



Second round of government's rent relief package



Mats Eriksson
Partner, Head of Real Estate,
Sweden

The Swedish government proposes a second round of state aid directed to certain commercial tenant receiving rent discounts.

The first round was adopted in spring 2020 and was valid for the period between 1 April 2020 until 30 June 2020. The original package took the form of a temporary discount on fixed rental costs were the Swedish state carried up to 50 % of the landlord's costs for rental discounts given to a tenant, which was agreed between the landlord and the tenant.

The second round is proposed to be valid for the period between 1 January 2021 until 31 March 2021 and similarly to the original package the Swedish state is to carry up to 50 % of the landlord's costs for rental discounts given to a tenant.

Like the original package the proposed second round is directed towards the retail-, hotel- and restaurant industries as well as other consumer industries and service activities, that builds on a physical vicinity to their clients. The aid is in other aspects proposed to follow the same design as the original package.

There is currently no status on when the second round will become available or any specific details regarding covered industries or how the second round package exactly will be designed. The government is working on establishing the second round as soon as possible, but like the original package this second round will have to be approved by the EU-commission before it can be adopted.

Based on the intentions of the government to maintain the same design as from the original package it is likely that the same, or similar, requirements as with the original package will have to be considered upon applying for a second round package. Therefore, please consider reading our analysis on the original packages (link provided below) or reach out to us with your questions if and how your business potentially could benefit from the proposed second package.

Services

Real Estate
