

XXXX Main Street Drive Suite XXX
City, State, Zip

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July 24, 20XX

RE: Proposal to Lease – Financial Centre - XXXX Main Street Drive Suite XXX

On behalf of XXXXXXXXXXXX XXXXXXXXXXXX (Tenant”), we are pleased to present to the following non-binding proposal, outlining terms upon which (“Landlord”) may proceed to enter into a binding Lease agreement.

1. ADDRESS:

XXXX Main Street Drive Suite XXX

2. OWNERSHIP:

THE IRVINE COMPANY LLC (“Landlord”)

3. TENANT:

XXXXXXXXXXXX XXXXXXXXXXXX (“Tenant”)

4. PREMISES:

Suite XXX, consisting of a total of approximately XX, XXX rentable square feet.

5. LEASE TERM:

Lease Term shall be approximately Sixty (60) months based upon the Lease Commencement date.

6. LEASE COMMENCEMENT:

The Lease shall commence on October 1, 20XX, or upon substantial completion of Tenant Improvements, whichever occurs later.

7. BASE RENTAL RATE:

The Base Rental Rate shall be two dollars and fifty-five cents (\$2.55) per rentable square foot on a full-service gross basis, including 5-day per week janitorial commencing on the Lease Commencement Date.

8. BASE RENTAL RATE ADJUSTMENTS:

The Base Rental Rate for the Premises shall increase according to a fixed three percent (3.0 %) amount over the previous year’s Base Rent, twelve (12) months after the Lease commences and every twelve (12) months thereafter.

9. OPERATING EXPENSES:

Calendar year 20XX shall be established as the new base year for measuring direct Operating Expenses at the Project. The Project will be grossed up to reflect a ninety-five percent (95%) level of occupancy and taxes will be treated as if the Building were fully tax assessed.

Calendar year 20XX shall be established as the first comparison year. The first pass through of Operating Expenses shall occur, if any, in 20XX based on an estimate of what the increased Operating Expenses will be in relation to those experienced in the base year.

10. USE:

Tenant shall have the right to use and occupy the Premises for general office use.

11. ACCESS:

Tenant shall be granted access to the Premises, the Building and a minimum of one elevator and the parking facility 24 hours a day, 7 days a week.

12. HEATING, VENTILATION AND AIR CONDITIONING (“HVAC”):

The Building HVAC operating hours are 7:00 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 1:00 p.m. on Saturdays, excluding normally recognized business holidays.

13. TENANT IMPROVEMENTS:

Landlord shall provide Tenant with an allowance (“Allowance”) not to exceed Thirty dollars (\$30) per rentable square foot of the Premises, to be used by Tenant for the cost to design and construct permanently affixed interior improvements to the Premises. Said Allowance shall include any costs associated with any required code or Title 24 improvements in the Premises. Costs associated with any “above-standard” materials shall be borne by Tenant. Landlord shall retain a contractor and subcontractors to construct such improvements and shall oversee and coordinate the construction. Landlord shall not charge to the Allowance a construction coordination fee.

15. PARKING:

Landlord shall grant to Tenant the rights to four (4) unreserved parking spaces per one thousand (1,000) useable square feet of the Premises leased. All surface visitor parking stalls shall be free of charge and available on a first-come, first-serve basis.

16. SIGNAGE:

Landlord shall provide building standard suite identification signage and add Tenant’s name to the building directory at Landlord’s sole cost and expense. Landlord shall provide tenant with first right of refusal on monument and building signage.

17. FIRST MONTH’S RENT AND SECURITY DEPOSIT:

Tenant shall be required upon lease execution to submit a check to Landlord representing First Month’s Rent as well as a Security Deposit equal to the last month’s rent.

18. APPOINTMENT OF AGENT:

In the event Landlord and Tenant are successful in completing a lease transaction at Four Points, Landlord shall pay a commission to TenantReps, in the amount of four percent (4%) of the minimum rental consideration. This commission shall be paid one-half (½) upon full lease execution and one-half (½) upon occupancy and commencement of the Lease by Tenant.

19. CONTINGENCIES:

The foregoing Proposal is contingent upon the following:

- A. Full execution of a new lease consistent with this letter in a form and substance satisfactory to both parties.
- B. Mutually agreeable Tenant Improvements and space plan.
- C. Landlord’s review of Tenant’s audited financial statements
- D. Neither party may claim any legal rights against the other by reason of the signing of this letter or by taking any action in reliance thereon. Both parties understand that no obligation whatsoever between them shall arise until a lease had been fully executed by both parties; and
- E. Lender approval.

20. EXPIRATION:

This Proposal shall expire at **5:00 p.m. on the 5th Business day after the date of this Proposal.**

This Proposal is not a contractual offer and neither party shall be bound by an agreement until a definitive written contract is executed by both parties.

This Proposal is intended solely as a preliminary expression of general intention and is for discussion purposes only. This Proposal is not intended to, and shall not, create any agreement or obligation by either party to negotiate a definitive agreement pertaining to the Property and imposes no duty on either party to continue negotiations. Neither party shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive written agreement setting forth all material terms of the parties' agreement has been fully executed and delivered by the parties. Prior to delivery of such definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties, and/or (3) unilaterally terminate all negotiations with the other party hereto.

The foregoing is agreed to and accepted:

TENANT:
XXXXXXXXXXXX XXXXXXXXXXXX

LANDLORD:
THE IRVINE COMPANY LLC

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____