

COVID-19 URGENT LEGAL UPDATE

NEW LEGISLATION UPDATE

December 29, 2020

Dear Clients,

As many of you already know, the President signed a second stimulus bill on Sunday night that included some items that certainly impact our industry. This law extends the CDC Order through January 31, 2021, but it includes more rental assistance to help landlords recover outstanding rent and to keep renters from being removed from their current housing situation. There is even a special provision that would allow a landlord to directly apply for the rental assistance with the agencies offering the funds. While the extension of the CDC Order is disappointing, additional funds and the possibility that landlords may be able to apply for them directly is welcome news. In Arizona, we are expected to receive at least \$5 million in new rental aid.



The current rules in Arizona allow for the filing of all eviction actions, including non-payment of rent cases even after a tenant provides the landlord with a CDC Declaration. If there is a CDC Declaration signed by a tenant, most courts are still issuing the judgment but staying the writ of restitution (the actual lockout) until either the CDC Order expires at the end of January 2021 or the court grants a landlord's Motion to Contest. Those types of motions ultimately decide whether a tenant is protected by the facts supporting their written CDC Declaration or if the lockout may proceed. If you have a situation where a tenant has not paid the rent and has refused to enter into a repayment plan, email Denise directly at h3landlordlaw@gmail.com and she will provide you with guidance on your particular case.

We are continuing to monitor the new rules that are created as part of this stimulus package and want to remind you that a second round of PPP loans were also included for businesses that experienced a loss of at least 25% in any quarter this year. You may want to reach out to your banking institution and apply for these funds if you qualify. We wish you a very Happy New Year!