

Commercial Tenancy Relief Scheme

How tenants can ensure they are protected

COMMERCIAL TENANCY RELIEF

To ease financial hardship faced by some tenants and landlords as a result of coronavirus (COVID-19), the Victorian Government introduced the [Commercial Tenancy Relief Scheme \(the Scheme\)](#), which runs from 29 March to 29 September 2020.

The Scheme protects commercial tenants from losing their premises for not paying rent and supports them in negotiating rent relief, provided the tenant follows the rules set out in Victoria's [COVID-19 Regulations](#).

What are the rules commercial tenants need to follow?

- Ensure they meet the following criteria:
 - That they are an employer of a small to medium enterprise (SME)
 - That their enterprise has an annual turnover of less than \$50 million
- Follow the [steps to reach an agreement on rent relief](#) – this means they must write to their landlord to request the rent relief they want

What does a tenant's written request for rent relief need to include?

- Evidence that the tenants is taking part in JobKeeper – e.g. the ATO receipt showing the JobKeeper application number
- Evidence of the tenant's reduction in turnover – a fall in revenue for one or more months compared to the same period in 2019 (if the tenant has been in business for a shorter time, the ATO offers [alternative tests](#))

What happens after a tenant has made a request?

- The tenant needs to wait for their landlord's offer, which must be made within 14 days of the tenant writing to the landlord.
- When the tenant receives an offer, they must [negotiate in good faith](#) with their landlord to reach an agreement on rent relief.

What if a tenant doesn't hear back from their landlord?

They can [apply for free mediation](#) to help with fair tenancy negotiations.

WHAT IF A TENANT DOESN'T FOLLOW THE RULES?

They are potentially at risk of being evicted.

The most important requirement under the Scheme is that the tenant must have followed the above steps in order to be protected from being in breach of their lease and to avoid being evicted.

GETTING STARTED

Access the Victorian Small Business Commission's (VSBC):

- [letter template](#) for requesting for rent relief
- [responses to frequently asked questions](#)
- leasing advice in [English](#), [Vietnamese](#), [Arabic](#) and [Simplified Chinese](#).

For more assistance or if you have queries about the Scheme visit the [VSBC website](#) or call 13 8722.