

## NEW NTCAR COMMERCIAL LEASE FORM

By

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The North Texas Commercial Association of Realtors® ("NTCAR") has revised all of the NTCAR forms this year. If you are a Realtor member of NTCAR, you can access the forms by using the ZipForm software for free by going to [www.texasrealestate.com](http://www.texasrealestate.com).

If you are a Professional member of NTCAR, you can access the forms through the WinAIR software. There are small charges for using the WinAIR software when you finalize the forms and remove the "Draft" mark. An advantage of the WinAIR system is that you can add text to the form. We have been reluctant to allow the addition of text, but we allow it now because the WinAIR system makes it obvious that the text was added.

Now even Non-Members may obtain the NTCAR contracts through WinAIR, but NTCAR members get to use the forms for half price. The link the NTCAR web site page about the forms is <http://ntcar.org/resources/commercial-real-estate-forms-contracts> If you have any questions about the new forms or software, you may contact NTCAR at (214) 638-5525.

The ZipForm software and the WinAIR software include all of NTCAR's commercial forms. The rest of this article is about the changes we made to the new form of Commercial Lease Agreement that replaces the previous version of the form. Look for another article about the new Commercial Contract of Sale form in the future.

Some of the more substantive changes to the Commercial Lease Agreement form are:

A Base Rent Payment Schedule was moved to the body of the form in Section 1.06. The previous form allowed for a Base Rent Payment Schedule Addendum to be attached if needed. The NTCAR Forms Committee decided that it would be better to have the schedule in the first part of the Lease, because many leases have graduated amounts of Base Rent over the term of the Lease.

The expense reimbursement provisions of a previous Addendum were moved to the body of the form. This substantially expanded the first part of the Lease, but having these provisions in the body of the Lease may cause people to better focus on how expenses are to be allocated between the Landlord and the Tenant.

A new Construction of Improvements by Tenant Addendum was added. The old Construction of Improvements Addendum was modified and renamed "Construction of Improvements by Landlord." So now there

are two construction addenda available for use, depending on the terms of the particular lease.

A new Rooftop Lease Addendum was added to allow users to address situations where the Tenant has the right to use the roof of the building for antennas, solar panels, or other purposes.

A new Parking Addendum was added to allow users to address parking issues in more detail.

Blanks were added in the liability insurance provisions to allow some flexibility as to the amounts of insurance the Tenant is required to carry.

Some additional provisions and choices were added pertaining to HVAC services and operating hours of the Property.

Some language was added to state that if the Tenant does not deliver an Estoppel Certificate to Landlord in a timely manner then Tenant's failure to do so will constitute a Default under the Lease.

Many other changes to the Commercial Lease Agreement form were made to clarify some language and make the form easier to read.

A number of brokers and attorneys provided valuable input and work on the new form. Bill Roth is an attorney and a real estate professional who is Chairman of the NTCAR Forms Committee, and his insight and attention to detail were invaluable in connection with the revision of the NTCAR forms. Brian Jetty is the Executive Officer of NTCAR, and his support in the revision of the NTCAR forms is gratefully acknowledged.



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