

West Virginia Housing Development Fund CARES Act Forbearance Request Form

The federal CARES Act contains several provisions that assist borrowers of federally backed multi-family mortgage loans who are experiencing financial hardship because of COVID-19. The following is a summary of the key provisions.

- The CARES Act provides that “Federally backed mortgage multifamily loan” borrowers who (A) were current on their payments as of February 1, 2020, and (B) affirm they are experiencing financial hardship, directly or indirectly, due to the COVID-19 emergency, may request a forbearance from loan servicers.
- The CARES Act provides that, upon receipt of a request meeting the above requirements, a servicer shall grant a forbearance of up to 30 days. The forbearance can be extended for up to two additional 30-day periods, provided the extension request(s) is made during the “covered period” and at least 15 days before the current forbearance period would expire.
- The forbearance period can be terminated at any time upon the request of the borrower.
- A multifamily borrower receiving a forbearance has restrictions imposed on it including that it may not, for the duration of the forbearance: (A) evict or initiate the eviction of a tenant from a dwelling unit located in the applicable property solely for nonpayment of rent or other charges; (B) impose any fees, penalties or other charges to a tenant for late payment of rent; (C) require a tenant to vacate a dwelling unit located in the applicable property before the date that is 30 days after the date the tenant is provided a notice to vacate; and (D) may not issue a notice to vacate until after the expiration of the forbearance.
- Key Terms:
 - The CARES Act defines a “Federally backed multi-family mortgage loan” as any loan (other than temporary financing such as a construction loan) that is secured by a first or subordinate lien on residential multifamily real property designed principally for the occupancy of five or more families that is made, insured, guaranteed or assisted in any way by any officer or agency of the Federal Government.
 - The CARES Act defines “applicable property” as the residential multifamily property against which a Federally backed multifamily mortgage loan is secured.
 - The CARES Act defines “covered period” as the period commencing on March 27, 2020 and ending on the first to occur of (A) the termination date of the national emergency concerning the coronavirus disease outbreak declared by the President on March 13, 2020 and (B) December 31, 2020.

Applicants are encouraged to request forbearance only if unable to make their required payments. Please be mindful forbearance is available only up to ninety (90) days, and the duration of COVID-19 is undetermined.

Please complete the attached forbearance request form.

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Date: _____

Borrower: _____

Project: _____

1. Is your Project experiencing financial hardship directly or indirectly due to COVID-19?

Yes If yes, please proceed.

No If no, please do not proceed. Your project is not eligible for CARES Act Forbearance.

2. Please describe the financial hardship as well as how it is related to COVID-19. Please attach supporting documentation, as desired.

3. Please indicate the month for which forbearance is requested _____, 2020
(Note: Requests to extend the forbearance period must be received at least 15 days before the requested forbearance period expires)

Escrow contributions for taxes, insurance and replacement reserves are not eligible for forbearance.

The undersigned acknowledges that the terms and conditions of the forbearance are subject to any additional guidance, rules, and regulations issued by the federal or state government, including, but not limited to, the U.S. Department of Agriculture and the U.S. Department of Housing and Urban Development, as applicable, and the West Virginia Housing Development Fund will require that the Borrower execute a Forbearance or Workout Agreement that will fully set out the terms and condition of the forbearance.

The undersigned attests the above is true and he/she is legally authorized to sign on behalf of Borrower.

By: _____

Its: _____