



## **Rent freezes during the COVID-19 outbreak**

No doubt both landlords and tenants will be reeling from the dramatic and sudden impact arising from the Coronavirus outbreak and how that will affect their businesses going forward both in the immediate and longer term future.

Whatever the eventual outcome there will be little comparison between normality before the spread of the virus took hold and after it has eventually been brought under control.

In these circumstances there will be very few commercial tenants whose businesses will not be adversely affected and in many cases very substantially. As a result it is inevitable that many will not be in a position to pay their rent or at the very least will only be able to pay a proportion of it.

In these circumstances there will be discussions taking place between landlords and tenants whereby adjustments as to the current and future rent payments are being agreed as most landlords in this market would rather retain a tenant than be left with empty and currently unlettable premises.

It is important however from the perspective of both landlords and tenants that whatever is agreed as a temporary variation to the payment terms is recorded in writing and that in doing so the parameters are clearly set out so that at a later date there is no misunderstanding as to what has been agreed.

As an example if the lease is subject to the tenant having provided a guarantor it may be important to ensure from the landlord's perspective that the guarantor is aware of the change as otherwise in the future the guarantor's liability could be compromised.

From the tenant's viewpoint if a rent "holiday" is offered it is important to establish how long this is for and if there are any conditions attached what they are.

If you require any advice or assistance in dealing with the issues we have outlined please contact Steven Porter by email on [sporter@jpclaw.co.uk](mailto:sporter@jpclaw.co.uk) or telephone on 020 7644 6091 or connect with him on [LinkedIn](#) or James Whiteley by email on [jwhiteley@jpclaw.co.uk](mailto:jwhiteley@jpclaw.co.uk) or telephone on 020 7644 7297 or connect with him on [LinkedIn](#)