



2727 COWORKING / RESEARCH & PRACTICAL GUIDANCE

Commercial Leases in Quebec: Civil Code and Obligations

Find a practical home for your work at 2727 Coworking in Montreal. Explore private offices, day workspaces and meeting rooms, plus business-address and virtual-mailbox services for your company.

Published by 2727 Coworking · 2026-04-25 · commercial lease quebec · civil code of quebec · tenant obligations · landlord obligations · real estate law · contract of lease · commercial disputes

Original article: <https://2727coworking.com/articles/commercial-leases-quebec-civil-code-obligations>

In this article

1. Executive summary
2. Background and definitions
3. Legal framework and recent developments
4. Obligations of the landlord (lessor)
5. Obligations of the tenant (lessee)
6. Assignment and subleasing
7. Lease term and termination
8. Disputes and recent case law
9. Outlook and recent data
10. Quebec commercial real estate market
11. Future outlook
12. Conclusion

Executive summary

A **commercial lease in Quebec** is a contract of lease governed primarily by articles 1851 to 1891 of the *Civil Code of Québec* (CCQ). It gives the lessee (tenant) a purely personal right to use an immovable for commercial purposes, without creating a real right in the immovable (gowlingwlg.com) (2727coworking.com). The fundamental statutory obligations require the lessor to deliver the premises in a good state of repair and guarantee peaceable enjoyment for the agreed use (art. 1854 CCQ) (www.legisquebec.gouv.qc.ca), while the tenant must pay the **agreed rent** and use the premises with prudence and diligence (art. 1855 CCQ) (www.legisquebec.gouv.qc.ca). Other obligations also apply: neither the landlord nor the tenant may change

the form or intended use of the property without agreement (art. 1856 CCQ) (www.legisquebec.gouv.qc.ca). The landlord has the (reasonable) right to inspect its condition, carry out work and show the premises (art. 1857 CCQ) (www.legisquebec.gouv.qc.ca), while the tenant must allow urgent repairs necessary to preserve the building (art. 1865 CCQ) (www.legisquebec.gouv.qc.ca). Lease transfer mechanisms (assignment and subleasing) are codified in arts. 1870 to 1876 CCQ, but may be adjusted by contract. In practice, the CCQ serves a “suppletive” role: most of its provisions apply by default and may be overridden by contract to the extent permitted by public order (gowlingwlg.com) (2727coworking.com). In disputes (unpaid rent, disturbances of enjoyment, lease termination, etc.), Quebec courts apply these rules while considering the parties’ good faith (arts. 6-7 and 1375 CCQ (droitimmobilier.ca)). These principles have recently been illustrated in various decisions, including the **Hudson’s Bay/Cominar (2020–2024)** legal saga during the COVID-19 pandemic and the **Ilqueau (2021–2023)** case concerning early abandonment of the premises. This report brings together these rules, obligations, case law and [recent market data](#), providing a comprehensive guide to commercial leases in Quebec as of April 2026.

Background and definitions

A commercial lease is a **contract of lease** for immovable property used for purposes other than housing (gowlingwlg.com). Under art. 1851 CCQ, a contract of lease is “a contract by which a person, the lessor, undertakes to provide another person, the lessee, in return for rent, with the enjoyment of property... for a certain time” (www.legisquebec.gouv.qc.ca). In practical terms, in commercial leases, the tenant is called the “lessee” and the owner the “lessor”. Unlike in common law systems, a commercial tenant in Quebec does not acquire an ownership interest in the immovable (gowlingwlg.com), but benefits from a contractual right of occupancy.

Quebec law distinguishes between leases *for residential use* (governed by mandatory rules and falling under the jurisdiction of the Administrative Housing Tribunal) and leases *for purposes other than housing* (retail, industrial, professional, agricultural, etc.). Commercial leases, which fall under civil law, give the parties considerable freedom: **the CCQ’s provisions are suppletive**, meaning they apply by default only if the contract does not provide otherwise (gowlingwlg.com) (2727coworking.com). Indeed, commercial tenants and landlords [freely negotiate the lease terms](#) (term, rent, allocation of taxes, renovations, indexation, etc.), except for a few rules of public order (e.g. the obligation to draft the lease in French (en.wikipedia.org) and the prohibition on restricting the hypothecary or land registration of rights attached to the lease, art. 2936 CCQ (2727coworking.com)).

Historically, Quebec commercial lease law rests on a civil law tradition inherited from the Napoleonic Code but adapted by the *Civil Code of Lower Canada* and its 1994 successor. Since January 1st, 1994, the CCQ has codified these rules. Although the term “commercial lease” has no distinct special status, it refers to any lease “entered into for the purpose of operating a business” (gowlingwlg.com) (2727coworking.com). Residential dwelling leases are governed by a separate regime (the Act respecting the Régie du logement and the CCQ as amended by Bill 31, which came into force in 2024), which does not apply to commercial leases. Thus, registration procedures, notice requirements and certain protections (e.g. the right to renewal or eviction compensation under French law) do not apply to Quebec commercial leases.

Legal framework and recent developments

The key CCQ articles applicable to commercial leases are found in Book 5, Title 2, “Contracts of lease” (arts. 1851 to 1891), which set out the general rights and duties of landlords and tenants (2727coworking.com). These are supplemented by the provisions on assignment and subleasing (arts. 1870 to 1876) and, more generally, the CCQ’s entire regime of contractual obligations (good faith, obligation of result, etc.) applies. The civil courts (Court of Québec or Superior Court) have jurisdiction over commercial disputes (2727coworking.com). Unlike residential leases, **commercial leases have no specialized commission or tribunal and no prescribed form**; the parties freely establish the terms, subject to general law and default statutory provisions (2727coworking.com).

In 2024, a residential lease reform (Bill 31) gave residential landlords greater power to refuse assignments, but this reform does not concern commercial leases. There have been no recent legislative amendments specific to commercial leases in Quebec. However, developments in case law, particularly concerning force majeure and contractual good faith (see below), warrant examination.

Obligations of the landlord (lessor)

The **landlord** has **essential duties to deliver and maintain** the leased premises. Art. 1854 CCQ clearly provides that *“the lessor is bound to deliver the leased property to the lessee in a good state of repair in all respects and to provide the lessee with peaceable enjoyment of the property throughout the term of the lease”* (www.legisquebec.gouv.qc.ca). In other words, the lessor must deliver the premises in satisfactory condition (sound, safe and suited to their intended use) and must undertake the necessary major repairs (related to **normal wear and tear**) to keep the immovable in good condition. This obligation is characterized as an **obligation of result**: the owner undertakes to guarantee that the premises serve their intended use and that no disturbance caused by the owner interferes with the tenant’s enjoyment (www.legisquebec.gouv.qc.ca) (www.oaciq.com). If the tenant’s intended use requires particular zoning (for example, operating a business in a regulated zone), the landlord guarantees, in principle, that the use is permitted, under art. 1854 CCQ, which requires the landlord to maintain the property for that purpose (www.legisquebec.gouv.qc.ca) (gowlingwlg.com).

The landlord must also protect the tenant from *legal disturbances* caused by third parties (art. 1858) (www.legisquebec.gouv.qc.ca). In practical terms, if an earlier title of ownership or a registered right (servitude) infringes on the tenant’s right, the lessor must protect the tenant against it or answer for the disturbance it causes. However, the landlord is not responsible for factual disturbances caused by third parties (art. 1859) (www.legisquebec.gouv.qc.ca), unless they come from another tenant in the building or a person authorized by the tenant themselves.

During the lease, the lessor also has a **right of reasonable access** to the property. Art. 1857 CCQ expressly authorizes the lessor to *“inspect the condition of the leased property, carry out work on it and, in the case of an immovable, show it to a prospective lessee or purchaser”*, provided the lessor acts reasonably (www.legisquebec.gouv.qc.ca). Thus, the owner may require access to carry out non-urgent repairs or to show

the premises if the immovable is for sale or to be leased again as the lease nears its end. This provision gives the lessor the right to prepare and act diligently in fulfilling their obligations, without authorizing abusive visits or ill-timed work.

In return, the landlord must act in good faith and cooperate. For example, even if the lease provides penalties (a penal clause) for a tenant's breach, the Court may find against the lessor for bad faith if the lessor has not tried to mitigate their losses (re-leasing the premises, the case of *Ilqueau inc. v. Groupe Ilqueau inc.* (droitimmobilier.ca)). In that case, the court declined to enforce the penal clause because the landlord had refrained from re-leasing and had acted "unreasonably" and contrary to articles 6 and 7 CCQ concerning good faith (droitimmobilier.ca) (droitimmobilier.ca). Generally, the lessor retains the **right to terminate the lease** for serious breaches by the tenant (repeated non-payment, damage to the premises, etc.), but must follow the applicable procedure; the CCQ itself imposes no special formal requirements beyond general civil law.

Obligations of the tenant (lessee)

The **commercial tenant** must fulfil their part in good faith when using the premises. Art. 1855 CCQ requires the tenant to "*pay the agreed rent and use the property with prudence and diligence*" (www.legisquebec.gouv.qc.ca). In other words, the tenant must pay rent when due and avoid any abusive or negligent use. More specific obligations arise from several articles and from practice:

- **Payment of rent:** an essential obligation (1855 CCQ). The tenant must pay the full rent according to the contractual schedule. Non-payment allows the landlord to seek termination of the lease (droitimmobilier.ca). In a dispute, the governing lease provision or the court will determine whether rent is paid in full, in part or on a deferred basis. For example, in the *Hudson's Bay* case, despite the pandemic, the court reiterated that the lease provision requiring rent to be paid "without abatement or deduction" bound the parties, so the tenant (HBC) should have paid and brought its claim for a reduction before the court rather than taking matters into its own hands (www.oaciq.com).
- **Use of the premises:** the lessee may not change their form or intended use (art. 1856 CCQ) (www.legisquebec.gouv.qc.ca). For example, the lessee may not convert a salesroom into a warehouse or substantially alter the interior layout (without agreement, etc.). The tenant must use the premises "with prudence and diligence" (www.legisquebec.gouv.qc.ca), which entails maintaining a minimum level of cleanliness and refraining from deliberate damage. The tenant is responsible for damage they cause to the immovable unless they prove that it did not result from their fault (art. 1862 CCQ) (www.legisquebec.gouv.qc.ca). Thus, case law requires the tenant to compensate the lessor for harm arising from losses suffered, unless the tenant establishes that those losses are not attributable to them (www.legisquebec.gouv.qc.ca). An exception exists for a fire in an immovable: the tenant is responsible only if they were at fault (art. 1862 CCQ) (www.legisquebec.gouv.qc.ca).
- **Access for work and visits:** under art. 1865 CCQ, the tenant "*must allow urgent and necessary repairs to ensure the preservation or enjoyment of the leased property*" (www.legisquebec.gouv.qc.ca). In practice, this means the lessee must tolerate tradespeople coming in for emergency repairs (e.g. a major leak, partial collapse) or essential maintenance. The lessor may even ask the tenant to vacate the premises temporarily to carry out this urgent work; for non-urgent repairs, the court's permission is

required (art. 1865, 2nd para.). However, an affected tenant has remedies: they may seek a rent reduction, cancellation of the lease or compensation based on the damage suffered through loss of enjoyment (www.legisquebec.gouv.qc.ca).

- **Neighbours' peaceable enjoyment:** the tenant must “conduct themselves in a manner that does not disturb the normal enjoyment of the other tenants” (art. 1861 CCQ) (www.legisquebec.gouv.qc.ca). This provision addresses a tenant disturbed by another tenant (in a multi-tenant building): the affected tenant may obtain a rent reduction or termination of the lease if they have notified the lessor of the disturbance and it persists (www.legisquebec.gouv.qc.ca). Conversely, a noisy or unclean tenant breaches this obligation and may be evicted following legal proceedings.
- **Maintaining the original condition:** although the CCQ does not explicitly set out a requirement to restore the premises at the end of the lease, case law emphasizes the obligation to **mitigate damages** suffered by the lessor if the tenant leaves early. For example, the trial court in *Ilqueau inc. v. Groupe Ilqueau inc.* applied art. 1479 CCQ (the duty to mitigate) in faulting the lessor for not having tried to re-lease the vacant premises (droitimmobilier.ca). Consequently, in practice, the tenant must leave the premises “free of all movable effects other than those belonging to the lessor, remove any constructions, works or plantings they have added, and return the dwelling to the condition in which they received it” (www.avocat.qc.ca).
- **General legal obligations:** the lessee must comply with all legal requirements applicable to the premises (building code, sanitation standards, environmental laws, etc.), in proportion to the agreed use. This obligation arises from the very nature of the contract and the CCQ's general articles on good faith (arts. 6, 7, 1375 CCQ (droitimmobilier.ca)).

In sum, the tenant must *faithfully* perform the lease: pay what is owed, maintain the premises and act diligently. Any substantial breach may lead the lessor to claim damages or termination, provided the procedure (including prior notice if required) is followed. For example, under French law, the Court of Cassation has recognized the lessor's right to terminate for a tenant's fault in cases of serious disturbances (en.wikipedia.org); in Quebec, the landlord uses ordinary court proceedings to enforce the end of the lease.

Assignment and subleasing

A commercial lease may be **assigned** or **subleased** with the lessor's approval, under arts. 1870-1876 CCQ. These suppletive provisions may be adjusted by contract, but in the absence of a provision to the contrary:

- **Article 1870 CCQ:** the tenant “may sublease all or part of the leased property or assign the lease”. In that case, the tenant must *notify* the lessor of their intentions, providing the name and address of the prospective contracting party, and obtain **the lessor's prior consent** (www.legisquebec.gouv.qc.ca). Failure to give notice constitutes a breach. In practice, this means that a lease cannot be transferred or the property subleased without notifying the owner.
- **Article 1871 CCQ:** the lessor **may not refuse** consent to subleasing or assignment *without a serious reason*. If the lessor refuses, they must give reasons for their decision within **15 days** of the notice (a suppletive requirement). If no reasons are given (e.g. a late response or silence), the refusal is deemed

invalid and the holder is presumed to have consented (www.legisquebec.gouv.qc.ca). Clearly, the owner must act loyally and may not refuse arbitrarily: only reasons such as the subtenant's insolvency, incompatible use, etc., can justify a valid refusal by the lessor (provided this does not concern housing in the residential sense).

- **Article 1872 CCQ:** when consenting, the lessor may require the tenant only to **reimburse reasonable expenses** incurred because of the sublease or assignment (www.legisquebec.gouv.qc.ca). No excessive provision may impose abusive processing fees. The fees payable are therefore limited to administrative costs or legal registration fees, for example.
- **Article 1873 CCQ (assignment):** in an assignment, the assignor is, in principle, released from *all their obligations*, unless otherwise agreed (www.legisquebec.gouv.qc.ca). In other words, the assigning lessee is no longer the lessor's tenant (unless the lease provides otherwise). The assignee therefore replaces the original lessee in all their rights and duties, generally including any potential right of renewal.
- **Articles 1874-1876 CCQ (subleasing):** subleasing preserves the original contractual relationship. If the lessor sues the principal tenant, the subtenant (the new tenant under the sublease) is liable to the lessor *only for the amount of sublease rent* they owe the principal tenant (www.legisquebec.gouv.qc.ca). In practice, this prevents a subtenant from being held liable for the principal tenant's earlier arrears. Moreover, art. 1875 CCQ allows the lessor to seek cancellation of the **sublease** if the subtenant's failure to perform an obligation causes serious harm to the landlord or other tenants (www.legisquebec.gouv.qc.ca). In practical terms, a disruptive subtenant may be removed from the building if their behaviour seriously disturbs order or the other occupants.

These rules illustrate, in particular, the difference between **assignment** and **subleasing**: assignment transfers the entire lease (and releases the former tenant), while subleasing is a contract between the lessee and the subtenant that does not affect the principal lease (the original lessee remains responsible to the lessor) (2727coworking.com) (www.legisquebec.gouv.qc.ca).

Lease term and termination

Under article 1851 CCQ, a lease may be for a **fixed or indeterminate term** (www.legisquebec.gouv.qc.ca). When a fixed-term lease expires on the agreed date, it **ends by operation of law** (unless expressly renewed) (en.wikipedia.org). However, it may be tacitly renewed if the tenant continues to occupy the premises for more than 10 days after the lease expires without the lessor objecting: in that case, the lease is renewed for one year (or for its original term if that was less than one year) on the same conditions (www.legisquebec.gouv.qc.ca). This mechanism (art. 1879 CCQ) applies by operation of law unless expressly waived by the parties. In practice, it is often recommended that any renewal or extension option be clearly stated in the contract (e.g. a fixed provision, renewal rent, conditions) to avoid uncertainty. For example, lawyers recommend carefully drafting the renewal provision (price, terms, conditions) so that its terms can be determined (dubeavocats.com).

For leases with an **indeterminate term**, no specific CCQ provision sets the notice required to end the lease (unlike residential leases, to which the Act respecting the *Régie du logement* applies). General law usually serves as a guide: either party may terminate by giving notice; commonly, a three-month period applies if the lease is for one year or more, and a one-month period if it is for less than one year. Art. 1885 CCQ requires the tenant in all cases to allow visits and the posting of a repossession announcement (“notice of repossession”) in advance of the end of the lease: three months for leases of more than one year, or one month for leases < 1 year (www.legisquebec.gouv.qc.ca). For a lease with an indeterminate term, the obligation to allow visits begins as soon as notice of termination is given (www.legisquebec.gouv.qc.ca).

In sum, a duly established commercial lease ends at the end of its term without an administrative decree ordering the tenant to leave; the owner need only give written notice to vacate, observing the usual notice periods (if applicable). However, **there is no right to automatic renewal of commercial leases in Quebec**, unlike under the French regime. The lessor is not obliged to offer the tenant a new lease when the term ends (dubeavocats.com), and the tenant has no right to compensation or statutory right to remain if the lease is not renewed (unless a lease provision states otherwise). In practice, a commercial lease is renewed only if the original lease contains an option provision or the parties negotiate a new agreement (dubeavocats.com).

Disputes and recent case law

Commercial lease disputes are numerous and varied: disputes over rent payments, repairs, renewal or termination, contested assignments/subleases, etc. Quebec courts apply the CCQ as their foundation while emphasizing contractual good faith. Certain recent decisions deserve mention.

1. **Unpaid rent and the pandemic.** During the COVID-19 crisis, several major retailers stopped paying rent, citing government restrictions. In the highly publicized **fds Hudson’s Bay/Cominar (2020–2024)** case, the Court addressed this issue in two stages (www.oaciq.com) (www.oaciq.com). **Expedited procedure (safeguard order):** the Court first ordered Hudson’s Bay Company to pay 100% of future rent (for six months) to prevent arrears from accumulating, reiterating that the lease required rent to be paid “without deduction” (www.oaciq.com). **Merits of the case:** the judge then stated that “if the lessor is released from their obligation (of result) [to provide peaceable enjoyment] because of force majeure, the tenant will also be released from their obligation to pay rent, as when a fire ravages the leased premises” (www.oaciq.com). In that case, the mandated closures made enjoyment of the stores impossible, legally justifying a rent reduction. The court quantified this reduction (“percentages of loss of enjoyment”) according to the reopening phases (www.oaciq.com). Thus, when both the shopping centre and the store were closed, 100% of common costs were reimbursed; when only the store remained closed, 75% of costs were awarded; when everything was open, there was no reduction in the principal rent (www.oaciq.com). This decision is the first to establish a quantified method for COVID rent reductions in Quebec, taking into account the allocation between base rent and incidental costs (taxes, maintenance) (www.oaciq.com). It reaffirms the principle that a drastic decline in customer traffic does not eliminate the obligation to pay base rent, but may justify a pro rata adjustment of operating charges (www.oaciq.com).

2. **Force majeure and good faith.** Several other judgments have addressed claims related to public health closures. For example, in *Hengyn International v. 9368-7614 Québec inc.* (2020 QCCS 2251), the court held that *government measures* closing a gym constituted force majeure that made peaceable enjoyment impossible, thereby releasing the tenant from payment (boavista.ca). Conversely, in *Lechter (Montreal Professional Building) v. Keurig Canada inc.* (2022 QCCS 1649), restaurant restrictions did not excuse the lessee from paying rent because the landlord was not required to guarantee customer traffic (“customer traffic” is not an obligation of the lessor) (boavista.ca). Similarly, in *I-Tech Solutions (Informatique Côté Coulombe) v. Escalade Marketing* (2022 QCCC 7396), the Court refused to treat a decline in the usefulness of offices to their occupant as grounds for exemption from rent, considering that the change did not result from the landlord’s non-performance (boavista.ca). These differing decisions illustrate that the concept of **force majeure** remains highly dependent on the circumstances: a clear connection to absolute impossibility of performance is required (such as a general closure order), and express lease provisions are rare. That said, courts have broad discretion and encourage lessors to show flexibility, as urged by the federal government, to “**save businesses**” (boavista.ca).
3. **Contractual good faith.** The case of *9378-1417 Québec inc. v. Groupe Ilqueau inc.* (2021 QCCQ 13630, upheld on appeal in 2023) illustrates the strict enforcement of good faith in commercial leases (droitimmobilier.ca) (droitimmobilier.ca). The tenant had vacated the premises 10 months before the end of the term, and the lessor was claiming the remaining rent and invoking a penal clause. The Court held that the lessor had breached their obligation of good faith by failing to seriously discuss an amicable departure and failing to seek to re-lease the premises (duty to mitigate damages, art. 1479 CCQ) (droitimmobilier.ca). Furthermore, the court found the invocation of the penal clause abusive, considering that a lessor acting in bad faith cannot fully rely on such provisions (droitimmobilier.ca). In summary, an owner who does not discuss early departure and does not try to re-lease undermines their own claim.
4. **Other common disputes.** Other recurring disputes include disagreements over amounts advanced (insurance, taxes), unfinished work or breaches of specific lease provisions (for example, compliance with safety standards, accessibility requirements or municipal permits). For example, if the tenant operates their business contrary to zoning rules, the landlord may take steps to terminate the lease, as the defendant cannot require the lessor to violate municipal laws. However, the specific analysis will always depend on the contract’s provisions. In practice, the parties often turn to general civil case law and the CCQ’s rules to resolve these disputes.

Outlook and recent data

Quebec commercial real estate market

Commercial leases are inseparable from economic conditions. According to 2025 industry data, the Quebec market has **high office vacancy rates** and lower rates in industrial/retail space, which affects negotiations over rent and contractual options (2727coworking.com). For example, in the third quarter of 2025, Montreal’s office vacancy rate reached ~19–20% (with average gross rents of around \$18–20/ft²/year for Class A and \$14–15/ft²/year for Class B) (2727coworking.com). In Quebec City, office vacancy was lower (~12–13%), with

average rents of \$14–17/ft²/year (2727coworking.com). The industrial sector is holding up better: Montreal had only ~5% industrial vacancy (rents ≈ \$14.75/ft²/year) and Quebec City ~7% (rents ≈ \$14/ft²/year) (2727coworking.com). Retail remains relatively healthy, with low vacancy rates (less than 5%) and moderate rent increases in prime locations (2727coworking.com). These figures, drawn from Colliers/CBRE and other reports, reflect the widespread post-pandemic trend in which tenants have gained stronger negotiating power (leasing concessions, rent-free periods) and the search for balance requires greater flexibility from lessors (2727coworking.com). (See *Table 1* below for a summary of key indicators.)

Sector & class	Vacancy (Montreal 2025)	Net rent (Montreal)	Vacancy (Quebec City)	Net rent (Quebec City)
Offices (Class A)	~19–20% (2727coworking.com)	\$18–20/ft ² /year (2727coworking.com)	~12–13% (2727coworking.com)	~\$16.50/ft ² /year (2727coworking.com)
Offices (Class B)	~19–20% (2727coworking.com)	\$14–15/ft ² /year (2727coworking.com)	~12–13% (2727coworking.com)	~\$14.50/ft ² /year (2727coworking.com)
Industrial (logistics)	~5% (2727coworking.com)	~\$14.75/ft ² /year (2727coworking.com)	~7% (2727coworking.com)	~\$14.00/ft ² /year (2727coworking.com)
Retail (urban centre)	Low (≤ 5%)* (2727coworking.com)	Stable (modest increase)** (2727coworking.com)	Low (≤ 5%)* (2727coworking.com)	Stable (modest increase)** (2727coworking.com)

* Low vacancy rate, even excluding large vacant HBC premises (2727coworking.com).

** Scarcity of new quality space, drivers of stable rents, tenants seek the security of a lease.

(Sources: Colliers and CBRE Q4–Q3 2025, see [88†L63-L70][88†L27-L33].)

These conditions influence lease provisions: for example, the oversupply of offices leads lessees to demand renewal options or CPI-linked adjustments and favours short-term or flexible leases. Conversely, strong pressure on industrial space drives up rents and lease guarantees.

Future outlook

Looking ahead to 2026 and beyond, several factors will influence commercial leases in Quebec:

- **Economic developments** (interest rates, sectoral growth): according to recent analyses, Quebec's growth remains moderate (~1%) (2727coworking.com) and inflation is gradually slowing. This should stabilize overall demand while limiting sharp rent increases.
- **Remote work**: the normalization of remote work after the pandemic will continue to weigh on demand for traditional offices. Businesses will seek more flexible spaces, which may lead owners to offer more arrangements on a case-by-case basis (renovations, variable rent provisions, coworking).
- **Legislative and regulatory developments**: although no major commercial lease reform has been announced, themes such as revitalizing urban centres or promoting sustainable real estate (energy efficiency) could lead to new provisions (environmentally friendly work, compensatory obligations). In addition, Bill 96 on the French language (2022-2023) strengthens the obligation to draft contracts in French, which also applies to commercial leases.

- **Contract drafting techniques:** we are seeing a trend towards setting out lease renewal terms in greater detail in contracts (dubeavocats.com). Experts recommend anticipating renewal terms and rent adjustments (using indices or formulas) from the initial negotiation, and even including provisions for exceptional circumstances (force majeure, early termination) to reduce uncertainty and potential future disputes (dubeavocats.com) (boavista.ca). Recent case law thus encourages precise drafting and foresight when entering into a lease.
- **Contractual stability:** finally, the CCQ embodies a “contractualist” approach to commercial leases. As long as freedom of contract remains, practitioners advise the parties to anticipate the unpredictable (COVID, natural disasters, bankruptcies of major tenants, etc.) through precise provisions (e.g. force majeure, commercial eviction and impact-sharing clauses). For example, the Hudson’s Bay saga shows that without an explicit provision, courts rely on the CCQ’s general principles (obligation of result, good faith) to rule, with solutions determined case by case. Consequently, the future of commercial leases depends heavily on contractual design and legal vigilance.

Conclusion

A **commercial lease in Quebec** rests on a delicate balance between contractual rights and legal obligations. Landlords and tenants have considerable flexibility to negotiate their provisions, but the suppletive framework of the *Civil Code of Québec* (art. 1851 et seq.) imposes minimum duties: the lessor must provide premises in good condition and guarantee their peaceable use (urgent maintenance, major repairs, absence of legal disturbances), and the tenant must pay rent, use the premises diligently and coexist harmoniously with others. Urgent work, access for repairs and conditions for subleasing or assignment are codified to protect each party. Recent disputes, from the Hudson’s Bay case during the pandemic to the Ilqueau case on good faith, underscore the importance of these principles and, even more, of good faith in performing the lease (www.oaciq.com) (droitimobilier.ca).

In sum, even in 2026, Quebec commercial leases remain largely governed by the Civil Code, supplemented by evolving case law. Market practices (vacancy rates, economic trends) influence contractual negotiations (rent amounts, renewal provisions, guarantees) and create a business environment in which each party’s rights must be carefully balanced. Owners must provide compliant immovables and allow their enjoyment, while tenants must honour their part (payment, maintenance, compliance). All are required to act in good faith. This report provides a comprehensive overview of the law and practice surrounding commercial leases in Quebec, to inform landlords and tenants about their reciprocal obligations and future issues that may give rise to disputes.

References (selection): Civil Code of Québec (CCQ) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) (www.legisquebec.gouv.qc.ca) ; Gowling WLG (2012) (gowlingwlg.com) (gowlingwlg.com) ; Bougie Avocats (2024) (www.avocat.qc.ca) (www.avocat.qc.ca) ; Dubé Avocats (2022) (dubeavocats.com) (dubeavocats.com) ; OACIQ (2021–24) (www.oaciq.com) (www.oaciq.com) (www.legisquebec.gouv.qc.ca) ; Boavista (2025)

(boavista.ca) (boavista.ca) (boavista.ca) ; St-Aubin (2023) (droitimmobilier.ca) (droitimmobilier.ca) ; 2727 Coworking (2025 market data) (2727coworking.com) (2727coworking.com). (Sources are cited in context to support the principles stated.)

Source links

Links cited in this article, in order of first appearance. Full addresses are provided for readers using extracted text.

1. <https://gowlingwlg.com/fr/insights-resources/articles/2012/commercial-leases-in-quebec-part-1-of-2>
2. <https://2727coworking.com/articles/commercial-lease-sub-lease-quebec>
3. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1854&historique=20181217>
4. <https://2727coworking.com/articles/quebec-commercial-rent-increases-2026-legal-framework>
5. <https://www.legisquebec.gouv.qc.ca/fr/showversion/cs/CCQ-1991?code=se%3A1855&pointInTime=20190522>
6. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1856&historique=20181217>
7. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1857&historique=20160621>
8. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1865&historique=20181217>
9. <https://2727coworking.com/articles/cession-bail-commercial-quebec-cadre-legal>
10. <https://2727coworking.com/articles/montreal-commercial-sublease-market-2026>
11. <https://droitimmobilier.ca/blogue/sanction-de-la-mauvaise-foi-du-demandeur-en-matiere-de-bail-commercial-la-fin-de-non-recevoir/>
12. <https://2727coworking.com/articles/quebec-commercial-rental-rates-2025>
13. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1851&historique=20170424>
14. <https://2727coworking.com/articles/negotiate-commercial-lease-canada>
15. https://en.wikipedia.org/wiki/Canadian_contract_law
16. <https://www.oaciq.com/fr/grand-public/acheter-vendre-ou-louer/la-sauvegarde-des-droits-du-locateur-commercial-en-temps-de-pandemie-laffaire-baie-dhudson/>
17. <https://www.legisquebec.gouv.qc.ca/fr/showversion/cs/CCQ-1991?code=se%3A1858&pointInTime=20171006>
18. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1859&history=20190307>
19. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1862&historique=20221109>
20. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/ccq-1991?code=se%3A1861&historique=20240621>
21. https://www.avocat.qc.ca/public/les_obligations_du_locataire_et_recours_du_locateur.htm
22. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1870&historique=20191104>
23. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1871&historique=20191128>
24. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1872&historique=20171006>
25. <https://www.legisquebec.gouv.qc.ca/fr/showversion/cs/CCQ-1991?code=se%3A1873&pointInTime=20200723>
26. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/ccq-1991?code=se%3A1874&historique=20250121>
27. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1875&historique=20230821>
28. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1879&historique=20231009>
29. <https://dubeavocats.com/fr/2022/10/le-renouvellement-dun-bail-commercial/>

30. <https://www.legisquebec.gouv.qc.ca/fr/version/lc/CCQ-1991?code=se%3A1885&historique=20251113>
31. <https://boavista.ca/2025/02/15/rebondissements-recents-relatifs-au-baux-commerciaux-en-periode-de-pandemie/>

THE PUBLISHER

About 2727 Coworking

2727 Coworking is a Montreal workspace and business-address provider. We serve people who need a place to focus, meet, run a small business or establish a professional mailing presence. Our website offers English and French information about workspace options and services, alongside educational resources for operating a business in Canada.

A workspace that fits the day

Our workspace options include private offices, day passes and desks, and a conference room. These formats help individuals and teams compare a dedicated office with more flexible ways to work or hold a meeting. Prospective members can explore the virtual tour, review current pricing and book a visit before choosing a workspace.

Business addresses and mail

2727 Coworking provides business-address and virtual-mailbox services. Our resources explain the documents and practical questions involved, including guidance for people outside Canada. Service eligibility, included features, availability and access arrangements should be confirmed on the applicable service page or with our team.

Resources for Canadian small businesses

We publish guides, research and planning tools about workspace decisions, business addresses and starting a business in Canada. Our incorporation research includes information for people inside Canada and abroad, with jurisdiction-specific material to help readers identify the next questions to investigate. These educational resources complement our workspace and address services; they are not individualized legal, tax or immigration advice.

Visit or contact 2727 Coworking

Explore [private offices](#), [day passes and desks](#), [the conference room](#), [business addresses](#) and [virtual mailboxes](#). [Book a visit or contact the team](#) to discuss your needs.

A business address alone does not establish tax residence, immigration status, banking approval or eligibility for a government program.

Website: <https://2727coworking.com>

This article is educational. Verify consequential medical, legal, financial, regulatory and technical decisions with appropriate professionals and the cited primary sources. Company services are described separately from the article's research findings.