**Commercial Gross Lease**

**1. Names.** This lease is made by \_\_\_\_\_\_\_\_\_\_\_\_\_, Landlord, and \_\_\_\_\_\_\_\_\_\_\_\_\_,

Tenant.

**2. Premises Being Leased.** Landlord is leasing to Tenant and Tenant is leasing from

Landlord the following premises:

\_\_\_\_\_\_\_\_\_\_\_\_\_City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[ ] **Part of Building Only.**

Specifically, Tenant is leasing the \_\_\_\_\_\_\_\_\_\_\_\_\_ of the

building.

[ ] **Shared Facilities.**

Tenant and Tenant's employees and customers may use the

following additional facilities in common with other tenants, employees, and

customers:

 [ ] Parking spaces: \_\_\_\_\_\_\_\_\_\_\_\_\_.

 [ ] Restroom facilities: \_\_\_\_\_\_\_\_\_\_\_\_\_.

 [ ] Storage areas: \_\_\_\_\_\_\_\_\_\_\_\_\_.

 [ ] Hallways, stairways, and elevators: \_\_\_\_\_\_\_\_\_\_\_\_\_.

 [ ] Conference rooms: \_\_\_\_\_\_\_\_\_\_\_\_\_.

 [ ] Other: \_\_\_\_\_\_\_\_\_\_\_\_\_.

**3. Term of Lease.** This lease begins on \_\_\_\_\_\_\_\_\_\_\_\_\_ and ends on \_\_\_\_\_\_\_\_\_\_\_\_\_.

**4. Rent.** Tenant will pay rent in advance on the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of each month.

Tenant's first rent payment will be on \_\_\_\_\_\_\_\_\_\_\_\_\_ in the amount of

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Tenant will pay rent of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per month thereafter.

[ ] Tenant will pay this rental amount for the entire term of the lease.

[ ] Rent will increase each year, on the anniversary of the starting date in paragraph

3, as follows: \_\_\_\_\_\_\_\_\_ \_\_\_.

**5. Option to Extend Lease**

 [ ] **First Option.**

Landlord grants Tenant the option to extend this lease for an

additional \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ years. To exercise this option, Tenant must give

Landlord written notice on or before \_\_\_\_\_\_\_\_\_\_\_\_\_. Tenant may exercise this

option only if Tenant is in substantial compliance with the terms of this lease. Tenant

will lease the premises on the same terms as in this lease except as follows:

\_\_\_\_\_\_\_\_\_\_\_\_\_.

[ ] **Second Option.**

If Tenant exercises the option granted above, Tenant will then

have the option to extend this lease for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ years beyond the first

option period. To exercise this option, Tenant must give Landlord written notice on or

before \_\_\_\_\_\_\_\_\_\_\_\_\_. Tenant may exercise this option only if Tenant is in

substantial compliance with the terms of this lease. Tenant will lease the premises on

the same terms as in this lease except as follows: \_\_\_\_\_\_\_\_\_\_\_\_\_.

**6. Security Deposit.** Tenant has deposited $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with Landlord as

security for Tenant's performance of this lease. Landlord will refund the full security

deposit to Tenant within \_\_\_\_\_ days following the end of the lease if Tenant returns the

premises to Landlord in good condition (except for reasonable wear and tear) and Tenant has paid Landlord all sums due under this lease. Otherwise, Landlord may deduct any amounts required to place the premises in good condition and to pay for any money owed to Landlord under the lease.

**7. Improvements by Landlord**

[ ] Before the lease term begins, Landlord (at Landlord's expense) will make the

repairs and improvements listed in Attachment 1 to this contract.

[ ] Tenant accepts the premises in "as is" condition. Landlord need not provide any

repairs or improvements before the lease term begins.

**8. Improvements by Tenant.** Tenant may make alterations and improvements to the

premises after obtaining the Landlord's written consent, which will not be unreasonably

withheld. At any time before this lease ends, Tenant may remove any of Tenant's

alterations and improvements, as long as Tenant repairs any damage caused by attaching

the items to or removing them from the premises.

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**9. Tenant's Use of Premises.** Tenant will use the premises for the following business

purposes: \_\_\_\_\_\_\_\_\_\_\_\_\_. Tenant may also use the premises for purposes reasonably

related to the main use.

**10. Landlord's Representations.** Landlord represents that:

A. At the beginning of the lease term, the premises will be properly zoned for

Tenant's stated use and will be in compliance with all applicable laws and regulations.

B. The premises have not been used for the storage or disposal of any toxic or

hazardous substance and Landlord has received no notice from any governmental

authority concerning removal of any toxic or hazardous substance from the property.

**11. Utilities and Services.** Landlord will pay for the following utilities and services:

[ ] Water

[ ] Electricity

[ ] Gas

[ ] Heat

[ ] Air-Conditioning

Any items not checked will be the responsibility of Tenant.

**12. Maintenance and Repairs**

A. Landlord will maintain and make all necessary repairs to: (1) the roof, structural

components, exterior walls, and interior common walls of the premises, and (2) the

plumbing, electrical, heating, ventilating, and air-conditioning systems.

B. Landlord will regularly clean and maintain (including snow removal) the parking

areas, yards, common areas, and exterior of the building and remove all litter so that

the premises will be kept in an attractive condition.

C. Tenant will clean and maintain Tenant's portion of the building so that it will be

kept in an attractive condition.

**13. Insurance**

A. Landlord will carry fire and extended coverage insurance on the building.

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B. Tenant will carry public liability insurance; this insurance will include Landlord

as an insured party. The public liability coverage for personal injury will be in at least

the following amounts:

$\_\_\_\_\_\_\_\_\_\_\_\_\_ per occurrence.

$\_\_\_\_\_\_\_\_\_\_\_\_\_ in any one year.

C. Landlord and Tenant release each other from any liability to the other for any

property loss, property damage, or personal injury to the extent covered by insurance

carried by the party suffering the loss, damage, or injury.

D. Tenant will give Landlord a copy of all insurance policies that this lease requires

Tenant to obtain.

**14. Taxes**

A. Landlord will pay all real property taxes levied and assessed against the premises.

B. Tenant will pay all personal property taxes levied and assessed against Tenant's

personal property.

**15. Subletting and Assignment.** Tenant will not assign this lease or sublet any part of

the premises without the written consent of Landlord. Landlord will not unreasonably

withhold such consent.

**16. Damage to Premises**

A. If the premises are damaged through fire or other cause not the fault of Tenant,

Tenant will owe no rent for any period during which Tenant is substantially deprived

of the use of the premises.

B. If Tenant is substantially deprived of the use of the premises for more than 90

days because of such damage, Tenant may terminate this lease by delivering written

notice of termination to Landlord.

**17. Notice of Default.** Before starting a legal action to recover possession of the

premises based on Tenant's default, Landlord will notify Tenant in writing of the default.

Landlord will take legal action only if Tenant does not correct the default within ten days

after written notice is given or mailed to Tenant.

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**18. Quiet Enjoyment.** As long as Tenant is not in default under the terms of this lease,

Tenant will have the right to occupy the premises peacefully and without interference.

**19. Eminent Domain.** This lease will become void if any part of the leased premises or

the building in which the leased premises are located are taken by eminent domain.

Tenant has the right to receive and keep any amount of money that the agency taking the

premises by eminent domain pays for the value of Tenant's lease, its loss of business, and

for moving and relocation expenses.

**20. Holding Over.** If Tenant remains in possession after this lease ends, the continuing

tenancy will be from month to month.

**21. Disputes**

[ ] **Litigation.** If a dispute arises, either party may take the matter to court.

[ ] **Mediation and Possible Litigation.** If a dispute arises, the parties will try in

good faith to settle it through mediation conducted by

[ ] \_\_\_\_\_\_\_\_\_\_\_\_\_.

[ ] a mediator to be mutually selected.

The parties will share the costs of the mediator equally. Each party will cooperate

fully and fairly with the mediator and will attempt to reach a mutually satisfactory

compromise to the dispute. If the dispute is not resolved within 30 days after it is referred

to the mediator, either party may take the matter to court.

[ ] **Mediation and Possible Arbitration.** If a dispute arises, the parties will try in

good faith to settle it through mediation conducted by

[ ] \_\_\_\_\_\_\_\_\_\_\_\_\_.

[ ] a mediator to be mutually selected.

The parties will share the costs of the mediator equally. Each party will cooperate

fully and fairly with the mediator and will attempt to reach a mutually satisfactory

compromise to the dispute. If the dispute is not resolved within 30 days after it is referred

to the mediator, it will be arbitrated by

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[ ] \_\_\_\_\_\_\_\_\_\_\_\_\_.

[ ] an arbitrator to be mutually selected.

Judgment on the arbitration award may be entered in any court that has jurisdiction

over the matter. Costs of arbitration, including lawyers' fees, will be allocated by the

arbitrator.

Landlord need not participate in mediation or arbitration of a dispute unless Tenant

has paid the rent called for by this lease or has placed any unpaid rent in escrow with an

agreed upon mediator or arbitrator.

**22. Additional Agreements.** Landlord and Tenant additionally agree that:

\_\_\_\_\_\_\_\_\_\_\_\_\_.

**23. Entire Agreement.** This is the entire agreement between the parties. It replaces and

supersedes any and all oral agreements between the parties, as well as any prior writings.

**24. Successors and Assignees.** This lease binds and benefits the heirs, successors, and

assignees of the parties.

**25. Notices.** All notices must be in writing. A notice may be delivered to a party at the

address that follows a party's signature or to a new address that a party designates in

writing. A notice may be delivered:

(1) in person

(2) by certified mail, or

(3) by overnight courier.

**26. Governing Law.** This lease will be governed by and construed in accordance with

the laws of the state of \_\_\_\_\_\_\_\_\_\_\_\_\_.

**27. Counterparts.** This lease may be signed by the parties in different counterparts and

the signature pages combined will create a document binding on all parties.

**28. Modification.** This lease may be modified only by a written agreement signed by all

the parties.

**29. Waiver.** If one party waives any term or provision of this lease at any time, that

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waiver will only be effective for the specific instance and specific purpose for which the

waiver was given. If either party fails to exercise or delays exercising any of its rights or

remedies under this lease, that party retains the right to enforce that term or provision at a

later time.

**30. Severability.** If any court determines that any provision of this lease is invalid or

unenforceable, any invalidity or unenforceability will affect only that provision and will

not make any other provision of this lease invalid or unenforceable and shall be modified,

amended, or limited only to the extent necessary to render it valid and enforceable.

LANDLORD

Name of Entity: \_\_\_\_\_\_\_\_\_\_\_\_\_

a \_\_\_\_\_\_\_\_\_\_\_\_\_ incorporated in \_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

TENANT

Name of Business: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ incorporated in \_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_

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Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[ ] GUARANTOR

By signing this lease, I personally guarantee the performance of all financial obligations

of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ under this lease.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_