



## JHK LEGAL

### **October 2020: Update regarding commercial lease negotiations**

October 1, 2020

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Queensland Government has amended the *Retail Shop Leases and Other Commercial Leases (COVID-19 Emergency Response) Regulation 2020* (Qld) to extend their operation to 31 December 2020.

The extension of the scheme applies to leases to lessees who remain eligible for the Jobkeeper scheme during the period 28 September 2020 and to 4 January 2021.

During the extended operation period, all of the protections previously provided under the regulations continue. This includes:

- The obligation on lessors and lessees to “act in good faith”;
- The prohibition on lessors taking enforcement action;
- The restriction on lessors from making rental increases otherwise required under leases;
- The right of the lessee to require that negotiations regarding rent reductions during the period 1 October 2020 to 31 December 2020.

The only real noticeable change for the extended period is that there is no mandatory waiver of rent during the extended period. That is, rent concessions to lessees need now only be provided by way of deferral of payment of rent rather than the previous mandatory waiver of half of the provided rent concession.

The amended regulations are available here: <https://www.legislation.qld.gov.au/view/whole/html/inforce/current/sl-2020-0079>.

#### **How we can help you**

Should you or any of your clients require any assistance regarding the leasing regulations please do not hesitate to contact us.

**Connect with us:**



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