# Senn Fortis Unveils Top Five Legal Trends to Watch in 2026

*Denver firm offers expert insights on how AI, commercial real estate volatility, employment law changes, tariffs will redefine next year's business landscape*

Senn Fortis

Senn Fortis Partners (David Camp, Christine Lamb, Bryan McKae)

DENVER, CO, UNITED STATES, January 8, 2026 /EINPresswire.com/ -- As businesses head into 2026, a handful of powerful legal and economic forces are poised to reshape the landscape in Colorado and beyond. Partners at Senn Fortis have identified five key trends that companies need to watch closely: the risks and realities of AI-generated contracts; ongoing distress in commercial real estate; new employment regulations around artificial intelligence and biometric data; significant shifts in zoning and land-use policies; and the growing role of tariffs in contract negotiations. Together, these developments present both fresh opportunities and complex challenges for businesses navigating the year ahead.

Beware the AI-Generated Legal Contract

Senn Fortis attorneys report a growing trend of clients turning to generative AI tools to draft contracts or legal documents. While AI can help streamline workflows, the firm warns that using AI to draft legal documents can often create significant and costly legal exposure.

"Our clients are sending us documents for review that look polished but include fabricated legal concepts, misstatements of the law, and inconsistent provisions," said Matt Pluss. "It's the legal

equivalent of WebMD, giving people the impression that they have expertise but leaving them at risk from things they may not fully understand," he stated. Pluss cautions that attorney review remains essential to ensure legal accuracy and protect clients from risk. "While AI can generate a document, an AI-generated product has the potential to cause significant legal issues."

## Commercial Real Estate Challenges Continue, But Opportunities Arise as Well

Senn Fortis expects Colorado's commercial real estate sector to remain under strain throughout 2026. Key contributors include the prolonged downturn in office space, continued challenges for retail development, and rising financial pressure on property owners. With office leases continuing to expire, many tenants are downsizing or exiting commercial space altogether, compounding the downward pressure on an already weakened market.

"Commercial real estate is in real distress. Downtown office buildings are selling for a fraction of their previous value," said Dave Camp. "Banks are still 'extending and pretending'—giving owners more time instead of foreclosing—but everyone is watching for the moment a major lender breaks rank. We anticipate that one significant foreclosure could set off a domino effect." Still, Camp sees bright spots and emerging opportunities ahead, noting that developers with vision and guts are scooping up bargains. "Despite continued struggles in the Downton Denver Business District, Uptown is beginning to see progress on some substantial residential projects," he continued.

## Employers Should Prepare for Colorado's AI Act and Biometric Data Compliance

Employment attorneys at Senn Fortis anticipate a significant increase in employer inquiries related to artificial intelligence, primarily driven by the upcoming Colorado Artificial Intelligence Act, which takes effect February 1, 2026. As the nation's first law of its kind, the Act regulates private-sector use of AI systems and aims to mitigate the risk of algorithmic discrimination in high-risk applications.

As more employers collect biometric identifiers such as fingerprints, facial scans, or voiceprints, they'll need to be vigilant about complying with the Colorado Privacy Act, which enforces stricter consent requirements, limits mandatory participation, and imposes stringent data-handling and deletion obligations.

"Employers will need to carefully navigate this new regulatory landscape to ensure their use of AI tools in hiring and biometric data usage is compliant with the law," said Christine Lamb. "I'm advising clients to proactively address these requirements to avoid legal pitfalls and maintain workforce trust."

## Zoning and Density Battles Will Intensify in 2026

Senn Fortis' attorneys expect massive shifts in Colorado's land-use and zoning to be a defining

theme in the coming year. The expansion of accessory dwelling unit (ADU) rights in Denver, which allows most homeowners to build ADUs, and changes to parking requirements that no longer require new or renovated buildings to include a minimum number of parking spaces, will change development across the state.

“We’re seeing the push for higher-density development collide with long-standing zoning expectations,” said Jeremy Rothstein. “The fast expansion of ADUs, combined with allowing retail and apartment projects with minimal or no parking, is likely to spark friction and potential legal challenges.”

The new administration has also slowed or reversed several Biden-era green infrastructure incentives, so the firm’s real estate partners expect municipalities to scale back building sustainability initiatives in 2026.

Tariffs May Prompt Changes to Force Majeure and “Acts of God” Clauses

Tariffs and resulting supply chain disruptions may affect parties’ ability to fulfill contractual obligations. As a result, Senn Fortis attorneys anticipate that in 2026, commercial real estate contracts will more frequently include explicit language addressing tariffs, supply chain delays, and associated cost increases within force majeure and “acts of God” provisions.

“New tariffs have the potential to reshape markets and commercial relationships,” said Jon Nash. “Next year, it will be key for businesses that anticipate tariff impacts to proactively review and update their standard contract terms in an effort to manage risk and clarify obligations before disputes arise.”

For more information or to schedule an interview with one of the attorneys, please contact Bree Devita at bree@themaverickpr.com.

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Senn Fortis helps businesses tackle their most complex legal challenges with clarity and confidence. The firm combines sophisticated legal expertise with personal service and practical, business-minded solutions. Senn Fortis acts as a trusted strategic partner to businesses of all sizes, from fast-growing startups to Fortune 100 companies across various industries, ensuring each client achieves its objectives. The firm and its attorneys have been recognized with numerous local and national awards and honors for their skill in providing high caliber, trusted legal counsel across the practice areas of alternative dispute resolution, construction, corporate, employment, litigation and real estate law.  For more information, visit SennFortis.com. Continue the conversation on LinkedIn.

Bree DeVita
Maverick Public Relations
+1 303-513-1244
email us here
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