**Payment Plan Agreement for Deferred Rent**

THIS Payment Plan Agreement for Deferred Rent is entered as of the \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 2021 (the “Effective Date”) by and between [ ] [INSERT LEASEHOLDER’S NAME] (“Tenant”) and [ ][INSERT LANDLORD’S NAME] (“Landlord”).

RECITALS:

1. WHEREAS, Tenant leased the real property located at [ ][INSERT ADDRESS] by entering into the [ ][insert name of lease document] (“Lease”) with Landlordon [ ][INSERT LEASE EXECUTION DATE];
2. WHEREAS, the rampant and rapid spread of COVID-19 resulted in multiple, extended, government-mandated shutdowns of business activity beginning March, 2020, requiring businesses to operate at diminished capacity and preventing many businesses from operating at all, thereby limiting or eliminating their revenue;
3. WHEREAS, on March 16, 2020, California Governor Gavin Newsom issued Executive Order N-28-20, which, among other things, (i) permits local governments to adopt regulations to halt evictions of commercial tenants for nonpayment of rent during the COVID-19 pandemic and (ii) has been extended until September 30, 2021;
4. WHEREAS, the San Francisco Mayor issued Orders and the Board of Supervisors passed an Ordinance protecting commercial business tenants from eviction based on their inability to pay rent;
5. WHEREAS, the Ordinance affords qualified commercial tenants the ability to pay less or no rent so long as the Ordinance is in effect and provides for set time periods after the Ordinance expires or is terminated by which tenants must repay any unpaid rent that accrued between March 17, 2020 and the Ordinance’s expiration or termination, which is now set to expire on September 30, 2021;

1. WHEREAS, Tenant was unable to pay rent in full due to the COVID-19 pandemic during the following months: [INSERT MONTH AND YEAR FOR EACH MONTH OF MISSED RENT PAYMENTS, ANY PARTIAL AMOUNTS PAID, AND THE AMOUNT OF OUTSTANDING UNPAID RENT]
2. WHEREAS, the total rent unpaid by Tenant as described in Paragraph E above is [$ ][INSERT TOTAL AMOUNT OF UNPAID RENT](“Unpaid Rent”);
3. WHEREAS, Landlord agreed to reduce the Unpaid Rent owed by Tenant by [$ ][INSERT THE TOTAL AMOUNT OF REDUCTION GRANTED BY LANDLORD] (“Concession”); and
4. WHEREAS, Tenant owes Landlord [$ ][INSERT TOTAL AMOUNT OF UNPAID RENT STATED IN PARAGRAPH F ABOVE LESS ANY REDUCTION OR FORGIVENESS FROM LANDLORD STATED IN PARAGRAPH G ABOVE] in Unpaid Rent, less the Concession granted by the Landlord (“Deferred Rent”).
5. WHEREAS, Tenant qualified for protection from eviction under the Orders and Ordinance, and, as a Tier [INSERT TIER NUMBER] Tenant, must repay all unpaid rent within [INSERT REPAYMENT PERIOD THAT CORRESPONDS TO BUSINESS TIER];

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

* Tenant agrees to repay $[$20,000-$30,000] in Unpaid Rent to settle all back rent that is owed to Landlord;
* Tenant agrees to pay $[INSERT MONTHLY PAYMENT AMOUNT] per month during the forbearance period following the expiration or termination of the Ordinance, with payment due to the Landlord on the [INSERT PREFERRED PAYMENT DAY] of each month;
* Tenant agrees to pay $[INSERT NEW MONTHLY RENTAL AMOUNT THAT IS DUE, IF DIFFERENT FROM THAT WHICH IS STATED IN YOUR LEASE] in monthly rent, taking into consideration that my business is still operating at limited capacity, until [INSERT DATE THAT AGREEMENT TO PAY LESS MONTHLY RENT EXPIRES].
* Landlord agrees to not to initiate legal proceedings against Tenant for nonpayment of rent so long as Tenant makes timely monthly payments to pay down the total Unpaid Rent, by the end of the forbearance period;
* Tenant agrees that once this payment plan is formalized between the parties, further modifications or extensions of time to repay Unpaid Rent must be mutually agreed to in writing by Tenant and Landlord.
* Except as specifically set forth herein, the terms of the Lease shall remain unmodified and in full force and effect.

[signatures follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Payment Plan Agreement for Deferred Rent effective as of the Effective Date.

TENANT LANDLORD

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Sign to agree to above payment plan] [Sign to agree to above payment plan]

Tenant’s Name Landlord’s Name

Business Owner’s Name, Tenant Landlord Address

Business Name City, State, Zip

Address

City, State, Zip