Insights: Alerts

Moratorium on All New York Commercial Evictions and Mortgage Foreclosures Extended to February 26, 2021 as New York State Legislature Approves Legislation to Extend Moratorium to May 1, 2021 for Small Businesses

February 9, 2021

On January 27, 2021, New York Governor Andrew Cuomo issued Executive Order 202.92, which continued through February 26, 2021, all directives made by Executive Order 202, which was the initial COVID-19 disaster declaration issued on March 7, 2020, and all successor orders to Executive Order 202. This broad continuation includes the moratorium on initiating a proceeding or enforcement of (a) an eviction of any commercial tenant for nonpayment of rent or (b) a foreclosure of any commercial mortgage for nonpayment of such mortgage directed in, most recently, Executive Order 202.81.

Separately, the New York State Legislature has approved Bill S471A to establish the COVID-19 Emergency Protect Our Small Business Act of 2021. The New York State Senate passed the bill on January 19, 2021, and the New York State Assembly voted to pass it on January 26, 2021. The bill would codify and extend through May 1, 2021, (a) the moratorium on commercial evictions for New York resident businesses of 50 or fewer employees and (b) the moratorium on commercial mortgage foreclosures for New York resident business of 50 or fewer employees that have 10 or fewer properties that they are renting to tenants or are available for rent. The bill also creates a standardized hardship declaration required to be provided to commercial tenants and mortgagors detailing the bill's protections and requirements. The bill is awaiting delivery to Governor Cuomo for his signature.

We will continue to provide updates as new executive orders and legislation are issued regarding the impact of the still ongoing COVID-19 pandemic on commercial tenants and mortgages.