Extended Eviction Moratorium for Borrowers Affected by COVID-19

1. Background and Purpose. On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), Public Law 116-136. The CARES Act protects borrowers with Federally backed mortgage loans who are experiencing financial hardship due to the COVID-19 national emergency. The purpose of this Circular is to extend the eviction moratorium.

2. Moratorium on Evictions. The CARES Act prohibited any filing with the court of jurisdiction to initiate a legal action to recover possession of the dwelling for a 120-day period beginning March 18, 2020. In light of the ongoing COVID-19 national emergency, and its impact on Veteran borrowers, properties secured by VA-guaranteed loans, including those loans currently in VA’s Real Estate Owned (REO) portfolio are subject to a moratorium on evictions through August 31, 2020.

3. Rescission: This Circular is rescinded July 1, 2021.

By Direction of the Under Secretary for Benefits

Jeffrey F. London
Executive Director, Loan Guaranty Service

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