

COMMERCIAL LEASE AGREEMENT

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This Commercial Lease Agreement (this "**Lease**") is entered into as of **[EFFECTIVE DATE]** (the "**Effective Date**") by and between:

[LANDLORD LEGAL NAME], a **[STATE]** **[ENTITY TYPE, e.g. limited liability company]** with a notice address at **[LANDLORD ADDRESS]** ("**Landlord**"); and

[TENANT LEGAL NAME], a **[STATE]** **[ENTITY TYPE]** with a notice address at **[TENANT ADDRESS]** ("**Tenant**").

Landlord and Tenant are each a "**Party**" and together the "**Parties**."

Recitals. Landlord owns or controls the commercial real property described below and wishes to lease a portion of it to Tenant, and Tenant wishes to lease that space from Landlord for the **Permitted Use** described in Section 4, on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

1. Premises and Term

1.1 Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the commercial space commonly known as **[SUITE / UNIT, ADDRESS]**, consisting of approximately **[NUMBER]** rentable square feet (the "**Premises**"), located within the building or property known as **[BUILDING / PROPERTY NAME OR DESCRIPTION]** (the "**Property**"), together with the non-exclusive right to use common areas designated by Landlord.

1.2 Term. The term of this Lease begins on **[COMMENCEMENT DATE]** (the "**Commencement Date**") and ends on **[EXPIRATION DATE]** (the "**Term**"), unless sooner terminated under this Lease.

1.3 Delivery and acceptance. Landlord will deliver the Premises in the condition described in **[EXHIBIT — DELIVERY CONDITION / "AS-IS"]**. Tenant's taking of possession is deemed acceptance of the Premises, subject to any punch-list items the Parties agree to in writing and any latent defects.

1.4 Renewal option. **[OPTIONAL: Tenant has [NUMBER] option(s) to renew for [NUMBER] years each by giving Landlord written notice at least [NUMBER] days before expiration, at the rent determined under Section 2.5. Delete if no renewal option applies.]**

1.5 Holding over. If Tenant remains in possession after the Term without Landlord's written consent, the tenancy is month-to-month and Tenant will pay holdover rent equal to **[e.g. 150%]** of the Base Rent in effect at expiration, subject to all other terms of this Lease and to applicable law.

2. Rent, Deposit, and Operating Costs

2.1 Base rent. Tenant will pay Landlord base rent of **[AMOUNT]** per **[month / year]** (the "**Base Rent**"), payable in advance on the **[first]** day of each month, without demand, setoff, or deduction except as expressly allowed by

this Lease or applicable law.

2.2 Proration. If the Commencement Date is not the first day of a month, rent for that partial month is prorated based on the number of days in the month.

2.3 Operating expenses. [SELECT THE RENT STRUCTURE THAT APPLIES.] This is a [gross / modified gross / triple-net (NNN)] lease. [For NNN or modified gross: In addition to Base Rent, Tenant will pay its proportionate share (approximately [NUMBER]%) of the Property's operating expenses, real estate taxes, insurance, and common-area maintenance ("Additional Rent"), reconciled annually against actual costs.] Base Rent and Additional Rent together are "Rent."

2.4 Security deposit. On signing, Tenant will deposit [AMOUNT] with Landlord as security for performance (the "Security Deposit"). Landlord may apply the Security Deposit to cure Tenant defaults and will return the balance, with any accounting and interest required by applicable law, within the period required by applicable law after the Term ends and Tenant surrenders the Premises. Handling of commercial security deposits varies by jurisdiction; confirm local requirements.

2.5 Rent escalation. Base Rent will increase [e.g. by [NUMBER]% on each anniversary of the Commencement Date / per the schedule in [EXHIBIT]]. [For renewal terms, state whether rent resets to fair market value or a fixed escalation.]

2.6 Late charges and interest. If Rent is not received within [NUMBER] days after its due date, Tenant will pay a late charge of [AMOUNT OR %], plus interest on the unpaid amount at the lesser of [e.g. 1.5%] per month or the maximum rate permitted by applicable law. Late charges and interest are subject to any limits imposed by applicable law.

3. Use, Compliance, and Operations

3.1 Permitted use. Tenant will use the Premises solely for [PERMITTED USE, e.g. general office / retail sale of [GOODS] / light manufacturing] and for no other purpose without Landlord's prior written consent.

3.2 Compliance with law. Tenant will comply, at its expense, with all laws, ordinances, codes, and regulations applicable to Tenant's use and occupancy of the Premises, including obtaining and maintaining required licenses and permits.

3.3 Rules and regulations. Tenant will observe Landlord's reasonable, non-discriminatory rules and regulations for the Property, as updated in writing from time to time.

3.4 Hazardous materials. Tenant will not use, store, or dispose of hazardous materials at the Premises except in compliance with applicable environmental law, and will be responsible for contamination caused by Tenant's operations.

3.5 Signage. Tenant may install signage only with Landlord's prior written approval and in compliance with applicable law and Property standards, and will remove its signage and repair resulting damage at the end of the Term.

4. Maintenance, Alterations, and Utilities

4.1 Tenant maintenance. Tenant will keep the interior of the Premises in good order and repair at its expense, including [fixtures, interior finishes, and Tenant's equipment], ordinary wear and tear and casualty excepted.

4.2 Landlord maintenance. Landlord will maintain the structural elements, roof, foundation, exterior walls, and Property-wide building systems, except to the extent damage is caused by Tenant. [Adjust allocation to match the rent structure; in many NNN leases, more is passed through to Tenant.]

4.3 Alterations. Tenant will not make structural or material alterations without Landlord's prior written consent, not to be unreasonably withheld. Approved alterations will be performed in a workmanlike manner, with required permits, and become Landlord's property at the end of the Term unless the Parties agree otherwise in writing.

4.4 Utilities. Tenant will pay for **[electricity, gas, water, telecom, and other utilities serving the Premises]**, whether separately metered or allocated by Landlord on a reasonable basis. Landlord is not liable for interruptions beyond its reasonable control.

4.5 Surrender. At the end of the Term, Tenant will surrender the Premises in the condition required by this Lease, remove its personal property, and repair damage caused by removal, ordinary wear and tear excepted.

5. Insurance, Casualty, and Indemnity

5.1 Tenant insurance. Tenant will maintain commercial general liability insurance with limits of at least **[AMOUNT]** per occurrence, property insurance on its own property and improvements, and any insurance required by applicable law, naming Landlord as an additional insured and providing certificates on request.

5.2 Landlord insurance. Landlord will maintain property insurance on the Property's shell and such other coverage as Landlord reasonably determines, the cost of which may be included in operating expenses where this Lease so provides.

5.3 Waiver of subrogation. To the extent of insurance proceeds available, each Party waives claims against the other for property loss covered by that Party's insurance, and each will obtain a waiver of subrogation from its insurer.

5.4 Casualty. If the Premises are damaged by fire or other casualty, Landlord will repair within a reasonable time, and Rent abates proportionately during repair. If repairs cannot reasonably be completed within **[NUMBER]** days, either Party may terminate this Lease on written notice, subject to applicable law.

5.5 Indemnity. Subject to Section 5.3, each Party will indemnify and defend the other against third-party claims arising from the indemnifying Party's negligence or willful misconduct or breach of this Lease, except to the extent caused by the indemnified Party.

6. Assignment, Default, and Remedies

6.1 Assignment and subletting. Tenant will not assign this Lease or sublet the Premises without Landlord's prior written consent, **[not to be unreasonably withheld, conditioned, or delayed]**. No assignment or sublease releases Tenant from liability unless Landlord agrees in writing.

6.2 Events of default. Tenant is in default if it (a) fails to pay Rent when due and does not cure within the period required by applicable law after written notice; (b) breaches another obligation and does not cure within **[NUMBER]** days after written notice; or (c) becomes subject to bankruptcy or insolvency proceedings, to the extent enforceable under applicable law.

6.3 Landlord remedies. On an uncured default, Landlord may exercise the remedies available under applicable law, which may include terminating the Lease, recovering possession through lawful process, and recovering damages, subject to any duty to mitigate imposed by applicable law. Landlord will follow the notice and eviction procedures required by the jurisdiction.

6.4 Tenant remedies. If Landlord materially breaches and fails to cure within **[NUMBER]** days after written notice, Tenant may pursue remedies available under applicable law.

6.5 Quiet enjoyment. So long as Tenant is not in default, Tenant may occupy the Premises without unlawful interference by Landlord, subject to this Lease.

7. General Provisions

7.1 Subordination and estoppel. This Lease is subordinate to current and future mortgages on the Property, provided Tenant's possession is not disturbed so long as Tenant is not in default. Tenant will deliver a reasonable estoppel certificate within **[NUMBER]** days of request.

7.2 Governing law and venue. This Lease is governed by the laws of the State of **[STATE]**, without regard to its conflict-of-laws rules, and the Parties submit to the jurisdiction of the courts located in **[COUNTY, STATE]**.

7.3 Notices. Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt or as otherwise provided by applicable law.

7.4 Entire agreement; amendment. This Lease, with its exhibits, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

7.5 Severability and waiver. If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

7.6 Brokers. Each Party represents that it has dealt with no broker except **[BROKER(S) OR "NONE"]** and will indemnify the other against claims by brokers it engaged.

7.7 Counterparts and electronic signature. This Lease may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

LANDLORD

TENANT

Signature: _____

Signature: _____

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE]**

Title: **[TITLE]**

Date: _____

Date: _____

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