



Commercial Rent Assistance for Small Businesses

Ontario has partnered with the Government of Canada to deliver the Canada Emergency Commercial Rent Assistance (CECRA) for small businesses and commercial landlords experiencing financial difficulties during the coronavirus (COVID-19) pandemic.

The CECRA for small businesses provides forgivable loans to eligible landlords. This allows them to reduce rent for their impacted small business tenants by at least 75% for the agreed upon period, so they can stay in business as we safely and gradually reopen Ontario's economy. The agreed upon period can include three to five months between April and August 2020.

On July 31, 2020, the CECRA for small businesses was extended by one month to cover August 2020 rent. Participation in the one-month extension is voluntary. Both existing and new applicants can apply for the August rent reduction.

How it Works

The cost of rent for the agreed upon period will be shared between small business tenants, landlords and the governments of Ontario and Canada.

If the landlord reduces the impacted small business tenant's rent by 75%:

- tenant would pay 25% of their rent
- governments of Ontario and Canada would share the remaining 50% through a forgivable loan

The loans provided through this program would be forgiven if the landlord complies with all program terms and conditions. This includes not trying to recover rent payments for the agreed upon period from the small business tenant after the program is over.

Support will be retroactive to April 1, 2020. **The deadline for new applications is August 31, 2020. If you already submitted an application, the deadline to apply for the August extension is September 14, 2020.**

If rent has already been collected, landlords must either:

- refund the amount paid by the small business tenant that is in excess of 25% of rent,
- apply rent paid that is in excess of 25% of rent to future rent owing, if the small business tenant agrees

To find out what you may be eligible for –

<https://covid-19.ontario.ca/canada-emergency-rent-assistance-calculator>



CANADA EMERGENCY COMMERCIAL RENT ASSISTANCE (CECRA) PROGRAM UPDATE

CECRA UPDATE AS OF JULY 31, 2020

Who Can Apply

Landlords with small business tenants impacted by COVID-19 are eligible for the program and can recoup some of their lost revenue.

You are an eligible **landlord** if you:

- have an impacted small business tenant
- are the registered owner of the commercial or mixed-use property where the small business is located
- enter into a legally binding rent reduction agreement to reduce your impacted small business tenant's rent by at least 75% for the period during which you agree to apply the loan proceeds
- ensure the rent reduction agreement includes:
 - a moratorium on eviction for the period during which the property owner agrees to apply the loan proceeds
 - a declaration of rental income in an attestation

Impacted **small business tenants**:

- may include non-profit and charitable organizations
- pay no more than \$50,000 in gross rent each month, per location
- are experiencing at least a 70% drop in pre-COVID-19 revenues determined by comparing average gross revenues from April, May and June of 2020 to either:
 - the same months in 2019 (if the small business was operating during April to June 2019)
 - the average gross revenues for January and February 2020 (if the small business was not operating during April to June 2019)
- generate \$20 million or less in gross annual revenues, calculated on a consolidated basis (at the ultimate parent level)

You **do not** qualify for the program if your small business opened on or after March 1, 2020.

You **do not** qualify for the program if you or your organization:

- hold political office, or is owned by individuals holding political office
- promote violence or incite hatred or discriminate based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability
- are under criminal prosecution as of March 1, 2020
- have a going concern or solvency issue as of March 1, 2020 and have made a filing for relief or protection under the Canadian Companies' Creditors Arrangement Act or other bankruptcy or insolvency legislation of any jurisdiction
- operate from a property that is owned by the federal, provincial or municipal government or any of their agents (in other words, where the government or their agent is the landlord), except for:
 - airports, post-secondary institutions or hospitals
 - pension funds of any First Nation and any Indigenous organizations and governments
 - any non-agent Crown corporation with limited appropriations, designated as eligible by the Canada Mortgage and Housing Corporation (CMHC).

Learn more about [eligibility](#)



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How To Apply

To learn more and apply for CECRA for small businesses, visit the Canada Mortgage and Housing Corporation (CMHC) application portal.

The deadline for new applications is August 31, 2020. If you already submitted an application, the deadline to apply for the August extension is September 14, 2020.

[Apply for the program](#)

What You Need to Know

- Only those tenants approved in the **April, May, June and July application are eligible for the August extension.**
- If a business had an average revenue decline of **70% or more in April, May, and June, it is deemed eligible for the additional month of rent relief.** However, not all tenants in the original application need to be included for the August extension.

Application Deadlines

If you have been approved for rental assistance and are applying for the July and/or August extension, **the deadline to submit your application is September 14, 2020.**

If you have not yet submitted your application or are still creating it, **the deadline to submit new applications that include the July and/or August extension is August 31, 2020.**

For more information - https://www.cmhc-schl.gc.ca/en/finance-and-investing/covid19-cecra-small-business?utm_medium=email&utm_source=cecra-extension&utm_campaign=august-extension&utm_content=english