A picture containing food

Description automatically generated **A picture containing drawing

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**GUIDANCE ON HOW TO USE THIS LEASE NOTICE LETTER TEMPLATE:**

NOTES TO THE TENANT ARE HIGHLIGHTED IN YELLOW AND SHOULD BE DELETED FROM THE FINAL VERSION OF THE NOTICE LETTER. 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 NOTICE LETTER, THE BRACKETS AND BRACKETED TEXT SHOULD BE DELETED AND MODIFIED TO A BLACK FONT.

DELETE THIS ENTIRE TEXT BOX BEFORE PROVIDING TO LANDLORD.

<DATE>

**VIA EMAIL**

<LL Name>

<Address>

Re: <Property Address>

Dear <Insert Name of Landlord>

As you are aware, the global COVID-19 pandemic has caused an unprecedented number of businesses to suspend operations, lay off workers, or fail entirely within a matter of weeks. Shelter in place orders and social distancing guidelines have led to crippling revenue shortfalls for all of us. Even as these public health orders are lifted, it is unclear how long before the general public will feel safe gathering in public and patronizing local businesses.

As a result of this new economic reality, [INSERT NAME OF BUSINESS OR ORGANIZATION] does not have the capital to meet our lease obligations. We are taking all reasonable steps to bring our operating expenses in line with our remaining revenue, such as [INSERT EXAMPLES, SUCH AS FURLOUGHS, SHORTED OPERATING HOURS, HOME DELIVERY SERVICE, WAGES CUTS, CANCELED ORDERS, ETC.]. However, these efforts unfortunately fall short.

[If applicable, insert]: [Many of our lenders recognize the severity of the crisis and have offered debt service relief in the form of [abatement] [deferral] [cancellation].] [Provide example(s)]

[ALTERNATIVE 1 - RENT ABATEMENT] Given these historic economic challenges, we are in no position to pay rent in April, and likely for several months thereafter. Again, the length and extent of these challenges are unknown. Our priority is ensuring that we have the workforce and income to begin operations as soon as possible. To that end, we propose a lease addendum abating rental payments for [INSERT NUMBER OF MONTHS AS PROVIDED IN THE LEASE ADDENDUM]. [SELECT APPROPRIATE OPTION] This abetment [does] [does not] include triple net expenses.

[ALTERNATIVE 2 - RENT REDUCTION] Given these historic economic challenges, we are in no position to pay rent in April, and likely for several months thereafter. Again, the length and extent of these challenges are unknown. Our priority is ensuring that we have the workforce and income to begin operations as soon as possible. To that end, we propose a reduction in rent of $[INSERT MONTHLY RENT REDUCTION IS REAL DOLLARS OR PERCENTAGE OF RENT] per month from April 2020 through [INSERT MONTH WHEN REDUCTION ENDS AS PROVIDED IN THE LEASE ADDENDUM], [SELECT APPROPRIATE OPTION] which reduction [does] [does not] include triple net expenses.

[Alternative 3 - RENT DEFERRAL] Given these historic economic challenges, we are in no position to pay rent in April, and likely for several months thereafter. Again, the length and extent of these challenges are unknown. Our priority is ensuring that we have the workforce and income to begin operations as soon as possible. To that end, we propose a lease addendum deferring rental payments for a 90-day period. To offset this relief, we are prepared to offer to repay the deferred rent in three monthly installments beginning [INSERT REPAYMENT DATE AS PROVIDED IN THE LEASE ADDENDUM]. [SELECT APPROPRIATE OPTION] This deferral [does] [does not] include triple net expenses.

[ALTERNATIVE 4 - LEASE TERMINATION] Given these historic economic challenges, [INSERT BUSINESS OR ORGANIZATION NAME] is forced to suspend all operations for the foreseeable future. Unfortunately, with no operational funds available, we are unable to meet our obligations under the lease. In order to mitigate the loss of your income, we have enclosed a Lease Termination Agreement which provides for [SELECT APPROPRIATE OPTION] [your retention of the security deposit] [the payment of an early termination fee] in addition to a constructive draw down of our operations.

Thank you in advance for your understanding of the dire financial position [INSERT BUSINESS OR ORGANIZATION NAME] has been placed in due to COVID-19 and the steps we are taking to alleviate the harm. Our goal is to work collaboratively with our landlord and creditors to find a constructive path forward. Our position is such that [SELECT APPROPRIATE OPTIONS] [rent abatement] [rent reduction] [rent deferral] [lease termination] is the only practical solution. Please don’t hesitate to contact me with any questions regarding the enclosed.

Best regards,

<CONTACT PERSON>