Governor Phil Murphy

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

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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:

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- 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 (https://www.state.nj.us/dobi/covid/mortgagerelief.html).

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Executive Orders (//nj.gov/infobank/eo/)

Statements on Legislation (/governor/news/statements/approved/statements_archive.shtml)

Administration Reports (/governor/news/adminreports/approved/archive.shtml)

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