

## **ADDENDUM TO LEASE (Green Lease Provisions)**

THIS ADDENDUM TO LEASE is made a part of that certain Lease by and between [LANDLORD] and [TENANT] dated \_\_\_\_\_ (the "Lease"). The Effective Date of this Addendum is \_\_\_\_\_.

### **RECITALS**

A. Landlord and Tenant agree that it is in their mutual best interests that the Building and Premises be operated and maintained in a manner that is environmentally responsible, fiscally prudent, and provides a safe and productive work environment.

B. To effectuate these goals, Landlord and Tenant desire to provide appropriate incentives for Landlord to make energy saving improvements to the Building and Premises intended to reduce operating costs, to operate the Building and Premises in an environmentally conscious manner and, if deemed feasible and appropriate, to obtain LEED certification for the Building.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises contained herein and other good and valuable consideration, the parties agree as follows:

### **TERMS AND CONDITIONS**

1. **Environmental Performance Objective.** Landlord and Tenant intend to use their commercially reasonable efforts to conduct their respective operations in the Building and within the Premises so as to minimize, as reasonably feasible: (i) direct and indirect energy consumption and greenhouse gas emissions; (ii) water consumption; (iii) the material entering the waste stream; (iv) negative impacts on the indoor air quality of the Building and the Premises.

2. **Energy Saving Improvements.** The costs of any capital improvements Landlord makes to the Building during the Term that are designed to reduce overall Operating Costs, including without limitation, the costs of utilities, shall be included in Operating Costs. The costs of such improvements shall be amortized over the minimum period acceptable for federal income tax purposes at a market rate of interest, as reasonably determined by Landlord's accountants, and only the yearly-amortized portion thereof shall be treated as Operating Costs during each year of the Lease. Additionally, costs incurred by Landlord for retro-commissioning the Building for the purpose of verifying and documenting all of the systems and assemblies of the Building and Common Area are planned, designed, installed, tested, operated and maintained to operate efficiently, provide a safe and comfortable work environment, and optimize overall building performance shall be included in Operating Costs.

3. **LEED EBOM Certification.** If Landlord reasonably deems it to be feasible and in the best interests of the Building, Landlord may seek the Leadership in Energy and

Environmental Design Existing Building Operations and Maintenance certification (“LEED EBOM”). The reasonable, out-of-pocket costs incurred by Landlord in obtaining the LEED EBOM certification and the reasonable costs of any retrofitting to the Building that may be required to obtain the LEED EBOM certification shall be included in Operating Costs. The costs of obtaining LEED EBOM certification shall be amortized over twenty (20) years at a market rate of interest, as reasonably determined by Landlord’s accountants, and only the yearly-amortized portion thereof shall be treated as Operating Costs during each year of the Lease. Retrofitting costs that constitute capital improvements shall be amortized and charged as provided in Section 2 above, and such costs that do not constitute capital improvements shall be included in Operating Costs for the year in which they are incurred.

3. Utility Providers. In the event there is more than one utility provider offering service to the Building, Landlord shall have the right, in its reasonable discretion, to select the provider or providers which shall be permitted to serve the Building and to enter into exclusive arrangements with any such providers. In making such decision, Landlord shall consider the relative environmental impacts of each alternative provider, in addition to the cost of service and such other factors as Landlord shall reasonably deem relevant.

4. On Site Electrical Generation. In the event Landlord elects to install any on-site electricity generation system, including without limitation, photovoltaic solar panels, Landlord shall have the right to: (i) use the electricity generated by such system in the operation of the Building, including use in the Common Areas and/or to the Premises, and (ii) include the reasonable cost of such electricity in Operating Costs. The reasonable cost shall be reasonably determined by Landlord based upon the then-current market rates for electricity being charged by private utility providers in the area where the Building is located.

5. Environmental Performance Regulations. Landlord shall be permitted to adjust the services to be provided under the Lease as reasonably needed in order to comply with any applicable, mandatory laws, rules or regulations relating to energy usage or environmental performance. Landlord and Tenant shall cooperate reasonably and in good faith to minimize any disruption of Tenant’s business in the Premises related to compliance with such laws, rules or regulations. If Landlord and Tenant mutually agree to participate in any voluntary energy savings or environmental performance programs, Landlord shall be permitted to adjust the services to be provided under the Lease as reasonably needed in connection with such programs.

6. Building Rules and Regulations. In addition to any other Rules and Regulations provided for in the Lease, Landlord shall be permitted to adopt commercially reasonable, non-discriminatory Rules and Regulations for the Building related to efficient use of energy, recycling, waste reduction, indoor air quality and other similar environmental performance measures to accomplish the goal stated in Section 1 above, and Tenant shall comply with all such Rules and Regulations.

7. Green Credits. Landlord shall be entitled to all tax credits, carbon credits and other such credits or entitlements (“Green Credits”) that may be created, credited or recoverable because of energy savings or other sustainability activities conducted within the Building or the Premises, excluding Green Credits to which the Tenant is entitled in accordance with applicable

law. Landlord shall be entitled to allocate, in its reasonable discretion, any Green Credits created with the participation of the Tenant and/or other tenants in the Building.

8. Miscellaneous. Except as modified by this Addendum, the remainder of the Lease shall continue in full force and effect. In the event of any conflict between the Lease and this Addendum, the provisions of this Addendum shall control. This Addendum may be executed in counterparts, each of which shall be deemed and original and all of which together shall constitute one instrument. Signatures transmitted by facsimile, pdf or similar electronic means shall be valid and binding for all purposes.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have executed this Addendum as of the Effective Date first written above.

LANDLORD: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TENANT: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_