

2026 Highlights

● **Alabama: Tenant estopped under Alabama law from challenging lease.** In *Hembree Insurance Trust v. Maples Industries, Inc.*, --- So.3d ----, 2025 WL 1085479 (2025), the landlord, the sole member of a limited liability company (LLC) that owned leased property, filed an action for breach of lease against a commercial tenant. The action was based on the tenant's failure to repair or replace the roof. The Circuit Court granted summary judgment in favor of the tenant and the landlord appealed. The Alabama Supreme Court held that the tenant was estopped under Alabama law from challenging the lease on the basis that the landlord was named as lessor, even though the property was owned by the LLC and not the landlord.

● **California: Landlords owed no duty of care to motorcyclist.** In *St. John v. Schaeffler*, 109 Cal.App.5th 1146, 331 Cal.Rptr.3d 122 (2025), a deceased motorcyclist's widow brought a negligence action against owners of property where the tenants were raising pigs. The widow alleged that the owners were liable for the motorcyclist's fatal crash which began when the motorcycle hit an escaped pig on a nearby road. The property owners, who were out-of-possession landlords to the tenants, moved for summary judgment on the ground that they owed no duty of care to the motorcyclist. The Superior Court granted the summary judgment motion, and widow appealed. The Court of Appeal affirmed, holding that the landlords did not owe a duty to the motorcyclist during the tenancy. Moreover, the landlords did not owe a duty to the motorcyclist at the moments in time when their lease with the tenants was renewed.

● **Connecticut: Tenant had exclusive possession and control of subject lighting fixture.** In *Duclos v. Hayes*, 234 Conn.App. 439, 344 A.3d 294 (2025), a visitor brought a premises liability action against the property owner, alleging she sustained injuries from a trip and fall due to defective lighting on the front porch stairway of a rental property. The Superior Court granted the owner's motion for summary judgment and the visitor appealed. The Appellate Court held that the trial court erred in failing to provide an oral or a written statement of the decision containing its conclusion as to each claim of law raised by the

parties and the factual basis therefor. The Appellate Court would consider the visitor's claims on the merits. The lighting fixture was installed and operational in the external entryway to the rental property at all relevant times. The tenant of the rental property, and not the property owner, retained exclusive possession and control of the light switch that operated the lighting fixture above the external entryway.

- **Florida: Tenant contractually required to arbitrate premises liability claims.** In *Mid-America Apartments, Ltd. v. Tracz*, 419 So.3d 1227 (2025), a tenant of residential property brought a premises liability negligence action against the landlords. The tenant alleged that he was injured on leased property while attempting to move, from an adjacent boat slip, boat that the landlord had relocated from the tenant's rented boat slip to the adjacent slip. The District Court of Appeal held that the tenant was contractually required to arbitrate his premises liability claims against the landlords. The arbitration clause in the residential lease agreement expressly included future personal injury claims arising from or relating to the lease or tenant's use of the property, which was defined in lease as the entire apartment complex and specified the rented residential unit and additional rentable item of a certain boat slip within the complex.

- **Georgia: Entry of order confirming arbitration award premature.** In *Cerium Urgent Care, LLC v. GASM, LLC*, 375 Ga.App. 148, 914 S.E.2d 656 (2025), a commercial landlord brought an action against a tenant and a guarantor, after the tenant disputed the calculation of the building's operating expenses and refused to pay the pro rata share of such expenses, as required by the lease. After the parties reached a settlement providing that the case would be administratively closed without prejudice and the parties arbitrated a subsequent operating expense dispute pursuant to the terms of that settlement, the State Court granted the landlord's motion to confirm the arbitration award. The tenant and guarantor appealed. The Court of Appeals held that the trial court's entry of the order confirming the arbitration award was premature. The tenant and guarantor had not yet received the statutorily prescribed time to respond to the landlord's motion to confirm the arbitration award, which was 30 days from service of the motion, plus an additional three days because the motion was served by email. Ga. Code Ann. &s 9-11-6(e) 9-11-12(a); Ga. Unif. Super. Ct. R. 6.2

- **Hawaii: Lease between landowner and developer held unenforceable.** In *Moloaa Farms LLC v. Green Energy*

HIGHLIGHTS

Team LLC, 157 Hawai'i 175, 575 P.3d 808 (2025), a landowner filed a complaint against a developer for breach of contract and specific performance. The landowner alleged that the developer failed and refused to execute a lease after exercising the lease option. When this case reached the Hawaii Supreme Court on appeal, it was held that the option agreement and proposed lease were facially ambiguous as to how the lease's effective date was to be determined. Therefore, parol evidence could be considered to explain the ambiguity. The circuit court did not err in finding that the missing effective date in the proposed lease rendered the lease unenforceable. Moreover, the blanks in the lease where biomass prices were to be entered rendered the lease unenforceable. The lease was unenforceable on the basis that neither the landowner nor the developer intended to be automatically bound.

- **Illinois: Landlord did not waive right to terminate lease.** In *Ventus Holdings, LLC v. Raddle*, 2025 IL App (1st) 241169, 265 N.E.3d 433, 485 Ill.Dec. 58 (2025), a landlord brought an eviction action against a tenant receiving rental housing support. The landlord sought possession of the rental property after the tenant failed to vacate when the lease was not renewed. The Circuit Court denied the tenant's motion for summary judgment. After a bench trial, the tenant's affirmative defense was denied. An eviction order was entered in favor of the landlord. The tenant's motion to reconsider was denied and the tenant appealed. The Appellate Court held that the tenant failed to demonstrate that the Rental Housing Support Program Act prevented the landlord from not renewing the tenant's lease except for good cause. The landlord demonstrated good cause for the residential tenant's eviction. The landlord did not waive the right to terminate the lease.

- **Illinois: Lease assignee not party to separate co-tenant agreement between assignor and co-tenant containing rent acceleration clause.** In *Paper Source LLC v. Sugar Beets, Inc.*, 2025 IL App (1st) 231878, 263 N.E.3d 46, 484 Ill.Dec. 192 (2025), the assignee of a now-defunct tenant's interest in a 12-year joint commercial lease brought suit against the co-tenant for breach of contract or breach of implied contract. The assignee sought to enforce the rights and remedies under the co-tenant agreement and joint lease. The assignee asked for \$3.6 million in accelerated rent, after the co-tenant stopped making timely payments to the landlord and the assignee settled the landlord's notice of default. The Circuit Court dismissed the action and the assignee appealed. The Appellate Court affirmed, holding that the

lease assignee was not a party to the separate co-tenant agreement between the assignor and the co-tenant that contained the acceleration clause. The co-tenant had not acted in a manner that ratified the co-tenant agreement containing the rent acceleration clause. The lease agreement between the landlord and the tenants was not inseparable from the co-tenant agreement between the tenants. Finally, the co-tenant's actions by the co-tenant to joint commercial lease did not indicate its agreement to abide by the acceleration clause.

- **Louisiana: Lease held not perpetual and therefore, not invalid.** In *Shreveport Bolt and Screw Co., Inc. v. Access.1 Communications Corp.*-NY, 417 So.3d 1206 (2025), a corporate landowner, through its officers and shareholders, filed a petition for declaratory judgment against a lessee. The corporate landowner sought judgment declaring the lease signed by the independent administrator of the estate of the landowner's president and owner, which she had allegedly signed on behalf of landowner, was an absolute nullity. The Louisiana Court of Appeal held that the lease was not perpetual. Thus, it was not invalid. In so holding, it was observed that a "lease" is a synallagmatic contract by which one party, the lessor, binds himself or herself to give to the other party, the lessee, the use and enjoyment of a thing for a term in exchange for a rent that the lessee binds himself or herself to pay. The lease contract itself is law between parties; it defines their respective rights and obligations so long as agreement does not affect rights of others and is not contrary to public good. La. Civ. Code Ann. art. 1983 In this case, the lease agreement between the lessee and the independent administrator of the estate of the corporate landowner's president and owner, who purportedly signed the lease on the landowner's behalf, was not perpetual, and therefore, was not invalid. The primary term of the lease was five years and included four additional five-year option periods. With the exercise of all four option periods, the lease extended to 25 years and would not exceed the statutory 99-year maximum. La. Civ. Code Ann. arts. 2678, 2679 The Court of Appeal also opined that perpetual leases are disfavored by the law and are void from their inception.

- **Kansas: Landlord has duty under RLTA to provide habitable housing to tenant.** In *Washburn South Apartments LLC v. Hession*, 65 Kan.App.2d 626, 570 P.3d 1268 (2025), a landlord brought an action against a tenant for eviction and collection of unpaid rent. The tenant filed two counterclaims under the Residential Landlord Tenant Act (RLTA). The tenant alleged

HIGHLIGHTS

that the landlord breached its warranty of habitability and that the landlord's attempt to evict the tenant was in retaliation for her reporting code violations to the city. Following a bench trial, the District Court granted judgment in favor of the landlord and the tenant appealed. The Kansas Court of Appeals held that the tenant's renewal of the lease, which accepted the apartment "as is," did not relieve the landlord of its duty under the RLTA to provide habitable housing. Moreover, the record did not support the trial court's conclusion that the tenant had not provided any evidence of damages. Finally, the landlord's refusal to accept the offer of a rental payment on behalf of the tenant during the statutory three-day window following notice of eviction raised a question of fact as to whether the landlord was carrying out its implicit duty of good faith.

- **Maryland: Landlord not allowed to file tenant holding over action for breach due to failure to pay rent.** In *Copinol Restaurant, Inc. v. 26 North Market LLC*, 491 Md. 246, 339 A.3d 873 (2025), a commercial landlord brought a tenant holding over action after a restaurant tenant failed to vacate the premises following the landlord's termination of the lease and written notice to vacate. When the case reached the Maryland Supreme Court on appeal, it was held that where a tenant occupies property pursuant to a lease for a term, the tenant holding over statute applies only where the lease has "expired" by lapse of time. The lease did not allow the landlord to file a tenant holding over action in the event of a breach for failure to pay rent.

- **New York: Property owner established standing to maintain holdover proceeding against resident.** In *Hyacinth Green Irrevocable Living Trust by Green v. Green*, 239 N.Y.S.3d 794 (2025), a property owner, which was a trust administered by a trustee, commenced a holdover proceeding against a resident seeking possession of a basement apartment in a two-family dwelling based on termination of an alleged oral month-to-month rental agreement. A trial was held and the Civil Court of the City of New York held that the resident's tenancies of first floor apartment, and later basement apartment, were initially oral tenancies at will. Under the statute of frauds applicable to leases in the city, the resident's oral tenancies at will ripened into month-to-month tenancies. The property owner's 90-day written notice of termination of the resident's month-to-month tenancy was appropriate, thus entitling the owner to possession of the premises. The resident did not prove a current ownership interest in

property. Therefore, the resident was precluded from raising the equitable defenses of collateral estoppel, res judicata, estoppel or unclean hands. The Civil Court of City of New York had jurisdiction to determine that the property owner established standing to maintain a holdover proceeding against the resident.

- **New York: Summary nonpayment proceedings dismissed where no relationship between receiver and tenant.** In *Kasdon v Cabrera*, 87 Misc.3d 566, 234 N.Y.S.3d 913, 2025 N.Y. Slip Op. 25112 (2025), it was held that the trial court order appointing a receiver and authorizing him to bring a summary proceeding against a condominium owner did not create a jurisdictional basis for the receiver's summary nonpayment proceeding. Under New York law, the housing court has subject matter jurisdiction over summary nonpayment proceedings commenced by a duly appointed receiver to collect rent arrears that have accrued pursuant to an agreement to pay rent. N.Y. City Civil Court Act &s 204; N.Y. RPAPL &s 711, 713, 721 The receiver did not have the right to maintain a summary nonpayment proceeding for unpaid rents solely because of his status of receiver. Summary nonpayment proceedings to recover possession of real property commenced in housing court are a statutory creation which are governed almost entirely by the Real Property Law. N.Y. RPAPL &s 701 et seq. While a receiver may maintain a summary nonpayment proceeding where circumstances allow, a summary nonpayment proceeding must be supported by an agreement to pay rent under which the premises are held. N.Y. RPAPL &s 711(2) To maintain a summary nonpayment proceeding in housing court against a tenant, there must be some relationship between the petitioner and the tenant within the purview of the statute justifying the entertainment of the suit by the civil court. N.Y. RPAPL &s 701 et seq.

- **North Dakota: Whether farm tenant waived right to renew lease held to be jury issue.** In *Juliuson v. Johnson, Trustee of Barbara R. Johnson Revocable Trust*, 24 N.W.3d 385, 2025 ND 139 (2025), a longtime farm tenant brought an action against farm owners, a subsequent purchaser, and the purchaser's broker after the farm owners refused to renew the farm tenant's lease. They sold the farm to a subsequent purchaser. The farm tenant asserted claims for breach of contract, breach of implied covenant of good faith and fair dealing, declaratory judgment, reformation, specific performance, unfair sales practices, intentional interference with contract, and deceit. The case eventually worked its way through the trial and appellate courts, with the

HIGHLIGHTS

North Dakota Supreme Court holding that the issue of whether the farm tenant waived his right to renew the lease, and thus whether the landlord did not breach the lease's option to renew, was for the jury. Furthermore, it was determined that the tenant lacked any independent claim against the landlord for breach of the implied covenant of good faith and fair dealing separate from claim for breach of contract, absent any showing of separate tortious conduct. Finally, the farm tenant lacked any claim against the landlord for deceit, absent evidence of a tort independent from the tenant's breach of contract claim.

- **Oregon: Court of Appeals addresses definition of landlord in ORLTA.** In *Holt v. Nicoletti*, 341 Or.App. 748, 575 P.3d 209 (2025), a subtenant brought an action against owners of leased property under the Oregon Residential Landlord Tenant Act (ORLTA). The action was based on the tenant locking the subtenant out and removing the subtenant's personal property from the leased property. The Circuit Court granted the subtenant's motion for partial summary judgment. Following a jury trial, the Circuit Court entered judgment in favor of the subtenant. On the owners' appeal, the Oregon Court of Appeals held that the use of the word "or" in the ORLTA definition of a landlord, stating that a landlord means the "owner, lessor or sublessor" of the dwelling unit, building, or premises, is inclusive. It further determined that the common-law concepts of privity of contract and privity of estate did not preclude the owners from being "landlords" under the ORLTA.

- **South Carolina: Landlord held to have authority to evict tenants.** In *Rivers v. Smith*, 446 S.C. 293, 919 S.E.2d 545 (2025), the South Carolina Supreme Court held that the parties had a landlord-tenant relationship. Therefore, the landlord had the authority to evict the tenants. In an eviction proceeding, if the magistrates court finds that a landlord-tenant agreement exists between the parties, then the magistrate may proceed to determine whether the tenant breached the agreement and, if so, whether eviction is warranted. S.C. Code Ann. &s 22-3-20(2) In this case, there was no written agreement and the tenants did not pay rent. One tenant testified that they entered into an oral agreement with the prior owner to allow them to live on the property. The purchaser became the landlord under the oral agreement when he took title to the property, and the tenants continued to live on the property without challenging the landlord's ownership of the property. S.C. Code Ann. &ss 22-3-20(2), 27-35-10, 27-40-310(d)