REAL ESTATE LEASE TEMPLATE

We recommend the church seek out the advice and services of a practicing attorney with experience in the area of real estate law.

This lease Agreement is dated, by and between: Landlord: and Tenants:

(Name of church representative) shall represent the landlord and shall have all the authorities of the landlord.

The parties agree with the following:

That all parties have been certified as being non-profit 501(c)(3).

All proceeds from the rental can only be used for normal church expenses (budgeted).

PREMISES: Landlord, in consideration for the payment provided for in this agreement, shall lease to Tenant the premises located at _____, or portions thereof as set forth elsewhere in this lease, and in accordance with all other terms and conditions hereof."

TERMS: The lease term will begin on _____and will terminate on_____. At any time during the lease period, either party may cancel after 30 days' written notice. No longer than one year. At the end of the term of the lease, Tenant will vacate the premises unless a) the lease has been extended by agreement of the parties or a new lease executed; or b) the Landlord accepts payment from Tenant beyond the lease term. In that case, a month-to-month tenancy under Illinois law will be considered to be created.

LEASE PAYMENT: Tenant shall pay to landlord a lease payment of $_____ by direct deposit monthly, due by the _____ of each month. There will be a late fee of $_____ for payment not received within _____ days of the due date. Tenants will be responsible for establishing monthly lease payments by direct deposit.

POSSESSION: Tenant shall be entitled to possession on the days and times agreed upon in this agreement. Access to property will be provided by the Landlord on the dates and times agreed upon. (No property keys will be provided to tenant) At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the premises to landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

SMOKING: No smoking shall be allowed on the premises.

PARKING: Tenant shall be entitled to parking privileges when property is in use by the Tenant. Tenants shall follow all parking rules and regulations. Any parking fines or expenses for violations will be at the expense of the tenant.

PROPERTY INSURANCE: Landlord and tenant shall each be responsible for maintaining appropriate insurance for their respective interests in the premises and property located on the premises. Upon the signing of such agreement, Tenant must provide a copy of their current Insurance Certificate to the Landlord. The rental party must provide proof of liability insurance. Landlord releases the church of any liability during usage by the Tenant.

UTILITIES AND SERVICES: Landlord shall be responsible for all utilities and services incurred in connection with the premises.

TAXES: Taxes attributable to the use of the premises shall be paid by the landlord.

HABITABILITY: Tenant has inspected the premises and fixtures (or has had the premises inspected on behalf of tenant) and acknowledges that the premises are in a reasonable and acceptable condition of habitability for their intended use, and the agreed lease payments are fair and reasonable. If the condition changes so that, in Tenant's opinion, the habitability and rental value of the premises are adversely affected, Tenant shall promptly provide reasonable notice to landlord.

INDEMNITY REGARDING USE OF PREMISES: To the extent permitted by law, the Tenant shall indemnify, hold harmless, and defend Landlord from and against claims, losses, expenses, attorneys' fees, etc., which may be brought against Landlord for incidents occurring during the Tenant's possession, use, or misuse of the premises, except Landlord's act or negligence. To the extent permitted by law, the Landlord agrees to indemnify, hold harmless, and defend Tenant from and against claims, losses, expenses, attorneys' fees, etc., which may be brought against Tenant for incidents occurring outside of Tenant's occupancy of the premises.

COMPLIANCE WITH LAW AND REGULATION: Tenant shall promptly comply with all laws, ordinances, requirements, and regulations of the federal, state, county, municipal, and other authorities, and the fire insurance underwriters.

NOTICE: Notices under lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed to the party at the appropriate address set forth in this lease. Such addresses may be changed from time to time by either party by providing notice as set forth below. Notices mailed in accordance with these provisions shall be deemed received on the third (3) day after posting.

GOVERNING LAW: This lease shall be construed in accordance with the laws of the State of Illinois.

ENTIRE AGREEMENT/AMENDMENT: This lease contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this lease. This lease may not be modified or amended in writing if the writing is signed by the party obligated under the amendment.

SEVERABILITY: If any portion of this lease shall be held to be invalid and unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER: The failure of either party to enforce any provisions of this lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this lease.

BINDING EFFECT: The provisions of this lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors, and assigns.

LANDLORD: _____ DATE: _____

TENANT: _____ DATE: _____

Other things to consider:

Issues to consider when establishing a rental fee.
1- Utilities
2- Cleaning
3- Opening & closing fees
4- Nonservice usage
5- Use of other parts of the church
6- Snow removal