

California Executive Order N-28-20 Addresses Foreclosures and Related Evictions Related to the Covid-19 Crisis

In the ongoing Covid-19 crisis, local and state jurisdictions are enacting or considering wide ranging restrictions on foreclosures and foreclosure related evictions. On March 16, the Governor of California issued Executive Order N-28-20, addressing a number of restrictions related to residential and commercial mortgage foreclosures and evictions. The Order:

- Requested that financial institutions holding residential or commercial mortgages enact an immediate moratorium on foreclosures and related evictions related to reduced income from the Covid-19 pandemic;
- Removed the time limitations on protections against residential evictions found in Penal Code Section 396(f), extending those protections through May 31, 2020.
- Lifted any statutory restriction on local governments' ability to impose restrictions on residential or commercial evictions due to a substantial reduction in income caused by the pandemic or by a governmental response to the pandemic;
- Instructed the Department of Business Oversight to engage with financial institutions to identify tools to provide relief from the threat of residential foreclosure and displacement.

Here is a link to the Order: <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.16.20-Executive-Order.pdf>

These provisions, and similar governmental actions in other state and local jurisdictions, raise a host of operational, regulatory and legal issues. Buchalter's Mortgage Banking Industry Group has helped many institutions implement such programs, as both law firm counselors and as in-house mortgage counsel. As part of Buchalter's COVID Task Force, our Mortgage Banking Industry Group is available whenever needed to apply that expertise in order to enable lenders and servicers to address their legal concerns in these unprecedented times.

If we can be of assistance and to discuss various options and specific situations, please feel free to contact any of the Buchalter Mortgage Banking Industry Group Attorneys below.



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