

66-533. Lease; requirements and conditions. (a) A lease shall contain terms and conditions which are reasonable and just, and shall provide for a fair lease rental.

(b) Unless otherwise agreed by the parties to a lease, a lease shall be for a term of not less than one year.

(c) A lease may not be terminated prior to the end of its term, except: (1) By agreement of the parties; (2) by reason of a party's breach or default in the performance of the terms and conditions of the lease, where the defaulting party has been given written notice of default and a reasonable opportunity to cure the default, but has failed to do so; or (3) where the railroad land which is subject to the lease is reasonably needed by the railroad for railroad operations.

(d) A lease may not require that one party to the lease indemnify, defend or hold the other party to the lease harmless for liabilities caused by the other party's negligence.

(e) A lease may require the tenant to remove the tenant's improvements upon termination of the lease, in which event the tenant shall have not less than six months following termination of the lease to remove such improvements, and until such improvements have been removed, the tenant shall pay monthly rent based on the annual rent specified in the lease.

(f) A lease may provide for the imposition of a penalty and a reasonable rate of interest, and interest may accrue if the tenant fails to pay the lease rental when due under the terms of the lease. If a dispute arises as to the lease rental provided in a lease renewal, no penalty shall be imposed and no interest shall accrue during the time when the dispute is being resolved pursuant to K.S.A. 66-534 and amendments thereto, if the tenant remains current on the rental required by the preceding lease.

History: L. 1998, ch. 158, § 3; July 1.