



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

FROILAN C. TENORIO
Governor

JESUS C. BORJA
Lt. Governor

Caller Box 10007
Saipan, MP 96950
Telephone: (670) 664-2200
Fax: (670) 664-2211

AUG. 01 1997

The Honorable Diego T. Benavente
Speaker of the House of Representatives
Tenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

The Honorable Jesus R. Sablan
President of the Senate
Tenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

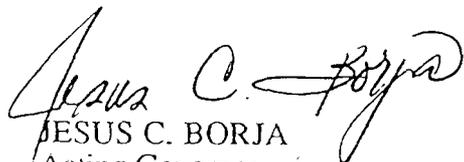
This is to inform you that I have signed into law House Bill No. 10-287, SS1 ("H.B. 10-287"), entitled "The Holdover Tenancy Act," which was passed by the Tenth Northern Mananas Commonwealth Legislature.

The enactment of H.B. 10-287 provides landlords with a much needed legal mechanism necessary to take timely action against tenants who fail to leave their leased premises upon the conclusion of their lease term. I fully agree with the Legislature that leasehold related actions should not be relegated to drawn out breach of contract actions.

Notwithstanding the fact that I am signing H.B. 10-287 into law, I am not convinced that this particular bill is the best possible law that could have been enacted to provide landlords with prompt legal relief while preserving the rights of their tenants. I would have preferred the Legislature to have considered enacting a comprehensive Landlord-Tenant Act. Such an act would be an invaluable tool that could cover all residential and commercial leases and be structured not only to include "holdover" situations (as is provided in H.B. 10-287), but would also provide statutory rights, remedies and relief for all landlord-tenant matters. However, as problems may arise with regard to H.B. 10-287's implementation, I am confident that the Legislature will further consider amending this law as may be necessary to provide a fair balance between tenants' and landlords' rights and remedies.

H.B. 10-287 becomes Public Law No 10-67.

Sincerely yours,


JESUS C. BORJA
Acting Governor

HOUSE OF REPRESENTATIVES

TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
THIRD SPECIAL SESSION, 1997

PUBLIC LAW NO. 10-67
HOUSE BILL NO. **10-287, SS1**

AN ACT

To provide a summary procedure for eviction of a holdover tenant or lessee and for granting of immediate possession of the property to the lessor or landlord; and for other purposes.

Offered by Representatives: David M. Apatang,
Oscar M. Babauta, Diego T. Benavente, Crispin I. Deleon Guerrero, Rosiky F. Camacho
and Pete P. Reyes

Date: September 12, 1996

HOUSE ACTION

Referred to: Committee on Natural Resources

Standing Committee Report: None

First and Final Reading: February 21, 1997

Accepted Senate Amendments: June 11, 1997

SENATE ACTION

Standing Committee Report: None

Second and Final Reading: April 2, 1997


Evelyn Clefken
House Clerk

TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

PUBLIC LA NO, 10-67
H. B. NO. 10-287, SS1

SECOND REGULAR SESSION, 1996

AN ACT

To provide a summary procedure for eviction of a holdover tenant or lessee and for granting of immediate possession of the property to the lessor or landlord; and for other purposes.

BE IT ENACTED BY THE TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 Section 1. Short Title. This Act shall be known as "The Holdover Tenancy Act."

'2 Section 2. Findings and Purpose. The outright sale of real property being restricted as
3 a matter of public policy and as a constitutional mandate, the leasehold transaction over real
4 estate has become the most common economic activity that spurs investments from both
5 foreign and local sources. It has been observed, however, that lessors encounter delays in
6 evicting holdover tenants after the termination of the lease or breach of the lease agreement.
7 Currently, an action for eviction of a holdover tenant must be filed as a breach of contract
8 complaint, in which the landlord or lessor incurs court costs and attorney's fees. This legal
9 remedy can take months and even years, before a tenant is evicted from the leased premises
10 and the landlord or lessor is restored to possession. These prolonged proceedings are an unfair
11 denial of the landlords right to possession and result in considerable court costs and legal fees
12 which are borne by the landlord. The purpose of this act is to provide for a prompt and fair
13 summary procedure for the eviction of a holdover tenant from the leased premises

14 Section 3. Application of this Act. This Act shall not apply to any lease agreement in
15 which the CNMI government, its agencies, or instrumentalities is a party. Nothing in this Act
16 shall be construed as in any manner impairing or affecting the right of the parties to create
17 additional rights, duties, and obligations in and by virtue of a rental agreement. The provisions
18 of this Act shall be in addition to all other rights allowed by law in a creditor-debtor or
19 landlord-tenant relationship.

1 Section 4. Rent; Duration of Tenancies.

2 (a) Unless otherwise agreed, rent is payable without demand or notice; periodic
3 rent is payable at the beginning of each rent payment period; and rent is uniformly
4 apportionable from day to day.

5 (b) If the rent agreement contains no provision as to duration of the tenancy,
6 the duration is determined by the periods for which the rent is payable. If the rent is
7 payable weekly, then the tenancy is from week to week; if payable monthly, tenancy is
8 from month to month; if payable quarterly, tenancy is from quarter to quarter; if
9 payable yearly, tenancy is from year to year.

10 (c) When any tenancy created by an instrument in writing, the term of which is
11 limited, has expired and the tenant holds over in the possession of the premises without
12 renewing the lease by some further instrument in writing then such holding over shall
13 ~~be construed~~ be construed to be a tenancy at sufferance. The mere payment of or acceptance of rent
14 shall not be construed to be a renewal of the term, but if the holding over be continued
15 with the written consent of the lessor then the tenancy shall become a tenancy at will as
16 described in subsection (b) above.

17 Section 5. Termination of Rental Agreement.

18 Unless otherwise agreed, a tenancy may be terminated by either party giving written notice as
19 follows:

20 (a) When the tenancy is from year to year, by giving not less than 60 days'
21 notice prior to the end of the annual period:

22 (b) When the tenancy is from quarter to quarter, by giving not less than 30 days'
23 notice prior to the end of any quarterly period;

24 (c) When the tenancy is from month to month, by giving not less than 15 days'
25 notice prior to the end of any monthly period: and

26 (d) When the tenancy is from week to week, by giving not less than 7 days'
27 notice prior to the end of any weekly period.

28 Section 6. Causes for Removal of Tenants.

29 **Any** tenancy of any houses, buildings, lands or tenements, and the assigns, under tenants or
30 legal representatives of such tenant or lessee, may be removed from the premises in the manner
31 herein after provided in the following cases:

32 (a) Where such person holds over and continues in the possession of the
33 demised premises, or any part thereof, after the expiration of his time, without the
34 permission of the landlord.

1 (b) Where such person holds over without permission as aforesaid, after any
2 default in the payment of rent pursuant to the agreement under which the premises are
3 held, and 3 days' notice in writing requiring the payment of the rent or the possession of
4 the premises has been served by the person entitled to the rent on the person owing the
5 same. The service of the notice shall be by hand delivery of a true copy thereof, or, if
6 the tenant is absent from the rented premises, by leaving a copy thereof at such place.

7 The 3 day notice required of this subsection shall contain a statement in
8 substantially the following form:

9 You are hereby notified that you are indebted to me in the sum
10 of _____ dollars for the rent and use of the premises
11 _____ (address of the leased premises) _____, CNMI, now occupied
12 by you and that I demand payment of the rent or possession of the
13 premises within 3 days (excluding Saturday, Sunday, and legal
14 holidays) from the date of delivery of this notice, to wit: on or
15 before the _____ day _____ of _____, 19____.
16 _____ (landlord's name, address and telephone number) _____.

17 (c) Where such person holds over without permission after failing to cure a
18 material breach of the lease or oral agreement, other than nonpayment of rent, and
19 when 15 days' written notice requiring the cure of such breach or possession of the
20 premises has been served on the tenant. This subsection applies when the lease is silent
21 on the matter or when the lease is an oral one. The notice may give a longer time
22 period for the cure of the breach or surrender of the premises. In the absence of a lease
23 provision prescribing the method for servicing notices, service shall be by hand
24 delivery of a true copy thereof, or, if the tenant is absent from the rented premises, by
25 leaving a copy thereof at such place.

26 Section 7. Remedies; Tenant Holding Over. If the tenant holds over and continues in
27 possession of the premises or any part thereof after termination of the rental agreement without
28 the permission of the landlord, the landlord may recover possession of the premises in the
29 manner provided in Section 8 of this Act. The landlord may also recover double the amount of
30 rent due on the premises, or any part thereof, for the period during which the tenant refuses to
31 surrender possession.

1 Section 8. Summary Possession Proceedings.

2 (a) Pleadings. The landlord or his attorney applying for the removal of any
3 tenant shall file a complaint stating the facts which authorize the removal of the tenant.
4 and describing the premises in the Superior Court in the senatorial district where the
5 premises are situated. All defenses of law or fact shall be contained in the tenant's
6 answer which shall be filed within 5 days after service of process. If the answer
7 incorporates a counterclaim, the landlord shall include all defenses of law or fact in his
8 answer to the counterclaim and shall serve it within 5 days after service of the
9 counterclaim. No other pleadings are permitted. All defensive motions, including
10 motions to quash, shall be heard by the court prior to trial.

11 (b) Discovery. Depositions on oral examination may be taken by any party at
12 any time. Other discovery and admissions may be had only on order of court setting
13 the time for compliance. No discovery postpones the time for trial except for good
14 cause shown or by stipulation of the parties.

15 (c) Jury Trial. A jury trial is authorized, and any party may demand it in any
16 pleading or by a separate paper served not later than 5 days after the action comes to
17 issue. When a jury is in attendance at the close of the pleadings or the time of demand
18 for jury trial, the action may be tried immediately; otherwise, the court shall order a
19 special venire to be summoned immediately. If a special venire be summoned, the
20 party demanding the jury shall deposit sufficient money with the clerk to pay the jury
21 fees which shall be taxed as costs if the demanding party prevails.

22 (d) New Trial. Motion for new trial shall be filed and served within 5 days
23 after entry of judgment. A reserve motion for directed verdict shall be renewed within
24 the period for moving for a new trial.

25 (e) Appeal. Notice of appeal shall be filed and served within 30 days from the
26 rendition of the judgment appealed from.

27 Section 9. Service.

28 (a) The summons and complaint shall be served as provided by the rules of the
29 court.

30 (b) If the defendant cannot be found in the senatorial district in which the
31 action is pending and either he has no usual place of abode or there is no person of
32 suitable age or discretion then residing therein, or there is no agent authorized by
33 appointment or by law to receive service of process service may be made in any part of
34 the CNMI.

1 (c) After at least two attempts to obtain service as provided by the rules of the
2 court, if the defendant cannot be found in the CNMI: the officer serving process shall
3 serve the same by attaching a copy the summons and complaint to some part of *the*
4 premises involved in the proceeding (such as a wall of any store, shop, dwelling, or
5 other building, and if none then to some permanent object thereon such as a tree or
6 fence). The minimum time between the two artempts to obtain service shall be 6 hours.

7 (d) If the landlord causes, or anticipates causing, a defendant to be served with
8 a summons and complaint solely by attaching them to some conspicuous part of the
9 premises involved in the proceeding, the landlord shall provide the clerk of the court
10 with two additional copies of the complaint and two prestamped envelopes addressed to
11 the defendant. One envelope shall be addressed to such address or location as has been
12 designated by the tenant for receipt of notice in a written lease or other agreement or, if
13 none has been designated, to the residential mailing address of the tenant, if known.
14 The second envelope shall be addressed to the last known business address of the
15 tenant. The clerk of the court shall immediately mail the copies of the summons and
16 complaint by first class mail, note the fact of mailing in the docket, and file a certificate
17 in the court file of the fact and date of mailing. Service shall be effective on the date of
18 posting or mailing, whichever occurs later; and at least 5 working days from the date of
19 service must have elapsed before a judgment for final removal of the defendant may be
20 entered.

21 Section 10. Removal of Tenant: Judgment. If the issues are found for the plaintiff,
22 udgment shall be entered that he recover possession of the premises. If the plaintiff expressly
23 nd specifically sought money damages in the complaint, in addition to the award of
24 ossession of the plaintiff, the court shall also direct the entry of a money judgment in favor of
25 he plaintiff and against the defendant for the amount of money found due, owing, and unpaid
26 y the defendant, with costs. If the issues are found for defendant judgment shall be entered
27 ismissing the action.

28 Section 11. Costs and Attorney's Fees. In any civil action brought under this Act, the
29 arty in whose favor a judgment or decree has been rendered may recover reasonable court
30 sts, including attorney's fees, from the nonprevailing party.

31 Section 12. Execution of Writ. After entry of judgment in favor of plaintiff the clerk
32 hall issue a writ describing the premises and commanding the officer *to whom* the writ is
33 irected *to* remove all persons from the premises, and put plaintiff in possession.

1
2
3
4
5
6
7
8
9
10
11
12
13

Section 13. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 14. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of this Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence at the date this Act becomes effective.

Section 15. Effective Date. This Act shall take effect upon its approval by the Governor or upon its becoming law without such approval.

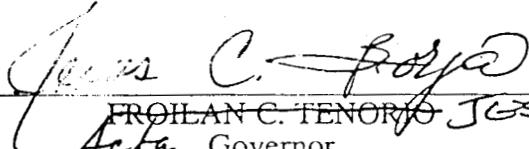
CERTIFIED BY:

ATTESTED BY:


DIEGO T. BENAVENTE
Speaker
House of Representatives


EVELYN C. FLEMING
House Clerk

APPROVED this 1st day of AUGUST, 1997


~~FROILAN C. TENORIO~~ JESUS C. BORJA
Actg. Governor
Commonwealth of the Northern Mariana Islands