

Gov. Wolf Orders Additional Moratorium on Foreclosures and Evictions

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Residential evictions and foreclosures in Pennsylvania have been barred until July 10, according to a state executive order filed Thursday.

Gov. Tom Wolf issued the order - which goes into effect Monday - at the urging of some state officials who hope to both stop the spread of the COVID-19 virus and help keep those out of work and their families in their homes.

The order provides that the notice requirements under Act 6 and Act 91 are stayed for 60 days, or until July 10. This stay tolls banks and mortgage servicers' ability to start the timelines and necessary compliance with state requirements that must be satisfied prior to beginning a foreclosure action. Residential foreclosure actions requiring state regulation compliance cannot begin until July 10. All foreclosure timelines must be computed with a start date of July 10. At that point, any previously delivered Act 6 or Act 91 notices will be deemed delivered and any foreclosure process may commence.

For evictions actions, the requirements of the state's Landlord and Tenant Act of 1951 and the Manufactured Home Community Rights Act are also stayed for 60 days. Again, the 60 day stay tolls the ability to commence the timelines for the initiation of eviction proceedings. Any and all eviction proceedings requiring compliance with these laws cannot be started until July 10. All eviction timelines must be computed with a start date of July 10, when any previously delivered notices will be deemed delivered and any eviction action may commence.

By staying the effective date of any required foreclosure or eviction notices, Wolf has ensured that foreclosure and eviction actions will be delayed from hitting the courts until sometime in late July or early August, depending on whether you are seeking to foreclose or evict. At the press conference announcing this order, both Wolf and Pennsylvania Attorney General Josh Shapiro indicated this would be the only such order. Speaking directly to landlords and tenants, Wolf and Shapiro made it clear that rent must be paid and that the order does not operate as relief from the obligations imposed by any lease.

However, both men encouraged landlords to work with their tenants that lost jobs or have been furloughed as a result of the COVID-19 pandemic.

If you have any questions about the state's latest announcement on evictions, <u>please contact me</u> or anyone in the Barley Snyder Finance & Creditors' Rights Group.