

# COMMERCIAL LEASE LETTER OF INTENT

Effective Date: \_\_\_\_\_

## RE: Intent to Lease Commercial Property

I. **The Lessee:** \_\_\_\_\_ (the "Lessee").

II. **The Lessor:** \_\_\_\_\_ (the "Lessor").

III. **Address of Premises:** \_\_\_\_\_ (the "Premises").

Additional Description: \_\_\_\_\_.

IV. **Lease Term:** The term of the lease shall be for a period of ☐ \_\_\_\_ year(s) ☐ \_\_\_\_ month(s) commencing on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and expiring on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

V. **Use of Leased Premises:** The Lessee intends to use the Premises for the following purpose:

\_\_\_\_\_  
\_\_\_\_\_.

VI. **Base Rent:** The base rent of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be paid monthly on the \_\_\_\_ of each month with the first payment due upon the commencement of the lease (the "Base Rent").

VII. **Expenses:** In addition to the Base Rent, the Lessee shall be required to pay the following monthly expenses:

\_\_\_\_\_  
\_\_\_\_\_.

The Lessor shall be required to pay the following monthly expenses:

\_\_\_\_\_  
\_\_\_\_\_.

VIII. **Security Deposit:** A security deposit in the amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be due prior to or upon the signing of a lease.

IX. **Lease Renewal:** Choose One (1):

☐ - Lessee has the right to renew the lease a total of \_\_\_\_ renewal period(s) which may be exercised by giving written notice to the Lessor no less than \_\_\_\_ days prior to the expiration of the lease or renewal period.

☐ - Lessee may not renew the lease.

**X. Rent Increase:** Upon a lease renewal, the Base Rent shall:

☐ - Increase by \_\_\_\_\_ Percent (\_\_\_%).

☐ - Increase by \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

☐ - Increase as calculated by multiplying the Base Rent by the annual change in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics in the most recent publication to the option period start date.

☐ - Not increase.

**XI. Subletting:** The Lessee may not sublet the Premises without first obtaining the prior written consent of the Lessor.

**XII. Late Rent:** If the Lessee fails to pay the total rent payment for more than \_\_\_\_ days after it is due, the following penalty may be charged:

☐ - A late fee of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) per day until the overdue amount is paid.

☐ - An interest rate of \_\_\_\_\_ Percent (\_\_\_%) per annum on a daily basis until the overdue amount is paid.

**XIII. Binding Effect:** This Letter of Intent shall be considered: (Initial and Check)

\_\_\_\_\_ - ☐ **Binding** – Therefore, the parties acknowledge that remedies at law will be inadequate for any breach of this Letter of Intent and consequently agree that this Letter of Intent shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights at law or in equity of the parties under this Letter of Intent.

\_\_\_\_\_ - ☐ **Non-Binding** – Therefore, the parties acknowledge that this Letter of Intent is not enforceable by any Party. The terms outlined herein are solely for the purposes of reaching a later agreement in the future, of which the Lessee and Lessor are not bound.

**XIV. Additional Provisions:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

**XV. Governing Law:** This Letter of Intent shall be governed under the laws of the State of \_\_\_\_\_.

**LESSEE**

Lessee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Print Name \_\_\_\_\_

**LESSOR**

Lessor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Print Name \_\_\_\_\_

