

INTAKE FORM: Reviewing a Commercial Lease

Unlike residential leases, commercial leases carry a heavy commitment. They generally last at least three to five years and may contain terms regarding who will pay for buildout, renovation, certain types of maintenance, and more. This form will assist you in collecting the information your attorney will need to review commercial leasing documents and determine whether the lease suits your needs, or whether additional negotiation would be advisable.

Client/Tenant Information

Contact name: _____

Position: _____

Business Name: _____

Address: _____

Telephone: _____ Fax: _____

Mobile: _____ E-mail: _____

Lessee's legal status:

_____ Individual	_____ Partnership
_____ Husband & Wife	_____ Corporation (type: _____)

Landlord Information

Contact name: _____

Position: _____

Business name: _____

Address: _____

Telephone: _____ Fax: _____

Mobile: _____ E-mail: _____

Lease Conditions

Are there or would it be desirable to have any conditions regarding the effectiveness of the lease or the commencement of its term, such as:

Delivery of possession of leased premises on or before specific date? _____

Ability to obtain zoning variance for tenant's intended business use? _____

Ability to obtain any licenses required to operate tenant's business? _____

If landlord must do construction, landlord's ability to obtain financing? _____

Other: _____

What are the deadlines for satisfying these conditions? _____

What steps, if any, must either party take to indicate satisfaction of any of the conditions (e.g., written notice to other party)? _____

If any of the conditions are not met, what will the effects be (e.g., automatic cancellation of the lease, cancellation on written notice, or waiver of the condition)? _____

Does the party who will benefit from the conditions have an option or obligation to extend the deadline for satisfying a condition or to cancel the lease? If so, describe: _____

Lease Term

Will the term be fixed or month-to-month? _____

If term will be fixed:

What is length of the term? _____

Will the term commence on a specified date, or on the occurrence of a specific event?

Describe: _____

Will the tenant have any right to extend the term? _____

Will the occurrence of any event (other than tenant's default) give either party the right to terminate the lease before its natural expiration (e.g., landlord's sale of the premises or tenant's loss of legal right to operate its intended business)? _____

Rent and Security Deposit

For fixed or minimum rent under the lease:

What is amount? _____

When does it commence? _____

At what intervals is it payable? _____

Will the tenant be required to pay percentage rent, and if so:

On what basis will the percentage rent be calculated (e.g., gross receipts of tenant)? _____

What percentage must be paid to the landlord? _____

At what intervals is it payable? _____

When does it commence? _____

Is it in addition to, in lieu of, or offset against, minimum rent? _____

Will the amount of basic or minimum rent increase over term of the lease, either by:

Fixed dollar amounts at scheduled intervals? _____

Increases tied to property taxes, operating expenses, or consumer price index or some other index for inflation? _____

Will the lease be "net" to landlord, i.e., require the tenant to pay, in addition to rent:

Property taxes? _____

Insurance? _____

Other operating expenses? _____

Is the tenant required to post a security deposit, and if so, how much? _____

Restrictions Upon Use Of Premises

Will the tenant's use of the premises be limited to a specific business? _____

Will the tenant have the right to change its use of the premises during the lease term:

With landlord's prior approval? _____

Without landlord's prior approval? _____

Subject to any other conditions? _____

Will there be any specific restrictions on tenant's use, such as prohibitions against:

Nuisance, waste, and unlawful purposes? _____

Use or storage of hazardous materials and substances? _____

Insurance hazards? _____

Are there any CC&Rs or building rules and regulations with which tenancy must comply? _____

For other property owned by landlord:

Will landlord's use be restricted because of a noncompetition covenant given to the tenant? _____

Will the landlord be required to perform any affirmative acts on other property for benefit of the tenant? _____

Construction of New Building or Other Improvements

If leased premises will consist of new building to be constructed, who has responsibility for:

Construction? _____

Payment of construction costs? _____

Preparation and cost of preliminary plans and specifications and cost estimates? _____

Preparation and cost of final plans and specifications and working drawings? _____

Obtaining government approval for the project? _____

Has the party responsible for construction obtained construction and permanent financing for project? _____

If the responsible party has not obtained financing, is the lease contingent on that party's ability to obtain financing? _____

What are commencement and completion dates for construction? _____

If the leased premises consist of an existing building or space, is the tenant permitted to make alterations or improvements to it? _____

Allocation of Financial Risks, Responsibilities, and Expenses

Which party will be responsible for maintaining and repairing:

Leased premises? _____

Common areas? _____

Who will be obligated to pay:

Property taxes? _____

General and special assessments? _____

Utilities? _____

Who will be required to maintain and pay cost of insurance on:

Leased premises? _____

Common areas? _____

What types of insurance must the tenant carry, and in what amount? _____

What types of insurance must the landlord carry, and in what amount? _____

Is either party obligated to repair or rebuild the premises in the event of partial or total destruction? _____

May either party terminate the lease for partial or total destruction? _____

If all or part of the leased premises is condemned,

Will the lease terminate as to portion condemned? _____

Will the lease continue in effect as to any portion not condemned, and if so:

Will rent be reduced pro rata or on some other basis? _____

Who must do any necessary restoration? _____

Will the lease provide for how a condemnation award will be shared between the landlord and tenant? _____

Transferability

Are there any restrictions on the tenant's right to sublet or assign the premises? _____

Will the tenant have the option or right of first refusal to purchase the leased premises? _____

What will happen to the lease if the landlord sells the premises? _____

Requirements of the Landlord's Lender

For existing financing on leased property, what restrictions and requirements are contained in security instruments or loan documents for leases entered into by landlord? _____

If new financing is to be obtained:

Has a preliminary or binding commitment been obtained from a specific lender? _____

If so, what requirements or restrictions does lender impose on leases entered into by the landlord? _____