

COVID-19 Real Estate Considerations



If You Lease:

- Your obligation to pay rent and fulfill your obligations hasn't disappeared. Have an open dialogue with your Landlord. Remember that Landlord's are affected by this too and they have obligations to investors and lenders. However, it should be in everyone's best interest for both parties to come out of this with their head above water. While each situation is different, we're finding Landlord's are generally open to discussion.
- If you choose to ask for relief, a give and take should be expected. Be careful when evaluating any conditions a Landlord may impose to a concession; e.g. are they asking you to give up a right you currently have in your lease?
- Make sure all agreements are in writing and signed by Landlord and Tenant.



If You Own Your Building:

- If you're in a condo association your assessments remain due. These assessments are largely to fund the maintenance and upkeep, and possibly utilities, of the Association property.
- If you own outright and have an untimely significant capital need (roof or HVAC) consider all options. For example, could you defer a roof replacement by making a repair and obtaining a short term warranty? Alternatively, as subcontractors see demand decrease, there could be a cost savings opportunity in the near future to get repairs/replacements/remodels completed.



If You Have a Loan on Your Building or Finish Out:

- Much like a lease, have an open discussion with your lender. Share what you're able to do and ask them how they can help.



What to Expect:

- Landlords and lenders will want to know what steps you've taken before coming to them. Did you apply for a PPP loan? Have you exhausted all options? Have a plan and a specific request; not an open ended handout request.