

# Drafting Commercial Leases in Iowa – The Landlord’s Checklist

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## **I. Introduction**

**A. The “Standard Form”**

**B. The Landlord’s Perspective (vs. Tenant’s)**

## **II. The Landlord’s Checklist**

### **A. Alterations and Build-Out**

- i. Activities Outside the Premises
- ii. Americans with Disabilities Act (and Similar Laws)
- iii. Completion of Alterations
- iv. Consent
- v. Landmark Buildings
- vi. Modifications to Plans and Specifications
- vii. Plans and Specifications
- viii. Punchlist Waiver
- ix. Restoration
- x. Scope of Work
- xi. Supervisory Fee
- xii. Tenant Improvement Allowance
- xiii. Tenant’s Records

- xiv. Warranties
- xv. Temporary Signage

**B. Assignment and Subletting: Consent Requirements**

- i. Assignment/Sublet of Other Tenants' Leases
- ii. Change of Control
- iii. Continuing Status as Affiliate
- iv. Fixture Financing
- v. Future Sublease-Related Transactions
- vi. Government Tenants
- vii. Prohibit Collateral Assignment of Lease
- viii. Restrictions

**C. Assignment and Subletting: Implementation**

- i. ADA
- ii. Advertisements
- iii. Assignor Guaranty
- iv. Breach of Anti-Assignment Covenant
- v. Confidentiality
- vi. Partial Subleases
- vii. Processing Fee
- viii. Recapture Rights
- ix. Tenant's Profit
  - 1. Auditing
  - 2. Previous Concessions
  - 3. Collection from Sublessee
  - 4. Disclosure of Tenant's Income from Subtenant

5. Can't Get Greedy

- x. Transactional Requirements

**D. Bankruptcy**

- i. Multiple Leases
- ii. Shopping Center Premises

**E. Bills and Notices**

- i. Date and Delivery Definitions
- ii. Means of Notice
- iii. Next Business Day Delivery
- iv. Service of Process
- v. Tenant's Notices
- vi. Tenant's On-Site Contact
- vii. Who May Give Notices

**F. Compliance With Laws**

- i. ADA (as noted earlier)
- ii. Definitions
- iii. Legally Required Improvements

**G. Consents**

- i. Conditions to Consent (All)
- ii. Deemed Consent (Avoid)
- iii. Discretionary Consents
- iv. Expenses
- v. Lender's Rights
- vi. No Representation
- vii. Permitted Use

- viii. Reasonableness
- ix. Scope of Consent
- x. Survival of Conditions to Consent

## **H. Default**

- i. All Rent Due at Signing
- ii. Cross Defaults
- iii. Default Notices
- iv. Discount for Timely Payment
- v. Impairment of Business
- vi. No Right to Cure Event of Default
- vii. Noncurable Defaults

## **I. Development-Related Issues**

- i. Building Expansion
- ii. Building Name and/or Address
- iii. Condominium Conversion
- iv. Construction Restrictions
- v. Expansion Rights
  - 1. Proportionate Share
  - 2. Document Signage
  - 3. Expand Tax Base
  - 4. Reconfigure Parking, Building or Common Areas
- vi. Relocation Rights

## **J. Electricity**

- i. Change of Provider
- ii. Electrical Service

- iii. Post-Termination Electric Charges

**K. End of Term**

- i. Abandoned Personalty \*
- ii. Cables and Conduits
- iii. Consequential Damages
- iv. Holdover
- v. Landlord's Property
- vi. Obligation to Restore
- vii. Security Deposit
- viii. Tenant Waiver

**L. Environmental**

- i. Copies of Notices
- ii. End-of-Term Assessment
- iii. High Risk Uses
- iv. Interior Air Quality
- v. Landlord Indemnification
- vi. Notice of Hazardous Conditions
- vii. Required Tank Removal
- viii. Tenant Indemnification

**M. Estoppel Certificates**

- i. Additional Requirements
- ii. Estoppels
- iii. Failure to Respond
- iv. Reliance

**N. Failure to Deliver Possession**

- i. Condition of Premises
- ii. Delivery Dispute
- iii. Delivery Procedure
- iv. No Liability
- v. Rent Abatement
- vi. Termination Rights

**O. Fees and Expenses**

- i. Attorney's Fees and Expenses
- ii. General Fees and Expenses
- iii. Witnesses

**P. Future Documents and Deliveries**

- i. Future Events
- ii. Reporting
- iii. Tenant's Financial Condition
- iv. Termination of Lease Memorandum

**Q. Insurance**

- i. Additional Insureds
- ii. Coordination with Loan Documents
- iii. Evidence of Insurance
- iv. Improvements and Betterments
- v. Self-Insurance
- vi. Should Landlord Insure?
- vii. Tenant Failure to Insure
- viii. Tenant's Rights to Proceeds
- ix. Tenant's Special Use

- x. Waiver of Subrogation

**R. Landlord's Access to Premises**

- i. Keys
- ii. Landlord's Right to Enter
- iii. No Eviction
- iv. Notice Requirements

**S. Landlord's Liability**

- i. Exculpation
- ii. Landlord Default
- iii. Liability
- iv. Liability for Prior Owner's Acts
- v. Limitations
- vi. Tenant's General Indemnity

**T. Options**

- i. Carveouts from Purchase Rights
- ii. Conditions
- iii. Coordination of Options
- iv. Option Maintenance Fee
- v. Timing

**U. Real Estate Taxes**

- i. Allocation of Tax Liability
- ii. Further Assurances
- iii. Imperiled Abatement
- iv. Management Fee
- v. Successful Contest

- vi. Tax Contests

## **V. Remedies**

- i. Abandonment \*
- ii. Default Rate
- iii. Equitable Relief
- iv. Inducement Repayments
- v. Interest and Late Charges
- vi. Intermediate Remedies
- vii. No Mitigation
- viii. Nonpayment
- ix. Ownership or Succession
- x. Right to Cure
- xi. Waiver of Jury Trial

## **W. Rent**

- i. All Payments Are “Additional Rent”
- ii. Finalizing Dates
- iii. Free Rent
- iv. Payment
- v. Rent Concessions
- vi. Rent Not Per Square Foot
- vii. Waiver

## **X. Miscellaneous Issues**