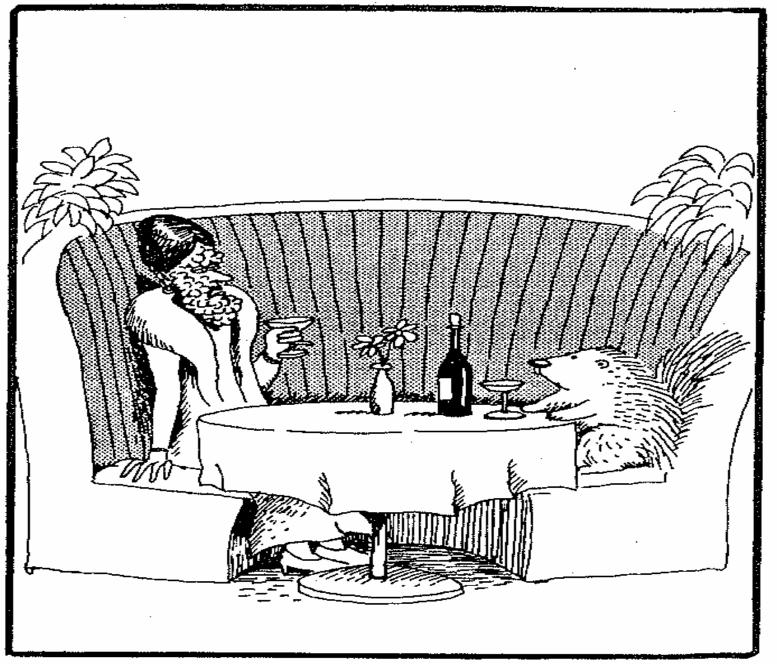


Why Doesn't My Key Work?

Landlord Commercial Lease Remedies: A Current View



Presented by: Lee A. Collins, Shareholder



"Look. I just don't feel the relationship is working out."

Common Law Remedies

- Breach of Express Covenant
 - -Independent covenants unless:
 - 1. remedy expressly in lease, or
 - 2. tenant's anticipatory repudiation



Common Law Remedies

- Anticipatory Breach
 - Maintain lease and sue for rent*
 - Treat as anticipatory repudiation
 - Repossess and release
 - Forfeiture

*abrogated for mitigation requirement



Modern Day Remedies

- Landlord's election
- Mitigation



- Austin Hill Country Realty Inc. v.
 Palisades Plaza, Inc., and
- -Section 91.006 of T.P.C.

edmonton Ournab artizans.com

Landlord's Right to Damages

Suit for Rent

Mitigation required if:

Landlord re-enters

 Lease allows re-entry without surrender, forfeiture or eviction



Landlord's Right to Damages

- Anticipatory breach without reletting
 - Damages = PV of contracted rent and reasonable cash market value of the lease over unexpired term



Landlord's Right to Damages

- Liquidated Damages
 - -Enforceable if:

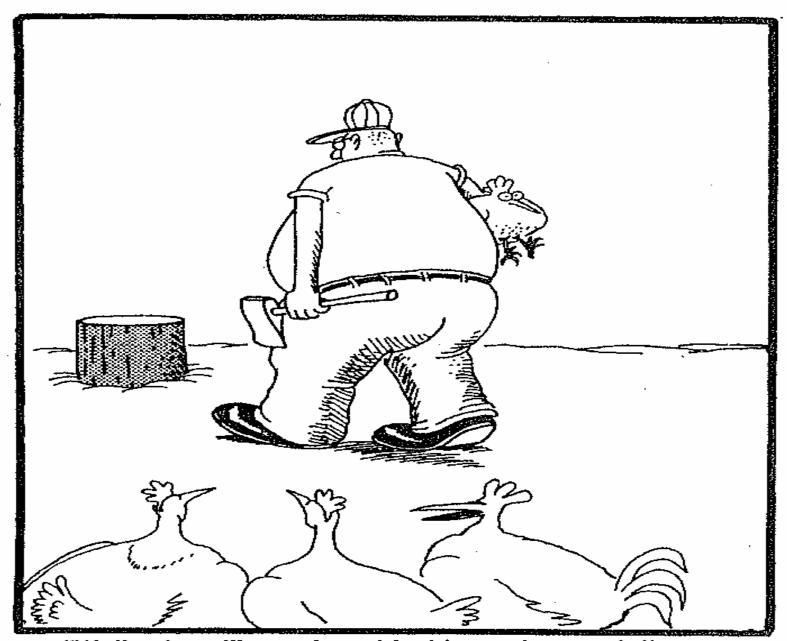
Harm is incapable or difficult to estimate, and

Amount is reasonable forecast of just compensation









"Well, when it's my turn, I just hope I go quietly . . .
Without a lot of running around."

- Common law self-help
 - Must have express remedy in lease
 - Must be exercised peaceably and without force or violence





Statutory - Chapter 93 of T.P.C.

Authorizes change of door lock



Requires posting of written notice



- Judicial Eviction Chapter 24 of T.P.C.
 - Authorizes suit in Justice Court for possession
 - Appropriate when tenant holdover after termination of:
 - right to possession after expiration of lease term
 - right to possession for default



- Judicial Eviction Elements
 - Default gave rise to landlord's right to terminate tenant's possession
 - Landlord gave notices required under lease



- Judicial Eviction Elements (cont.)
 - Proper notice to vacate and quit under Section 24.005
 - Landlord had right to terminate and exercised it
 - -Tenant's refusal to surrender



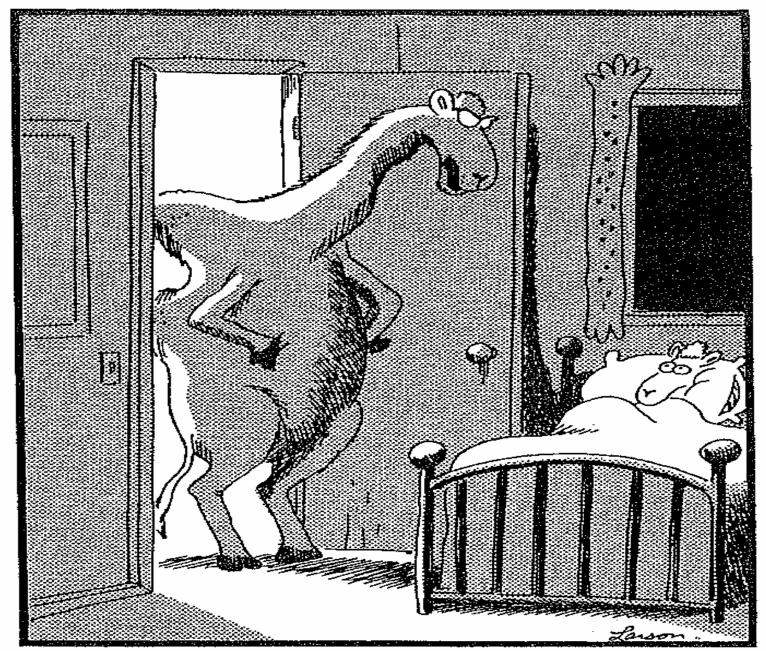
- Judicial Eviction Appeal
 - -Trial de novo to County Court

Not limited to jurisdictional limits of Justice Court

Award of attorneys' fees

-No further appeal unless residential





"Again? You just had a glass of water 12 days ago."

Res Judicata & Collateral Estoppel

General Rule

- Prevents relitigation of claims that have been or should have been litigated
- Prevents relitigation of issues that have been resolved in prior suit

Res Judicata & Collateral Estoppel

Exception

 Forcible detainer does not bar subsequent claims between landlord and tenant, other than possession





Liens

- Contractual Liens
 - Must be in lease and meet requirements of Section 54.043 of the T. P.C.
 - -Subject to Article 9 of T.B.O.C.
 - May foreclose without judicial proceedings and lack of personal property exemptions



Liens

- Statutory Liens
 - Statutory lien to secure payment for rent due or to become due
 - Attaches to all non-exempt personal property of tenant in the building
 - Must be enforced by distress warrant



Abandoned Property

- Writ of possession
- Section 93.002 of T.P.C.
 - -Presumption of abandonment
 - 60 days from date property is stored





Contact Information



Lee A. Collins
Shareholder
4265 San Felipe, Suite 1200
Houston, Texas 77027

Telephone: 832.615.4282 email: Icollins@boyarmiller.com www.boyarmiller.com