

**SUMMARY OF OREGON'S NEW EVICTION MORATORIUM**

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On Tuesday, June 30<sup>th</sup>, the Governor of Oregon signed Oregon House Bill 4213 (the “Eviction Moratorium Law”). The Eviction Moratorium Law essentially prevents any residential or commercial evictions until October 1, 2020, for nonpayment of rent, with some additional restrictions on residential landlords.

This summary does not include all of the details in the new law and should not be used for taking any legal action or making any decisions. There are nuances and other clauses which also may apply to specific situations, and our attorneys are familiar with these provisions.

**Eviction Moratorium Law**

Landlords should review and update their forms and processes immediately to comply with the new Eviction Moratorium Law, including to prevent newly prohibited notices and fees, and to calendar new dates and deadlines. If a landlord violates any of the provisions in the Eviction Moratorium Law, a tenant can prevent the landlord from taking enforcement action, obtain damages, and also be awarded a penalty of up to three months of rent.

The Eviction Moratorium Law applies to both residential and commercial landlords. During the “Emergency Period,” which is from April 1<sup>st</sup> through September 30<sup>th</sup> of this year, a landlord:

- **No Notices of Termination for Nonpayment.** Cannot and cannot threaten to send any notice terminating a lease for a failure to make payments due during the Emergency Period;
- **No Evictions for Nonpayment.** Cannot and cannot threaten to start or continue any eviction or take any action to interfere with a tenant’s possession of premises for a failure to make payments due during the Emergency Period; and
- **No Late Fees.** Cannot and cannot threaten to charge a late fee or any other penalty for any failure to make payments due during the Emergency Period.

During the Emergency Period, there are three other rules for residential landlords, who:

- **No Residential Lease Terminations Without Cause.** Cannot terminate a residential tenancy without cause, including for renovation or to move or have a family member move in; this includes termination of a residential tenancy for a fixed term, which instead becomes a month-to-month tenancy;
- **No Consumer Credit Reporting.** Cannot and cannot threaten to report to any credit reporting agency for a residential tenant’s nonpayment; and
- **Notice to Residential Tenants During Emergency Period For Nonpayment.** Are permitted to send a notice stating that residential tenants continues to owe any rent that is due, but that eviction for nonpayment is not allowed before September 30, 2020.

The definition of payments under the Eviction Moratorium Law is broad and covers rent, late charges, utility, charges, and most other fees or penalties.

**Grace Period to Catch Up on Nonpayment.** Tenants have a grace period before landlords can evict, to catch up on any payments that were due from April 1<sup>st</sup> through September 30<sup>th</sup>. The grace period ends on March 31, 2021, during which time the landlord also cannot add late charges.

- Landlord Notice on or after October 1<sup>st</sup>. After September 30, 2020, a landlord may send a notice requiring the tenant to either (i) pay within fifteen days, or some later deadline, whatever unpaid amounts are then owing from the Emergency Period, or (ii) send a “grace period notice” to the landlord that the tenant intends to make the payments by March 31, 2021. If the tenant does send the grace period notice or make the payments by the deadline, then the landlord can add a fee equal to 50% of one month of rent.
- Apply Residential Payments Differently. Until March 31, 2021, residential landlords must apply payments first to rent for the then-current month or other applicable rental period (instead of to the oldest unpaid amounts); second to utility and service charges; third to late rent; and last to fees or charges subject to certain Residential Landlord-Tenant Act provisions.

What does this allow landlords to still do?

- For Cause Notices and Evictions. Most “for cause” notices and evictions are still permitted, other than for nonpayment of rent or certain terminations related to demolition, repair, or personally moving into a unit.
- Commercial Evictions for Expired Leases. Commercial landlords are permitted to send notices and evict tenants who do not move out at the end of a lease term. Landlords should have any holdover lease provisions closely reviewed.
- Evict for Nonpayment of Rents Due Prior to or after the Emergency Period. The payments protected by the Eviction Moratorium Law are only those payments due during the Emergency Period, from April 1<sup>st</sup> through September 30<sup>th</sup>; if a tenant failed to make payments before then or fails to make payments due after then, landlords can still send notices, charge late fees, and file evictions for those nonpayments.
- Sue for Unpaid Amounts. Landlords can, during the Emergency Period or any time after, still sue tenants to collect any unpaid amounts; the Eviction Moratorium Law applies only to eviction notices and eviction actions, not collection actions. The new law also does not prevent a landlord from pursuing any guarantors for collection.
- Terminate Residential Tenancies or Sale. Landlords can still terminate residential tenancies if the landlord has a contract to sell the property or is making repairs or demolishing the property.
- Terminate Residential Week-to-Week Tenancies. The moratorium on residential lease terminations without cause does not apply to week-to-week tenancies, which can still be terminated without cause.

Landlords are allowed to take any other actions allowed in leases and under applicable laws which are not specifically changed by the Eviction Moratorium Law.

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This is not legal advice and does not create any attorney-client relationship and does not constitute any attorney-client communication.