

Landlords' claims for summary judgment for 'Covid' rent arrears succeed (again)

A landlord's claim for summary judgment to recover rent and service charge arrears accrued since the start of the pandemic against a non-essential retailer succeeded. Like London buses, a second such case has followed hot on its heels.



Last week, <u>we commented on the first case</u> where a landlord's claim for summary judgment to recover rent and service charge arrears accrued since the start of the pandemic against a non-essential retailer succeeded. Like London buses, a second such case has followed hot on its heels.

Bank of New York Mellon (International) Ltd & Ors v Cine-UK Ltd & Ors [2021] EWHC 1013 (QB) (22 April 2021)

In three cases amalgamated together, summary judgment claims by connected landlords for rent going back to March 2020 relating to a Sports Direct store in Blackpool, a Cineworld cinema in Bristol and a Mecca bingo hall in Dagenham have also all succeeded. In a thorough and detailed decision, all the tenants' arguments based on the suitability of summary judgment, the government's voluntary Code of Practice, the construction of the rent suspension clauses (or terms which should be implied into them), the landlords' loss of rent insurance (which included pandemic cover) and the leases being frustrated (temporarily) by lockdown all failed.

Tenants' arguments along the lines of those used in this case have been put forward since the start of the pandemic. If they were unsuccessful here, it seems unlikely that they will be successful in any other similar cases. In the absence of any specific clauses dealing with the consequences of an unforeseen global pandemic, a tenant remains liable to pay rent under its lease. Only legislation is likely to change this.

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