

TITLE 2: NATURAL RESOURCES
DIVISION 4: LAND RESOURCES

§ 40201. Application of this Chapter.

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

Source: PL 10-67, § 3.

Commission Comment: PL 10-67 took effect August 1, 1997. According to PL 10-67, §§ 1 and 2:

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

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