

HELPFUL COMMERCIAL LEASING,
ARBITRATION AND MEDIATION TIPS

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Office Lease Use Clause

Many office leases simply provide that the premises are to be used solely for “general office purposes”.

Is that a problem?

Absolutely! The landlord may have given one office tenant a restrictive covenant for a particular use (such as an insurance office) and then discover that another office tenant is using its premises for the same use (as the other office premises may simply have in their lease that their office premises can be used for “general office purposes”).

What should a landlord do to avoid this? For example, if it is an insurance office, the landlord should provide that the offices premises will be used only for the purpose of insurance administration. In that way, the landlord can avoid a law suit by being specific as to what any other office premises are not to be used for.