

Oregon Governor Extends Eviction Moratorium to Commercial Leases

Legal Alert
April 16, 2020

On April 1, 2020, Oregon Governor Kate Brown expanded the moratorium on residential evictions and lease terminations for nonpayment of rent to commercial leases. The Governor's order, Executive Order 20-13, prohibits a commercial landlord from terminating any lease, taking any eviction action or otherwise interfering with a tenant's right to possession, by reason of nonpayment of rent or other charges by the tenant.

The Governor's order stated such action was necessary because many businesses across the state face evictions or lease terminations as a result of the financial impact of the COVID-19 pandemic, and that could interrupt the provision of necessary goods and services during this emergency and impact the livelihood of Oregonians.

The moratorium is in effect for 90 days, beginning on April 1, 2020, unless extended by further order.

Requirements for Commercial Tenants

The Governor's order requires a tenant to notify a landlord "as soon as reasonably possible" if the tenant is not able to pay the full rent that is due. The order also requires tenants to pay partial rent to the extent they are financially able to do so. Accepting late rent payments can have consequences for landlords when trying to collect the balance of the rent due, so landlords may wish to consult with legal counsel before accepting partial rent payments.

In order to be entitled to the benefit of the moratorium, a commercial tenant must provide the landlord, within 30 calendar days of the unpaid rent being due, with acceptable documentation that the tenant's inability to pay is caused, at least in part, by the COVID-19 pandemic. Acceptable documentation includes proof of loss of income resulting from

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government restrictions imposed to mitigate the spread of COVID-19.

Under the Governor's order, commercial tenants are still required to pay rent and other charges under the lease when due (except late charges or other penalties arising from nonpayment). The order limits the landlord's ability to terminate leases or evict tenants, but the tenant's obligation to pay rent and other charges is not waived or forgiven.

What Is Excluded From the Moratorium

The order does not restrict lease terminations or evictions for reasons other than nonpayment of rent or other charges. A commercial tenant that fails to perform other obligations under the lease, such as failing to maintain the premises or carry required insurance, is not protected by the Governor's order.

If you are a commercial landlord or tenant with questions about the moratorium or other real estate issues in Oregon, please contact [Joseph West](#) or [Thomas Scott](#).

For additional resources on how to navigate the business disruptions caused by COVID-19, please visit our [COVID-19 Resource Center](#) and reach out to the Foster Garvey team with any questions.