

Coronavirus Emergency Aid Package – Quick Summary of Real Estate Provisions

On March 26, the U.S. Congress and the White agreed on a gigantic \$2 Trillion emergency aid package to help rescue the economy amid the Coronavirus pandemic. The legislative package is believed to be the largest and most expensive in Congressional history. [Click here](#) for more information on H.R. 748, the Middle-Class Health Benefits Tax Repeal Act.

The massive agreement includes direct payments to Americans - up to \$1,200 for individuals, \$2,400 for couples, and \$500 for children. \$100 billion in assistance is provided to hospitals, \$377 billion in help to small business, \$500 billion in aid for corporations, including travel companies hurt by the outbreak, and finally nearly \$150 billion in state and local stimulus.

More specific to real estate, banking and small business:

Federal Reserve:

- \$450 billion for the Federal Reserve to provide liquidity to the financial system that supports lending to eligible businesses, states, or municipalities. This funding would enable Treasury and the Fed to establish a liquidity facility for loan servicers to access for advancing payments,

SBA:

- \$350 billion in loan forgiveness grants to small businesses and non-profits to maintain existing workforce and help pay for other expenses like rent, mortgage, and utilities.
- Ensures the Small Business Administration could serve as a guarantor for loans of up to \$10 billion for small businesses to ensure they can maintain their payrolls and pay off their debt.
- \$17 billion for SBA to cover 6 months of payments for small businesses with existing SBA loans.

Forbearance:

- Consumers that have a federally backed mortgage loan, and are impacted by COVID-19, can receive a forbearance with no signature or documentation for up to 180 days, with an additional 180 possible.
- Multifamily: Up to 90 days of forbearance applies to federally insured, guaranteed, supplemented, or assisted mortgages, including mortgages purchased or securitized by the GSEs

No Evictions:

- Moratorium on evictions for anyone participating in a single or multifamily federal loan program, or properties financed by federally backed mortgages, include Fannie Mae & Freddie Mac.

Banking:

- The OCC's lending limits waiver is extended to financial companies temporarily.
- The FDIC is authorized to temporarily establish a debt guarantee program to guarantee debt of solvent insured depositories and depository institution holding companies.

Tax:

- Technical correction for cost recovery period of qualified improvement property.
- 5-year carryback of net operating losses for 2018, 2019, and 2020 (disallowing carry-back for REITs).
- Increase in limitation on deductible business interest from 30% to 50% of earnings before interest, taxes, depreciation and amortization for 2019 and 2020.

Other Housing

- Community Services Block Grant (CSBG) – The bill includes \$1 billion for CSBG to help communities address the consequences of increasing unemployment and economic disruption.
- \$5 billion for Community Development Block Grants
- \$4 billion in homelessness assistance
- \$1.25 billion in tenant-based assistance
- \$1 billion in project-based assistance
- \$50 million for housing for the elderly
- \$15 million for housing for persons with disabilities
- \$300 million is secured for Native American Programs, which includes \$200 million for the Indian Housing Block Grant program.

The Appraisal Institute continues to work with policymakers to ensure appraisers can safely provide their services during the Coronavirus pandemic. Visit the Appraisal Institute's [resource page](#) for more information.