



FOR IMMEDIATE RELEASE

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Moratoriums on evictions and foreclosures will expire July 31, 2021

As a representative of the court, we are reaching out to provide you with information about the pending expiration of the federal moratoriums for evictions and foreclosures for federal-backed mortgages on July 31, 2021, which could result in a significant increase in eviction and foreclosure filings in Louisiana courts. **Additionally, we are requesting your assistance in spreading the word about programs available to those who may benefit.**

As you likely know, the COVID-19 pandemic has exacerbated a housing crisis across the United States. However, there are resources and helpful information available for renters, landlords and homeowners who are struggling financially due to impacts from COVID-19.

INFORMATION FOR RENTERS AND LANDLORDS

The housing crisis may be most urgent for Louisiana tenants who are behind on rent. According to the Census Bureau's most recent [Household Pulse Survey](#), which is designed to collect data on how the COVID-19 pandemic has impacted people's lives, 29% of Louisiana renters surveyed believe they are likely to be evicted in the next two months, and 42% of renters reported they have slight-to-no-confidence in their ability to pay next month's rent.

Courts and Justices of the Peace can assist in raising awareness about assistance and resources that are available to renters and landlords which might help prevent evictions:

- Inform landlords about available assistance and encourage landlords to participate before filing.
 - Many landlords may not be aware that they are eligible for emergency rental assistance through Louisiana's Emergency Rental Assistance Program and city/parish-administered programs in Caddo, Calcasieu, East Baton Rouge, Jefferson, Lafayette, Orleans and St. Tammany parishes. **Funding is available, and the application period remains open.** Renters and landlords can



visit [LStateRent.com](https://www.lastaterent.com) or call 877-459-6555 to apply or learn more about the program. Landlords can also check with tenants to see if they have applied to the program.

- Include information about rental assistance programs with summonses and other form filings.
 - Courts could modify summons documents, court notices and form filings to include information for litigants about Louisiana’s rental assistance programs.
- Partner with Community-Based Organizations (CBOs) and Legal Services Providers.
 - Courts could work with CBOs and legal service providers in their respective jurisdictions to raise awareness around the availability of rental assistance funds. Courts might make space available, whether virtual or physical, to CBOs and legal service providers to allow them to offer assistance to parties and maximize the chance for successful eviction diversion.

INFORMATION FOR HOMEOWNERS AND LENDERS

Many Louisiana homeowners are also experiencing financial strain due to COVID-19. Louisiana has the nation’s highest rate of outstanding forbearance at 7.9%, according to figures from the [Federal Reserve Bank of Atlanta](#). According to the Census Bureau’s most recent [Household Pulse Survey](#), 58,025 of surveyed Louisiana homeowners reported they have no confidence in their ability to make next month’s mortgage payment, and an estimated 13,910 Louisianans are in forbearance or mortgage delinquency.

The Biden administration has [advised](#) that once the foreclosure moratorium ends, HUD, the Veterans Administration, and the U.S. Department of Agriculture will take additional steps to prevent foreclosures on mortgages backed by those agencies until borrowers are reviewed for COVID-19 streamlined loss mitigation options that are affordable. The Federal Housing Finance Agency will continue to work with Fannie Mae and Freddie Mac to ensure that borrowers are evaluated for home retention solutions prior to any referral to foreclosure.

Homeowners who are struggling financially can access resources and information about avoiding foreclosure at [LACovidHousing.com](https://www.lacovidhousing.com), and are encouraged to take steps now to protect themselves beyond the moratorium, including entering into forbearance with their lenders to temporarily pause or reduce mortgage payments. Homeowners with Fannie Mae or Freddie Mac-backed mortgages experiencing COVID-related hardships will continue to be eligible for COVID-related forbearance. Homeowners with HUD, VA, and USDA-backed mortgages facing foreclosure due to the pandemic can request forbearance if they contact their loan servicer before September 30, 2021. The loan servicer must then defer or reduce payments for 180 days and must grant a 180 extension if requested. Later this month, HUD, VA, and USDA will announce additional steps to offer borrowers payment reduction options that will enable more homeowners to stay in their homes.



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HELP US SPREAD THE WORD

The state has taken steps to provide homeowners, renters and landlords with information and resources they may find helpful in navigating these trying times at LACovidHousing.com.