Running a business takes hard work. That's why we put together the commercial lease toolkit to help familiarize or reacquaint yourself with key information in an easy-to-understand format. Start with these six terms, and make sure to visit the complete list online.

6 Commercial Lease Terms Every Small Business Should Know

Seattle Office of Economic Development

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1. RELOCATION OF PREMISES
   • A clause that might permit the landlord to relocate the tenant to another space.

2. TENANT MAINTENANCE
   • A clause that clearly states who is responsible for building maintenance.
   • Tenants are typically not expected to be responsible for structural elements, stairs, elevators, mechanical systems, plumbing, electricity, and other similar installations. To preserve an exit strategy and facilitate building maintenance, a clause that states the terms under which a tenant is able to assign or sublease the premises.

3. EXCLUSIVE USE
   • A clause that prevents the landlord from leasing to occupants that operate a concept that would compete with the business of the tenant within a defined area.

4. TENANT ALTERATIONS
   • A clause that permits the tenant to make reasonable alterations to the premises.
   • Tenants should generally avoid agreeing to terms that would prevent them from making reasonable alterations to the premises.

5. LEASE ASSIGNMENT/SUBLEASE
   • A clause that states the terms under which a tenant is able to assign or sublease the premises.
   • To preserve an exit strategy and facilitate corporate growth, lessees prefer agreements with clear sublease rights and terms.

6. LANDLORD OBLIGATIONS
   • A clause that states who is responsible for building maintenance, while not impairing visibility.
   • It’s important to ensure that all responsibilities are carried out in a timely and professional manner.

VISIT THE COMPLETE CHECKLIST ONLINE!
seattle.gov/economicdevelopment
View the Full Commercial Lease Checklist for Small Businesses Online

The commercial lease checklist is a tool created for small businesses to use when entering into a commercial lease as a tenant. This tool is designed to provide key information about common terms or sections of a typical commercial lease in a straightforward way.

seattle.gov/economicdevelopment

This commercial lease toolkit is for educational purposes and is not legal advice for your particular situation. Using the Commercial Lease toolkit is not legal advice and does not create an attorney-client relationship. It is also not a substitute for attorney review. Commercial leases are legally binding contracts and tenants should have an experienced real estate contract or general small business attorney review the lease on their behalf before signature. The Commercial Lease toolkit was created in partnership between the City of Seattle’s Office of Economic Development and Wayfind Services.