

MODEL AGREEMENT

Avoid Cost Disputes Over Tenant Improvements

You can adapt the following “stipulation of cost” to agree to the cost of tenant improvements. This helps avoid future cost disputes with your tenant. The stipulation of cost should be detailed. Ask your attorney about whether you need to include information in addition to: the date and the names of the parties; identification of the lease it relates to; an indication of the purpose of the stipulation of cost; and a list of the exact cost of the tenant improvements. Make sure that it ends with signature lines for you and the tenant.

STIPULATION OF COST OF TENANT'S PERMANENT LEASEHOLD IMPROVEMENTS

AGREEMENT made as of *[insert date]*, by and between the following parties: *[insert name of landlord]* (“Landlord”), and *[insert name of tenant]* (“Tenant”).

WHEREAS, Landlord and Tenant have entered into a lease dated *[insert date]* (hereinafter referred to as the “Lease”), relating to *[insert address of Premises]* (“Premises”) as more fully described in the Lease; and

WHEREAS, Section *[insert #]* of the Lease provides that Landlord and Tenant shall stipulate as to the cost of the Tenant Improvements (as defined in Paragraph *[insert #]* of the Lease).

NOW THEREFORE, it is hereby mutually stipulated and agreed by the parties hereto that the cost of the Tenant Improvements for purposes of Section *[insert #]* of the Lease is \$*[insert amt.]*.

IN WITNESS WHEREOF, the parties hereto have executed this Stipulation of Cost on the date first above written.

LANDLORD'S SIGNATURE _____ DATE _____

TENANT'S SIGNATURE _____ DATE _____