

What should commercial tenants do to prepare for the effects of coronavirus?

Updated as of March 6, 2020:

Commercial tenants should check in with their landlord and property management personnel regarding operational procedures related to coronavirus safety. Landlords may be required to clean and maintain common spaces and surfaces, and commercial tenants should ensure that their landlord has a reasonable plan in place to respond to coronavirus, such as by regularly disinfecting common surfaces like doorknobs and elevator buttons. Tenants should also review their leases relating to tenant improvement projects because coronavirus may cause significant disruptions to construction supply chains and, as a result, contractors may be unable to complete improvement projects on time or without cost overruns. Similarly, coronavirus may cause delays or complications to various key dates in a lease, such as move-ins, move-outs, and delivery dates. Tenants should review their leases to understand what flexibility they have in terms of timing, as well as the consequences of any deadlines missed due to coronavirus. Finally, landlords may elect to reduce service, shutdown or restrict access to buildings. Accordingly, commercial tenants should (1) communicate with their landlords to understand what precautions and protocols may be implemented in response to coronavirus and (2) review their leases to take cognizance of what rights their landlords may have to access the leased premises, restrict access to the building, impose security rules and regulations or even shutdown the building entirely.