

1 **ENGROSSED**

2 **H. B. 2054**

3  
4 (By Delegate Shott)

5 [Introduced January 14, 2015; referred to the  
6 Committee on the Judiciary.]  
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11 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
12 designated §37-6-31, relating to the right of the landlord of commercial premises to terminate  
13 the lease under certain circumstances and providing a process for the termination.

14 *Be it enacted by the Legislature of West Virginia:*

15 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new  
16 section, designated §37-6-31, to read as follows:

17 **ARTICLE 6. LANDLORD AND TENANT.**

18 **§37-6-31. Landlord’s right to terminate lease of commercial premises if tenant fails to use**  
19 **premises for agreed purpose.**

20 (a) With respect to commercial property comprised of multiple units and intended to be  
21 occupied by more than one commercial tenant, a landlord has the right to terminate a tenant’s lease  
22 even if the tenant is paying rent in accordance with the terms of the lease if:

1           (1) The lease specifies a commercial purpose for which the leased property is to be used by  
2 the tenant; and

3           (2) (A) The tenant fails to commence using the leased property for the purpose specified in  
4 the lease with the intent to suppress competition; or

5           (B) Commences using the leased property for a purpose different than that which is specified  
6 in the lease and to which the landlord has not agreed in writing; and, if

7           (3) The period of nonuse or unpermitted use continues for at least sixty consecutive days  
8 following delivery of a written demand from landlord for tenant to commence using the leased  
9 property for the purpose specified in the lease; and

10          (4) The nonuse or unpermitted use by the tenant has an adverse economic effect upon  
11 landlord and at least one of the landlord's other tenants; and

12          (5) In the case of nonuse, the lease does not expressly permit the tenant to refrain from using  
13 the premises for the purpose specified in the lease nor designate the period during which the nonuse  
14 is permitted.

15          (b) In order to exercise its right to terminate, the landlord shall deliver to the tenant a written  
16 notice of the termination at least sixty days prior to the effective date of the termination.

17          (c) The termination of the lease under the authority of this section operates to extinguish all  
18 of the respective rights and obligations of the parties except the landlord's right to collect all unpaid  
19 rent and other financial obligations of the tenant and all other rights and obligations which would  
20 survive the termination under the express terms of the lease.

21          (d) This section does not replace or limit any other remedy available to the landlord under  
22 the lease or applicable law.

NOTE: The purpose of this bill is to permit a landlord to terminate a lease of a portion of a multitenant commercial property if the tenant fails to use the premises for the purpose specified in the lease, and the tenant's use or nonuse produces an adverse economic effect upon the landlord or another tenant of the property. It establishes a procedure for notifying the tenant and allows the tenant time to commence using the premises for its agreed purpose. It also requires the landlord to notify the tenant of the termination of the lease if the tenant fails to commence using the premises within the specified time.

This section is new; therefore, it has been completely underscored.