

COVID-19 Press Information

FOR IMMEDIATE RELEASE

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Governor Murphy Announces Mortgage Payment Relief, Financial Protections for New Jerseyans Facing Economic Hardship as a Result of COVID-19

TRENTON – Acting on a commitment to provide financial relief to New Jersey homeowners, Governor Phil Murphy today announced that financial institutions will provide mortgage forbearance and financial protections for New Jerseyans facing economic hardship as a result COVID-19.

“Millions of hardworking New Jerseyans are suffering financial losses through no fault of their own as a result of the economic downturn brought on by COVID-19,” **said Governor Murphy**. “With this initiative, we can ensure that no one loses their home during this public health crisis. I commend our private sector partners for doing their part to reduce financial uncertainty for New Jersey families.”

Building on a similar initiative in California, Governor Murphy secured support from Citigroup, JPMorgan Chase, U.S. Bank, Wells Fargo, and Bank of America, in addition to over 40 other federal and state-chartered banks, credit unions, and servicers to protect New Jersey homeowners. More financial institutions are expected to sign on in the coming days. The New Jersey Bankers Association, CrossState Credit Union Association and the Mortgage Bankers Association of New Jersey have endorsed this initiative and are encouraging all their members to adopt these policies.

Under Governor Murphy’s proposal, New Jerseyans who are struggling financially as a result of COVID-19 may be eligible for the following relief upon contacting their financial institution:

90-Day Grace Period for Mortgage Payments

Financial institutions will offer, consistent with applicable guidelines, mortgage payment forbearances of up to 90 days to borrowers economically impacted by COVID-19. In addition, those institutions will:

- Provide borrowers a streamlined process to request a forbearance for COVID-19-related reasons, supported with available documentation;
- Confirm approval of and terms of forbearance program; and
- Provide borrowers the opportunity to request additional relief, as practicable, upon continued showing of hardship due to COVID-19.

No Negative Credit Impacts Resulting from Relief

Financial institutions will not report derogatory tradelines (*e.g.*, late payments) to credit reporting agencies, consistent with applicable guidelines, for borrowers taking advantage of COVID-19-related relief.

Moratorium on Initiating Foreclosure Sales or Evictions

For at least 60 days, financial institutions will not initiate foreclosure sales or evictions, consistent with applicable guidelines.

Relief from Fees and Charges

For at least 90 days, financial institutions will waive or refund at least the following for customers who have requested assistance:

- Mortgage-related late fees; and
- Other fees, including early CD withdrawals (subject to applicable federal regulations).

Please note that financial institutions and their servicers are experiencing high volumes of inquiries and may recommend using online services when available for the quickest service. Loans held by a financial institution may be serviced by another company.

Last week, Governor Murphy signed Executive Order No. 106, which imposed a moratorium on removing individuals from their homes pursuant to an eviction or foreclosure proceeding while the Order is in effect. Tenants cannot be asked to leave their homes for nonpayment of rent during this time.

Governor Murphy also announced that the Department of Community Affairs received an additional \$13 million in federal funds as part of its annual renewal for the Section 8 Housing Choice Voucher Program. These funds, based on the increased utilization New Jersey achieved in the program last year, are critical to helping current voucher tenants maintain their housing stability during the coming year.

For more information on COVID-19 related mortgage relief, please click [here](#).

COVID-19 and Residential Mortgage Relief

The State of New Jersey is working to lessen the financial impact of COVID-19 on residents who are struggling to pay their mortgage and bills. Citigroup, JP Morgan Chase, US Bank, Wells Fargo, and Bank of America, in addition to over 40 other federal and state-chartered banks, credit unions, and servicers have committed to providing relief for consumers and homeowners in New Jersey.

Under this initiative, the Governor announced that New Jerseyans who are struggling with the COVID-19 crisis may be eligible for the following relief upon contacting their financial institution:

90-day grace period for all mortgage payments

If you are impacted by COVID-19, these financial institutions will offer mortgage-payment forbearances of up to 90 days, which allow you to reduce or delay your monthly mortgage payment. In addition, they will:

- Give you a streamlined process for requesting forbearance for COVID-19-related reasons, supported with available documentation;
- Confirm approval of and terms of forbearance program; and
- Provide you the opportunity to extend your forbearance agreement if you continue to experience hardship due to COVID-19.

Relief from fees and charges for 90 days

For at least 90 days, financial institutions will waive or refund mortgage-related late fees and other fees including early CD withdrawals.

No new foreclosures for 60 days

Financial institutions will not start any foreclosure sales or evictions.

No credit score changes for accessing relief

If you are taking advantage of this COVID-19-related relief, late or missed payments will not be shared with credit reporting agencies.

Questions and answers on financial relief

How do I get mortgage relief and/or forbearance?

You should contact and work directly with your mortgage servicer to learn about and apply for available relief. Please note that financial institutions and their servicers are experiencing high volumes of inquiries.

How long will the forbearance last?

The terms of a forbearance will be agreed to between you and your mortgage service. Financial institutions will confirm approval of and terms of the forbearance program.

What effect will this have on my credit report?

Financial institutions will not report derogatory information (e.g., late payments) to credit reporting agencies but may report a forbearance, which typically does not alone negatively affect a credit score.

How long will these programs last?

It is still unclear how severe or how long the COVID-19 impacts will be. Financial institutions have committed to necessary relief and will be assessing the ongoing conditions and necessity of continuing relief.

What if my financial institution isn't offering this relief?

At this time, Citigroup, JP Morgan Chase, US Bank, Wells Fargo, and Bank of America, in addition to over 40 other federal and state-chartered banks, credit unions, and servicers are supporting these commitments. The state will welcome any other institution that would like to meet the moment and provide much-needed financial relief to New Jerseyans.

What if I already made a payment or was hit with a fee because of COVID-19?

These measures go into effect as of March 28, 2020.

Is the mortgage relief available to businesses?

The relief is currently only available for residential mortgages.

What if my mortgage servicer is not communicative or cooperative?

You can file a complaint with the Department of Banking and Insurance through the complaint form on the department website (<https://www.state.nj.us/dobi/consumer.htm>) or by contacting the department at (609) 292-7272 or 1-800-446-7467 (9:00 am to 5:00 pm EST Monday through Friday).

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