























June 11, 2021

President Joseph R. Biden Jr. The White House 1600 Pennsylvania Avenue, N.W. Washington, DC 20500

Dear Mr. President:

After a year of crisis, America's housing providers commend the decisive steps that your Administration has taken to help bring the COVID-19 pandemic under control, return the nation to a sense of normalcy and provide the relief necessary to stabilize the housing sector. As the Administration continues its support for housing, we urge you to sunset the nationwide federal moratorium on evictions on June 30<sup>th</sup> and focus on targeted housing support for those renters who continue to recover from the pandemic.

The undersigned national associations represent for-profit and non-profit housing owners, operators, developers, lenders, property managers and cooperatives involved in the provision of rental housing, both affordable and conventional. As the pandemic comes under better control, we look forward to working with the Administration to end unsustainable nationwide federal restrictions on property operations, implement workable solutions for renters facing housing instability and help the country recover.

Significant progress has been made in controlling COVID-19. Additionally, improving economic conditions along with the broad financial assistance provided through the combined relief bills, including Coronavirus Relief Fund and Emergency Rental Assistance Program (ERAP) funds, expanded unemployment insurance and direct stimulus checks, have steadied the housing sector and alleviated the risk of displacement for thousands of renters. Therefore, the continuation of a nationwide, one-size-fits-all, federal eviction policy, put into place in 2020, is at odds with the current environment and will ultimately only serve to place insurmountable levels of debt on renter households and prevent recovery in the housing sector.

This Administration has made significant strides towards ending the COVID-19 health crisis. In recent weeks, the U.S. hit the lowest levels of new recorded COVID-19 cases and average daily deaths since March 2020. Vaccines are widely available with <u>63 percent</u> of U.S. adults having received at least one COVID-19 vaccine, and the Centers for Disease Control and

Prevention (CDC) predicted that COVID-19 cases, hospitalizations and deaths would continue to fall in June. CDC <u>Director Rochelle Walensky</u> touted the decline in cases as "a decrease of more than 30 percent from our prior seven-day average and more importantly it is a 94 percent decrease from the peak of COVID-19 cases we reported in January of this year."

At the same time, the economic support delivered through historic relief measures has helped avoid a financial catastrophe and provided a path to recovery for individuals and businesses alike. The initial economic upheaval caused by the COVID-19 pandemic put in peril both the homes of millions of American renters and the financial viability of tens of thousands of firms who own and operate those homes. The passage of legislation that resulted in direct financial support for individuals and almost \$50 billion in rental assistance funds – a top industry priority – was especially important in addressing the nation's housing needs. For example, a recent analysis of the government stimulus checks by researchers at the University of Michigan found that they decreased food insufficiency by more than 40 percent, decreased financial instability by 45 percent and reduced mental health symptoms by 20 percent. In addition, the U.S. Bureau of Economic Analysis reported that the Personal Savings Rate has jumped significantly.

The combined impact has been a remarkable stabilization of current rental conditions. The share of American renter households making less than \$35,000 who were current on their rent payments rose 11 percentage points from December of 2020 to this May, according to the Census Household Pulse Survey, a difference of approximately 2 million households.

The housing sector and our residents have also been steadied by broadly improving economic conditions. The unemployment rate <u>dropped</u> to 5.8 <u>percent</u> in May 2021 compared to the high set in April 2020 of 14.8 percent. As reported by the <u>Washington Post</u>, Moody's Analytics Chief Economist Mark Zandi said "America now looks poised to avoid an avalanche of evictions that forecasters feared last year."

With widely improving economic conditions across much of the nation, we urge the Administration to reconcile the need for a nationwide federal eviction requirement with broadly dissimilar circumstances among state and local jurisdictions. As of June 6, the COVID-19 Community Profile Report released by the Administration demonstrates that the country is no longer uniformly situated. In fact, the Area of Concern Continuum shows that the bulk of the national landscape is in the lowest category of concern with a low or moderate COVID-19 burden. Throughout the pandemic, much of the nation's public health response was dictated by state and local authorities. And moving forward, states and localities are best suited to facilitate targeted and scalable housing measures that may be warranted to meet their individual needs.

Moreover, we have seen the CDC significantly update COVID-19 guidance and sunset restrictions as the environment changed. Since the last extension of the CDC Eviction Order in March, there have been updates to a wide span of recommendations and guidance ranging from mask use to schools and childcare. We urge the Administration to review and update its eviction policies contemporaneously with other efforts to calibrate COVID-19 health measures with recovering conditions. All factors considered, we strongly urge the Administration to sunset the CDC's nationwide eviction moratorium on June 30.

The expiration of the nationwide federal eviction moratorium will be an important catalyst to returning renters to a normal payment schedule and thus providing stability to the housing providers who have been damaged by revenue losses and who may be struggling to pay their mortgages, finance property operations and meet their own financial obligations. However, our organizations share the goal of the Administration to keep as many renters in their homes as possible and it is critically important to understand that the end of a federal eviction moratorium does not diminish our commitment to our residents.

Throughout the pandemic, we have worked to both help our residents resolve their hardships and to advance policies to provide renters with essential resources to meet their housing needs. Housing providers will help ease the transition away from a nationwide eviction moratorium and continue to help those impacted by COVID-19 with rent repayment arrangements, deferments, offering extended or flexible lease periods, waiving fees and connecting them with social service and financial assistance.

We encourage the Administration to continue to focus on providing rental assistance implementation resources and on helping grantees with the disbursement of those funds to those residents and housing providers in need. In addition, we are committed to working in partnership with policymakers at all levels to deliver housing assistance to renters, increase housing provider participation in federal housing programs, break down barriers to long-term housing affordability and increase housing choice for renters in areas of opportunity.

Our organizations are committed to working with the Administration to ensure that ERAP is a success, to help our residents regain housing stability and to preserve the viability of the rental housing sector. As the eviction moratorium expires, the policies our members are implementing will help to ensure that renters receive the resources and guidance they need, while alleviating the market dysfunction of the moratorium period. We look forward to working with you to ensure the availability and affordability of rental housing nationwide.

## Sincerely,

CCIM Institute
Council for Affordable and Rural Housing
Institute of Real Estate Management
Manufactured Housing Institute
Mortgage Bankers Association
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: The Honorable Marcia L. Fudge Gene Sperling, U.S. Department of the Treasury The Honorable Thomas J. Vilsack Dr. Rochelle P. Walensky The Honorable Janet L. Yellen