del Sol
TPCG Asset Management	202100139312	TPCG MF7 LLC dba CAMINO DEL SOL	Harris	TX	5/21/20	Camino Del Sol
TPCG Asset Management	202100113132	TPCG MF7 LLC dba Camino Del Sol	Harris	TX	3/23/20	Camino Del Sol
Transwestern	CC2020-082557	TDC Tempe Lakeside	Maricopa	AZ	5/20/20	
Transwestern	CC2020-082551	TDC Tempe Lakeside	Maricopa	AZ	5/20/20	
Transwestern	CC2020-082558	TDC Tempe Lakeside	Maricopa	AZ	5/20/20	
Transwestern	CC2020-082563	TDC Tempe Lakeside	Maricopa	AZ	5/20/20	
Transwestern	CC2020-082562	TDC Tempe Lakeside	Maricopa	AZ	5/20/20	
Transwestern	CC2020-075692	TDC Tempe Lakeside	Maricopa	AZ	5/6/20	
Transwestern	CC2020-075687	TDC Tempe Lakeside	Maricopa	AZ	5/6/20	
Transwestern	CC2020-075690	TDC Tempe Lakeside	Maricopa	AZ	5/6/20	
Transwestern	CC2020-075693	TDC Tempe Lakeside	Maricopa	AZ	5/6/20	
Transwestern	CC2020-059140	TDC TEMPE LAKESIDE REAL ESTATE OWNER	Maricopa	AZ	3/24/20	
Transwestern	CC2020-054069	TDC TEMPE LAKESIDE REAL ESTATE OWNER LLC	Maricopa	AZ	3/17/20	
TruAmerica	2020CC001094	CALIBRE CREST FEE OWNER LLC	Seminole	FL	4/14/20	The Crest at Altamonte
TruAmerica	2020-CC-004034-O	Falcon Pines Fee Owner LLC	Orange	FL	3/25/20	Canterbury Cove
Turner Impact Capital	204100102813	TMIF Bridges LP	Harris	TX	3/16/20	

Turner Impact Capital	204100102813	TMIF Bridges LP	Harris	TX	3/16/20	
Turner Impact Capital	204100102813	TMIF Bridges LP	Harris	TX	3/16/20	
Turner Impact Capital	205100103035	TMIF Urban Palms, LP dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103062	TMIF Urban Palms, LP dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103319	TMIF Urban Palms, LP dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103034	TMIF Urban Palms, LP, dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103037	TMIF Urban Palms, LP, dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103044	TMIF Urban Palms, LP, dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103051	TMIF Urban Palms, LP, dba Urban Palms	Harris	TX	3/16/20	Urban Palms
Turner Impact Capital	205100103322	TMIF Urban Palms. LP dba Urban Palms	Harris	TX	3/16/20	Urban Palms
UBS Realty	2020-CC-003742-O	8024 CUMBERLAND PARK DRIVE APARTMENTS INVESTORS LLC dba Cumberland Park Luxury Apartment Homes	Orange	FL	3/16/20	Cumberland Park Luxury Apartment Homes
Vesta Capital	SC-2020-4457	SPRINGS BEST LIVING LLC DBA, AND SILVER SPRINGS APARTMENTS	Tulsa	OK	3/16/20	SILVER SPRINGS APARTMENTS
Vesta Capital	SC-2020-4458	SPRINGS BEST LIVING LLC DBA, AND SILVER SPRINGS APARTMENTS	Tulsa	OK	3/16/20	SILVER SPRINGS APARTMENTS
Vesta Capital	SC-2020-4459	SPRINGS BEST LIVING LLC DBA, AND SILVER SPRINGS APARTMENTS	Tulsa	OK	3/16/20	SILVER SPRINGS APARTMENTS

Vesta Capital	SC-2020-4460	SPRINGS BEST LIVING LLC DBA, AND SILVER SPRINGS APARTMENTS	Tulsa	OK	3/16/20	SILVER SPRINGS APARTMENTS
Vesta Capital	SC-2020-4461	SPRINGS BEST LIVING LLC DBA, AND SILVER SPRINGS APARTMENTS	Tulsa	OK	3/16/20	SILVER SPRINGS APARTMENTS
Waterford Residential	204100103362	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103362	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103362	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103366	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103373	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103373	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterford Residential	204100103373	SC Waterford Trails LLC	Harris	TX	3/16/20	
Waterton Residential	207100103249	Waterton Residential dba Villas at Hermann Park	Harris	TX	3/16/20	Villas at Hermann Park
Western Wealth Capital	CC2020-082503	WREF AUTUMN CREEK LP	Maricopa	AZ	5/20/20	
Western Wealth Capital	CC2020-081963	WREF COLONY LP	Maricopa	AZ	5/19/20	
Western Wealth Capital	CC2020-081248	WREF COLONY LP	Maricopa	AZ	5/18/20	
Western Wealth Capital	CC2020-081346	WREF SRROYO LP	Maricopa	AZ	5/18/20	
Westmount Realty Capital	CC2020-084056	WESTMOUNT AT 949 LP	Maricopa	AZ	5/22/20	
Westmount Realty Capital	CC2020-059078	WESTMOUNT AT 949 LP	Maricopa	AZ	3/24/20	

Wexler Partners	CC2020-084001	WEXLER PARTNERS LLC	Maricopa	AZ	5/22/20	
Wexler Partners	CC2020-084002	WEXLER PARTNERS LLC/ WIP- PARK VILLAGE II LLC/W	Maricopa	AZ	5/22/20	
Wexler Partners	CC2020-084006	WEXLER PARTNERS LLC/ WIP- PARK VILLAGE II LLC/W	Maricopa	AZ	5/22/20	
Wexler Partners	CC2020-082537	WEXLER PARTNERS LLC	Maricopa	AZ	5/20/20	
Wexler Partners	CC2020-082538	WEXLER PARTNERS LLC/ WIP-PARK VILLAGE LLC/W	Maricopa	AZ	5/20/20	
Yes! Communities/ Stockbridge Capital	CC2020-084124	MOUNTAIN GATE MOBILE HOME PARK	Maricopa	AZ	5/22/20	MOUNTAIN GATE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	CC2020-083345	mountain gate mobile home park c/o compnaies fred llc	Maricopa	AZ	5/21/20	MOUNTAIN GATE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	CC2020-082604	MOUNTAIN GATE MOBILE HOME PARK c/o YES COMPANIES FRED LLC	Maricopa	AZ	5/20/20	MOUNTAIN GATE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	16-2020-CC-003707-XXXX-MA	YES COMPANIES KEY, LLC D/B/A CRYSTAL SPRINGS ESTATE	Duval	FL	3/24/20	CRYSTAL SPRINGS ESTATE
Yes! Communities/ Stockbridge Capital	16-2020-CC-003709-XXXX-MA	YES COMPANIES WFC, LLC D/B/A OAKS OF ATLANTIC BEACH	Duval	FL	3/24/20	OAKS OF ATLANTIC BEACH
Yes! Communities/ Stockbridge Capital	16-2020-CC-003691-XXXX-MA	YES COMPANIES WFC, LLC D/B/A OAKS OF ATLANTIC BEACH	Duval	FL	3/20/20	OAKS OF ATLANTIC BEACH
Yes! Communities/ Stockbridge Capital	CC2020-057456	Yes Companies LLC	Maricopa	AZ	3/20/20	
Yes! Communities/ Stockbridge Capital	CC2020-057454	Yes Companies LLC	Maricopa	AZ	3/20/20	
Yes! Communities/ Stockbridge Capital	CC2020-057470	Yes Companies LLC	Maricopa	AZ	3/20/20	
Yes! Communities/ Stockbridge Capital	CC2020-057449	Yes Companies LLC	Maricopa	AZ	3/20/20	

Yes! Communities/ Stockbridge Capital	CC2020-057464	Yes Companies LLC	Maricopa	AZ	3/20/20	
Yes! Communities/ Stockbridge Capital	SC-2020-489	YES COMPANIES EXP KEY LLC D/B/A OVERHOLSER VILLAGE	Canadian	OK	3/19/20	OVERHOLSER VILLAGE
Yes! Communities/ Stockbridge Capital	SC-2020-490	YES COMPANIES EXP KEY LLC D/B/A OVERHOLSER VILLAGE	Canadian	OK	3/19/20	OVERHOLSER VILLAGE
Yes! Communities/ Stockbridge Capital	SC-2020-491	YES COMPANIES EXP KEY LLC D/B/A OVERHOLSER VILLAGE	Canadian	OK	3/19/20	OVERHOLSER VILLAGE
Yes! Communities/ Stockbridge Capital	SC-2020-492	YES COMPANIES EXP KEY LLC D/B/A OVERHOLSER VILLAGE	Canadian	OK	3/19/20	OVERHOLSER VILLAGE
Yes! Communities/ Stockbridge Capital	SC-2020-493	YES WESTLAKE LLC D/B/A WESTLAKE MOBILE HOME PARK	Canadian	OK	3/19/20	WESTLAKE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-495	YES WESTLAKE LLC D/B/A WESTLAKE MOBILE HOME PARK	Canadian	OK	3/19/20	WESTLAKE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-496	YES WESTLAKE LLC D/B/A WESTLAKE MOBILE HOME PARK	Canadian	OK	3/19/20	WESTLAKE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-497	YES WESTLAKE LLC D/B/A WESTLAKE MOBILE HOME PARK	Canadian	OK	3/19/20	WESTLAKE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-498	YES WESTLAKE LLC D/B/A WESTLAKE MOBILE HOME PARK	Canadian	OK	3/19/20	WESTLAKE MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	16-2020-CC-003654-XXXX-MA	YES COMMUNITIES WFC, LLC D/B/A THE BREAKERS	Duval	FL	3/18/20	THE BREAKERS
Yes! Communities/ Stockbridge Capital	SC-2020-1509	YES COMPANIES EXP KEY LLC, AND BURNTWOOD MOBILE HOME OKC	Cleveland	OK	3/16/20	BURNTWOOD MOBILE HOME PARK

Yes! Communities/ Stockbridge Capital	SC-2020-1510	YES COMPANIES EXP KEY LLC, AND BURNTWOOD MOBILE HOME OKC	Cleveland	OK	3/16/20	BURNTWOOD MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-1511	YES COMPANIES EXP KEY LLC, AND BURNTWOOD MOBILE HOME OKC	Cleveland	OK	3/16/20	BURNTWOOD MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-1512	YES COMPANIES EXP KEY LLC, AND BURNTWOOD MOBILE HOME OKC	Cleveland	OK	3/16/20	BURNTWOOD MOBILE HOME PARK
Yes! Communities/ Stockbridge Capital	SC-2020-1507	YES COMPANIES KEY LLC, AND LEXINGTON CROSSING MHC	Cleveland	OK	3/16/20	LEXINGTON CROSSING MHC
Yes! Communities/ Stockbridge Capital	16-2020-CC-003630-XXXX-MA	YES COMMUNITIES WFC, LLC D/B/A THE BREAKERS	Duval	FL	3/16/20	THE BREAKERS
Yes! Communities/ Stockbridge Capital	16-2020-CC-003510-XXXX-MA	YES COMPANIES WFC, LLC D/B/A OAKS OF ATLANTIC BEACH	Duval	FL	3/16/20	OAKS OF ATLANTIC BEACH

June 9, 2020

The Honorable Maxine Waters
Chairwoman
House Financial Services Committee
U.S. House of Representatives

The Honorable Patrick McHenry
Ranking Member
House Financial Services Committee
U.S. House of Representatives

The Honorable Wm. Lacy Clay
Chair
Subcommittee on Housing, Community Development and Insurance
U.S. House of Representatives

The Honorable Steven Stivers
Ranking Member
Subcommittee on Housing, Community Development and Insurance
U.S. House of Representatives

Dear Chairwoman Waters, Chair Clay, Ranking Members McHenry and Stivers:

The undersigned national associations represent for-profit and non-profit owners, developers, managers, lenders, housing cooperatives and housing agencies involved in providing affordable rental housing to millions of American families. As you know, the Coronavirus Aid, and Economic Security Act, (CARES Act) included important relief for American families and businesses negatively impacted by the COVID-19 pandemic. As the Committee convenes the hearing entitled "The Rent Is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis" we have enclosed an overview of the housing policy implications of the CARES Act on both renters and owners. We share your belief that further Congressional action is needed to ensure the financial viability and stability of the rental housing industry and have included our recommendations for your review and consideration.

With the news of 40 million Americans seeking unemployment benefits in the last ten weeks, the rental housing industry is fully expecting that a significant number of residents will be affected by furloughs or job loss. Moreover, as the crisis continues and renters' savings are depleted, these ongoing challenges will impact their ability to make ends meet and pay their rent, which could have cascading effects not only on the rental housing industry but on state and local governments and the broader economy. Information from the Census Bureau Survey released June 3, from its newly created Household Pulse Survey, showed 48.5 percent of renters surveyed reported being unemployed. Losses are particularly acute for lower-income and minority households. In addition, Renter Confidence numbers reflect fully one-third of renter respondents reporting no or slight confidence in whether they can pay next month's rent. At present, households are prioritizing rent, however, the information in the Household Pulse Survey provides a snapshot of problems on the horizon.

Accordingly, it is critical that lawmakers come together to support America's 43 million renter households with a national rental assistance fund. If residents cannot pay their full rent obligations, housing providers will be at risk of not meeting their financial obligations as well. This puts the property and the whole community at risk at a time of needed housing stability. Congress worked to provide significant economic relief to affected Americans as part of the CARES Act. While the steps taken were significant, we remain concerned that despite these efforts, more assistance for renters and rental property owners will be needed. We believe that additional direct and sustained economic assistance to renters and their families will be necessary to ensure they are able to meet their financial obligations, including rent. For this reason, we support including an emergency rental assistance program in the next relief recovery package.

Create an Emergency Rental Assistance Program: It is a top priority for the rental housing industry that Congress establish an emergency rental assistance program. We expect a significant

number of residents will continue to be negatively affected by the pandemic, inhibiting their ability to pay their rent, even with the assistance provided in the CARES Act. Ensuring the continued viability of rental housing protects the millions of jobs in our industry and the communities around the country that we serve.

The "Emergency Rental Assistance and Rental Market Stabilization Act of 2020," calls for utilizing HUD's Emergency Solutions Grant (ESG) program. While we have some concerns relating to its capacity to provide relief effectively and efficiently to all renters in need, we are appreciative of the work done. Direct federal rental assistance will help alleviate some of the financial strain on the industry and stop the cascading effects on local economies.

We look forward to continuing our collective work throughout this process to ensure that emergency rental assistance funding is distributed swiftly to protect renters across all income levels who are now struggling to make ends meet. As the Committee continues to review housing policy in the wake of COVID-19, we also ask that Congress address the issues outlined below in any future recovery package.

Clarify and Further Target Eviction Moratorium Protections: The CARES Act included a 120-day moratorium which prohibits eviction actions and late fees due to nonpayment of rent until July 25. The moratorium applies to all properties with federally backed mortgages and rental homes that receive federal subsidies through a covered housing program.

Housing providers have a shared goal with their residents in preserving housing stability and minimizing displacement during this crisis. However, we believe the moratorium should be narrowly tailored to provide relief to renters who are financially impacted due to COVID-19 as is required for housing providers seeking relief. Additionally, ambiguity in the definitions and notice to vacate language has resulted in confusion among stakeholders and in the courts and has led to uneven application of the law across the country. We urge Congress to refine this language in the next phase of relief.

Importantly, the members of this coalition also want to highlight our concerns regarding the eviction moratorium in the House-passed HEROES Act, which substantially expands the CARES Act eviction moratorium to virtually all single-family and multifamily homes, extends the covered period for 12 months and remains unconnected to those truly impacted by COVID-19. The proposed moratorium in the HEROES Act greatly prolongs economic uncertainty for housing providers and undermines the industry's ability to manage their cost and revenue expectations in a reasonable way.

We urge Congress to apply the moratorium to renters who notify their housing provider of financial impact due to COVID-19 and clarify the notice to vacate language to ensure property owners can effectively manage their properties during the crisis. Additionally, any extension of the eviction moratorium should be tailored to reflect the hyper-localized eviction process and relevant state and local conditions.

Financial Mitigation and Mortgage Forbearance Protections: With stay at home orders in place across the country, property owners will incur higher utility costs, maintenance, cleaning, and other expenses to support their residents. In addition to these unexpected costs, many residents are at risk of not being able to fulfill their rent obligations. As a result, it is likely that increased costs and rent payment shortfalls will impact the ability of rental property owners to satisfy their financial obligations. Further, the CARES Act limits the availability of forbearance to borrowers of multifamily loans for properties with a federally backed mortgage. However, while the House-passed HEROES Act expands the availability of mortgage forbearance to all multifamily borrowers for 12 months, it

also dramatically extends the CARES Act's eviction moratorium to apply to all single family and multifamily rental housing and halts evictions due to nonpayment of rent for 12 months.

Our organizations urge financial support for rental property owners to mitigate these losses due to COVID-19 and ask Congress to consider several revisions to the CARES Act to ensure the continued viability of apartment communities and the residents we serve.

- **Provide Financial Assistance and Protection for Financial Property Obligations**: In order for owners and operators to ensure viability of apartment and rental housing communities, financial assistance and protections should be expanded to other property-level financial obligations such as property taxes, insurance payments, utility services, and the like. This assistance and protections are needed to avoid any type of negative disruption or impact on renters or housing providers which could include loan default, tax liens or other negative legal actions and ultimately put the property and its residents at risk.

- **Expand Forbearance Protection to All Loans:** Congress should expand multifamily mortgage forbearance protections to all types of loan products including those that are privately financed by banks, life insurance companies, community development financial institutions, state and local housing finance agencies, commercial mortgage-backed securities, as only 50 percent of multifamily mortgages are federally-backed. This provision is already included the House-passed HEROES Act.

- **Reconcile Forbearance and Eviction Moratorium Timelines**: Congress and federal regulators must ensure that forbearance protections are in place for the same length of time as any local, state, or federal eviction moratoriums. The CARES Act presently limits forbearance to a 90-day time period, which was out of alignment with the 120-day eviction moratorium. In no case should an eviction moratorium exceed the forbearance period or be extended to cover the repayment period. It is important that the forbearance and eviction timelines are realigned to stop the potential for financial delinquencies and defaults in the rental housing market.

- **Amend Forbearance Requirements:** Congress should amend forbearance repayment requirements as included in the HEROES Act, allowing the greatest flexibility for borrowers who request it, for example, by allowing the cost to be added to the back of the mortgage. However, any associated eviction moratorium should not exceed the owner's actual forbearance period.

Increased Funding for the U.S. Department of Agriculture's (USDA), Rural Development (RD) Rental Assistance (RA) programs: The CARES Act did not include additional funding for rural housing impacted by COVID-19, however we are pleased that the HEROES Act included funding for rural programs. Congress must continue to address rural housing needs, by ensuring continued funding for residents who utilize the USDA's Rental Assistance programs, as well as those residents who currently do not receive RA.

Create a Federal Reserve Credit Facility for Mortgage Services: Servicers of multifamily mortgages are an important part of the financial flows within the multifamily industry and have obligations to advance funds during mortgage forbearance. Congress should direct the Board of Governors of the Federal Reserve System and the Secretary of the Treasury, pursuant to the authority granted under section 13(3) of the Federal Reserve Act, to extend credit to multifamily mortgage servicers and other obligated advancing parties that, in each case, have liquidity needs due to the COVID–19 emergency or due to compliance with the CARES Act with respect to the multifamily mortgage loans and to extend further credit to mortgage servicers for other liquidity needs due to

the actual or imminent delinquency or default on mortgage loans due to the COVID–19 emergency. We are pleased the House-passed HEROES Act includes critical protections for multifamily mortgage borrowers, servicers, and rental property owners.

Expand the Small Business Administration's (SBA) Paycheck Protection Program (PPP) to Include All Multifamily Businesses: Despite original Congressional intent to assist all lines of business with the PPP, the SBA issued an interim final rule on April 2 that called into question eligibility for rental housing developers, housing cooperatives and owner firms. We urge Congress to compel the SBA to reverse this decision and expand eligibility to rental housing firms and student housing operators so that they can protect their employees and their operations with these loan and grant funds.

We are all well aware of the enormity of the tasks ahead and stand ready to work with you.

Sincerely,

CCIM Institute
Council for Affordable and Rural Housing
Institute of Real Estate Management
Manufactured Housing Institute
National Affordable Housing Management Association
National Apartment Association
National Association of Home Builders
National Association of Housing Cooperatives
National Association of REALTORS
National Leased Housing Association
National Multifamily Housing Council

cc: House Coronavirus Task Force
House Financial Services Committee
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The Real Estate Roundtable

June 8, 2020

The Honorable Maxine Waters
Chairwoman
Financial Services Committee
U.S. House of Representatives

The Honorable Patrick McHenry
Ranking Member
Financial Services Committee
U.S. House of Representatives

The Honorable Wm. Lacy Clay
Chair
Subcommittee on Housing, Community Development and Insurance
U.S. House of Representatives

The Honorable Steven Stivers
Ranking Member
Subcommittee on Housing, Community Development, and Insurance
U.S. House of Representatives

Dear Chairwoman Waters, Chair Clay, and Ranking Members McHenry and Stivers:

A specific rent assistance program for both residential and business tenants is needed to:

- *Keep workers housed and employed;*
- *Maintain property taxes for state and local budgets that pay for essential community services;*
- *Safeguard Americans' retirement savings; and*
- *Avoid a cascade of mortgage foreclosures.*

The Real Estate Roundtable (www.rer.org)[1] submits this letter for the record of the virtual hearing entitled, "The Rent is Still Due: America's Renters, Covid-19, and an Unprecedented Eviction Crisis," scheduled on June 10, 2020, by the Subcommittee on Housing, Community Development, and Insurance.

As the fallout from the pandemic enters month five, American households and businesses remain fearful about their uncertain economic futures. Families and businesses are unable and reluctant to meet ordinary fixed expenses – like paying their rent. Congress should develop a solution to this serious problem. Broad support across industry sectors can be built for tailored assistance to help residential and business tenants alike meet their contractual rent obligations during this time of crisis. Bipartisan consensus can be achieved for a program that helps tenants – financially impacted by Covid-19 – stay current on rent obligations, because it will be key for our economy's long-term recovery.

[1] The Roundtable brings together leaders of the nation's top publicly-held and privately-owned real estate ownership, development, lending and management firms with leaders of the major national real estate trade associations to jointly address key national policy issues relating to real estate and the overall economy. The Roundtable's leaders seek to ensure that a cohesive industry voice is heard by government officials and the public about real estate and its important role in the global economy. Collectively, Roundtable members' portfolios contain over 12 billion square feet of office, retail and industrial properties valued at more than $3 trillion; over 2 million apartment units; and in excess of 3 million hotel rooms.

Moreover, struggling businesses are not interested in taking on new debt right now to help pay their rent. More leverage on balance sheets will only further delay recovery of shuttered businesses that already find themselves "in the red" and lack the income to meet currently due and owing obligations.

Articles and studies cited in the attachment to this letter[2] describe drastic declines in rent collections since April, especially from businesses in the retail and hospitality sectors. Rents paid by retail tenants shuttered by government orders are down 50% from pre-Covid levels. Anecdotal reports alert that rent collections from enclosed mall tenants (different from open-air shopping centers) are even worse.

The severely depressed state of business rent collections is a foreboding sign of diminishing commercial real estate asset values. As explained in more detail below, declined asset values mean less property tax revenues for state and local governments to pay for infrastructure and essential health care and first-responder services. Declined asset values also reflect the deep losses that U.S. financial institutions and investors may incur, and that workers' retirement plans might sustain, in their commercial real estate portfolios.[3] One article put the problem this way, in explaining the "alarming chain reaction" that spreads throughout the economy when business tenants fail to pay their rents:

> "The problem for the broader U.S. economy is that when businesses … stop paying rent, it sets off an alarming chain reaction. Landlords are now at risk of bankruptcy, too. Commercial real estate prices are falling. Jobs at property management companies and landscapers face cuts. Banks and private investors are unwilling to lend to most commercial real estate projects anymore, and cash-strapped city and local governments are realizing the property taxes they usually rely on from business properties are unlikely to be paid this summer and fall."[4]

The inability of businesses to meet ordinary expenses like rent payments is even more pronounced in the Covid-19 era among enterprises owned by minorities, women, and veterans. One poll reports that 34% of small businesses overall cannot meet rent since government orders shuttered businesses – with "Covid-19 quarantines … especially difficult on women-owned, minority-owned, and veteran-owned businesses."[5] Likewise, Federal Reserve data cited in a recent McKinsey & Company report indicate Covid-19's disproportionate economic impact on minority-owned businesses as twice as likely to be classified as "at risk" or "distressed" compared to businesses ***not*** owned by minorities.[6]

On the residential side, apartment rental payments have been faring better for the time being. Over 80% of multifamily residential tenants payed their April and May rents.[7] However, as the pandemic drags on and as unemployment insurance and other means of *CARES* Act support run dry, households face mounting financial insecurity. Families are worrying about how they will pay for basic necessities like housing rent in the months ahead.

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[2] Footnotes 24-31.
[3] Footnotes 15-21.
[4] "The next big problem for the economy: Businesses can't pay their rent," *Washington Post* (June 4, 2020).
[5] "34% of Small Businesses Can't Cover May Rent," Alignable (April 28, 2020) (results of poll conducted April 24-26) ("[M]ore than half of all women-owned businesses (52%) report being closed, while similar figures surfaced for minority-owned businesses (48%) and veteran-owned companies (44%). That's compared to all other businesses, where only 38% have shut their doors.").
[6] McKinsey & Company, "Covid-19's effect on minority-owned businesses in the United States" (May 2020).
[7] https://www.globest.com/2020/05/11/80-of-apartment-renters-paid-rent-in-first-week-of-may/

Congress has taken minor steps to address the rent crisis, but bigger actions are needed.

Federal Reserve Chair Jerome Powell recently encouraged Congress to enact bolder policies to avoid business insolvencies and look toward sustained recovery – so workers have jobs to return *to*.[8]

The last thing struggling businesses will need when they re-open is to be bogged down with months of missed legacy rents that they remain bound to pay. Assuming more debt to pay these expenses, and dig businesses in an even deeper hole, is not an attractive option. In this regard, forgivable Paycheck Protection Program (PPP) loans have provided some help for eligible small businesses (essentially, those that do not normally qualify for traditional financing or truly "mom and pop" concerns). However, the PPP's overriding (and proper) objective is to keep workers on payroll with benefits – not to help business tenants meet monthly rent. Bipartisan reforms to the PPP's "75-25 Rule" recently passed by both the House and Senate[9] are a step in the right direction, but they do not go far enough to place impacted businesses on a steady path to long-term recovery and remain solvent. Tinkering with the "75-25 Rule" does not change the *CARES* Act's underlying structure which constrains PPP loan amounts based on a formula pegged to 2.5 times *payroll* expenses – not 2.5 times *operating* expenses.[10] Moreover, with the vast majority of these SBA loans sized at $50,000 or less,[11] the PPP simply lacks the capacity to make a consequential dent in the extensive business rental income crisis.

Another notable legislative proposal incorporated into the *HEROES* Act recently passed by the House[12] builds on an existing and important state grant program to address the scourge of homelessness.[13] The proposal would expand availability of these grants to provide more rent help for predominantly low-income households (with some limited, discretionary funds marginally reserved for middle-income renters). As with the PPP's curbed support for business tenants, this emergency residential rent program would be a good start. But it would not be enough, because it is too restrictive in only helping certain impacted residential tenants (and does nothing to assist business tenants shuttered or otherwise economically impacted by the pandemic). Congress should certainly help households on the brink of homelessness and in distressed communities. It should also go further to vigorously assist the heroic nurses, first responders, teachers and other middle class Americans that rent "workforce housing" during these uncertain times.

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[8] "Current Economic Issues," speech of Jerome H. Powell At the Peterson Institute for International Economics, (May 13, 2020) (available at https://www.federalreserve.gov/newsevents/speech/powell20200513a.htm): "The loss of thousands of small- and medium-sized businesses across the country would destroy the life's work and family legacy of many business and community leaders and limit the strength of the recovery when it comes. These businesses are a principal source of job creation—something we will sorely need as people seek to return to work."

[9] E.g., *Paycheck Protection Flexibility Act* (H.R. 7010). The "75-25 Rule" issued by the Small Business Administration and endorsed by the Treasury Department limits PPP loan and forgiveness amounts to no more than 25% for rent and other business expenses. H.R. 7010 would default instead to a "60-40 Rule," marginally allowing a 15% increase for PPP loan forgiveness for rent and other non-payroll fixed expenses.

[10] 15 U.S.C. § 636(a)(36)(E).

[11] Small Business Administration, "PPP Report" (approvals through 05/23/20) (slide 6), available at https://home.treasury.gov/system/files/136/SBA-Paycheck-Protection-Program-Loan-Report-Round2.pdf

[12] *Emergency Rental Assistance and Rental Market Stabilization Act*, Div. K, Title II of *HEROES Act* (H.R. 6800).

[13] Emergency Solutions Grant Program, information available at: https://www.hudexchange.info/programs/esg/.

Rent income supports an "obligation chain" that links critical sectors of the economy.

The Roundtable encourages Congress to design a specific program that helps households and businesses rebound by lessening the burden of rent obligations that are now piling up on them. Temporary government assistance for qualifying tenants will positively ripple throughout the economy by stabilizing a rental income stream that is the source for an "obligation chain" linking markets for jobs, state and local government services, and investors in mortgages and retirement savings:



- Tenants' rent payments go "up" the obligation chain to provide property owners with revenue to **pay the 3.4 million U.S. workers directly employed in the real estate sector.**[14] These include workers across all skill levels that construct, clean, protect, landscape, maintain, and repair buildings. Rental income also supports **35 million more indirect jobs** accounted for by the salesforce at "brick and mortar" stores; companies that lease space in office buildings; doctors, nurses, and supporting staff at senior care facilities; employees at hotels, warehouses, and tourism properties; and workers on assembly lines that manufacture products for building construction and improvements.[15]

- Rent payments go further "up" the obligation chain to provide building owners with revenue to honor their own debt obligations to **pay principal and interest that supports the $3.2 trillion-plus commercial and multifamily mortgage market.** Tenants' rents provide building owners with the revenue they need to pay commercial banks, life insurance companies, government-sponsored enterprises (Fannie Mae and Freddie Mac), holders of securitized loans, and other investor groups that extend commercial mortgage debt to support profitable, functioning real estate assets.[16]

- Business rent payments go further "up" the obligation chain as the revenue building owners use to pay **$509 billion each year in property taxes that state and local governments need to spend on essential community services.** Property taxes are the largest source of local government revenue according to the U.S. Census of Governments.[17] Rents from *business and multifamily* tenants are especially critical as their buildings are subject to higher tax rates than homes in the great majority of states. According to one study, an average commercial property pays 1.724 times *more* in taxes compared to taxes associated with a home.[18]

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[14] February 2020 data of the Bureau of Labor Statistics for NAICS 236 ("Construction of Buildings") and NAICS 531 ("Real Estate"), available at: https://www.bls.gov/iag/tgs/iag_index_naics.htm
[15] *Id.*, aggregate of February 2020 BLS jobs statistics for certain manufacturing (NAICS 321, 332), physical retail locations (NAICS 441-448, 451-453), warehousing (NAICS 493), professional services (NAICS 54), care facilities (NAICS 623), tourism properties (NAICS 713), accommodations (NAICS 721), and restaurants (NAICS 722).
[16] See https://www.mba.org/2020-press-releases/march/commercial/multifamily-mortgage-debt-grows-in-the-fourth-quarter-of-2019
[17] https://www.census.gov/data/datasets/2017/econ/local/public-use-datasets.html
[18] https://files.taxfoundation.org/legacy/docs/ff342.pdf

- Business rent payments go further "up" the obligation chain to the investment community **driving the value of commercial building assets in which billions of dollars of pension funds, 401Ks, and other retirement savings are invested.** Real estate is a principal component of most pension fund portfolios, with 87% of all public and 73% of all private sector pension funds currently investing in buildings that depend on rent revenues for income.[19] According to one estimate, nearly $800 billion is invested in real estate globally.[20]

- In the event that a business tenant files under chapter 7 or 11 bankruptcy laws, at best "pennies on the dollar" would remain to satisfy outstanding lease obligations because landlords will rank as unsecured creditors in the order of priority of who gets paid before whom.[21] **Lost streams of rental income that disappear as a result of bankruptcy filings will weaken the links in the obligation chain as U.S. workers, state and local governments, and retirement investors all rely on this disappearing revenue.**

Congress should strengthen the "obligation chain" with a robust rental assistance program specifically designed to help business and residential tenants through the current crisis.

Congress has the opportunity to "re-couple" the rent obligation chain. It should design a targeted program for the specific purpose to help residential and business tenants pay their rent – and thereby help shore-up state and local property tax revenues, secure livelihoods of millions of workers, maintain proper functioning in mortgage markets, and safeguard Americans' pension and retirement savings.

Assistance for business tenants: Suggestions that may guide a temporary program to help business tenants are:

- Only business tenants that certify and document negative economic impact from Covid-19 (*e.g.*, shuttered by government order) should be eligible for assistance.

- Rental assistance should go directly to business tenants, through an IRS delivery system that identifies qualified applicants by tax ID numbers.
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- Taxpayers should be protected by capping the amount of allowable rent assistance, and requiring that both tenants and owners have "skin in the game" to bear program risks. For example:

  - Generally, qualified business tenants remain obligated to pay 25% of rent payments.
  - Business landlords that accept tenant-assisted payments forgive 25% of rent obligations.
  - Federal support capped at not more than 50% of fair market business rents – perhaps at a 120% "Area Median Rent" standard, similar to the residential rental assistance proposal offered in the *HEROES* Act.[22]
  - For businesses located in economically distressed geographies that will have an even harder time recovering from the pandemic, higher levels of support should be considered – such as

[19] https://docs.preqin.com/newsletters/re/Preqin-RESL-September-16-Pension-Funds-Investing-in-Real-Estate.pdf.
[20] Nareit, "The Role of Real Estate in Pension Funds" (August 7, 2019).
[21] *"How Bankruptcy Courts Are Hurting Landlords."* Globe St.com (June1, 2020).
[22] *Emergency Rental Assistance and Rental Market Stabilization* Act, included in *HEROES* Act (p. 939, line 1), *supra* note 12 (maximum of amount of residential rent assistance the greater of 120% of "Fair Market Rent" of a Metropolitan Statistical Area or a higher amount as determined by the HUD Secretary).

75% emergency assistance for enterprises in struggling communities with low median incomes.

- Qualified tenants should receive protection from any credit rating downgrades if they participate in the program.

Assistance for residential tenants: With reference to the *Emergency Rental Assistance and Rental Market Stabilization Act*,[23] we recommend the following to bolster the proposal:

- Qualifying tenants should be required to make some showing of economic harm as a result of COVID-19 (*e.g.*, lost job, reduction in income).

- Partial rent payments should be encouraged as much as practicable. The program should be structured so that federal support is available to pay the rent increment that a qualifying residential tenant is unable to pay.

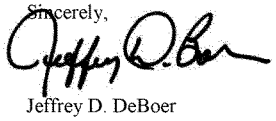
- Qualifying tenants that already receive some means of rental assistance through an existing program (such as Section 8 housing choice vouchers) should not also receive support through a temporary emergency rent assistance program. Limited resources should be economized so as much assistance as possible can be made available to renter households.

- Income targeting restrictions should be expanded so that more middle class households renting units geared to "workforce housing" income levels can receive assistance during the Covid-19 economic crisis.

* * *

The Real Estate Roundtable appreciates the opportunity to provide information to make the case for Congress to develop a solution that specifically enables residential and business tenants with their ordinary rent obligations. Our aim is to assist bipartisan collaboration on this critical subject, which should be a linchpin in any further Covid-19 response package that looks to jumpstart and sustain the economy's recovery during the ongoing pandemic.

Sincerely,



Jeffrey D. DeBoer
President and Chief Executive Officer

Cc: Members of the U.S. House of Representatives Committee on Financial Services

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[23] *Id.*

BACK-UP CITATIONS
SUPPORTING THE CASE FOR
A RENTAL ASSISTANCE PROGRAM

(a) The recent widespread decline of rental revenues are described in reports cited here.[24]

(b) Government shutdown and "work-from-home" orders have caused drastic reductions in rent collections from business tenants:[25]

(1) "As of April 17, 2020, approximately 50% of retail tenants had paid their April rent, compared with the 85% who had paid their March rent, according to data from real estate business intelligence company Datex Property Solutions."

(2) "According to CoStar Risk Analytics, the commercial real estate market can expect to see borrowers default on more than 13,000 loans totaling $148 billion in value."

(3) "[A]ccording to Green Street Advisors, about 50 percent of the 1,000 department stores in U.S. malls are vulnerable to permanent closure by the end of 2021. If struggling department store anchors go out of business as a result of the COVID-19 pandemic, other troubled tenants at those shopping centers likely will activate lease clauses to shutter their stores, as well."

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[24]

- "The next big problem for the Economy: Businesses can't pay their rent," *Washington Post* (June 4, 2020) ("The problem for the broader U.S. economy is that when businesses … stop paying rent, it sets off an alarming chain reaction. Landlords are now at risk of bankruptcy, too …");
- "Commercial Rent Payments Plummet," *New York Times* (May 21, 2020) ("drop in commercial rent payments could imperil property tax collections that pay for city services");
- "Fixed Rent Payments Could Be the Latest Pandemic Victim," *Wall Street Journal* (May 5, 2020) ("Companies' revenues can plummet from one month to the next, but their rent obligations typically remain constant, putting many firms in danger of default or even insolvency");
- "Virus Impact on One Landlord: 80% of Retail Tenants Missed Rent," *Baltimore Sun* (May 22, 2020); ("Residential rent collections have also declined, as tenants who lost jobs have stopped paying. But the erosion of commercial rents, so far, is worse and has stripped landlords of their largest source of income every month, especially for smaller property owners, and has started to jeopardize the health of their own businesses");
- "This First-Time Homebuyer Needs Rent to Keep His House. But His Tenants Are Broke," *FiveThirtyEight* (May 18, 2020) ("half the rental properties in the U.S. belong to landlords who own no more than 10 properties, and many of those 8 million individual landlords rely on the nominal rent they collect");
- "Many Businesses Wrestle with Rent Payments as Some Property Owners Work to Cut Deals During the Pandemic," *Richmond Times-Dispatch* (May 1, 2020) ("When businesses closed in March and through April, the money to cover expenses like rent vanished. That's left businesses, particularly those in the hard-hit retail sector, asking their landlord to give them a break on their rent until they can see revenue return.");
- "What Happens When Retailers Stop Paying Rent," *Marketplace* (April 6, 2020) ("dominoes fall" when businesses do not pay rent as mortgages are unpaid and "[t]he banks take a financial hit. And so do investors, like pension funds, that put money into mortgage-backed securities.")

[25] See David C. Ling, *et al.*, Department of Finance, Insurance, & Real Estate, University of Florida, "A First Look at the Impact of COVID19 on Commercial Real Estate Prices: Asset Level Evidence" (May 4, 2020), (available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3593101).

(4) "[T]echnology, self-storage, and industrial warehouse REITs produced positive risk-adjusted returns during the early stages of the pandemic. The worst performers were hospitality and retail REITs due to canceled travel, imposed closures, and shelter-in-place orders in most cities and states."

(5) Deutsche Bank (DB) Global Research reports that more than 20% of U.S small businesses on average missed scheduled payments (rent, utilities, and payroll) since March 13, 2020. DB further reports that small businesses reporting missed rents and other fixed payments – worse than this U.S. average –are:

(A) in the "Accommodations and Food Services" sector (60% of small businesses missing payments);

(B) assisted living and similar facilities in the "Health Care and Social Assistance" sector (about 30%); and

(C) tourism properties in the "Arts, Entertainment and Recreation" sector (about 30%).[26]

(c) The ability of a commercial real estate company to honor its debt obligations depends, in significant part, on the company's ability to generate operating income from the rents received from its business tenants. The severely depressed state of business rent collections since the start of the pandemic is a foreboding sign of declines in commercial real estate asset values, and associated credit losses that U.S. financial institutions may incur in their commercial real estate portfolios.

(1) On May 15, 2020, The Federal Reserve issued a stark warning in its bi-annual "Financial Stability Report"[27] that asset prices could suffer significant declines should the coronavirus pandemic deepen – with the commercial real estate market being among the hardest-hit industries.[28]

(A) "Asset prices remain vulnerable to significant price declines should the pandemic take an unexpected course," the Fed said in the report.

(B) It cited commercial real estate as being particularly susceptible to falling valuations because "prices were high relative to fundamentals before the pandemic," and there have been severe disruptions in rental income streams, particularly in the hospitality and retail industries.

(2) Moody's Analytics dissected the credit risk impact on financial institutions' commercial real estate loan portfolios under alternative "pandemic-control" scenarios. In March 2020, Moody's predicted that if the U.S. enters another deep recession similar to the

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[26] Torsten Slok, Chief Economist, Deutsche Bank Global Research, "The impact of Covid-19 on US small businesses: Slowly coming back," at slide 17 (data collected April 26 to May 2, 2020) (available upon request)
[27] https://www.federalreserve.gov/publications/files/financial-stability-report-20200515.pdf
[28] https://www.bloomberg.com/news/articles/2020-05-15/fed-warns-of-significant-hit-to-asset-prices-if-pandemic-grows

2008-2009 financial crisis, credit losses would be in the order of 5.4% over a two-year horizon. These losses skirt the levels that the Federal Reserve and the Office of the Comptroller of the Currency use in their latest "stress test" capital reserve planning methods, to evaluate how large banks might perform during a severe recession. (The Fed and OCC assume 6.1% cumulative nine-quarter losses in the event of a "severely adverse" global recession.)[29]

(3) According to Trepp, a leading provider of information analytics and technology for structured finance, commercial real estate, and banking markets, the total value of approximately 7,600 active commercial real estate loans held by life insurance companies dropped by $3 billion in just three months for the first quarter of 2020. Trepp attributes this steep decrease in pricing as being primarily driven by increased credit risks in the commercial mortgage market caused by the spread of the Covid-19 pandemic.[30]

(4) Citi Research reports that 46,694 properties with CMBS debt have an outstanding balance of $573.4 billion. Since the start of the pandemic, 2,614 properties have missed payments, which aggregates to $37.2 billion (6.5%).[31]

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[29] https://www.moodysanalytics.com/-/media/article/2020/covid19-credit-risk-impact-cre.pdf
[30] https://info.trepp.com/hubfs/LifeComps%20Q1%202020%20Returns%20Report.pdf
[31] Data provided by Citi Research at the request of The Real Estate Roundtable (May 20, 2020) (available on request).

June 9, 2020

The Honorable Mitch McConnell
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Chuck Schumer
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Nancy Pelosi
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
2468 Rayburn House Office Building
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

We, the 633 undersigned organizations, write to urge you to address in the next coronavirus relief package the urgent health and housing needs of America's lowest-income renter households – 8 million of which were struggling to pay rent and make ends meet before the current coronavirus pandemic and who now are facing increased risks of evictions and homelessness. To avert a surge in evictions and homelessness, we urge you to include in any comprehensive coronavirus relief package the *Emergency Rental Assistance and Rental Market Stabilization Act* proposed by Senator Sherrod Brown (D-OH), Congressman Denny Heck (D-WA), and Congresswoman Maxine Waters (D-CA) to provide $100 billion in emergency rental assistance to help keep America's low-income seniors, people with disabilities, families with children, low-wage workers, and others stably housed during this crisis.

The "Coronavirus Aid, Relief, and Economic Security Act (CARES Act)" included $12 billion in housing and homelessness resources and other critical protections for low-income renters. This bill was an important first step, but far more resources are needed to protect those individuals living on the brink. While the CARES Act's stimulus checks and expanded unemployment benefits will certainly help, they only last a short duration, many people with the greatest needs are facing challenges in accessing these resources, and even those who were successful in receiving these benefits will still be severely rent-burdened and at risk of homelessness unless Congress provides targeted emergency rental assistance. Research from the National Low Income Housing Coalition estimates that at least $100 billion in emergency rental assistance is needed.

Even before the pandemic, people of color were significantly more likely than white people to experience evictions and homelessness, the result of centuries of institutional racism and economic inequity. People of color will also likely experience greater burdens in the aftermath of the acute crisis. In addition to facing higher mortality rates in their communities, the economic impact of COVID-19 will likely increase rates of job insecurity, food insecurity, housing instability and homelessness.

Emergency rental assistance provides direct support to people who have lost jobs to help them shelter in place and avoid housing instability during and after the pandemic. Temporary moratoria on evictions offer temporary protections for some renters, but rent arrears will accumulate. People who have lost income as a result of the COVID-19 outbreak will struggle to cover large sums of back-rent once it comes due. Without emergency rental assistance, these households will face the destabilizing impacts of evictions and, in worst cases, homelessness, with enormous negative consequences for individuals, their communities, and our economy. Emergency rental assistance is

also necessary to ensure the continued viability of our country's essential affordable housing infrastructure.

If enacted, the *Emergency Rental Assistance and Rental Market Stabilization Act* would provide states, localities, territories, and tribes with flexible resources to provide direct support to households in need with short- and medium-term rental assistance or to cover up to 6 months of back rent and late fees. The funds may also be used to stabilize households by helping to address the cost of security deposits and utility deposits and payments, among other expenses. These funds are designed to reach people in need quickly and directly; half of the funds must be allocated to states and local governments within 7 days. The Emergency Solutions Grants program utilized in this legislative proposal was modelled by Congress on the Homelessness Prevention and Rapid Re-housing (HPRP) program created and used successfully in the aftermath the 2008 financial crisis.

We urge you to include in any comprehensive coronavirus relief package the *Emergency Rental Assistance and Rental Market Stabilization Act* to prevent evictions and homelessness and promote housing stability among those individuals with the greatest needs during and after this crisis.

Sincerely,

National and Multistate Organizations
Acacia Network, Inc.
ADAPT
African American Health Alliance
American Association of Service Coordinators
American Civil Liberties Union
American Kidney Fund
American Public Health Association
Avesta Housing
Barbara Poppe & Associates
Bazelon Center for Mental Health Law
BRIDGE Housing
Casa de Esperanza: National Latin@ Network for Healthy Families & Communities
Center for Community Progress
Center for Disability Rights
Center for Law and Social Policy
Center for Public Representation
Center for Responsible Lending
Cheyenne Gastrointestinal Associates
Children's Defense Fund
Church World Service
Coalition of Labor Union Women
Coalition on Human Needs
Community Change
Community Economics
Community Housing Partners
Community Preservation Corporation
Community Restoration Partners

Community Solutions
Congregation of Our Lady of the Good Shepherd - U.S. Provinces
Consortium for Citizens with Disabilities Housing Task Force
Consumer Credit and Budget Counseling, Inc. dba National Foundation for Debt Management
Consumer Federation of America
Corporation for Supportive Housing
Council of Large Public Housing Authorities
Council of State Community Development Agencies
EAH Housing
Enterprise Community Partners
Equitable Housing Institute
Evangelical Lutheran Church in America
Family Promise
Friends Committee on National Legislation
Funders Together to End Homelessness
Gary E. Hanes & Associates LLC
Grounded Solutions Network
Health Justice Innovations LLC
Heartland Alliance
HELP USA
Homeless Advocacy for All
Housing Assistance Council
Housing Development Corporation MidAtlantic
Housing Partnership Network
IDP Properties
Illinois-Iowa Center for Independent Living
International Brotherhood of Electrical Workers
International Network of Street Papers North America
Islamic Center of North America Council for Social Justice
Justice, Peace and Integrity of Creation (JPIC) - Holy Spirit Missionary Sisters, USA
LeadingAge
Legal Action Center
Leviticus 25:23 Alternative Fund, Inc.
Living and Aging With Pride
Local Initiatives Support Corporation
Low Income Investment Fund
MANA, A National Latina Organization
Muslim Caucus Education Collective
NAACP
National Action Network
National Advocacy Center of the Sisters of the Good Shepherd
National Alliance for Safe Housing
National Alliance of Community Economic Development Associations
National Alliance of HUD Tenants
National Alliance on Mental Illness
National Alliance to End Homelessness
National Association for County Community & Economic Development
National Association for Latino Community Asset Builders

National Association of Affordable Housing Lenders
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Association of Real Estate Brokers
National Association of Social Workers
National Center for Housing & Child Welfare
National Center for Law and Economic Justice
National Center for Transgender Equality
National Coalition Against Domestic Violence
National Coalition for Asian Pacific American Community Development
National Coalition for Homeless Veterans
National Coalition for the Homeless
National Coalition of Latinxs with Disabilities
National Community Development Association
National Community Reinvestment Coalition
National Community Stabilization Trust
National Consumer Law Center
National Council of Churches
National Council of State Housing Agencies
National Council on Independent Living
National Disability Rights Network
National Fair Housing Alliance
National Health Care for the Homeless Council
National Housing & Rehabilitation Association
National Housing Conference
National Housing Law Project
National Housing Resource Center
National Housing Trust
National Innovation Service
National Law Center on Homelessness & Poverty
National League of Cities
National Low Income Housing Coalition
National Manufactured Home Owners Association
National NeighborWorks Association
National Network to End Domestic Violence
National Partnership for Women & Families
National Resource Center on Domestic Violence
National Women's Law Center
NETWORK Lobby for Catholic Social Justice
NewWest Community Capital
NID Housing Counseling Agency
Oxfam America
Partnering for Change
PolicyLink
Poligon Education Fund
Poverty & Race Research Action Council
Presbyterian Network to End Homelessness
Preservation of Affordable Housing, Inc.

Prosperity Now
R.J.H. & A., Inc.
Redding Pilgrim House
RESULTS
Rocky Mountain Community Reinvestment Corporation
Rural Community Assistance Corporation
Saint Alphonsus
Saint Alphonsus Health System
Sconiers Homeless Preventive Organization, Inc.
Seedco
Shriver Center on Poverty Law
Sisters of Mercy of the Americas Justice Team
Sound Thinking LLC
Southern Poverty Law Center Action Fund
Stewards of Affordable Housing for the Future
Strong, Prosperous, and Resilient Communities Challenge
Technical Assistance Collaborative
Technical Assistance Collaborative, Inc.
The Arc of the United States
The Caleb Group
The NHP Foundation
The United Methodist Church - General Board of Church and Society
Treatment Communities of America
UnidosUS
Union for Reform Judaism
Unitarian Universalist Service Committee
UNITE HERE
Up for Growth Action
Volunteers of America
Volunteers of America Eastern Washington & Northern Idaho
Volunteers of America Northern New England
Wasatch Residential Group
Wesley Housing
World Institute on Disability
Youth Collaboratory

State Organizations

Alaska
RESULTS Anchorage

Arizona
Arizona Housing Coalition
Crisis Response Network
Newtown Community Development Corporation

Arkansas
City of Little Rock Homeless Services

Family Promise of Pulaski County

California
Abode Services
Affordable Housing Advocates
All Home
Cabrillo Economic Development Corporation
California Coalition for Rural Housing
California Housing Parnterhsip
California Veterans Assistance Foundation, Inc.
CareOutLOUD
Community Corporation of Santa Monica
Community Housing Improvement Program
Community Legal Services in East Palo Alto
Disability Services and Legal Center
Downtown Women's Center
East Bay Asian Local Development Corporation
East Bay Community Law Center
Fair Housing Napa Valley
Family Violence Law Center
Fred Finch Youth & Family Services
GLIDE
Hello Housing
Homeless-Experienced Advocacy & Leadership Network
Housing California
Housing for All Alliance
Housing on Merit
Jamboree
Linc Housing
Lincoln
Long Beach Gray Panthers
Long Beach Residents Empowered
Los Angeles Veterans Collaborative Homeless and Housing Working Group
MAJ Event Staffing, Inc.
Monterey Peninsula Renters United
Mutual Housing California
NID Housing Counseling Agency Los Angeles
NID Housing Counseling Agency Oakland
NID Housing Counseling Agency Palmdale
Non-Profit Housing Association of Northern California
Orange County United Way
PATH (People Assisting the Homeless)
Public Law Center
PYATOK Architects
Results Domestic San Diego
Sacramento Regional Coalition to End Homelessness
San Bernardino County Community Development and Housing
Self-Help Enterprises

Southern California Association of NonProfit Housing
SV@Home
Tenderloin Neighborhood Development Corporation
U.S. Vets Homeless Feeding & Housing Services
Union Station Homeless Service
United Way of Greater Los Angeles

Colorado
American Planning Association Colorado
Colorado Coalition for the Homeless
Family Promise of Greater Denver
RESULTS Aurora
The Springs Echo

Connecticut
Coastal Connecticut RESULTS
Columbus House, Inc.
Connecticut Legal Rights Project
Fairfield County Center for Housing Opportunity
Greater Hartford Legal Aid, Inc.
Liberty Bank
Partnership for Strong Communities

Delaware
Better Homes of Seaford, Inc.
Community Legal Aid Society, Inc.
Delaware HIV Consortium
Housing Alliance Delaware

District of Columbia
Miriam's Kitchen
RESULTS DC
RESULTS Kitsap
Save Us Now, Inc.
Street Sense Media
Tzedek DC

Florida
22nd Avenue Apartments Cordoba Tenants Association
Community Justice Project
Florida Alliance of Community Development Corporations, Inc.
Florida Housing Coalition
Florida Keys Community Land Trust
Florida Supportive Housing Coalition
Homelessness and Housing Alliance
Housing Authority of the City of New Smyrna Beach
RESUTLS Miami
The Legal Aid Society of Palm Beach County

Treasure Coast Homeless Services

Georgia
Atlanta Coalition for LGBTQ+ Youth
Georgia Advancing Communities Together, Inc.
Neighbors for More Neighbors - Atlanta
Statewide Independent Living Council of Georgia
The Thomas Agency LLC
Trans Housing Atlanta Program, Inc.

Hawaii
Habitat for Humanity Hawai'i Island
HOPE Services Hawai'i

Idaho
Housing Alliance and Community Partnerships
Housing Authority of the City of Pocatello
Idaho Asset Building Network
Intermountain Fair Housing Council, Inc.
The Silver Valley Community Resource Center

Illinois
Catholic Charities of the Archdiocese of Chicago
Civil Litigation Clinic - Northwestern Pritzker School of Law
Coalition for Equitable Community Development
Community Action Partership of Lake County
Community and Economic Development Association of Cook County, Inc.
Fox Valley Citizens for Peace & Justice
Grass Roots Organizing Works
Guardian Angel Community Services
Housing Action Illinois
Impact Behavioral Health Partners
Madison County Community Development
Manufactured Home Owners Association of Illinois
Metropolitan Planning Council
Northern Illinois Jobs with Justice
South Suburban Housing Center
South Suburban PADS
Statewide Independent Living Council of Illinois
Supportive Housing Providers Association
Valerie S. Kretchmer Associates, Inc.
Western Egyptian Economic Opportunity Council

Indiana
Back Home in Indiana Alliance
City of East Chicago Department of Redevelopment
RESULTS Indianapolis U.S. Group
Rush County Victims Assistance, Inc.

Iowa
East Central Intergovernmental Association
Eastern Iowa Regional Housing Authority
Humility Homes & Services, Inc.
Humility Homes and Services, Inc.
Iowa Coalition Against Domestic Violence
Polk County Housing Trust Fund
Shelter House

Kansas
Tenants to Homeowners, Inc.

Kentucky
Central Louisville Community Ministries
Coalition for the Homeless
Homeless and Housing Coalition of Kentucky
Lexington Community Land Trust
Louisville Coalition for the Homeless

Louisiana
A Community Voice - ACORN
Greater New Orleans Housing Alliance
Habitat for Humanity Saint Tammany West
HousingLOUISIANA
HousingNOLA
Lafayette Habitat for Humanity
Louisiana Fair Housing Action Center
Lower 9th Ward Homeownership Association
Travelers Aid Society of Greater New Orleans

Maine
3i Supportive Housing LLC
Avesta Housing
Community Concepts, Inc.
Community Housing of Maine
GrowSmart Maine
Housing Authority of the City of Westbrook
Maine Affordable Housing Coalition
Maine Council of Churches
Maine Council on Aging
Maine Immigrants' Rights Coalition
Maine Together
MaineStream Finance
Mayors Coalition
Penquis
Phoenix Management Corporation

Maryland
Baltimore Regional Housing Partnership

Community Development Network of Maryland
Disability Rights Maryland
Healthcare for the Homeless
Maryland Affordable Housing Coalition
Public Justice Center
RESULTS Metro Maryland
Social Action Committee - Paint Branch Unitarian Universalist Church

Massachusetts
Action for Boston Community Development, Inc.
Advocacy Network to End Family Homelessness
American Consumer Credit Counseling
Disability Resource Center
Greater Boston Legal Services
Heisler, Feldman, & McCormick
Homeless Prevention Council
Jewish Family & Children's Service
Mass Alliance of HUD Tenants
Pine Street Inn
RESULTS Greater Boston
Rosie's Place
Roxbury Community College Project Access

Michigan
Ann Arbor RESULTS Group
Community Economic Development Association of Michigan
Grand Rapids Homes for All
Grand Rapids United Progressives
Groundcover News
Housing Resources, Inc.
Jefferson East, Inc.
Messiah Lutheran Church
Michigan Coalition Against Homelessness
Michigan Disability Housing Work Group
Michigan League for Public Policy
Red Maple Resources, Inc.
RESULTS Detroit

Minnesota
Aeon
All Parks Alliance for Change
HOME Line
Minnesota Housing Partnership
Twin Cities Nonviolent

Mississippi
Myers-Edwards LLC

Missouri
Columbia Housing Authority
Empower Missouri
Lincoln County Public Housing Agency

Montana
Action, Inc.

Nebraska
Nebraska Appleseed
Nebraska Housing Developers Association
RESULTS Lincoln

Nevada
Nevada Housing Coalition

New Hampshire
Granite State Organizing Project
New Hampshire Coalition to End Homelessness

New Jersey
Anchor House, Inc.
Anti-Poverty Network of New Jersey
Bridges Outreach, Inc.
Catholic Charities
Catholic Charities of the Archdiocese of Newark
City of Newark Homeless Coalition
Communication Workers of America Local 1081
Complete Maintenance
Fair Share Housing Center
Housing and Community Development Network of New Jersey
Housing Initiatives of Princeton
Hudson County Housing Resource Center
Manufactured Homeowners Association of New Jersey
Mercer Alliance to End Homelessness
Mercer County Department of Human Services
New Jersey Association on Correction
NID Housing Counseling Agency Plainfield
Saint Joseph's Carpenter Society
The Supportive Housing Association of New Jersey
York Street Project

New Mexico
Abode, Inc.
ABQ FaithWorks
BlueCross BlueShield of New Mexico
Casa Program for Unstably Housed Youth and Families - Monte del Sol Charter School
Childhaven

El Valle Women's Collaborative
Esperanza Shelter
Greater Albuquerque Housing Partnership
La Casa, Inc.
Mesilla Valley Community of Hope
New Mexico Coalition To End Homelessness
RESULTS - Santa Fe Chapter
Saint Elizabeth Shelters & Supportive Housing
Santa Fe County Housing Authority
Santa Fe Recovery Center
Self Help, Inc.
Supportive Housing Coalition of New Mexico
The Samaritan House, Inc.
Veterans For Peace - Santa Fe Chapter

New York
334 East 92nd Street Tenant Association
Barb Lamphere Consulting
Barrier Free Living, Inc.
Breaking Ground
BronxWorks
CAMBA
CAMBA Housing Ventures
Catholic Charities Housing Office
Cazenovia Recovery Systems, Inc.
Chhaya Community Development Corporation
CitiLeaf Housing
CNY Fair Housing, Inc.
Coalition for the Homeless
Community Counseling and Mediation: Housing Division
Community Service Society of New York
Comunilife, Inc.
Concern for Independent Living, Inc.
Fountain House
Gateway Housing
Geel Community Services, Inc.
Greater Syracuse Tenants Network
Habitat for Humanity of Tompkins and Cortland Counties
HANAC, Inc.
Hispanos Unidos de Buffalo
Housing and Services, Inc.
Hudson River Housing
Human Development Services of Westchester, Inc.
Institute for Community Living
JCTOD Outreach, Inc. dba Johnson Park Center
Lantern Community Services
Lenox Hill Neighborhood House
Margert Community Corporation

Mercy Haven
New Destiny Housing Corporation
New York University Langone Health
Partnership for the Homeless
Property Resources Corporation
ProtoCall Services, d.b.a. New Mexico Crisis and Access Line
Providence House, Inc.
Rochester Area Interfaith Hospitality Network
Rutgers Reisdent Associattion
Saint Francis Friends of the Poor
Selfhelp
Services for the Underserved, Inc.
Supportive Housing Network of New York
Tenants & Neighbors
The Volunteer Lawyers Project of Onondaga County, Inc.
Tompkins Community Action, Inc.
Town of Brookhaven
Urban Pathways
Warren Washington County Homeless Youth Coalition, Inc. dba WAIT House
Women In Need (Win)
YWCA of Rochester and Monroe County
YWCA of the Greater Capital Region

North Carolina
Charlotte Housing Authority dba INLIVIAN
Charlotte Mecklenburg Housing Partnership
DHIC, Inc.
Family Crisis Council Rowan
Financial Pathways of the Piedmont
Greensboro Housing Coalition
Life Village, Inc.
North Carolina Housing Coalition

North Dakota
North Dakota Economic Security and Prosperity Alliance

Ohio
Adams Brown Community Action Partnership
Advocates for Ohio's Future
Alliance for Children and Families, Inc.
Anderson Consulting Group
Bethany House Services
City of Cleveland Heights Department of Planning and Development
Coalition on Homelessness and Housing in Ohio
Easterseals Serving Greater Cincinnati
Fairfield County Alcohol, Drug Addition and Mental Health Board
Haven of Portage County
Hope Whispers Community Organization

Humility of Mary Housing
Interfaith Hospitality Network of Springfield
Jones Rehab, Inc.
Lutheran Metropolitan Ministry
Neighborhood Housing Partnership of Greater Springfield
NeighborWorks Collaborative of Ohio
NID Maple Heights
NID Stoudermire
Ohio Community Development Corporation Association
RESULTS Columbus
South Side Thrive Collaborative
Star House
The Homeless Families Foundation
YMCA of Central Ohio

Oklahoma
Oklahoma Coalition for Affordable Housing

Oregon
DevNW
Housing Oregon
Human Solutions
League of Oregon Cities
Network for Oregon Affordable Housing
Northwest Pilot Project
Oregon Food Bank
Oregon Housing Alliance
REACH Community Development
Residents Organizing for Change (ROC)
Sponsors, Inc.
Street Roots
Women's International League for Peace & Freedom Portland

Pennsylvania
Allegheny Valley Association of Churches
Health, Education and Legal assistance Project: A Medical-Legal Partnership
Hill District Consensus Group
Housing Alliance of Pennsylvania
Inglis
Northside Coalition Fair Housing Organization
Philadelphia Association of Community Development Corporations
Pittsburgh Community Reinvestment Group
RESULTS Philadelphia
Voices for Independence

Puerto Rico
One Stop Career Center of Puerto Rico, Inc.

Rhode Island
Amos House
Brown University NAACP
Church Community Housing Corporation
Community Care Alliance
HousingWorks Rhode Island
Rhode Island Coalition Against Domestic Violence
Rhode Island Coalition for the Homeless
Rhode Island Homeless Advocacy Project
Sojourner House
South Providence Neighborhood Association

South Carolina
Community First Land Trust

Tennessee
RESULTS Oak Ridge
The Contributor, Inc.

Texas
Accessible Housing Resources, Inc.
ADAPT of Texas
Bell County Indigent Health Care
Coastal Bend Center for Independent Living
East Texas Aging and Disability Resource Center
El Paso Coalition for the Homeless
Ending Community Homelessness Organization
Family Promise of Irving
Housing Opportunities of Fort Worth, Inc.
Keller Williams Arlington
NestQuest Houston Inc
New Hope Housing, Inc.
NID Cooksey
NID Housing Counseling Agency Dightman
RESULTS Dallas Global
Texas Homeless Network
Texas Housers
Texas Tenants' Union
The Beacon
United Way of Lamar County

Utah
Community Rebuilds
Crossroads Urban Center
Friends of the Coalition
Habitat for Humanity of Summit and Wasatch Counties
Housing Authority of Southeastern Utah
Journey of Hope, Inc.

Moab Solutions
Pioneer Park Coalition
Red Gate Properties
Restore Utah
Salt Lake Downtown Alliance
Salt Lake Valley Coalition to End Homelessness
The INN Between
Tooele County Housing Authority
Utah Housing Coalition
Volunteers of America - Utah
YWCA Utah

Vermont
Another Way
Brattleboro Area Affordable Housing Corporation
Capstone Community Action
Cathedral Square Corporation
Champlain Housing Trust
Downstreet Housing & Community Development
Lamoille Housing Partnership
Twin Pines Housing
Vermont Affordable Housing Coalition
Vermont Housing Finance Agency

Virginia
Charlottesville Low Income Housing Coalition
Legal Aid Justice Center
Piedmont Housing Alliance
Prince William NAACP
Shelter Alternatives, Inc.

Washington
350 Seattle
Association of Manufactured Home Owners
BarrientosRYAN
Center For Independence
Community Action Center - Whitman County
Council for the Homeless
Delridge Neighborhoods Development Association
Edmonds College Foundation
Everett Housing Authority
Frontier Behavioral Health
Habitat for Humanity of Washington State
Homes First
Housing Authority of Snohomish County
Housing Development Consortium of Seattle-King County
Imagine Housing
InterIm Community Development Association

Lenny and the Dreamakers
Mercy Housing Northwest
Multi-Service Center
NeighborWorks of Grays Harbor County
Odessa Brown Children's Clinic
Office of State Representative Joe Fitzgibbon
Office of State Senator Liz Lovelett
OPAL Community Land Trust
Partners for Rural Washington
Paul Schissler Associates
Resident Action Project
RESULTS Tacoma
Roosevelt Neighborhood Association
Seattle/King County Coalition on Homelessness
Snohomish County Music Project
Spokes of a Wheel, Inc.
Tacoma-Pierce County Affordable Housing Consortium
Volunteers of America of Western Washington
Washington Low Income Housing Aliance
Washington State Coalition Against Domestic Violence

West Virginia
Cabell Huntington Coalition for the Homeless
Tug Valley Recovery Shelter
West Virginia Coalition to End Homelessness

Wisconsin
IndependenceFirst
Pathfinders Milwaukee, Inc.
Pillars, Inc.
RESULTS Milwaukee

Wyoming
RESULTS Cheyenne

ICSC

June 10, 2020

The Honorable Maxine Waters
Chairwoman
Financial Services Committee
U.S. House of Representatives

The Honorable Patrick McHenry
Ranking Member
Financial Services Committee
U.S. House of Representatives

The Honorable Wm. Lacy Clay
Chair, Subcommittee on Housing,
Community Development and Insurance
U.S. House of Representatives

The Honorable Steven Stivers
Ranking Member, Subcommittee on Housing,
Community Development and Insurance
U.S. House of Representatives

Dear Chairwoman Waters, Chair Clay, Ranking Members McHenry and Stivers,

The International Council of Shopping Centers (ICSC), representing nearly 70,000 retail and real estate professionals in the United States, submits this letter for the June 10 hearing record on "The Rent is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis." Our members include owners, developers, financial institutions, professional service providers and importantly, shopping center tenants such as retailers, restaurants, gyms, health centers and service providers. Nearly 70% of shopping center tenants are small businesses that employ less than 10 people.

In a pre-COVID-19 world, the majority of an estimated $6.7 trillion of consumer activity produced by the retail, food & beverage, entertainment and consumer service industries occurred within America's shopping centers, with nearly 1 out of 4 American jobs retail related. Approximately $400 billion of state and local taxes supporting local communities, public safety resources and infrastructure was generated by the industry, whose long-term strength is critical to the economic, civic and social viability of communities across our nation.

Although essential businesses like grocery stores and drugstores located in shopping centers were able to serve their neighbors during these unprecedented times, most businesses and shopping centers were forced to close for months. Many tenants stopped paying contractually obligated rent, with an estimated $35 billion unpaid in April and May. This situation has impacted the ability of shopping center owners to meet mortgage obligations and other essential operating expenses. Sadly nearly 12 million shopping center related jobs have been lost. As a result, **the shopping center industry is one of the most distressed industry sectors impacted by COVID-19.**

While a number of small businesses scrambled to make rent or work out a plan with their landlord or lender, numerous national retailers and tenants publicly expressed their intent to skip monthly lease payments, beginning on April 1, 2020, during the crisis. As a result, many ICSC members, through no fault of their own, now find themselves in a precarious financial state. The billions in lost rent jeopardize the repayment of up to $1 trillion of secured and unsecured debt that underlays the shopping center industry.

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ICSC

The Real Estate Roundtable has submitted a letter to the Subcommittee suggesting the formation of a business tenant assistance fund, predicated on the condition that business landlords who received tenant-assisted payments forgive 25% of rent obligations, regardless of the tenant's ability to pay rent or the terms of the underlying contractual obligation of the lease. ICSC opposes the Roundtable's proposal. We do not support potential legislation that mandates a loss position by the commercial property owner or disrupts the contractual relationship between the owner and commercial tenant. Please note, that one hundred percent of respondents in our survey of shopping center landlords this spring stated that they were providing voluntary rent assistance programs to their tenants on a case-by-case basis.

Finally, just as we know property owners and tenants are deferring rents and working out other solutions privately, it is important to remember that doing so is in the best interest of all concerned. Property owners want their tenants to succeed and want to provide as much flexibility as possible to keep them in business. ICSC believes that contracts between private parties should play out as negotiated in the contract, or failing that, through the courts or other agreed upon means of resolution.

Our members are anxious to bring life back to their communities and our communities back to life. Thank you for the opportunity to comment.

Sincerely,

Betsy Laird

Betsy Laird
Senior Vice President
Global Public Policy

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STATEMENT FOR THE RECORD

ON BEHALF OF THE NATIONAL MULTIFAMILY HOUSING COUNCIL
AND THE
NATIONAL APARTMENT ASSOCIATION

BEFORE THE
HOUSE COMMITTEE ON FINANCIAL SERVICES
SUBCOMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT AND INSURANCE

FOR A HEARING ENTITLED
"THE RENT IS STILL DUE: AMERICA'S RENTERS, COVID-19, AND AN
UNPRECEDENTED EVICTION CRISIS"

JUNE 10, 2020

The National Multifamily Housing Council (NMHC) and the National Apartment Association (NAA) appreciate the opportunity to submit testimony for the record for the hearing entitled, "The Rent Is Still Due: America's Renters, COVID-19, and An Unprecedented Eviction Crisis." Your examination of the impacts of the COVID-19 pandemic on residents of rental housing and the owners and operators who provide that housing is critical as Congress continues its efforts to respond to the crisis.

For more than 25 years, NMHC and NAA have partnered on behalf of America's apartment industry. Drawing on the knowledge and policy expertise of staff in Washington, D.C., as well as the advocacy power of NAA's more than 150 state and local affiliated associations, NAA and NMHC lead as the voice for developers, owners and operators of multifamily rental housing. One-third of all Americans rent their housing, and 40 million of them live apartment homes.

NMHC and NAA appreciate the efforts to date by Congress to provide relief to American families and businesses negatively impacted by the COVID-19 pandemic, and we agree that further Congressional action is needed to ensure the financial viability and stability of the rental housing industry and its residents.

This testimony will provide the industry's perspective and make specific recommendations that Congress can take to solve the nation's current housing challenges. Importantly, a robust rental assistance program must be included in any future relief package as financial assistance is critically needed for renters and housing providers alike due to the crisis.

State of the Industry

As states around the nation begin phased reopening efforts, millions of Americans remain unemployed. These jobs may never return and, with unemployment benefits set to expire and savings becoming depleted, more Americans will find themselves unable to pay their everyday expenses—chief among them, rent. In fact, renters are expected to be particularly hard hit by the economic situation. The U.S. Census Bureau's Household Pulse Survey found that for the week of May 21 to May 26, 48.6 percent of renters surveyed reported being unemployed, compared to 45.7 percent of owners. Losses are particularly acute for lower-income and minority households.

Data from the U.S. Census Bureau's Household Pulse Survey, which covers all rental households, and data from the NMHC Rent Payment Tracker, which covers professionally managed apartments, both show that the majority of renters are paying their rent now. But the Census survey also shows that this may not be a continued phenomenon—fully one-third of renter respondents in the Census survey reported no or slight confidence in

whether they can pay their rent the following month. Even if that rent is actually paid, it suggests financial instability for many rental households. The recovery rebates are depleted, and additional federal unemployment support ends in July. The University of Chicago estimates that 43% of all jobs lost to COVID will not return, so many individuals face continued unemployment or, at best, underemployment. They will struggle to make their rent payments and, as a result, housing providers will have less income and the cascade of negative impacts on housing communities, lenders and local governments will play out. Some current economic signs are good, however, the nation faces significant uncertainty that in the next six months, the benefits of that growth will be enough to buoy struggling renters. Congress should act now to mitigate that outcome.

All this underscores the need for continued support for the over 40 million residents in multifamily housing. The significant government financial support for those experiencing income disruption in the wake of the COVID-19 crisis is likely to be insufficient for an alarming number of renters impacted over the long haul. And if residents are unable to pay their rent, apartment firms will also be unable to pay their mortgage, property taxes or payroll. This cascading economic impact would be devastating for the housing industry, and the broader U.S. economy.

As an example, multifamily property owners have $1.6 trillion in outstanding mortgage debt. The federal government backs nearly half of those multifamily mortgages. Without rental payments, we will certainly see a wave of foreclosures that could surpass those during the Great Recession, creating a significant drag on the U.S. economy and the government's ability to intercede.

The effects of significant rental payment shortfalls would trickle down to state and local economies, which are already under tremendous revenue and budget pressures. Nationally, apartments contribute a total of $58 billion in property taxes. If that revenue dries up, cities and states will be forced to make cuts to essential services such as schools, emergency services and other important local needs.

Apartment Industry Priorities – Summary

NMHC and NAA strongly urge Congress to support critically needed policies to help multi-family residents remain in their homes, while ensuring the stability of the rental housing industry. These policies include:

- **Emergency Rental Assistance** – Create a temporary rental assistance program for those impacted by the COVID-19 emergency and who are struggling to pay their rent.

- **Limited Eviction Moratorium** – Defer to state and local eviction moratoria or predicate any extension of the federal eviction moratorium protections on it being short in duration, specifically benefit only those who are negatively impacted by COVID-19 and clarify the notice to vacate language to ensure property owners can effectively manage their properties during the crisis. Further, any extension should be contingent on the establishment of a federal emergency rental assistance program.

- **Expanded Mortgage Forbearance** – Provide mortgage forbearance protection to all multifamily properties and align the protections with local, state or federal eviction moratoria.

- **Credit Facilities** – Create credit and liquidity facilities for mortgage servicers and rental property owners under the Federal Reserve.

- **Access for Multifamily in Federal Lending Programs** – Ensure eligibility for all apartment owners and developers in the Small Business Administration's Paycheck Protection and the Federal Reserve's Mainstreet Lending Programs.

- **Enact Liability Protections** – Provide targeted liability protections from COVID-19-related litigation for apartment firms that work to follow applicable public health guidelines in reopening.

- **Provide Pandemic Risk Insurance/Recovery Funding** – Establish a federal economic business recovery fund and enact the Pandemic Risk Insurance Act to help apartment owners recover from this pandemic and prepare for the next.

Apartment Industry Priorities - Detail

Emergency Rental Assistance

Establishing an emergency rental assistance program is a top priority for NMHC and NAA. An emergency rental assistance program is an essential piece to the complicated puzzle of solving the nation's housing challenges and must be included in the next federal relief package. Eviction moratoria and mortgage forbearance are short-term solutions that will not prevent the immense challenges created by unpaid amounts becoming due. The apartment industry expects a significant number of residents will continue to be financially impacted by the crisis, inhibiting their ability to pay rent.

Housing providers are increasingly concerned about their ability to keep up with their financial responsibilities during an extended period of economic instability because of

COVID-19. According to NAA's Breakdown of $1 of Rent[1], only 9 cents of every $1 go to housing providers—the rest passes through the provider to cover their operating costs and expenses, including employee payroll, utilities, insurance premiums, property maintenance costs, and importantly, property taxes. Rent feeds the economy. Significant shortfalls would have cascading effects on local governments' already strained budgets and their ability to pay for essential services, jobs, and pensions.

We appreciate the work done to create the $100 billion emergency rental assistance program in the HEROES Act. It is a critical economic lifeline to struggling renters. However, we continue to have concerns about the proposed program's delivery system through the U.S. Department of Housing and Urban Development's (HUD) Emergency Solutions Grants (ESG) program. The ESG program lacks the capacity to effectively and efficiently provide relief to the myriad renters across the income spectrum who are struggling to survive in the current environment. We look forward to continuing to work with members of the House and Senate to refine the proposal and ensure quick and efficient distribution of rental assistance directly to those in need due to COVID-19.

Limited Eviction Moratorium

Housing providers have a shared goal with their residents in preserving housing stability and minimizing displacement, especially during this crisis. Evictions are disruptive to families, the apartment community and housing providers which is why most providers, work with residents to avoid eviction.

Risking serious harm to the rental housing industry, the HEROES Act substantially expands the CARES Act moratorium to virtually all single family and multifamily homes, increases the moratorium period for 12 months and, like the CARES Act moratorium, is not tethered to those directly impacted by COVID-19. Additionally, ambiguity in the definitions and notice to vacate language has resulted in confusion among stakeholders and in the courts, and led to uneven application of the law across the country. We urge Congress to refine this language in the next phase of relief.

The HEROES Act moratorium would greatly prolong economic uncertainty for housing providers and undermines their ability to manage their cost and revenue expectations in a reasonable way. Additionally, plans for critical new development and rehabilitation of rental housing are endangered by this provision, seriously discouraging investment where risk cannot be effectively managed and community operations are compromised.

[1] National Apartment Association 2019 Survey of Operating Income & Expenses in Rental Apartment Communities; U.S. Census Bureau 2015 Rental Housing Finance Survey; Real Capital Analytics; Redstone Residential

Many renters and housing providers are working together to negotiate payment plans, waive late fees and take advantage of discounts to pay rent early. This ensures that even while some residents cannot fully make rental payments, housing providers continue to receive the income necessary to operate properties, including payment of employee salaries, property taxes, cleaning, maintenance and utilities. However, some residents refuse to communicate with their housing provider, meaning they are not benefitting from possible mitigation options and leaving property owners without critical information on the how best to address a particular hardship.

Housing providers also face the possibility of significant rental payment shortfalls during the federal eviction moratorium and related state and local prohibitions. This situation could create significant cash-flow issues for housing providers. Many owners often function on low margins and substantial losses of rental income for any period of time could result in a reduction of housing quality and services and ultimately imperil the solvency of the community. When renters become delinquent or miss rent payments, it also reduces owner's ability to extend help to residents who face financial challenges due to COVID-19.

We urge Congress to apply the moratorium to renters who notify their housing provider of financial impact due COVID-19 and clarify the notice to vacate language to ensure property owners can effectively manage their properties during the crisis. Any extension of the eviction moratorium should be tailored to reflect the hyper-localized eviction process and relevant state and local conditions. Congress ought to allow states and local governments to manage their own eviction moratoria as needs in their localities dictate.

Multifamily Mortgage Forbearance, Servicing & Credit Facilities

The HEROES Act includes critical protections for multifamily mortgage borrowers, servicers and rental property owners. Establishing credit facilities for mortgage servicers and rental property owners in addition to providing mortgage forbearance for all multifamily property owners and loan types are critical protections for the financial viability of rental properties and the multifamily housing finance system.

Multifamily mortgage forbearance in particular prevents a drop in rental income from forcing rental properties into financial distress and possible foreclosure. While the availability of forbearance protections is critical to multifamily borrowers, it is important to note that only 39 cents of every $1 of rent pays for the mortgage on the property. NMHC and NAA urge Congress to provide similar financial protections for property owners so that financial obligations outside of mortgages, such as property taxes, utility services, and other property-level expenses do not ultimately put the property and its residents at

risk via tax liens, insurance coverage lapses, utility service disruptions or other negative legal actions taking place.

Direct Financial Assistance for Americans

The direct economic assistance to renters and their families provided in the HEROES Act can play an important role in ensuring they are able to meet their financial obligations, including rent. Continued, supplemental unemployment insurance benefits, recovery rebates and even hazard pay for frontline workers, many of whom call apartments home, is critical as the nation's economy slowly recovers from the COVID-19 emergency.

Additional Housing Program Support

We also applaud the inclusion of significant and necessary additional resources to a variety of HUD programs in the HEROES Act. Of special importance is the $75 billion for homeowners, including those housing providers who own 2 – 4-unit rental homes and are at greatest risk of foreclosure during the COVID-19 emergency. We also appreciate the additional $1 billion for Emergency Housing Choice Vouchers for those at risk of homelessness or survivors of domestic violence, as well as investments in Rural Rental Assistance, the Community Development Block Grant program and ESG.

Business Continuity, Recovery Fund & the Pandemic Risk Insurance Act

As the COVID-19 pandemic continues to challenge the U.S. economy, many rental property owners and businesses remain in uncertain territory as to whether traditional business interruption (BI) or other insurance policies cover losses as a result of a pandemic, including COVID-19. To address this, NMHC and NAA are calling on Congress to provide two additional economic recovery measures to lessen financial losses of property owners as a result of this pandemic and any future event of this nature.

To address revenue losses as a result of COVID-19, where current BI policies do not provide coverage, NMHC and NAA join a coalition of business groups to call for the creation of the COVID-19 Business and Employee Continuity and Recovery Fund. The proposed federal fund would provide rapid liquidity to small businesses and commercial sectors, that would be targeted to make up for revenue losses, help businesses retain and rehire employees, maintain worker benefits and resume or continue economic activity.

NMHC and NAA also join with a wide range of insurance and business groups in supporting the passage of the Pandemic Risk Insurance Act (PRIA), as introduced by Rep. Carolyn Maloney which increases private sector insurance coverage for future pandemic risk. Similar to the industry-supported Terrorism Risk Insurance Act (TRIA),

PRIA would provide for a government backstop to drive private sector participation and better balance the risk-share between private and public sectors for economic loss as a result of a pandemic. PRIA would serve as a needed tool to better mitigate future risk and create economic stability across real estate post-pandemic.

COVID-19 Liability Protections for Housing Operators

While housing operators continue to grapple with reduced revenue, many are beginning to look at a phased reactivation of their workforces, reopening their leasing offices and relaxing restrictions on amenity spaces—like fitness facilities and business centers. While these efforts are encouraged by local and state government recommendations, mounting questions on liability and risk exposure for doing so remain. Like other Main Street businesses, NMHC and NAA members are concerned that despite their diligence in following applicable guidelines, they could face an onslaught of frivolous lawsuits; the cost to defend against these suits would drive up operating costs at a time of great financial stress in the industry.

NMHC and NAA urge lawmakers to enact targeted liability protections related to the COVID-19 pandemic for businesses that take appropriate measures in line with available public health information. NMHC and NAA also acknowledge the importance of businesses in ensuring the safety of the American public and affirm that liability protections should be limited in scope and preserve recourse for those harmed by truly bad actors who engage in egregious misconduct.

A Housing Affordability Crisis Coupled with the COVID-19 Pandemic – Places Our Economic System at Risk

The COVID-19 crisis coupled with the economic downturn will further intensify the Nation's housing affordability crisis. Even before the economy was closed, one in four renters already spent more than half their income on housing. Before the COVID-19 health emergency took hold, Americans were in the grips of a national housing affordability crisis, brought on by a housing supply shortage and crumbling infrastructure crisis. This ongoing crisis, paired with the economic downfall brought on by COVID-19, will further exacerbate this housing affordability crisis.

Enact Critical Infrastructure Programs to Support A National Economic Recovery

Once the outbreak is contained, the nation will need to turn its focus to the task of rebuilding the economy and putting Americans back to work. A major infrastructure package could help address severe apartment development and construction challenges created or exacerbated by this crisis, while furthering the nation's economic recovery.

Construction shutdowns, shortages of labor and materials, supply chain disruptions, financial uncertainty, shifting lending and transactional requirements and indefinite delays on land transactions and project entitlements are major obstacles for housing development and rehabilitation projects underway nationwide.

New mechanisms and federal incentives are immediately needed to avoid deepening of America's housing affordability crisis. The apartment industry can play a valuable role in this effort. As you consider infrastructure initiatives, we urge the inclusion of measures that support the interconnectivity between housing and infrastructure and promote housing development at all income levels, including:

- Investing in housing and infrastructure that includes solutions to address the nation's most pressing housing challenges;
- Incentivizing localities to reduce barriers and adopt policies to encourage private sector investment in housing;
- Enacting the Housing is Infrastructure Act which aims to make bold investments in our nation's housing stock and looks to remove barriers to the development of multifamily rental housing;
- Expanding and enhancing the Low-Income Housing Tax Credit to enable greater production of affordable housing;
- Enacting a Middle-Income Housing Tax Credit (MIHTC) to support workforce housing;
- Enacting HR 6175, the REHAB Act, designed to spur private investment in affordable housing and public infrastructure in the places where it's needed most: walkable, transit-connected places;
- Enhancing Opportunity Zones to incentivize rehabilitation of housing units;
- Enacting the *Build More Housing Near Transit Act* and better leverage federal transportation dollars to support housing development;

- Enacting the *Yes in My Backyard Act (YIMBY Act)* to help eliminate discriminatory land use policies and remove barriers that depress production of housing;

- Supporting affordable and practical efficiency incentives that enable developers to invest in engineering as well as construction and development costs required to build high-performing multifamily homes; and

- Reducing regulatory barriers and invest in programs that have proven to increase voluntary property owner participation in the Section 8 Housing Choice Voucher (HCV) Program.

Conclusion

The unique nature of the rental housing industry puts apartment operators and employees on the front lines of responding to the COVID-19 outbreak in communities across the nation. The enormity of the challenges we are facing as a nation and as an industry are evolving on a daily or even hourly basis. We remain committed to working with you on solutions to these complicated problems to ensure that the millions of Americans who live in apartments nationwide have a safe, secure place to call home; and we stand ready to work with you as you work to provide the assistance necessary to meet the challenges of the COVID-19 crisis.