

**MODEL LEASE
CLAUSE**

Establish Your Right to Relocate Tenants

Being able to require current tenants to move to a different part of your center, building, or facility might be vital to open up space for new tenants and capitalize on other strategic opportunities that arise during the term of the lease. But tenants may be unwilling to move from their current space. The best way to overcome this resistance is to include language in your lease giving you the right to relocate tenants under certain conditions. Here's a relocation clause you can ask your attorney to adapt for use at your shopping center, office building, or other sites and properties containing multiple tenants.

RELOCATION OF LEASED PREMISES

Tenant hereby agrees and acknowledges that Landlord shall have the right at any time, upon sixty (60) days' prior written notice ("Relocation Notice"), to relocate Tenant from its current premises ("Premises") to other premises in the [Shopping Center/Building] ("Relocation Premises"), provided that the following terms and conditions are met:

- 1. Size of Relocation Premises:** While Landlord reserves sole discretion to determine the size and configuration of the Relocation Premises, Landlord agrees that the Relocation Premises shall have not less than [insert #] square feet of Rentable Area.
- 2. Location of Relocation Premises:** While Landlord reserves sole discretion to determine the exact location of the Relocation Premises, Landlord agrees that said location will be within the area or building cross-hatched on the property diagram set out in Exhibit A attached hereto ("Relocation Zone").
- 3. Condition of Relocation Space:** The Relocation Premises shall contain leasehold improvements that are at least reasonably equivalent to the permanent leasehold improvements (as distinguished from trade fixtures, equipment, furnishings, furniture, and other personal property belonging to Tenant) contained in the Premises, as listed in Exhibit B attached hereto. Any leasehold improvements made to ensure said reasonable equivalence shall be installed or provided by Landlord at its sole cost and expense.
- 4. Post-Relocation Rent Adjustments:** Any Minimum Rent, Additional Rent, and other charges to Tenant that are based on the Rentable Area of the Premises shall be increased or decreased by the same proportion as the increase or decrease to the Rentable Area of the Relocation Premises applying the same formula used to calculate said Minimum Rent, Additional Rent, and other charges applicable to the Premises, as compared to the Premises, provided, however, that in the event that the Rentable Area of the Relocation Premises is more than [insert # or %] the Rentable Area of the Premises, Minimum Rent, Additional Rent, and other charges based on the Rentable Area shall not be increased by more than [insert # or %] over the amounts in effect for the Premises immediately prior to the relocation.
- 5. Violation Is Material Default:** Tenant's failure to surrender possession of the Premises and relocate to the Relocation Premises in accordance with the Relocation Notice and the terms and conditions (time being of the essence) hereof shall constitute an immediate and material default of the Lease entitling Landlord, in addition to any and all remedies under this Lease or at law or in equity, to reenter the Premises and remove all persons and property therefrom.