**Lease Termination Letter Template**

[Your Company Letterhead]

[Your Company Name]

[Your Company Address]

[City, State, Zip Code]

[Date: September 13, 2023]

[Recipient's Name]

[Recipient's Company Name]

[Recipient's Company Address]

[City, State, Zip Code]

Dear [Recipient's Name],

RE: LEASE CANCELLATION AND TERMINATION AGREEMENT

We trust this letter finds you well. This letter serves as formal notice of our intention to cancel and terminate the lease agreement between [Landlord's Name] (hereinafter referred to as "Landlord") and [Tenant's Name] (hereinafter referred to as "Tenant") for the leased premises located at [Property Address], in the City of [City], County of [County], State of [State].

The Lease Agreement in question, dated [Lease Date], governs the demised premises described therein (hereinafter referred to as the "Premises"). Both parties, the Landlord and Tenant, have mutually agreed to cancel and terminate the said Lease Agreement under the following terms and conditions:

1. \*\*Recitals Incorporated:\*\* The recitals outlined above are hereby incorporated into this Agreement by reference.

2. \*\*Security Deposit:\*\* It is acknowledged that Tenant has deposited the sum of $\_\_\_\_\_\_\_\_\_\_ as a security deposit.

3. \*\*Lease Modification:\*\* The Lease Agreement's term will expire and be considered terminated on [Expiration Date]. Save for the modifications detailed herein, the Lease Agreement remains unaltered and in full force.

4. \*\*Lease Termination and Termination Payment:\*\* If, on or before the Expiration Date, Tenant vacates the Premises, leaving them in reasonably good condition and repair, in compliance with Paragraph 6, and subject to other Lease surrender requirements, the following shall occur:

- The Lease will be considered terminated and canceled, as if the Termination Date were the Lease's normal expiration date.

- Landlord will pay Tenant a cash termination payment of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.00.

- Neither party shall have any claims against the other, and both parties release each other from any and all claims, liabilities, damages, or actions arising from the Lease or Tenant's use of the Premises.

- Landlord will return the security deposit to Tenant.

Notwithstanding any provisions in the Lease or this Agreement, if Tenant fails to meet its obligations under this Agreement or the Lease, including timely vacating the Premises and leaving them in good condition, the Termination Payment becomes due and payable by Tenant to Landlord immediately.

5. \*\*Compliance with Obligations:\*\* Tenant remains responsible for all Lease obligations, including monthly rent, additional rent, utility charges, and other amounts owed until the Termination Date.

6. \*\*Condition of Premises:\*\* On or before the Termination Date, Tenant must:

- Remove all trade fixtures and personal property.

- Repair any damage to the Premises caused by such removal.

- Vacate the Premises, leaving them in reasonably good, broom-swept clean condition, and in compliance with Lease surrender requirements.

- Deliver the keys to the Premises to Landlord.

7. \*\*Mutual Release:\*\* Both parties release each other from all claims, demands, damages, rights, liabilities, and causes of action related to the Lease or Premises arising from the Termination Date, except for claims related to (i) a Lease breach on or before the Termination Date, (ii) a breach of this Agreement, or (iii) transactions and occurrences before the Termination Date.

8. \*\*Knowing Release:\*\* Both parties acknowledge consulting with legal counsel and executing this Agreement without fraud, duress, or undue influence.

9. \*\*Authority of Tenant:\*\* Tenant represents and warrants its authority to execute this Agreement, with no violation of existing agreements and unencumbered Premises.

10. \*\*Attorney Fees:\*\* The prevailing party in any legal proceedings related to this Agreement shall be entitled to reimbursement of reasonable attorney fees, costs, expenses, and disbursements.

11. \*\*Final and Complete Expression:\*\* This Agreement is the final expression of the parties and may only be modified in writing, signed by all parties.

12. \*\*Severability:\*\* If any provision in this Agreement is deemed invalid, the remaining provisions remain in full force.

13. \*\*Counterparts:\*\* This Agreement may be executed in counterparts, each constituting an original and all together as one document.

This Agreement shall be effective as of the date first above written.

TENANT: [Tenant's Name]

[Signature]

LANDLORD: [Landlord's Name]

[Signature]