

MODEL LEASE CLAUSE

Place Limits on Memorandum of Lease

The following clause was drafted by Los Angeles attorneys Nancy E. Grauman and Pamela L. Westhoff. Put it in your lease when a strong tenant demands the right to record a memorandum of lease.

Paragraph a discusses the contents of a memorandum of lease and

requires the tenant to give you a memorandum of lease termination also. Paragraph b requires the tenant to agree to modify the memorandum of lease by a separate document.

Show this clause to your attorney before putting it into your lease.

MEMORANDUM OF LEASE

- a. Memorandum of Lease.** Landlord and Tenant agree to execute a memorandum of the Lease, setting forth the Lease Term and [*insert special rights or options, e.g., extension option*] and other required provisions, which memorandum shall be substantially in the form attached hereto as Exhibit [*insert #*] (“Memorandum of Lease”). Tenant shall have the right to record the Memorandum of Lease at its sole cost and expense; *provided, however*, that prior to such recording, Tenant has delivered to Landlord a memorandum of lease termination in the form attached hereto as Exhibit [*insert #*] (“Memorandum of Lease Termination”) executed by Tenant, which Landlord shall hold in trust pending the expiration or earlier termination of this Lease. Tenant hereby agrees that Landlord shall have the right to record the Memorandum of Lease Termination upon the termination or expiration of this Lease.
- b. Modification of Memorandum of Lease.** Upon request by Landlord or Tenant, in connection with any future modification of this Lease, the parties hereby agree to execute a memorandum of lease modification, in a commercially reasonable form, setting forth such modified terms.