



Novel Coronavirus (COVID-19)

Commercial Real Estate

June 2020

Ontario Pauses Commercial Evictions

By [Kenneth Beallor](#)

On June 17, 2020, the Ontario government passed the *Protecting Small Business Act*, temporarily halting or reversing evictions of commercial tenants and protecting them from being locked out or having their assets seized during COVID-19.

The legislation applies to businesses that are eligible for federal/provincial rent assistance (CECRA) and restricts evictions for non-payment of rent from May 1, 2020 until August 31, 2020. Similar legislation has been enacted in other Provinces, including British Columbia, as a way of providing incentive for landlords to take part in the CECRA which is in response to awareness that some qualifying landlords were not going to apply for CECRA and pass the benefits on to small business tenants who needed rent relief. Prior to exercising any available remedies under a commercial lease in Ontario for non-payment of rent, landlords who have not applied for CECRA will have to determine whether they and the applicable tenant qualified for relief provided by CECRA and if they did, then the landlord will be stopped from exercising its remedies as against such qualifying tenant for non-payment of rent.

What remains to be determined is whether the tenant will be required to pay all of the arrears of rent to the landlord by August 31, 2020, when the moratorium on evictions is scheduled to expire, or whether some form of relief will be available to the tenant where the landlord did not apply for CECRA.

Details can be found at the [Ontario government website](#).

If you have any questions about the *Protecting Small Business Act* we encourage you to contact **Kenneth Beallor** a senior partner in our Real Estate Group so that we can work with you to address your needs during this challenging time. For more information about dealing with COVID-19, please visit our **COVID-19 Resource Center**.

Author

Kenneth Beallor
Lawyer

Tel: 416 643 8818
kbeallor@torkinmanes.com

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