

EVICTION MORATORIUM MYTH BUSTERS

Myth: A moratorium on evictions will completely destroy landlords, especially the “Mom and Pop” landlords.

Fact: Landlords will fare much better financially by participating in the Governor’s Rent and Mortgage Relief Program than by evicting tenants who haven’t paid. Every eviction costs a landlord an estimated \$2000-\$3000 in lost rental income, court costs and attorney fees.¹ Through the rent and mortgage relief program, landlords can receive up to two full months’ of past due rent and the full amount of future rent as it becomes due. Instead of losing \$2000 through an eviction, a landlord owed \$942 monthly rent could receive \$1884 and future rent payments through the RMRP. In addition, many landlords were eligible to apply for forgivable Payment Protection Plan loans to help them pay their employees.

Myth: During an eviction moratorium, tenants will choose to not pay their rent even if they have the funds to pay.

Fact: National data shows that residential rent payments for the months of April, May and June 2020 were not significantly lower than they were for the same months in 2019.² During that three month period in 2020, 89.2% to 92.2% of renters nationwide paid their rent, and those figures were even higher for renters in Virginia according to the Apartment and Office Building Association of Metropolitan Washington. For all but three weeks of April, May and June 2020, a statewide judicial eviction moratorium was in effect in Virginia.

Myth: There has been an eviction moratorium in place in Virginia continuously since mid-March, so some of the tenants who would be protected by continuing the eviction moratorium stopped paying their rent before the pandemic hit Virginia.

Fact: There have been significant breaks in Virginia’s eviction moratorium, during which courts adjudicated eviction cases and tenants were evicted. Further, Virginia has had three different types of eviction moratoria. Here’s a timeline:

March 16th: Virginia Supreme Court orders moratorium on non-emergency cases, including evictions

May 18th: All courts in Virginia permitted to hear eviction cases per new Supreme Court order

June 8th: Supreme Court issues a new moratorium on filing and hearing eviction cases through June 28th

June 29th: Supreme Court ends eviction moratorium; all courts can hear eviction cases and issue writs of eviction

¹ Source: Housing Opportunities Made Equal (based on monthly median rent of \$942; court costs of \$56; and \$196 attorney fees.)

² Source: Presentation of Apartment and Office Building Association of Metropolitan Washington to the Virginia Housing Commission, July 8, 2020.

August 10th: Supreme Court issues a new moratorium, allowing landlords to terminate leases and file eviction cases in court but prohibiting courts from filing writs of eviction (used by the sheriff to forcefully remove tenants from the home) through September 7th

Most tenants who missed rent payments before the pandemic began in mid-March have probably has their cases adjudicated by a court by now.

Myth: People should be able to pay their rent with their pandemic unemployment compensation benefits.

Fact: Over 600,000 Virginians have lost their jobs and applied for unemployment benefits as a result of the current pandemic. 25% of those Virginians, approximately 150,000 people, are still waiting to receive their benefits. These people are most likely disproportionately renters, as the industries suffering the greatest job loss due to COVID-19 were service industries such as the restaurant and hotel industry and the retail industry, where wages for most employees aren't high enough to support homeownership.