June 18, 2020

Dealer Alert

ONTARIO PROTECTS COMMERCIAL TENANTS FROM EVICTION

As a follow up to a Dealer Alert we did on this 10 days ago, Ontario's promised commercial tenant protection passed into law yesterday.

This is a temporary measure intended to restrict, halt or reverse evictions of commercial tenants and protect them from being locked out or having their assets seized during COVID-19 by their landlords.

The legislation applies to businesses that are eligible for the Canada Emergency Commercial Rent Assistance (CECRA):

- pay no more than \$50,000 in gross rent each month, per location
- are experiencing at least a 70% drop in pre-COVID-19 revenues (determined by comparing revenues in April, May or June 2020 to the same months in 2019, or by comparing to average revenues for January and February 2020)
- generate \$20 million or less in gross annual revenues, calculated on a consolidated basis (at the ultimate parent level)

This applies to evictions from May 1, 2020 until August 31, 2020.

Tenants and landlords can learn more about eligibility for CECRA here: Ontario.ca/rentassistance