

Changes for retail leases: end of emergency period

	30 March 2020 – 28 March 2021 <i>Claims can be made for rent relief</i>	After 28 March 2021 <i>No further obligation to provide rent relief</i>
	<i>Commercial Tenancies (COVID-19 Response) Act 2020 and WA code of conduct apply</i>	<i>Commercial Tenancy (Retail Shops) Agreements Act 1985 applies for retail shop leases as defined under the Act</i>
Landlord actions	<p>Landlord prohibited actions apply from:</p> <ul style="list-style-type: none"> ⊗ 30 March – 29 September 2020 for all small commercial leases ⊗ 30 September 2020 – 28 March 2021 for eligible tenants only ⊗ 30 March 2020 – 28 March 2021 for an act or omission of the tenant required by law in response to the COVID-19 pandemic 	<p>Landlords able to take action in relation to:</p> <ul style="list-style-type: none"> ✔ defaults or breaches that occur from this date ✔ non-payment of rent that occurred 30 March 2020 – 28 March 2021 (provided it is not the subject of an unfinalised dispute)
Rent	<ul style="list-style-type: none"> ⊗ rent increase prohibited 30 March – 29 September 2020 for all small commercial leases ⊗ rent increase prohibited 30 September 2020 – 28 March 2021 for eligible tenants only ✔ a request for rent relief can be made ✔ good faith negotiation for rent relief required ✔ landlord to provide rent relief proportionate to tenant's loss in turnover ✔ lease term may be extended for the same period for which rent was deferred ✔ deferred rent to be paid after the end of emergency period or lease term (whichever is earlier) 	<ul style="list-style-type: none"> ⊗ no requirement to provide relief for rent payable after this date ✔ a request for rent relief must be made by 27 May 2021 and can only relate to the emergency period ✔ full amount of rent to be paid after this date ✔ rent can be increased after this date ✔ payment of deferred rent can commence now with repayments made over 24 months or the balance of the lease term (whichever is greater) ✔ parties are to agree on how deferred rent is to be paid
Dispute resolution	<ul style="list-style-type: none"> ✔ dispute resolution available to resolve rent relief negotiations and other matters governed by the temporary legislation 	<ul style="list-style-type: none"> ✔ dispute resolution continues for matters arising by 28 March 2021 (applications for assistance with dispute resolution must be made by 27 May 2021)

Please note – this information is a brief overview only. You are encouraged to seek further information before making decisions or taking action.

A **small commercial lease** includes:

- a retail shop lease (as defined in the *Commercial Tenancy (Retail Shops) Agreements Act 1985*)
- a lease where the tenant is a small business
- a lease where the tenant is an incorporated association, and
- a lease for a commercial purpose to an Aboriginal and Torres Strait Islander corporation

An **eligible tenant** is a tenant under a small commercial lease that:

- has an annual turnover of less than \$50 million, and
- is eligible for the JobKeeper scheme or can show the same loss in turnover (30 per cent for a business or 15 per cent for a not-for-profit)

Prohibited action includes:

- termination
- eviction
- interest on arrears
- enforcing security or bank guarantee



**Small Business
Development Corporation**

GOVERNMENT OF
WESTERN AUSTRALIA