

Commercial Lease Agreement

Source: File2Download.com | Free to use and edit

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and entered into as of [DATE], by and between [LANDLORD NAME], a [ENTITY TYPE] with an address at [LANDLORD ADDRESS] ("Landlord"), and [TENANT NAME], a [ENTITY TYPE] with an address at [TENANT ADDRESS] ("Tenant"). Landlord and Tenant are each a "Party" and together the "Parties".

1. PREMISES

1.1 Demise. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises located at [PREMISES ADDRESS], consisting of approximately [SQUARE FEET] square feet and described as [SUITE/UNIT/SPACE DESCRIPTION] ("Premises"), within the building commonly known as [BUILDING NAME] (the "Building").

1.2 Appurtenances. Tenant's rights include non-exclusive use of the following common areas: [PARKING SPACES]/[LOADING AREAS]/[COMMON AREAS] subject to the rules and regulations of the Building and this Lease.

2. TERM

2.1 Commencement and Expiration. The term of this Lease ("Term") shall commence on [TERM START DATE] ("Commencement Date") and expire on [TERM END DATE] ("Expiration Date") unless earlier terminated or extended as provided herein.

2.2 Option to Renew. Tenant shall have the option to renew the Lease for [NUMBER] additional term(s) of [RENEWAL TERM LENGTH] each upon at least [NOTICE PERIOD] prior written notice to Landlord, on the same terms and conditions except for Rent which shall be adjusted to the then-market rate, or as otherwise agreed in writing.

3. RENT

3.1 Base Rent. Tenant shall pay to Landlord base rent in the amount of [RENT AMOUNT] per [MONTH/YEAR] ("Base Rent"), payable in advance on or before the [RENT DUE DAY] day of each [MONTH/PERIOD], without notice or demand, at Landlord's address or as otherwise designated in writing.

3.2 Additional Rent. Tenant shall also pay Tenant's share of all real estate taxes, assessments, insurance premiums, common area maintenance ("CAM") and other operating expenses as set forth in Section 4 (collectively, "Additional Rent"). All amounts payable by Tenant under this Lease are "Rent".

3.3 Late Charges and Interest. Any Rent not received within [GRACE PERIOD] days after Tenant's obligation to pay shall bear interest at the lesser of [LATE CHARGE RATE]% per month or the maximum rate permitted by law and may be subject to a late charge of [LATE FEE AMOUNT].

3.4 Security Deposit. Tenant shall deposit with Landlord on or before the Commencement Date the sum of [SECURITY DEPOSIT] as security for Tenant's performance. Landlord may apply the deposit to unpaid Rent or damages. If applied, Tenant shall replenish such deposit within [REPLENISHMENT PERIOD] days.

4. TAXES, UTILITIES, AND OPERATING EXPENSES

4.1 Tenant's Share. Tenant shall pay, as Additional Rent, Tenant's proportionate share ([TENANT PERCENTAGE]%) of all increases in Building operating expenses, real estate taxes, utilities, repairs to common areas, management fees and insurance ("Operating Expenses").

4.2 Payment and Reconciliation. Landlord shall invoice Tenant periodically. Tenant shall pay estimated charges monthly, with annual reconciliation and payment or credit within [RECONCILIATION PERIOD]

days after statement.

5. USE

5.1 Permitted Use. Tenant shall use the Premises solely for [PERMITTED USE] and for no other purpose without Landlord's prior written consent.

5.2 Compliance. Tenant shall comply with all applicable laws, ordinances, codes and regulations and with Building rules and reasonable regulations promulgated by Landlord from time to time.

6. CONDITION AND REPAIRS

6.1 Acceptance. Tenant accepts the Premises in its current condition as of the Commencement Date, subject to Landlord's obligations expressly set forth in this Lease.

6.2 Tenant's Maintenance. Tenant shall, at its expense, keep the Premises and all non-structural systems in good order, condition and repair, and shall make all repairs and replacements necessary to maintain the Premises.

6.3 Landlord's Maintenance. Landlord shall maintain the structural components of the Building, including the roof, foundations and exterior walls, except to the extent damage is caused by Tenant or Tenant's agents, employees or invitees.

7. ALTERATIONS AND IMPROVEMENTS

7.1 Tenant Alterations. Tenant shall not make structural alterations or additions to the Premises without Landlord's prior written consent. Non-structural alterations may be made with Landlord's prior written consent, not to be unreasonably withheld, and may require restoration at Tenant's expense.

7.2 Ownership of Improvements. All improvements, fixtures and alterations affixed to the Premises by Tenant shall become the property of Landlord upon expiration or earlier termination of the Lease unless Landlord requires removal, in which case Tenant shall restore the Premises to their prior condition.

8. ASSIGNMENT AND SUBLETTING

8.1 Restrictions. Tenant shall not assign, transfer, mortgage, or encumber this Lease or sublet the Premises or any portion thereof without Landlord's prior written consent, which shall not be unreasonably withheld for financially responsible assignees whose use is consistent with this Lease.

8.2 Conditions. Any permitted assignee must assume Tenant's obligations. Notwithstanding assignment or subletting, Tenant shall remain primarily liable for payment of Rent and performance of obligations unless released in writing by Landlord.

9. INSURANCE

9.1 Tenant's Insurance. Tenant shall obtain and maintain commercial general liability insurance with limits not less than [CGL LIMIT] per occurrence and [AGGREGATE LIMIT] aggregate, and property insurance for Tenant's personal property and leasehold improvements.

9.2 Landlord's Insurance. Landlord shall maintain property insurance on the Building and liability insurance for Building common areas. Tenant shall pay its share of insurance premiums as part of Operating Expenses.

9.3 Evidence. Tenant shall deliver certificates of insurance and endorsements naming Landlord as an additional insured and providing for [MINIMUM NOTICE] days' notice of cancellation.

10. INDEMNITY

10.1 Tenant Indemnity. Tenant shall indemnify, defend and hold Landlord and its agents harmless from and against all claims, damages, liabilities, costs and expenses arising from Tenant's use or occupancy of the Premises, except to the extent caused by Landlord's negligence or willful misconduct.

10.2 Landlord Indemnity. Landlord shall indemnify Tenant against claims arising from Landlord's negligence or willful misconduct.

11. CASUALTY

11.1 Damage. If the Premises or Building are damaged by fire or other casualty, Landlord shall promptly repair the damage, subject to insurance proceeds and reasonable delay for adjustment. Rent shall be abated proportionately during repair for the portion rendered untenantable.

11.2 Termination for Total Loss. If repairs cannot reasonably be completed within [REPAIR PERIOD] days, either Party may terminate this Lease by written notice within [TERMINATION NOTICE PERIOD] days after the casualty.

12. CONDEMNATION

12.1 Total or Partial Taking. If the entire Premises are taken by eminent domain, this Lease shall terminate as of the taking date. If a material portion is taken so as to materially interfere with Tenant's use, either Party may terminate.

12.2 Awards. Condemnation awards for the value of the leasehold estate shall belong to Landlord, except Tenant may seek compensation for its fixtures, trade fixtures and improvements to the extent permitted by law and not covered by Tenant's insurance.

13. DEFAULT AND REMEDIES

13.1 Events of Default. Tenant shall be in default if Tenant fails to pay Rent within [CURE PERIOD] days after written notice, or fails to perform any other covenant within [CURE_PERIOD_NONMONETARY] days after written notice (if curable). Landlord shall be in default if Landlord fails to perform any material obligation within [LANDLORD_CURE_PERIOD] days after written notice.

13.2 Remedies. Upon Tenant's default, Landlord may terminate this Lease, re-enter and recover damages, including unpaid Rent and costs of re-letting, or pursue any other remedy at law or equity. Upon Landlord's default, Tenant may seek specific performance or damages.

13.3 Acceleration and Liquidated Damages. Landlord may accelerate Rent and recover unpaid Rent and damages. Parties may include a liquidated damages provision of [LIQUIDATED_AMOUNT] if specified.

14. QUIET ENJOYMENT

Landlord covenants that upon payment of Rent and performance of Tenant's obligations, Tenant shall peacefully and quietly enjoy the Premises without hindrance from Landlord.

15. SURRENDER

Upon expiration or termination, Tenant shall surrender the Premises broom-clean, remove Tenant's trade fixtures and personal property, and repair any damage caused by removal. Tenant shall leave installed systems and fixtures in good working order, reasonable wear and tear excepted.

16. HOLDOVER

If Tenant remains in possession after the Term without Landlord's written consent, Tenant shall be a holdover tenant at a monthly rent equal to [HOLDOVER_RATE_MULTIPLIER] times the prior monthly rent, subject to Landlord's right to eviction or other remedies.

17. SUBROGATION AND WAIVER OF SUBROGATION

Landlord and Tenant waive rights of recovery against each other for loss covered by property insurance to the extent such waiver is permitted by insurer. Each Party shall cause its insurer to waive subrogation rights against the other.

18. ENVIRONMENTAL COMPLIANCE

Tenant shall not cause or permit the release, storage, disposal or use of Hazardous Materials on the Premises except in compliance with Environmental Laws and with Landlord's prior written consent. Tenant shall indemnify Landlord for any contamination caused by Tenant.

19. SIGNS

Tenant may install signage only with Landlord's prior written consent and in compliance with the Building signage program, all applicable laws, and any required permits. Tenant shall remove signage at termination and repair any damage.

20. ACCESS; ENTRY

Landlord and Landlord's agents may enter the Premises upon reasonable prior notice for inspection, maintenance, construction, and to show the Premises to prospective tenants or purchasers, except in emergencies when no notice is required.

21. QUIET ENJOYMENT

Landlord covenants Tenant shall have quiet enjoyment of the Premises subject to compliance with this Lease and applicable law.

22. DEFAULT INTEREST, ATTORNEYS' FEES AND COSTS

The prevailing party in any action to enforce this Lease shall be entitled to recover reasonable attorneys' fees and costs, court costs and collection expenses.

23. NOTICES

All notices shall be in writing and delivered by hand, nationally recognized overnight courier, certified mail (return receipt requested), or electronic delivery if agreed, to the addresses set forth above or to such other address as a Party designates by notice. Notices are effective upon receipt.

24. GOVERNING LAW; VENUE

This Lease shall be governed by and construed in accordance with the laws of the State of [STATE]. Venue for disputes shall be in the state or federal courts located in [COUNTY], [STATE].

25. NON-WAIVER; REMEDIES

No waiver of any default shall be effective unless in writing and signed by the waiving party. The remedies provided in this Lease are cumulative and not exclusive.

26. ATTORNMENT; ESTOPPEL

Tenant shall attorn to any purchaser or mortgagee of the Building. Upon request, Tenant shall deliver an estoppel certificate in a form reasonably acceptable to Landlord and Tenant, confirming Lease status.

27. MISCELLANEOUS

27.1 Entire Agreement. This Lease constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings relating to the Premises.

27.2 Amendments. No amendment shall be effective unless in writing and signed by both Parties.

27.3 Severability. If a provision is invalid, the remainder shall remain in effect.

27.4 Binding Effect. This Lease binds and benefits the Parties and their respective successors and permitted assigns.

27.5 Counterparts; Electronic Signatures. This Lease may be executed in counterparts and by electronic signature, each of which shall be deemed an original.

27.6 Force Majeure. Neither Party shall be liable for delay or failure to perform due to causes beyond its reasonable control, including acts of God, war, terrorism, strikes, governmental orders, pandemics or shortages.

28. ADDITIONAL PROVISIONS

[INSERT ANY ADDITIONAL TERMS, RIDERS OR EXHIBITS, SUCH AS: RULES AND REGULATIONS, TENANT IMPROVEMENT ALLOWANCE, GUARANTY, PARKING ADDENDUM, SERVICE LEVEL

AGREEMENTS, ETC.]

EXHIBITS AND SCHEDULES

Exhibit A: Legal Description of Premises and Floor Plan

Exhibit B: Rules and Regulations

Exhibit C: Tenant Work Letter and Improvements

Exhibit D: Insurance Requirements

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first written above.

LANDLORD:

[LANDLORD NAME]

By: _____

Name: [LANDLORD SIGNATORY NAME]

Title: [LANDLORD SIGNATORY TITLE]

Date: [LANDLORD SIGN DATE]

TENANT:

[TENANT NAME]

By: _____

Name: [TENANT SIGNATORY NAME]

Title: [TENANT SIGNATORY TITLE]

Date: [TENANT SIGN DATE]

OPTIONAL: GUARANTY

If the Lease requires a guaranty, a separate Guaranty of Lease in the form attached as Exhibit E shall be executed by [GUARANTOR NAME].

NOTARY (Optional):

State of [STATE]

County of [COUNTY]

On this [NOTARY_DATE], before me, [NOTARY_NAME], personally appeared [LANDLORD SIGNATORY NAME]/[TENANT SIGNATORY NAME], proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to this instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Signature: _____

Name: [NOTARY_NAME]

My Commission Expires: [NOTARY_EXPIRATION_DATE]

(End of Lease)

This template is provided for informational purposes only and does not constitute legal advice. Consult a licensed attorney before signing any legal document.