**515B.2-107 DECLARATION OF LEASEHOLD COMMON INTEREST COMMUNITIES.**

(a) Any lease the expiration or termination of which may terminate the common interest community or reduce its size, or a memorandum thereof, shall be recorded. The declaration of a leasehold common interest community shall include:

(1) the recording data for the lease, or the memorandum of lease, and a statement of where the complete lease may be inspected if only a memorandum is recorded;

(2) the date on which the lease expires;

(3) a legally sufficient description of the real estate subject to the lease;

(4) any right of the unit owners to purchase the lessor's interest in the lease and the procedure for exercise of those rights, or a statement that they do not have those rights;

(5) any right of the unit owners to remove any improvements within a reasonable time after the expiration or termination of the lease, or a statement that they do not have those rights; and

(6) any rights of the unit owners to renew the lease and the conditions of any renewal, or a statement that they do not have those rights.

(b) After the declaration of a leasehold condominium or leasehold planned community is recorded, neither the lessor who has joined in the declaration nor any successor in interest may terminate the leasehold interest of a unit owner who makes timely payment of the unit owner's share of the rent and otherwise complies with all covenants which, if violated, would entitle the lessor to terminate the lease. A unit owner's leasehold interest in a condominium or planned community is not affected by failure of any other person to pay rent or fulfill any other covenant.

(c) Acquisition of the leasehold interest of any unit owner by the owner of the reversion or remainder does not merge the leasehold and fee simple interest unless the leasehold interest of all unit owners subject to that reversion or remainder are acquired.

(d) If the expiration or termination of a lease decreases the number of units in a common interest community, the allocated interests shall be reallocated in accordance with section 515B.1-107 as if those units had been taken by eminent domain. Reallocations must be confirmed by an amendment to the declaration prepared, executed, and recorded by the association.

**History:** *1993 c 222 art 2 s 7*