

# Updates on Coronavirus Disease (COVID-19)

## US Commercial Real Estate: Current Observations on the Impact of COVID-19

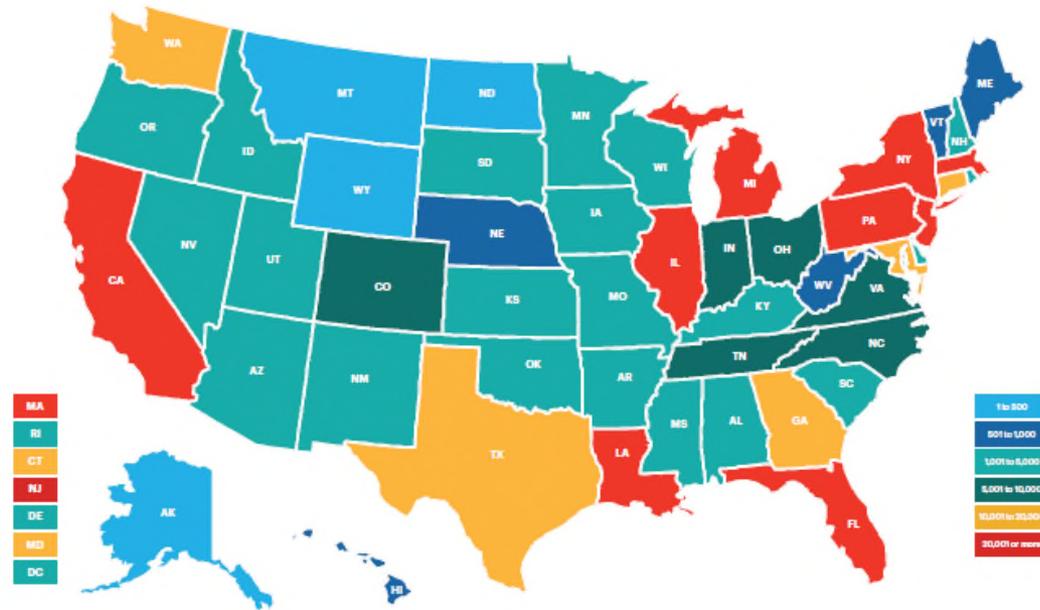
April 17, 2020

# Policy Update



**David C. Quam**  
Counsel, Washington, DC  
D+1 202 496 7220  
[david.quam@dentons.com](mailto:david.quam@dentons.com)

# Coronavirus Disease (COVID-19) in the US



Total cases: 629,264  
 Total deaths: 26,708  
 Total recovered: 47,763

## States with confirmed and presumptive positive cases of COVID-19:

### 1 to 500

- Alaska
- Montana
- North Dakota
- Wyoming

### 501 to 1,000

- Hawaii
- Maine
- Nebraska
- Vermont
- West Virginia

### 1,001 to 5,000

- Alabama
- Arizona
- Arkansas
- Delaware
- Idaho
- Iowa
- Kansas
- Kentucky
- Minnesota
- Mississippi
- Missouri

- Nevada
- New Hampshire
- New Mexico
- Oklahoma
- Oregon
- Rhode Island
- South Carolina
- South Dakota
- Utah
- Washington DC
- Wisconsin

### 5,001 or 10,000

- Colorado
- Indiana
- North Carolina
- Ohio
- Tennessee
- Virginia

### 10,001 to 20,000

- Connecticut
- Georgia
- Maryland

- Texas
- Washington
- 20,001 or more**
- California
- Florida
- Illinois
- Louisiana
- Massachusetts
- Michigan
- New Jersey
- New York
- Pennsylvania

Date updated: April 16, 2020

Source: Johns Hopkins Coronavirus Resource Center: US Map; <https://coronavirus.jhu.edu/us-map>

# US Commercial Real Estate: Current Observations on the Impact of COVID-19

## US Real Estate Practice Co-Chairs



**John L. Snyder**  
Partner, Kansas City  
john.snyder@dentons.com  
D+1 816 460 2668

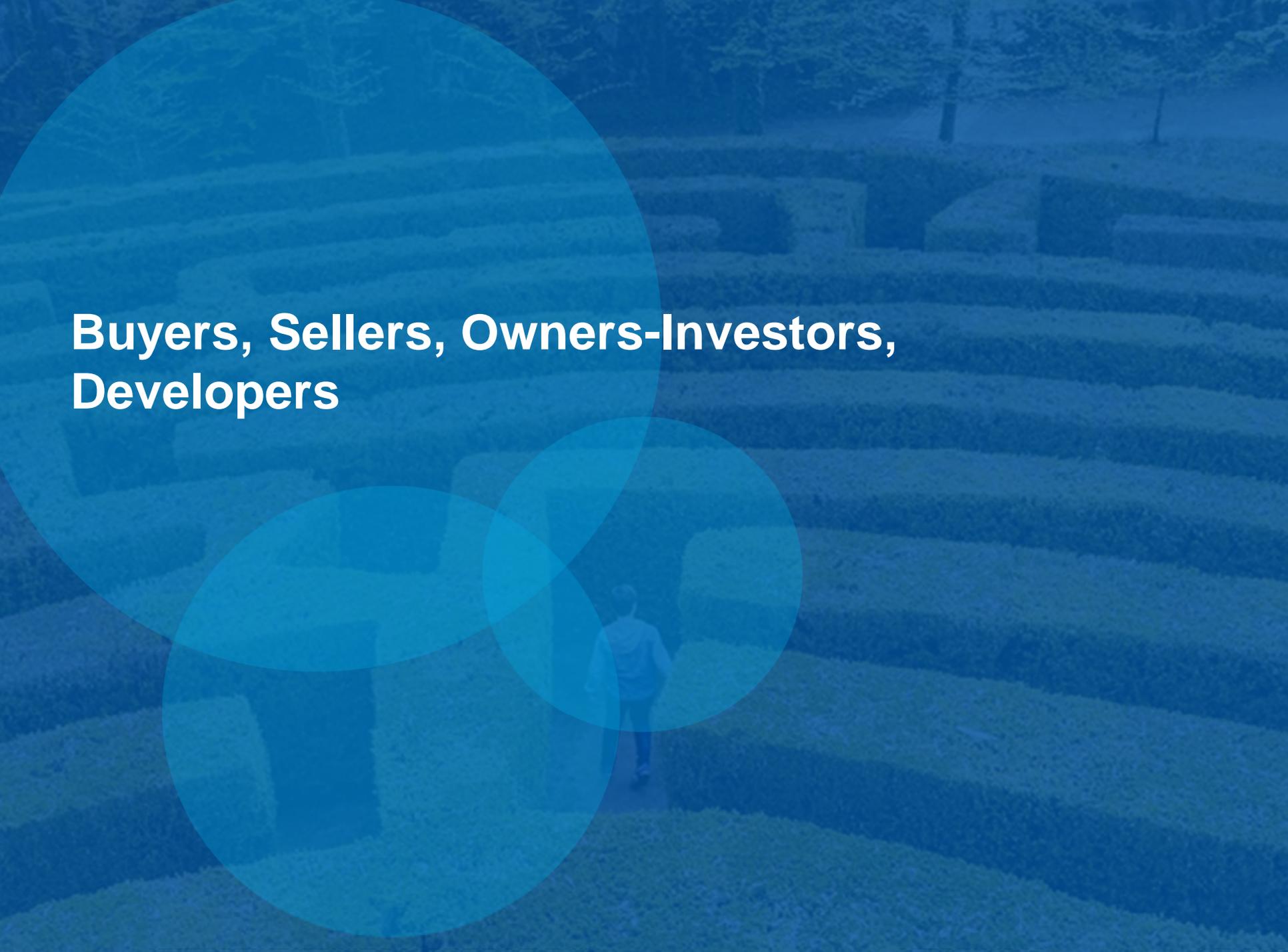


**Tandy C. Patrick**  
Partner, Louisville  
tandy.patrick@dentons.com  
D+1 502 587 3512



**William R. Taxay**  
Shareholder, Pittsburgh  
william.taxay@dentons.com  
D+1 412 297 4925

# Overview

A blue-tinted photograph of a maze with a person walking through it. The image is overlaid with three overlapping circles of varying shades of blue. The text is positioned in the upper left quadrant, within the largest circle.

**Buyers, Sellers, Owners-Investors,  
Developers**

# Buyers, Sellers, Owners-Investors, Developers

Existing Purchase  
Contracts

Failures of Closing  
Conditions

Due Diligence Issues

- Third Party Deliverables
- Appraisals

# Buyers, Sellers, Owners-Investors, Developers

## Logistical Issues

- Recorders Offices
- Notaries

Land Use Issues  
Need for Public  
Meetings

Development and  
Construction

# Buyers, Sellers, Owners-Investors, Developers

Re-thinking  
Use of Space

Buyer  
Opportunities

Operational  
Issues

# Landlords and Tenants

# Landlords and Tenants

Failure to Pay Rent

Requests for Rent  
Relief from Tenants

Force Majeure /  
Frustration of Purpose

# Landlords and Tenants

Additional Lease  
Issues

Landlord /  
Landlord's Lender  
Requirements

The background of the slide features a repeating pattern of US dollar bills, tilted at an angle. The bills are rendered in a dark green color. Several names of presidents are visible on the bills: "GRANT", "JACKSON", "HAMILTON", "LINCOLN", and "WASHINGTON". Overlaid on this background are several semi-transparent green circles of varying sizes. The largest circle is on the left side, and it overlaps with several smaller circles. The text "Lenders and Borrowers" is centered within the largest circle in a white, bold, sans-serif font.

# Lenders and Borrowers

# Lenders and Borrowers

Construction Loans  
vs. Term Loans

Covenant Defaults  
(Fed Guidelines on  
Appraisals)

Material Adverse  
Change /  
Force Majeure

# Lenders and Borrowers

Modifications of  
Existing Loans:  
Lender  
Requirements

Product Type:  
Multifamily vs.  
Hotel vs. Retail vs.  
Office, etc.

Pre-Negotiation /  
Forbearance

# Lenders and Borrowers

Lender Approval on  
Lease Modifications

Future

- Foreclosures
- Receiverships
- Distressed Assets

Federal Government  
Response

- PPP loans: is senior lender also SBA lender vs. different lender
- Prohibition on additional indebtedness/SPE/guarantor

Questions?