## Kimball, Tirey & St. John LLP

## **Commercial UD vs. Breach of Lease**

Tiffany Truong, Esq.

## February 2021

If a commercial tenant has failed to make payments under the lease, there are two types of lawsuits that can be filed against them. Here are the major differences between them.

Commercial Unlawful Detainer	Breach of Lease & Guaranty
<ul> <li>Used primarily to regain possession of the property</li> </ul>	<ul> <li>Used primarily to obtain a money judgment</li> </ul>
<ul> <li>No recovery for future rent. Recovery for unpaid amounts will be limited to amounts due up through the judgment date or the sheriff's lockout date</li> </ul>	<ul> <li>Judgment can include future rent amounts if the tenant has vacated</li> </ul>
<ul> <li>Will not be filed against guarantors who are not in possession of the property</li> </ul>	<ul> <li>Can seek recovery against guarantors and assignors</li> </ul>
Case has priority, and shorter timeframes for all aspects of the case	Case not entitled to priority, so it may take a year or more to complete

Sometimes both types of cases are necessary; an eviction is used primarily to regain possession of the property and a breach of lease action is filed to recover additional amounts due under the lease after the tenant vacates.

Before starting a case, consult with an attorney experienced in commercial landlord/tenant issues to decide which is best for your situation. KTS has decades of experience working for landlords and we have attorneys throughout California available to assist you.

For additional information or assistance, contact Attorney:

Tiffany Truong at (800) 577-4587 or <u>tiffany.truong@kts-law.com</u> for Los Angles matters Cynthia Stelzer at (800) 574-5587 or <u>cynthia.stelzer@kts-law.com</u> for San Diego matters Abel Ortiz at (800) 564-6611or <u>abel.ortiz@kts-law.com</u> for Orange County and Inland Empire matters

Kenneth Schnur at (800) 525-1690 or <u>kenneth.schnur@kts-law.com</u> for Northern California matters

Kimball, Tirey & St. John LLP is a full service real estate law firm representing residential and commercial property owners and managers. This article is for general information purposes only. While KTS provides clients with information on legislative changes, our courtesy notifications are not meant to be exhaustive and do not take the place of legislative services or membership in trade associations. Our legal alerts are provided on selected topics and should not be relied upon as a complete report of all new changes of local, state, and federal laws affecting property owners and managers. Laws may have changed since this article was published. Before acting, be sure to receive legal advice from our office. For contact information, please visit our website: <u>www.kts-law.com</u>. For past Legal Alerts, Questions & Answers, and Legal Articles, please consult the resource section of our website.