

**GUIDANCE ON HOW TO USE THIS LEASE TERMINATION TEMPLATE:**

NOTES TO THE TENANT ARE HIGHLIGHTED IN YELLOW AND SHOULD BE DELETED FROM THE FINAL VERSION OF THE TERMINATION. SOMETIMES, THE HIGHLIGHTED NOTES POINT OUT ALTERNATIVE PARAGRAPHS THAT MAY BE USED.

THE SPECIFIC INFORMATION TO INSERT BASED ON YOUR LEASE IS [IN BRACKETS IN RED TEXT]. ONCE THE APPROPRIATE INFORMATION HAS BEEN INSERTED INTO THE LEASE, THE BRACKETS AND BRACKETED TEXT SHOULD BE DELETED AND MODIFIED TO A BLACK FONT.

DELETE THIS ENTIRE TEXT BOX BEFORE PROVIDING TO LANDLORD.

LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT (this “**Agreement**”) is made as of [INSERT DATE], 2020 (the “**Effective Date**”) by and between [INSERT NAME OF LANDLORD AS STATED IN THE LEASE], a[n] [STATE OF ENTITY INCORPORATION] [TYPE OF ENTITY: CORPORATION, LIMITED LIABILITY COMPANY] (“**Landlord**”), and [INSERT NAME OF TENANT AS STATED IN THE LEASE], a[n] [STATE OF ENTITY INCORPORATION] [TYPE OF ENTITY: CORPORATION, LIMITED LIABILITY COMPANY] (“**Tenant**”).

RECITALS

A. Landlord and Tenant are parties to that certain Lease dated [INSERT DATE OF LEASE] (the “**Lease**”) pursuant to which Landlord leases to Tenant the real property and improvements thereon located at [INSERT COMMON NAME OR ADDRESS OR THE PROPERTY THAT IS LEASED], (the “**Premises**”) as more fully described in the Lease.

B. As of the Effective Date the widespread proliferation of the COVID-19 virus (“**COVID-19**”) has been declared a global pandemic by the Center for Disease Control (“**CDC**”) and the World Health Organization. On March 23, 2020, Washington Governor Jay Inslee issued an executive order known as the “Stay Home, Stay Healthy” order” (“**Order**”) requiring all non-essential businesses to close and all Washingtonians to stay home unless pursuing an essential activity. Due to COVID-19 and the Order, businesses across Washington have experienced a drastic reduction in sales, leaving many businesses unable to open for business and forcing many businesses to permanently close.

C. Tenant wishes to terminate the Lease before its stated termination date upon the terms and conditions set forth below.

D. All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and for other good and valuable consideration, the sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

# 1. Termination. Subject to the terms and conditions of this Agreement, Landlord and Tenant agree that the Lease shall terminate as of 11:59 p.m. on [INSERT DATE WHEN LEASE TERMINATES] (the “Termination Date”) and shall, subject to the terms and conditions hereof, be of no further force or effective as of the Termination Date.

# 2. Base Rent. Commencing on the Termination Date, Tenant shall have no obligation to pay any Rent under the Lease.

[TO COMPENSATE THE LANDLORD FOR EARLY LEASE TERMINATION, THE TENANT MAY BE REQUIRED TO PAY AN EARLY TERMINATION FEE AND/OR ALLOW THE LANDLORD TO RETAIN THE SECURITY DEPOSIT. IF PAYING THE EARLY TERMINATION FEE, INSERT OPTION 1 OF THE SECURITY DEPOSIT SECTION BELOW, AND RE-NUMBER THE SECTIONS. IF THE LANDLORD IS RETAINING THE SECURITY DEPOSIT, DELETE THE EARLY TERMINATION FEE SECTION AND INSERT OPTION 2 OF THE SECURITY DEPOSIT SECTION BELOW.]

**3. Early Termination Fee.** On or before the Termination Date, Tenant shall pay Landlord $[INSERT FEE AMOUNT] [THE FEE WILL LIKELY BE DETERMINED ON A CASE-BY-CASE BASIS.] (the “**Early Termination Fee**”) as consideration for Landlord agreeing to terminate the Lease prior to the original Lease termination date. If Tenant fails to deliver the Early Termination Fee to Landlord by 6:00PM PST on the Termination Date, this Agreement shall become null and void and the Lease shall remain in effect.

# 3. Security Deposit. Landlord holds a security deposit from Tenant in accordance with Section [INSERT SECTION ESTABLISHING SECURITY DEPOSIT] of the Lease. [If tenant is paying an early termination fee, insert OPTION 1: Landlord shall promptly return the security deposit in accordance with Section [INSERT SECTION REGARDING RETURNING THE SECURITY DEPOSIT] of the Lease.] [IF TENANT IS NOT PAYING AN EARLY TERMINATION FEE, INSERT OPTION 2: Landlord shall keep the security deposit in consideration for agreeing to early termination of the Lease.]

**4. Surrender of Premises**. Tenant agrees to vacate the Premises and surrender and deliver exclusive possession to Landlord. Notwithstanding any provision in the Lease to the contrary, due to COVID-19, Tenant shall have no obligation to return the Premises to the condition as they existed prior to Tenant’s tenancy, or to remove any debris. Landlord acknowledges and agrees that Tenant is unable to comply with Section [INSERT LEASE SECTION REGARDING TENANT’S DUTY TO RETURN THE PREMISES IN GOOD CONDITION] of the Lease.

**5. Disposition of Personal Property.** Notwithstanding anything to the contrary herein, Tenant shall continue to have access to the Premises for five (5) days after the Termination Datein order to remove all of its personal property (“**Personal Property**”) from the Premises (the “**Removal Date**”). In the event Tenant does not remove all of its Personal Property from the Premises prior to 11:59PM PST on the Removal Date, Landlord shall be entitled, but shall not be obligated, to dispose of said Personal Property in any manner it deems fit, provided, however, that notwithstanding the Removal Date, Landlord shall not dispose of the Personal Property so long as Washington State is subject to the Order, a similar shelter-in-place order, or while the CDC recommends social distancing as a result of COVID-19. In the event that the Removal Date has passed while the Order or a similar shelter-in-place order is in effect or while the CDC recommends social distancing as a result of COVID-19, Tenant shall have ten (10) days of the later of (i) the lifting of the Order or similar order or (ii) the end of the CDC’s social distancing recommendations to remove the Personal Property from the Premises (the “**Extended Removal Date**”). In the event Tenant does not remove the Personal Property from the Premises by the Extended Removal Date, the Landlord shall be entitled, but shall not be obligated, to dispose of said Personal Property in any manner it deems fit.

**6. Representations and Warranties.**

 (a) Landlord represents and warrants to Tenant that Landlord holds the entire interest of Landlord under the Lease and that the persons executing this Agreement on behalf of the Landlord are authorized to do so and to bind Landlord to this Agreement.

 (b) Tenant represents and warrants to Landlord that Tenant holds the entire interest of Tenant under the Lease and that the person executing this Agreement on behalf of Tenant is authorized to do so and to bind Tenant to this Agreement.

**7. Mutual Release.** Landlord and Tenant shall, as of the Termination Date, be fully and unconditionally released and discharged from their respective obligations arising after the Termination Date from or connected with the provisions of the Lease. This Agreement shall fully and finally settle all demands, charges, claims, accounts or causes of action of any nature, including, without limitation, both known and unknown claims and causes of action that may arise out of or in connection with the obligations of the parties under the Lease after the Termination Date. This release shall not extend to claims, causes of action, and demands of any kind and nature, in law, equity, or otherwise, arising out of or related to this Termination Agreement.

**8. Miscellaneous**.

 (a) This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

 (b) This Agreement shall bind and inure to the benefit of the parties and their respective successors and assigns provided that Tenant may not assign its rights under this Agreement.

 (c) This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its conflicts of laws provisions. In the event of any dispute, the parties agree to follow the mediation provisions as set forth in Section [INSERT MEDIATION LEASE SECTION] of the Lease. If any provision of this Agreement, is or becomes unenforceable, the remainder of this Agreement and the application of that provision to other persons, circumstances, or extent, will not be impaired.

 (d) Time is of the essence of this Agreement and the provisions contained herein.

 (e) Landlord and Tenant hereby agree to execute such further documents or instruments as may be necessary or appropriate to carry out the intention of this Agreement.

 (f) The parties have read this Agreement and mutual release as contained herein, and on the advice of counsel they have freely and voluntarily entered into this Agreement.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, this Lease Termination Agreement has been executed as of the date first mentioned above.

**LANDLORD:**

[INSERT NAME OF LANDLORD AS APPEARS IN LEASE]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**TENANT:**

[INSERT NAME OF TENANT AS APPEARS IN LEASE]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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ACKNOWLEDGEMENT OF LANDLORD

[NOTE: USE BELOW NOTARY BLOCK FOR A LANDLORD SIGNING IN HIS OR HER INDIVIDUAL CAPACITY AND NOT AS AN ENTITY.]

STATE OF WASHINGTON )

 ) ss.

COUNTY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

 On this day personally appeared before me \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020.

|  |  |
| --- | --- |
|  |  (Signature of officer)Notary Public in and for the State ofWashington, residing at My commission expires:  |

(Use this space for notarial stamp/seal)

[NOTE: USE THIS BELOW NOTARY BLOCK IF LANDLORD IS AN ENTITY (CORPORATION OR LIMITED LIABILITY COMPANY) AND NOT AN INDIVIDUAL.]

STATE OF WASHINGTON )

 ) ss.

COUNTY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

 On this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020, before me personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, to me known to be the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the [[[corporation/limited liability company]]] that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said [[[corporation/limited liability company]]], for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said [[[corporation/limited liability company]]].

 In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

|  |  |
| --- | --- |
|  |  (Signature of officer)Notary Public in and for the State ofWashington, residing at My commission expires:  |

(Use this space for notarial stamp/seal)

ACKNOWLEDGEMENT OF TENANT

[NOTE: USE BELOW NOTARY BLOCK FOR A TENANT SIGNING IN HIS OR HER INDIVIDUAL CAPACITY AND NOT AS AN ENTITY.]

STATE OF WASHINGTON )

 ) ss.

COUNTY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

 On this day personally appeared before me \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020.

|  |  |
| --- | --- |
|  |  (Signature of officer)Notary Public in and for the State ofWashington, residing at My commission expires:  |

(Use this space for notarial stamp/seal)

[NOTE: USE THIS BELOW NOTARY BLOCK IF TENANT IS AN ENTITY (CORPORATION OR LIMITED LIABILITY COMPANY) AND NOT AN INDIVIDUAL.]

STATE OF WASHINGTON )

 ) ss.

COUNTY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

 On this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020, before me personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, to me known to be the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the [[[corporation/limited liability company]]] that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said [[[corporation/limited liability company]]], for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said [[[corporation/limited liability company]]].

 In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

|  |  |
| --- | --- |
|  |  (Signature of officer)Notary Public in and for the State ofWashington, residing at My commission expires:  |

(Use this space for notarial stamp/seal)