

WHERE TO NOW FOR COMMERCIAL TENANTS?

3 THINGS YOU SHOULD BE ON TOP OF
RIGHT NOW | EPISODE 2 |

PRESENTED BY



TAKE AWAYS FROM MONDAY'S WEBINAR | APRIL 6th, 2020 | WHO WE HEARD FROM

Henry Kalus, Partner at Kalus Kenny Intelex - Henry founded the law firm with Jonathan Kenny in 1993 and today it stands as a major contributor to Melbourne's Property Industry.

Norman Same, Director at KNP Solutions - Norman has been a part of the firm for 35 years and assists SME clients with corporate governance, management accounting, taxation, succession planning, strategic planning and human resource management.

Gab Aghion, Director at BRM - With over 25 years in Commercial Property and Project Management, Gab specialises in advising businesses through their workplace and property journeys.

THE LATEST FROM THE GOVERNMENT

The Federal Government continues to release pieces of this complicated puzzle. While all parties are adapting quickly to the situation, there is no single solution that will work for all. Every situation is different so while a high level 'code' is beneficial, it needs to be up to the individual tenants and landlords to agree on an acceptable solution.

Here's what we know so far:

- If you have a lease, it is still in play as are your contractual obligations
- Tenants and landlords need to sit down and talk. Everyone is impacted and the pain should be shared between parties
- The Government and banks will assist those who act in good faith
- Tenants must demonstrate how their business has been impacted (in a similar fashion to Jobkeeper stimulus package) and the rental relief should be proportionate to tenants who meet this criteria.



KEY QUESTIONS (WITHOUT ANSWERS) RIGHT NOW

While the government is working to paint a clearer picture, questions still remain:

- What if my revenue is suffering but I don't quite meet the 30% threshold?
- What happens if my business is still being impacted when restrictions are lifted?
- I am maintaining revenue but my premises still can't be used. What now?
- What if my landlord refuses to negotiate? How do I get help?
- I've paid this month's rent. What about the next few months?
- How do I prioritise my payments?
- Which government incentives apply to me?

3 KEY THINGS TO BE ON TOP OF THIS WEEK

1. Understand Your Position

Review your lease and understand your business's position and how it applies to the frameworks drawn up by the government. Every situation will be different, so it will be important to seek legal and property advice for your specific situation.

2. Be Proactive

Now is the time to be asking the strategic financial questions and getting your numbers sorted - start to triage your expenses and understand the impact to your cashflow. Show your landlord that you are doing everything in your control to trade through, and not simply asking for a handout.

3. See The Bigger Picture

For all of us the future is uncertain, but empathy is important. Taking an adversarial approach or acting aggressively will not yield results, whether you are a landlord or a tenant. All parties must work towards an outcome that will be beneficial in the long term. Be honest and open.

CHECKOUT OUR [LEASING DURING COVID-19 HUB](#) USEFUL RESOURCES FOR TENANTS TO GUIDE YOU THROUGH THE COVID-19 PANDEMIC.

If you're after advice specific to your situation please get in touch with any of our panelists from today's webinar.

CONTACT@BRMPROJECTS.COM.AU
(03) 9521 1007

