

Updates for Businesses and Property Owners During COVID-19 Crisis

I hope you, your family and employees are all healthy and safe during these challenging times. We have all been affected by the crisis our country and the world are facing. This has also affected businesses which many are struggling to remain afloat. I wanted to provide some information and resources that can be helpful through this time.

On April 9th, the IRS issued a notice that extended the time frames on 1031 exchanges for taxpayers affected by COVID-19 in time sensitive transactions. The notice provides that if the end of a taxpayer's 45-day Identification Period or 180-day Exchange Period in a deferred exchange or the parallel periods in reverse exchanges under Revenue Procedure 2000-37 falls between April 1 and July 15, the applicable period is automatically extended to July 15, 2020, unless a taxpayer chooses to opt-out of the extensions. The notice does not address deadlines that fall before or after this specific time period, most importantly identification or exchange completion periods that ended before April 1 or pending exchange periods that end after July 15. In addition, this Notice is different from many previous IRS Disaster Relief Notices and does not provide clear answers to other deadline related issues. Here is a link to the IRS Notice:

<https://apiexchange.com/irs-notice-20-23/>

Due to the crisis, LA County Tax Collector has announced relief for residents and property owners affected. Property owners affected by COVID-19 may have late penalties cancelled if they are unable to pay their property taxes by April 10, 2020. The Tax Collector began accepting applications for penalty cancellation on their web site: <https://ttc.lacounty.gov/>

Many tenants are unable to make rent payments during the shutdown period especially

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restaurants and retailers. Those businesses should look to other resources available since the loans offered by the government have reached or soon to hit their spending limits. Businesses should contact their landlords and notify them formally their businesses have been affected by the shut down due to COVID-19. Tenants should work with their landlord to defer and/or delay rent payments during the time their business is shut down. If the landlord will not fully defer payments, they can work together to negotiate paying and/or repaying all or a portion of those rent payments in installments during the crisis or when their business has recovered from the crisis. You can also add months to the lease term to work with the landlord. Businesses should also contact their insurance company to see if their coverage includes business interruption insurance to assist loss of income during the crisis.

For other related information, please click on the links below:

- [SBA Coronavirus Information Page](#)
- [State actions related to COVID-19](#)
- [Guidance on IRS Deferring Tax Payments](#)

Source: Asset Preservation, Inc., CoStar newsletter and AIR Call with Lee Dresie of Greenberg Glusker.

Tips to Maintain Cleanliness at Your Business to Mitigate Virus Exposure

As we have learned more about this virus we know it can be transferred from contaminated surfaces. Therefore, it is very important to disinfect and clean buildings to ensure you are providing a good work environment. As we start to get back to work, we need to consider our “new normal” moving forward and how that will look.

Currently there is not a validated commercially-available surface test for the COVID-19 virus. However, there are companies who are working on providing virus-specific environmental sample analysis. The issues are knowing if the samples are picking up dead or inactivated

Viral RNA giving misleading results. Also, the testing turnaround times are not very fast which creates inefficiencies.

The testing can be effective to determine if a building or space has been infected and caused the business owner loss of business. This could be used to file an insurance claim for loss of income typically covered under business interruption insurance.

It is important to perform routine cleaning of the facility using EPA approved cleaning products which would be effective to kill contaminants. A list of these products can

Be found here: [EPA Cleaning Products](#)
It is suggested to first clean and then use these products especially on touch points such as doorknobs, sink handles, desks, etc. These antimicrobial/viricidal solutions are registered to be applied to clean surfaces and specific types of surfaces. If your facility is impacted by exposure to a presumed or confirmed infectious person, immediately isolate the area and keep closed off as long as possible before cleaning. For more mitigation procedures please see this link: <https://www.partneresi.com/services/COVID-19-Risk-Management-%2526-Response/coronavirus-covid-19-risk-mitigation>

Source: Ben Jelin, Partner Engineering and Science, Inc.

5K SF Fully HVAC Warehouse Space



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Linda specializes in commercial and industrial sales and leasing throughout the San Gabriel Valley. She has extensive knowledge in 1031 exchange transactions, investment opportunities, and market analysis. Feel free to contact Linda with any questions or requests for information.

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Please contact me for more information.

**Current SBA 504 25-Year Fixed
Effective Rate for
April 2020 is 2.84-3.03%**

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