



Housing Practice Tip (8.10.20)

Advising Clients on offers like Cash for Keys, Pay or Quit, or Rent Forgiveness in the Time of the Eviction Moratorium.

You don't have to pay your back rent if you agree to move out of your apartment.

VLN has become aware of instances where landlords are offering tenants forgiveness of unpaid back rent or other cash incentives during the pandemic and in some instances, then demanding the tenant leave immediately. Before the pandemic, the situation that most commonly arose was what is often called *cash for keys*: a landlord offered a tenant a sum of money to vacate a rental property, instead of filing an eviction. The tenant accepts the offer and moves out of the rental property. The essential part of these different situations is a **mutual agreement** between the landlord and tenant that is **not coercive**.

Under the eviction moratorium of Executive Order 20-79, “residential landlords must not issue notices of termination of lease or nonrenewal of lease or terminate residential leases during the pendency of the peacetime emergency” unless an eviction falls under one of the exceptions listed in the Order. The question is, what is acceptable under the Order for offers and situations like above, and what crosses the line into prohibited lease terminations or non-renewals.

Here are some thoughts to consider:

1. How is the landlord presenting the offer to the tenant? If it is a mutual agreement, great. If it is explicitly coercive or feels coercive, that is a problem.
2. How much time does the tenant have to move after such an agreement? 24 to 48 hours, probably a problem. More time is probably allowed.
3. Are there habitability issues in the rental unit? If so, a tenant may not owe some or all of the rent a landlord is attempting to negotiate away.
4. Is the landlord talking about what the landlord plans to do after the moratorium regarding a tenant behind on rent? Such as termination or non-renewal of a lease. This may become implicit coercion of the tenant who is also offered a chance of rent forgiveness plus vacating a property.

When you are providing advice to tenants, situations that suggest coercion should be reported to the Attorney General's Office as violations of the eviction moratorium by the tenant. The AG has a form on tenant eviction complaints that you can find here:

<https://www.ag.state.mn.us/Office/Forms/TenantEvictionComplaint.asp> The form is also in Spanish, Hmong, and Somali.