

Moratorium in rent payments for non-residential leases when the lessor is owner of more than 10 urban properties

In this case, article 1 sets that those natural or legal people who are tenants of a non-residential leases (or other use than housing), will be able to request a **temporal and extraordinary deferral of the rent payments** to their lessors, provided that no solution had been reached before between the parties, including deferrals or discount of the rents. The moratorium will be an obligation for the lessor.

It will be possible to require this deferral when the lessor was:

- a) A public entity, or
- b) A large owner of urban properties.

It will be considered a large owner of properties that natural or legal person who owns a built area measuring over 1.500 square meters, or that **owns more than 10 real estate urban properties**, excluding garages and store facilities.

On the other hand, it will be possible to require this moratorium by:

- a) **Self-employed** who rented a property used for the lessee's economic activity and fulfill the following requirements:
 - To be member, or to be registered for making contributions with, the Special Social Security System for Self-Employed Workers (RETA) on the date of the declaration of the State of Emergency.
 - Their activity has been suspended as a result of the entry into force of Royal Decree 463/2020 or any order coming from a public authority,
 - In the case the activity has not been suspended, evidences must be provided of a reduction in revenues in the calendar month before the month when the deferral is requested, by, at least 75%, with



respect to the average monthly revenues in the same quarter in the previous year as the quarter to which that month belongs.

- b) **Small and medium companies** who rented a property used for the lessee's economic activity and fulfill the following requirements:
- To not exceed the thresholds determined in article 257.1 of the Spanish Capital Companies Act,
 - Their activity has been suspended as a result of the entry into force of Royal Decree 463/2020 or any order coming from a public authority,
 - In the case the activity has not been suspended, evidences must be provided of a reduction in revenues in the calendar month before the month when the deferral is requested, by, at least 75%, with respect to the average monthly revenues in the same quarter in the previous year as the quarter to which that month belongs.

The moratorium will affect the payment of the rents that fall within the state of emergency period. Once such state is finished, if that period is insufficient in relation to the impact caused by COVID-19, and it cannot, under any circumstances, go over four months.

The rents affected by the moratorium will be postponed, without any penalty or interest, until a maximum of two years.

Moratorium in rent payments for non-residential leases when the lessor owns less than 10 urban properties

Under article 2 of RDL 15/2020, the lessee may request within a one month period (starting on April 23, 2020), a temporary and extraordinary deferral for payment of the rent in the absence of an agreement between the parties.

For these purposes, the parties will be free to use the legal deposit delivered by the lessee, which may serve to pay all or part of one or more months' rent under the lease agreement. If all or part of the legal deposit is used, the lessee will have



to restore the used amount of the legal deposit within a year from the conclusion of the agreement or in the remaining period of the term of the contract, if this period is below a year.

Continuing with the prior newsletter from April 2019, regarding the introduction of the obligation for companies to keep Working Day Records of their employees, this newsletter introduces updates on the duties to be performed by companies.

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