

[letterhead of writer]

## LETTER OF INTENT

[date]

[name of addressee]

[address of addressee]

Dear Sirs:

**Re: Lease of [description of commercial premises] (the "Lands")  
by [name of landlord] (the "Landlord")  
to [name of tenant] (the "Tenant")**

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The purpose of this letter is to set forth the intentions of the Tenant and the Landlord with respect to the proposed lease by the Landlord to the Tenant of the Demised Premises (as hereinafter defined) and to record the agreement of the Landlord and the Tenant as to certain matters related to that proposed lease.

1. *Demised Premises.* \_\_\_\_\_ square feet of rentable area, more or less (the "**Demised Premises**"), in [name or address of building] (the "**Building**"), which Building is shown shaded on Schedule "A" hereto.
2. *Use.* The Demised Premises shall be used exclusively for [**description of the use to which the premises will be put**] and no other use. The Tenant shall be responsible, at its sole cost and expense, for ensuring that all applicable laws, including fire and building codes and municipal land use and zoning bylaws are complied with in connection with the conduct of the Tenant's business and the Tenant's use of the Demised Premises. The Tenant shall be responsible, at its sole cost and expense, for obtaining all necessary development, building, occupancy or other permits necessary for the Tenant's use of the Demised Premises by the Tenant and satisfying any conditions or requirements of such permits.
3. *Term.* The term shall commence on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Commencement Date") and expire on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Expiration Date") subject to early termination as set out in the Lease (as hereinafter defined) (the "Term").
4. *Early Occupancy.* Subject to the execution of the Lease by the Landlord and the Tenant, the Tenant may be granted up to thirty (30) days early occupancy of the Demised Premises prior to the Commencement Date for the purpose of completing the Tenant's Work (as hereinafter defined). The Tenant shall pay Tenant's Share of Occupancy Costs (as hereinafter defined) attributable to any such early occupancy period and, if the Tenant conducts business in all or any part of the Demised Premises prior to the Commencement Date then, in addition, the Tenant shall pay Basic Rent (as hereinafter defined) to the Landlord on the Commencement Date for the period from the date the Tenant begins to conduct business in all or any portion of the Demised Premises to the Commencement Date.
5. *[for Canadian residents: Goods & Services Tax.* All amounts payable by the Tenant to the Landlord under the Lease will include an additional amount in respect of any goods and services, sales or similar taxes ("**GST**") payable thereon.]
6. *Basic Rent.* Basic rent ("**Basic Rent**") shall be payable monthly, in advance, as follows:
  - (a) the sum of \$##.## [*if Canadian lease: (plus 7%GST)*] per square foot of rentable area per annum. (\$####.## per annum, being \$####.## per month.)
7. *Occupancy Costs.* The Lease shall be a [*change as required: carefree net lease*] to the Landlord. The Tenant shall pay as Tenant's Share of Occupancy Costs (as defined in the Lease) an amount calculated in accordance with the following [*if Canadian lease: (plus GST)*]:

- (a) for the full calendar year [year], \$##.## per square foot of Rentable Area;
- (b) for any full calendar year after [year] an amount per square foot of Rentable Area equal to \$##.## multiplied by the percentage increase in Occupancy Costs for that calendar year over Occupancy Costs for [year];
- (c) where part only of a calendar falls within the Term, the annual amount payable on account of Occupancy Costs for the portion of the calendar year falling within the Term will be that proportion of the full calendar year amount applicable that the period of the calendar year falling within the Term is of the full calendar year (measured in days).

**THIS IS A 4-PAGE FORM, WITH 3 PAGES OF SCHEDULES ATTACHED.**