

Retail Proposal (Sample)

Tenant or Broker
Name
Address

Re: Restaurant Space at 123 Main Street, Your City, State

Dear _____:

This letter will constitute a proposal to lease space at the above-referenced location. The Landlord is interested in leasing the space under the following terms and conditions.

PREMISES: Approximately 1,050 square feet, otherwise known as 123 Main Street, Your City, State

LANDLORD: **My Retail Center, LLC**

TENANT: **Targus Toadslinger dba Froggy's**, subject to Landlord's review and approval of Tenant's financials.

GUARANTEE: Lease shall be guaranteed by Tenant. The Lease will be conditioned upon Landlord's approval of Tenant's (and Guarantor's) financial statements. Tenant and Guarantor shall submit financial statements to Landlord annually, and from time to time upon request, and in connection with the sale or financing of the Center.

USE: Tenant shall have the right to use the Premises for an office specializing in food service and for no other purpose whatsoever.

ANNUAL RENT: \$42.00 per square foot, per annum (\$3.50/sf/mo.) triple net ("NNN"). NNN's are estimated to be \$.80 psf.

ESCALATION: Annual Base Rental increases of three (3%) percent.

LEASE TERM: Five (5) years commencing August 1, 2_ and expiring July 31st, 2_

OPTIONS: So long as Tenant is not in default of the Lease, Tenant shall have one (1) renewal term of five (5) years, based on a Fair Market Value adjustment, however in no case, less than prior years' rent. Annual increases of 3% shall continue throughout the Option Term.

LEASE COMMENCEMENT DATE: June 1, 2_

TERM & RENT COMMENCEMENT DATE: 5 Year Lease and Rent will commence August 1st, 2_

SECURITY DEPOSIT: Equivalent to one (1) month's rent and NNN payable upon execution of lease, subject to approval of financials.

LANDLORD'S WORK: Landlord shall deliver the Premises in "as-is, where-is" condition, with all building systems, including HVAC in good working condition.

TENANT'S WORK: Tenant's plans, fixtures and finishes shall be subject to Landlord's prior approval. All work shall be performed in a good and workmanlike manner equivalent to a first class center in _____ County. After Tenant's work is

complete, a copy of the final inspection report and/or certificate of occupancy and plans shall be delivered to Landlord.

TENANT IMPROVEMENT

ALLOWANCE: None (or whatever is applicable).

MAINTENANCE & REPAIR: Tenant shall maintain and repair the interior of the premises; including but not limited to HVAC, walls, ceiling, plate glass, doors, door frames and window frames at Tenant's expense.

OPERATING EXPENSES: Tenant will pay its pro rata share of real estate property taxes, insurance and common area charges and other center operating expenses starting on Tenant's Rent Commencement Date estimated to be approximately \$0.60 per square foot per month.

UTILITIES: Tenant will pay its own utilities.

SIGNAGE: Tenant may install signs, at Tenants expense, in and on the Premises to the maximum extent permitted by local law and Shopping Center sign programs. Landlord will have the right to approve signage permanently mounted on the exterior of the Premises. Landlord's approval will not be unreasonably withheld. Tenant's signage must also be reviewed by both the Master Developer and other applicable governmental entities. The City may withhold approval without condition.

PARKING: Common area parking.

ASSIGNMENT/

SUBLETTING: Tenant shall have the right to assign or sublet the premises to a corporation or entity that assumes all of Tenant's obligations and either (a) controls, or is controlled by, or under control with Tenant, (b) merges or consolidates with Tenant or (c) acquires a substantial portion of the assets or stock of Tenant as more

particularly provided in the lease. Tenant shall have the right to assign or sublease to any other entity with Landlord's reasonable consent, as long as the intended use does not conflict with any exclusives in the center and subject to the terms of the Lease. Assignment or sublet can only be to an entity, corporation or a franchisee with the same or greater financial worth.

LEASE FORM:

A.I.R. standard lease form to be used.

BROKER:

Landlord and Tenant acknowledge and consent that Ms. Big Time represents the Landlord and Mr. Windbag represents the Tenant in this transaction in this transaction. A fee shall be paid to Such & Such Commercial Brokerage Firm per a separate agreement.

EXPIRATION OF OFFER:

This letter of Intent shall be valid until May 1, 2_.

This proposal is not legally binding on either party until a lease has been prepared and signed by Landlord and Tenant. Consequently, any expenditure or obligation undertaken by either party prior to the execution and delivery of a lease agreement is at that party's sole risk and expense. Additionally, this proposal is contingent upon Landlord's review and approval of Tenant's financial statements and other information, including Tenant's store design, fixtures and finishes. Broker makes no warranty or representation to Landlord or Tenant that acceptance of this proposal will guarantee the execution of a lease for the Premise

Sincerely,