

2025 Federal Government Shutdown

Communication from Management Company to Property Managers

Memorandum

To: (property manager)

From: (management company)

Date:

Re: Resources on Government Shutdown and Possible Resident Issues

As you are aware, the Federal Government shut down as of midnight last night. We do not know how long this shutdown will last. This situation is unique, and the rental housing industry is committed to working with residents to bridge this difficult period.

As the shutdown continues it is important to be prepared to assist any residents who are government employees and may have difficulty in meeting their financial obligations. The federal Office of Personnel Management (OPM) has provided draft communications for federal employees to use with creditors, mortgage companies and landlords requesting a reduction in their monthly payments.

A few things to bear in mind when working with federal employees who are residents and impacted by the federal shutdown:

- The length of the federal government shutdown is completely unknown and dependent on political factors outside the control of impacted federal employees. Whatever arrangement you make with impacted residents should acknowledge this unknown.
- The Government Employee Fair Treatment Act of 2019 guarantees that following the end of any government shutdown all employees of the federal government are paid. This retroactive pay is statutorily guaranteed and applies to furloughed employees and employees who are required to work during a shutdown.
- There are numerous options for owner/operators to use in working with impacted residents. Waiving late fees and accepting partial payments during the period of the shutdown can be helpful to residents in the short-term with full payment expected once the federal government reopens and workers have received their back pay.
- It is important to document all agreements or arrangements with impacted residents in writing. NAA has prepared a letter to assist in drafting a written record of agreements.

If you have any questions or need further assistance, please contact (Mgmt Co. Name).