

## Flemish Region: extension of the scope of the commercial lease loan to businesses of the events sector as per 12 June 2020



*The Flemish government already announced on 29 May 2020 that they would provide a commercial lease loan ('handelshuurlening' / 'prêt de bail commercial') to tenants who were forced to close their businesses due to COVID-19. That commercial lease loan was incentivized to offer both the tenant and the landlord financial security as in practice many landlords received their tenants' request for a (partial) waiver, reduction or suspension of rent payments due to the forced closure of their businesses. With retroactive effect to 12 June 2020, businesses from the events sector are also eligible to apply for said commercial lease loan.*

### Conditions and procedure to fulfill

Interested tenants must file online filing a request for the commercial lease loan by 1 October 2020 at the latest. Data of such online request need to be approved *a posteriori* by the landlord, after which the file will be assessed by Vlaamse Agentschap voor Ondernemen en Innoveren (abbreviated: VLAIO) on its admissibility.

The file is declared admissible by VLAIO if the following conditions are met:

- A commercial lease, leasehold, usufruct, building right, brewery or supply agreement has been concluded between the tenant and its landlord and has been registered;
- The [template loan agreement](#) as provided by VLAIO has been filled in and signed by both tenant and landlord;
- the landlord waives minimum 1 and maximum 2 months' rent, including charges;
- a statement on honour that there were no rent arrears on 15 March 2020 and that rent payments are still ongoing;

Subsequently, an affiliated entity of Participatiemaatschappij Vlaanderen (abbreviated: PMV) who acts in the name and for the account of the Flemish government, PMV/z Leningen NV (CBE: 0553.802.890), shall grant the commercial lease loan through a direct wire transfer into the landlord's bank account number.

The loan lent by PMV/z Leningen NV is equal to 2 months' rent, increased with charges and per business. Such amount can however not exceed EUR 35,000 for the totality of businesses of one tenant.

The loan must be repaid as of 6 months after the date on which it was granted through equal monthly amounts and must be integrally repaid no later than 2 years thereafter. An interest rate of 2% per year will be charged.

### **Scope extension to events sector as per 12 June 2020**

The Flemish government has extended the scope of the commercial lease loan to businesses of the events sector with retroactive effect as per 12 June 2020. Abovementioned conditions and procedure shall apply accordingly on, among others, the following businesses of the events sector:

- Practice of performing arts by independent artists;
- Catering;
- Specialised image, lighting and sound techniques;
- Promotion and organisation of performing arts events;
- Activities of managers of artists, sportsmen and other well-known personalities;
- Practice of performing arts by artistic ensembles;
- Tour operators;
- Stage design and construction;
- Support activities for creative arts and other support activities for the performing arts;
- Rental and leasing of tents, machinery, equipment and tangible goods, crockery and glassware, kitchen utensils and tableware, electric household appliances and household supplies, machinery, equipment and hand tools for do-it-yourselfers, textiles, clothing, jewellery and footwear, flowers and plants;
- Organisation of congresses and fairs;
- Exploitation of cultural centres and multi-purpose halls for cultural activities.

For a comprehensive list of businesses of the events sector eligible to apply for such commercial lease loan, click [here](#).

For the full text of the Decision of the Flemish Government of 29 May 2020 to grant a commercial lease loan, click [here](#).

For more information on other support measures granted to the cultural sector, we refer to our blog article "[COVID-19 OUTBREAK: AID MEASURES IN THE CULTURAL SECTOR](#)".

Should you have any other questions regarding this topic, please contact [Lieven Peeters](#) or [Jessica Xiong](#)

