

March 17, 2020

Finger Lakes Landlord Association Encourages Calm Preparation to Covid-19 Developments

Dear FLLA Members and Finger Lakes Rental Property Owners,

As members of the general public, we all understand and mostly agree with state and nationwide public directives which are meant to curtail the spread of the Covid-19 illness, but as landlords, we have other reasons for concern. These directives aim to reduce social interaction, which includes no gatherings of 50 or more and the closing of non-essential government activity and private businesses, i.e. court rooms, restaurants, etc. For a list of these current directives from Governor Cuomo, <u>click here</u>.

For rental property owners, one of the most disruptive edicts is the closing of the court system and the indefinite delay on evictions. On March 15, <u>a memo</u> from Chief Administrative Judge, Lawrence Marks, of the Unified Court System states that "Effective Monday, March 16, all eviction proceedings and pending eviction orders shall be suspended statewide until further notice." This means that verified court dates will be rescheduled, and signed eviction warrants will not be served or processed until the ban is lifted. However, please note, those of you with current court dates and/or warrants do not have to start over, you just must wait.

The second item of concern is the public panic and misconceptions that may cause tenants to withhold their rents and use the crisis as an excuse for non-payment. As landlords, we must be patient and specific with tenants. In the spirit of community cooperation, we suggest that you talk to all your tenants, not to arouse panic, but to try to get a sense of who will be negatively affected with work loss or other issues, like increase day care expense. This will help you determine who may be most likely to withhold rent, and hopefully help you prepare financially. If you do not receive rents on time, you still should send the proper 5-day late notice and be sure to include a note that you are aware of the statewide eviction suspension but that it does not mean rent is not due.

If someone is claiming loss of income or inability to pay rent, remind tenants that there are services for those who lose jobs or temporarily lose income because of these state restrictions. NYS workers compensation board is opening cases for workers effected as well as making unemployment benefits effective immediately for some. Social service departments are working on increasing availability of Medicaid and SNAP (food) benefits. You could suggest that tenants lower their heat by a few degrees and use less water to conserve on utility costs. You could also take this time to remind tenants to thoroughly clean their units and remove all garbage from the premises. You could clean common areas and make yourself available for questions and always try to be the voice of reason.

In addition, be sure to let tenants know that when the ban is lifted, if rents are unpaid, you may intend to continue with an eviction unless an agreement can be reached ahead of time. If you are willing to work with tenants who are negatively affected, write that in the late notice and begin negotiating terms before an eviction is processed. One landlord stated they would not collect late fees. Be creative in your conversations but don't argue or demand.



FLLA has reached out to local county sheriffs' civil service divisions to better understand their procedures considering this announcement. Wayne County Sheriff (315-946-5793) will continue to process paperwork for signed warrants of eviction but will not serve them until the ban is lifted. Likewise, Ontario County (585-396-4666) will also process paperwork for signed warrants but cannot serve or schedule lock outs. Monroe County (585-753-4320) outside of the City of Rochester, suggested if you have a warrant to wait until the ban is lifted before submitting paperwork. It is likely that other cities and counties will behave accordingly. Since all scheduled court proceedings for eviction have been adjourned, according to the City of Rochester civil court clerk (585-371-3412 x7), they are sending letters of adjournment to all parties.

If you are currently in the 10-17 day summary proceeding process, you may get a letter from court with a postponement, but you may have to re-serve your tenant within the prescribed timelines once the ban is lifted and you have a new court date. Check with your local court.

So, what if you must now start an eviction or are in the middle of the 14-day quit or pay notification process? We recommend that you continue the first part of the paperwork (the 5-day late notice and the 14-day quit or pay notice) because these do not require court action. Even though you may not be able to get a court date after this time expires, you will have proper documentation that shows that you properly notified the tenant. Affidavits of "nail and mail" after three attempts may be preferred to inperson service, based on the need to limit social interaction, but cover all your bases. Barring other major directives, as soon as the ban is lifted, you can call for your court date if you have done the proper notifications. If the ban extends more than a month, and tenants do not pay for the second month, still send the 5-day late notice and properly serve the 14-day notice.

Our part of the economy in housing, real estate, and rentals, will likely feel the worst pain starting April 1, if not already. The Association is focusing our appeal efforts to lawmakers and local entities, like water authorities or banking community, with specific requests to extend due dates on essential bills and mortgages and/or suspend late fees or negative financial impacts for the rest of the year. Other relief may come months after the crisis, so keep detailed records of costs incurred during this time.

Please stay in touch with FLLA to report the fallout of this crisis on your financial stability. Provide real time examples, not speculative damages. We know this is not an association of fly-by-night landlords. We are real estate professionals and will conduct ourselves as such. We are doing the best we can to keep everyone informed and to encourage you not to overreact. Come what may, we will support each other. In the meantime, stay healthy and stay in touch.

Sincerely,

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