

DRAFT TEXT FOR POTENTIAL LETTER TO LANDLORDS:

March __, 2020

VIA CERTIFIED MAIL AND EMAIL < @ >
<Landlord Notice Address>

RE: COVID-19 RESPONSE MEASURES

Ladies and Gentlemen:

I am writing to address certain economic realities brought on by the coronavirus pandemic. We are in unprecedented territory with the situation changing on an almost hourly basis throughout the nation.

[INSERT LESSE ENTITY], along with other KFC Franchisees, have taken extraordinary measures to protect our customers and employees, including the suspension of operations in our dining room for an as yet unknown period of time. Like other businesses, we are also focused on steps that need to be taken to ensure the continued viability of our restaurant operations, and our ability to fulfill our obligations to our employees, vendors and landlords.

From a Landlord/Tenant standpoint, we find ourselves in the midst of previously unforeseen circumstances. We face a Force Majeure event of governmental restrictions and a public health emergency. This will require creative planning and cooperation with landlords to ensure that our long term lease relationships will be honored and our businesses will survive to thrive over the long term.

Like other businesses, we anticipate our cash flow will be greatly impacted over at least the next 60-90 days. We will also be required to incur additional expenditures to retain employees throughout the pandemic so as to be ready to resume full operations once the restrictions are lifted. We are committed to overcoming these extraordinary circumstances. We need to work together to ensure we all emerge as survivors.

In order to accomplish this, we propose the following arrangement with you:

- a. Commencing with our next rent payment date (in most cases, April 1st), we will pay normal CAM charges (pro rata share of operating expenses, insurance and taxes).
- b. We will defer payment of base or minimum rent until [one month?, one rental period?] after our restaurant fully reopens to the public.
- c. Deferred rent will be paid in equal installments over a six (6) month period beginning one month after we resume payment of base or minimum rent.

Please do not hesitate to contact me at [REDACTED] to discuss this proposal. If you find the proposal satisfactory, please acknowledge your consent by signing a copy of this letter in the space provided and returning it to me.

Thank you in advance for your anticipated cooperation during this difficult time.

Very truly yours,

[INSERT LESSEE ENTITY]

By:

[INSERT SIGNATORY NAME]

ACKNOWLEDGED AND AGREED:

LANDLORD:

[INSERT LANDLORD ENTITY]

By: _____

Name:

Title: