

**RENEWAL OPTIONS  
EXHIBIT \_\_\_\_\_**

PROPERTY ADDRESS: \_\_\_\_\_

COMMENCEMENT DATE OF LEASE: \_\_\_\_\_ INITIAL LEASE YEAR \_\_\_\_\_

**1. OPTION(S) TO EXTEND TERM**

Landlord hereby grants to Tenant \_\_\_\_\_ option(s) [the "Option(s)"] to extend the Lease Term for additional term(s) of \_\_\_\_\_ years each [the "Renewal Term(s)"], on the same terms conditions and covenants set forth in the Lease Agreement, except as provided below. Each Option shall be exercised only by written notice delivered to the Landlord at least \_\_\_\_\_ (\_\_\_\_\_) days before the expiration of the Lease Term or the preceding Renewal of the Lease Term. If Tenant fails to deliver Landlord written notice of the exercise of an Option within the prescribed time period, such Option and any succeeding Options shall lapse, and there shall be no further right to extend the Lease Term. Each Option shall be exercisable by Tenant on the express condition that at the time of the exercise, and at all times prior to the commencement of such Renewal(s), Tenant shall not be in default under any of the provisions of this Lease. The foregoing Option(s) are personal to Tenant and may not be exercised by any assignee or subtenant.

**2. CALCULATION OF RENT**

The Renewal Base Rent shall be determined by one of the following methods: *[indicated by checking the appropriate box upon the execution of the Lease Agreement]*

- Consumer Price Index Adjustment
- Fair Rental Value Adjustment
- Fixed Rental Adjustment

**A. Consumer Price Index Adjustment**

The Renewal Base Rent shall be determined by multiplying the monthly installment of Initial Base Rent by a fraction determined as follows:

- (1) The numerator shall be the latest Index.
- (2) The denominator shall be the initial Index.

If such computation would reduce the rent for the particular Renewal Term, it shall be discarded, and the rent during the immediately preceding period shall apply instead.

The Index, as defined herein, shall mean the Consumer Price Index for Urban Consumers (all items), United States area (1987 = 100) published by the United States Department of Labor, Bureau of Labor Statistics.

The initial Index shall mean the Index published for the nearest calendar month preceding the commencement date of the Lease Term. The latest Index shall mean the Index published for the nearest calendar month preceding the first day of the Renewal Term.

**B. Fair Rental Value Adjustment**

The Initial Base Rent shall be increased on the first day of the particular Renewal Term to the "Fair Rental Value" of the Demised Premises, determined in the following manner:

- (1) If the Landlord and Tenant have not been able to agree on the Fair Rental Value Adjustment prior to the date the Option is required to be exercised, the rent for the Renewal Term shall be determined as follows: Within fifteen (15)

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days following the exercise of the Option, Landlord and Tenant shall endeavor in good faith to agree upon a single Certified General appraiser. If Landlord and Tenant are unable to agree upon such single appraiser within said fifteen (15) day period, each shall then, by written notice to the other, given within ten (10) days after said fifteen (15) day period, appoint one Certified General appraiser. Within ten (10) days after the two appraisers are appointed, said appraisers shall appoint a third Certified General appraiser. If either Landlord or Tenant fails to appoint its Certified General appraiser within the prescribed time period the single appraiser appointed shall determine the Fair Rental Value of the Demised Premises. Each party shall bear the cost of the appraiser appointed by it and the parties shall share equally the cost of the third appraiser.

(2) The Fair Rental Value of the Demised Premises shall be the average of two (2) of the three (3) appraisals which are closest in amount, and the third appraisal shall be disregarded. In no event shall the rent be reduced by reason of such computation. If the Fair Rental Value is not determined prior to the commencement of the Renewal Term, then Tenant shall continue to pay to Landlord the rent applicable to the Demised Premises immediately prior to such Renewal Term until the Fair Rental Value is determined, and when it is determined, Tenant shall pay to Landlord within ten (10) days after receipt of such notice the difference between the rent actually paid by Tenant to Landlord and the new rent determined hereunder.

### C. Fixed Adjustments

The Initial Base Rent shall be increased to the following amounts on the following dates.

Date	Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

### EXCLUSIONS/EXCEPTIONS AND/OR MODIFICATIONS:

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\_\_\_\_\_  
Tenant's Initials

\_\_\_\_\_  
Landlord's Initials