

MINDEN GROSS LLP BARRISTERS AND SOLICITORS 145 King Street West, Suite 2200, Toronto, ON M5H 4G2 P. 416.362.3711 • F. 416.864.9223 • @MindenGross • www.mindengross.com

Canada Emergency Commercial Rent Assistance ("CECRA") **Update – September 2020 Extension**

By: Minden Gross LLP Commercial Leasing Group

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On September 8, 2020, the Government of Canada announced that the CECRA for small businesses is extended by one month to help eligible small businesses pay rent for September. Click here for the full press release: https://www.canada.ca/en/department-finance/news/2020/09/government-announces-extension-of-rent-relief-for-small-businesses.html

The most notable points from the Government's press release are as follows:

- The September extension is said to be the final extension of the CECRA program as the
 Government explores options to support small businesses as they continue to face the
 ongoing challenges of the COVID-19 pandemic. This leaves open the possibility of a
 different program to be implemented after the expiry of the CECRA, with different rules and
 eligibility requirements.
- Following the lead of the previous CECRA extensions, participation in the one-month extension is said to be voluntary.
- Importantly, the press release speaks of "new applicants" being able to opt for the September rent reduction. More specifically, the Government states that "New applicants will have the choice of applying for the three-month initial period, four months, five months, or six months." Accordingly, it appears that the Government will be re-opening the CECRA application process and allowing new application submissions after the original deadline of August 31, 2020 (which applied to the base applications for April through June 2020). That being said, the Government has not confirmed the new deadline for CECRA applications.
- No official update has yet been provided as to whether or not the CECRA extension would impact the moratorium on rent evictions in Ontario, which moratorium was repealed on September 1, 2020. However, recent news reports indicate that the Premier's office intends to introduce legislation to extend the moratorium through September 2020.





Further details about the September extension are said to become available on the CECRA website on <u>Wednesday</u>, <u>September 9</u>, <u>2020</u>. You can access the CECRA website by clicking here: https://www.cmhc-schl.gc.ca/en/finance-and-investing/covid19-cecra-small-business

We continue to provide updates on the implementation of the CECRA program. If you have any questions or would like to obtain legal advice on the CECRA program, please contact any lawyer in our Commercial Leasing Group.

Commercial Leasing Group

Stephen Posen

Chair – Commercial Leasing Group e: sposen@mindengross.com

p: (416) 369-4103

Ian Cantor

Partner - Litigation Group e: icantor@mindengross.com

p: (416) 369-4314

Christina Kobi

Partner, Commercial Leasing Group e: ckobi@mindengross.com

p: (416) 369-4154

Benjamin Radcliffe

Partner, Commercial Leasing Group e: bradcliffe@mindengross.com

p: (416) 369-4112

Steven Birken

Associate, Commercial Leasing Group

e: sbirken@mindengross.com

p: (416) 369-4129

Catherine Francis

Partner - Litigation Group e: cfrancis@mindengross.com

p: (416) 369-4137

Michael Horowitz

Partner, Commercial Leasing Group e: mhorowitz@mindengross.com

p: (416) 369-4121

Boris Zayachkowski

Partner, Commercial Leasing Group e: bzayachkowski@mindengross.com

p: (416) 369-4117

Melodie Eng

Associate, Commercial Leasing Group

e: meng@mindengross.com

p: (416) 369-4161

Leonidas Mylonopoulos

Associate, Commercial Leasing Group e: lmylonopoulos@mindengross.com

p: (416) 369-4324

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