

COMMERCIAL EVICTION MORATORIUMS ARE GONE, BUT NOT FORGOTTEN

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HOW TO NAVIGATE THE RETURN TO NORMAL

Governor Newsom's Executive Order N-28-20, which provided the basis for commercial eviction moratoriums based upon non-payment of rent during the COVID-19 pandemic, has expired. While we would like to report that the local moratoriums are gone for good and do not need to be considered from this point forward, this is not quite the case. With some exceptions, California commercial tenants will no longer be protected from eviction for failure to pay rent starting on October 1, 2021. Some moratoriums will remain in place if they are based upon local laws other than the Governor's executive order. Owners and managers of commercial real estate in communities with eviction moratoriums in place should review the applicable



moratorium to determine your rights moving forward pertaining to tenants who have not paid rent during the pandemic.

The end of commercial eviction moratoriums marks the beginning of a return to normal in the manner in which the commercial real estate industry can manage its affairs. It will also remove a barrier which has prevented the resolution of many COVID-related issues pertaining to tenancies. Tenants who have refused to communicate with their landlords regarding payment of rent during the pandemic will no longer be protected if they continue to stonewall. Likewise, indecisive tenants may have the certainty that they need to make important business decisions. We anticipate that landlords and tenants will now enter into a new phase of either negotiating pandemic-related issues regarding rent obligations or terminating leases.

Information regarding the status of commercial eviction ordinances continues to be difficult for the public to find. Many commercial tenants do not know or understand their obligations as we progress through this return to normal landlord/tenant laws. We recommend that commercial landlords and property managers consider reaching out to tenants this month regarding outstanding rent balances and inform tenants of the current status of local laws. We have prepared a sample letter for landlords and property managers to send to their tenants to begin the conversation regarding rent which accrued during the pandemic which you can access here:

Letter to Tenants RE_End of Moratoriums.[1]

Alison Geddes of Trainor Fairbrook is available to assist our clients in initiating conversations with tenants regarding addressing balances of unpaid rent that accrued during the period of time that eviction moratoriums were in effect. We are also available to assist with proceeding with the eviction process in applicable cases.

[1] Disclaimer: By providing this form, Trainor Fairbrook is not providing legal advice or representation. We recommend you seek the advice of an attorney regarding the existence and terms of any applicable moratorium.