



COMMERCIAL LEASE AGREEMENT

(Consult with your Managing Broker prior to preparation)

1
2 This Commercial Lease Agreement ("Lease") is made and effective _____, by and between
3 _____ ("Landlord") and _____ (Tenant").
4

5 Landlord is the owner of the land and improvements commonly known and numbered as
6 _____ Illinois ("the Building").
7

8 Landlord makes available for lease a portion of the Building designated as Unit(s) ___ and ___ (the
9 "Leased Premises").
10

11 Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased
12 Premises from Landlord for the term, at the Rental and upon the covenants, conditions and provisions
13 herein set forth.
14

15 THEREFORE, In consideration of the mutual promises herein contained, and other good and valuable
16 consideration, it is agreed:
17

18 **1. Term:**
19

20 Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from
21 Landlord, for an "Initial Term" of ___ year(s) (____ months) beginning _____
22 and ending _____.
23

24 **2. Option to Renew:**
25

26 Tenant shall have the option to extend the term of this lease for ___ additional periods of ___ years,
27 upon the same terms, conditions and Rental contained in this Lease, except that, in lieu of the Rent due
28 and payable during the original term of this Lease, the Rent shall be increased by ___% per option
29 term/year. Tenant must notify Landlord, in writing, of its election to exercise its option to extend the
30 Lease Term at least 90 days prior to the Expiration of the original Lease Term. The renewal option
31 cannot be exercised by Tenant unless (i) Tenant is current in its payments of Rent and any other charges
32 due under this lease; and (ii) Tenant is not otherwise in default under any of the covenants and
33 obligations contained in this Lease beyond any applicable notice and cure period.
34

35 **3. Payments:**
36

37 Tenant shall pay to Landlord monthly Rent of \$_____. Payment shall be due in advance on the first
38 day of each calendar month during the lease term made payable to: _____
39 at _____ Unit_____, _____ Illinois _____ or at such other place
40 designated by written notice from Landlord or Tenant. The Rental payment amount for any partial
41 calendar months included in the lease term shall be prorated on a daily basis.
42
43
44

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____

45 **4. Security Deposit:**

46
47 At the time of the signing of this Lease, Tenant shall pay to Landlord a security deposit of \$ _____
48 to be held and disbursed for Tenant damages to the Premises (if any) as provided by law.
49

50 **5. Possession:**

51
52 Tenant shall be entitled to possession on the ___ day of _____, 20___, and shall yield possession to
53 Landlord on the Last day of the term of this Lease, unless otherwise agreed by both parties in writing. At
54 the Expiration of the Term, Tenant shall remove its goods and effects and peaceably yield up the
55 Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear
56 excepted.
57

58 **6. Dangerous or Hazardous Materials:**

59
60 Tenant shall not keep or have on the Premises any article or thing of dangerous, flammable, or explosive
61 character that might substantially increase the danger of fire on the Premises, or that might be
62 considered hazardous by a responsible insurance company, unless the prior written consent of Landlord
63 is obtained and proof of adequate insurance protection is provided by Tenant to Landlord.
64

65 **7. Compliance with Law:**

66
67 Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter
68 pertaining to Tenant’s use of the Leased Premises. Landlord shall comply with all laws, orders,
69 ordinances and other public requirements now or hereafter affecting the Leased Premises.
70

71 **8. Sublease and Assignment:**

72
73 Tenant shall have the right **with Landlord’s consent**, to assign this Lease to a corporation which Tenant
74 may merge or consolidate, to any subsidiary or other Tenant, to any corporation under common control
75 with Tenant, or to a purchaser of substantially all of Tenant’s assets. Except as set forth above, Tenant
76 shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without
77 Landlord’s consent, such consent not to be unreasonably withheld or delayed.
78

79 **9. Repairs:**

80
81 During the Lease term, Tenant shall make, at Tenant’s expense, all necessary repairs to the Leased
82 Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of
83 the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems
84 or the roof, subject to the obligations of the parties otherwise set forth in this Lease.
85

86 **10. Alterations and Improvements:**

87
88 Tenant, at Tenant’s expense, shall have the right following Landlord’s consent to remodel, redecorate,
89 and make additions, improvements and replacements of and to all, or any part of, the Leased Premises
90 from time to time as Tenant may deem desirable, provided the same are made in a workmanlike
91 manner and utilizing good quality materials. Tenant shall submit a permit application to the appropriate
92 unit of local government as required. Tenant shall have the right to place and install personal property,
93 trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and
94 fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and
95 temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed

96 or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear
97 of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of
98 this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by
99 Tenant at Tenant's expense.

100
101 **11. Mechanics Liens:**

102
103 Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens
104 or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are
105 invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or
106 suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional
107 steps that are necessary in order to keep the premises free of all liens resulting from construction done
108 by or for the Tenant.

109
110 If Tenant shall fail to contest the validity of any lien or claimed lien or fail to give security to Landlord to
111 insure payment thereof, or shall fail to prosecute such contest with diligence or shall fail to have the
112 same released and satisfy any judgement rendered thereon, the Landlord may, at its election (but shall
113 not be so required) remove or discharge such lien or claim for lien (with the right, in its discretion, to
114 settle or comprise the same), and any amounts advanced by Landlord, including reasonable attorneys'
115 fees, for such purposes shall be so much additional Rent due from Tenant to Landlord at the next Rent
116 date after any such payment, with interest at the Lease Interest Rate.

117
118 **12. Property Taxes:**

119
120 Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special
121 assessments coming due during the Lease term on the Leased Premises, and all personal property taxes
122 with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible
123 for paying all personal property taxes with respect to Tenant's personal property at the Leased
124 Premises.

125
126 **13. Insurance:**

127
128 If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting
129 from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, Rent shall not be
130 diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs
131 of repair not covered by insurance.

132
133 Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises
134 in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire
135 and extended coverage insurance on all of its personal property, including removable trade fixtures,
136 located in the Leased Premises.

137
138 Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive
139 general liability insurance with respect to the respective activities of each in the Building with the
140 premiums thereon fully paid on or before due date, issued by and binding upon some insurance
141 company approved by Landlord, such insurance to afford minimum protection of not less than
142 \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof.
143 Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general
144 liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing
145 Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to

146 notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not
147 be required to maintain insurance against thefts within the Leased Premises or the Building.

148

149 **14. Utilities:**

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151 Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities
152 used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed
153 in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not
154 separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro
155 rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice. Tenant
156 acknowledges that the Leased Premises are designed to provide standard office use electrical facilities
157 and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive
158 electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with
159 electrical services to other tenants.

160

161 **15. Common Area Maintenance:**

162

163 Tenant shall be responsible to reimburse Landlord for Tenant's share of the following common area
164 maintenance expenses (check all that apply):

165 Electricity _____ Gas/Heat Fuel _____ Rubbish Removal ___ Snow Removal ___

166 Water/Sewer Service ___ Landscaping/Lawn Maintenance ___ Other ___

167

168 **16. Signs:**

169

170 Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations
171 selected by Tenant, any signs which are permitted by applicable zoning ordinances and private
172 restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too
173 large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or
174 use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary
175 permission from governmental authorities or adjoining owners and occupants for Tenant to place or
176 construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the
177 removal of signs installed by Tenant.

178

179 **17. Entry:**

180

181 Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the
182 same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased
183 Premises.

184

185 **18. Parking:**

186

187 During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other
188 tenants of the Building, their guests and invitees, of the non-reserved common automobile parking
189 areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from
190 time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in
191 reasonable proximity thereto, for Tenant and Tenant's agents and employees.

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197 **19. Access:**

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<u>Type:</u>	<u>Received</u>	<u>Returned</u>	<u>Type:</u>	<u>Received</u>	<u>Returned</u>
Door Keys:	_____	_____	Garage opener:	_____	_____
Mailbox Keys:	_____	_____	Mechanical Rm Keys:	_____	_____
Security Cards:	_____	_____	Other:	_____	_____

203

204 **20. Damage and Destruction:**

205

206 Subject to the **Insurance** Section, above, if the Leased Premises or any part thereof or any appurtenance
 207 thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant’s
 208 purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to
 209 Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any
 210 part of the Leased Premises, and if such damage does not render the Leased Premises unusable for
 211 Tenant’s purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making
 212 the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes,
 213 governmental restriction, inability to obtain necessary materials or labor or other matters which are
 214 beyond the reasonable control of Landlord. Tenant shall be relieved from paying Rent and other charges
 215 during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or
 216 use, in whole or in part, for Tenant’s purposes. Rentals and other charges paid in advance for any such
 217 periods shall be credited on the next ensuing payments, if any, but if no further payments are to be
 218 made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend
 219 not only to the matters aforesaid, but also to any occurrence which is beyond Tenant’s reasonable
 220 control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for
 221 occupancy or use, in whole or in part, for Tenant’s purposes.

222

223 **21. Default:**

224

225 If default shall at any time be made by Tenant in the payment of Rent when due to Landlord as herein
 226 provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have
 227 been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions
 228 to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after
 229 notice thereof in writing to Tenant by Landlord without correction thereof then having been
 230 commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended
 231 and terminated by giving Tenant written notice of such intention, and if possession of the Leased
 232 Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the
 233 remedy above provided, any other right or remedy available to Landlord on account of any Tenant
 234 default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

235

236 **22. Quiet Enjoyment:**

237

238 Landlord agrees that at all times when Tenant is not in default under the terms of and during the term
 239 of this Lease, Tenant’s quiet and peaceable enjoyment of the demised premises shall not be disturbed or
 240 interfered with by Landlord or by any other person claiming by, through or under Landlord.

241

242 **23. Condemnation:**

243

244 If any legally, constituted authority condemns the Building or such part thereof which shall make the
 245 Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes
 246 possession, and Landlord and Tenant shall account for Rental as of that date. Such termination shall be
 247 without prejudice to the rights of either party to recover compensation from the condemning authority

248 for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any
249 award made to the other by the condemning authority.

250

251 **24. Subordination:**

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253 Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently
254 existing or hereafter arising upon the leased Premises, or upon the Building and to any renewals,
255 refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at
256 any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and
257 subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby
258 irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of
259 trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and
260 Tenant agrees upon demand to execute such further instruments subordinating this Lease or atoning to
261 the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any
262 instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant
263 hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's
264 name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees
265 that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord
266 shall request, a statement in recordable form certifying that this Lease is unmodified and in full force
267 and effect (or if there have been modifications, that the same is in full force and effect as so modified),
268 stating the dates to which Rent and other charges payable under this Lease have been paid, stating that
269 Landlord is not in default hereunder (or if Tenant alleges default stating the nature of such alleged
270 default) and further stating such other matters as Landlord shall reasonably require.

271

272 **25. Notice:**

273

274 All Notices required shall be in writing and shall be served by one party to the other party. Notice to any
275 one of the multiple-person party shall be sufficient notice to all. Notice shall be given in the following
276 manner:

- 277 a. By personal delivery of such Notice; or
- 278 b. By mailing of such Notice to the addresses recited herein by regular mail and by certified
279 mail, return receipt requested. Except as otherwise provided herein, Notice served by
280 certified mail shall be effective on the date of mailing; or
- 281 c. By sending facsimile transmission, Notice shall be effective as of the date and time of
282 facsimile transmission, provided that the Notice transmitted shall be sent on business
283 days during business hours (9:00 a.m. to 5:00 p.m. Central time). In the event fax Notice
284 is transmitted during non-business hours, the effective date and time of Notice is 9:00
285 a.m. Central time of the first business day after transmission.
- 286 d. By sending email transmission. Notice shall be effective as of the date and time of email
287 transmission, provided that the Notice transmitted shall be sent on Business Days during
288 Business Hours. In the event email Notice is transmitted during non-business hours, the
289 effective date and time of Notice is the first business hour of the next Business Day after
290 transmission.
- 291 e. By commercial overnight delivery (e.g., FedEx). Such Notice shall be effective on the
292 next Business Day following deposit with the overnight delivery company.

293

294 **26. Brokers:**

295

296 Tenant represents that Tenant was _____ was not _____ shown the Premises by any real estate broker
297 or agent and that Tenant has not otherwise engaged in any activity which could form the basis for a

298 claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with
299 this Lease.

300

301 **27. Waiver:**

302

303 No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take
304 any action on account of such default if such default persists or is repeated, and no express waiver shall
305 affect any default other than the default specified in the express waiver and that only for the time and
306 to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a
307 waiver of a subsequent breach of the same covenant, term or condition.

308

309 **28. Memorandum of Lease:**

310

311 The parties hereto contemplate that the Lease should not and shall not be filed for record, but in lieu
312 thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be
313 recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

314

315 **29. Successors:**

316

317 The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their
318 respective legal representatives, successors and assigns.

319

320 **30. Consent:**

321

322 Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which
323 Landlord's consent is required or desirable under this Lease.

324

325 **31. Attorney Review:**

326

327 Within five (5) Business days after Date of Acceptance, the attorneys for the respective Parties, by
328 Notice, may:

329

a) Approve this Lease Agreement; or

330

b) Disapprove this Lease Agreement, which disapproval shall not be based solely upon the Lease
331 Price; or

332

c) Propose modifications except for the Lease Price. If within ten (10) Business Days after the
333 Date of Acceptance written agreement is not reached by the Parties with respect to resolution
334 of the proposed modifications, then either Party may terminate this Lease Agreement by serving
335 Notice, whereupon this Lease Agreement shall be null and void; or

336

Unless otherwise specified, all Notices shall be deemed made pursuant to paragraph c) of this section.

337

If Notice is not served within the time specified herein, the provisions of this paragraph shall be

338

deemed waived by the Parties and this Lease agreement shall remain in full force and effect.

339

340 **32. Final Agreement:**

341

342 This Agreement terminates and supersedes all prior understandings or agreements on the subject
343 matter hereof. This Agreement may be modified only by a further writing that is duly executed by both
344 parties.

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348

349 **33. Governing Law:**

350

351 This Agreement shall be governed, construed and interpreted by, through and under the Laws of the
352 State of Illinois.

353

354 IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

355

356

357 _____
Date of Offer Date of Acceptance

358

359 _____
Tenant Signature Landlord Signature

360

361 _____
Tenant Signature Landlord Signature

362

363 _____
Print Tenant(s) Name(s) Required Print Landlord(s) Name(s)

364

365 _____
Address Address

366

367 _____
City State Zip City State Zip

368

369 _____
Phone E-mail Phone E-mail

370

371 **FOR INFORMATION ONLY**

372

373 _____

374 TENANT'S BROKERAGE MLS# LICENSE# LANDLORD'S BROKERAGE MLS# LICENSE#

375

376 ADDRESS CITY ZIP ADDRESS CITY ZIP

377

378 TENANT'S DESIGNATED AGENT MLS# LICENSE# LANDLORD'S DESIGNATED AGENT MLS# LICENSE#

379

380 PHONE# FAX# PHONE# FAX#

381

382 E-MAIL E-MAIL

383

384 TENANT'S ATTORNEY E-MAIL LANDLORD'S ATTORNEY E-MAIL

385

386 ADDRESS CITY STATE ZIP ADDRESS CITY STATE ZIP

387

388 PHONE FAX# PHONE FAX#

389

390 HOMEOWNER'S/CONDO ASSOCIATION (IF ANY) PHONE MANAGEMENT CO./OTHER CONTACT PHONE

391

392 MANAGEMENT CO./OTHER EMAIL

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Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____
Updated April 2017

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SERVICE PROVIDERS

COMPANY

PHONE#

ELECTRICITY _____
SEWAGE DISPOSAL _____
GAS/HEAT FUEL _____
WATER SERVICE _____
SNOW REMOVAL _____
RUBBISH REMOVAL _____

