

RESTAURANT LEASE AGREEMENT

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This Restaurant Lease Agreement (this "**Lease**") is entered into as of [LEASE DATE] by and between:

[LANDLORD LEGAL NAME], a [STATE] [ENTITY TYPE] with a mailing address at [LANDLORD ADDRESS] ("**Landlord**"); and

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

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

Recitals. Landlord owns the commercial premises described below and is willing to lease them to Tenant for operation of a restaurant. Tenant wishes to lease the premises for that purpose on the terms below. In consideration of the mutual promises and the rent reserved, the Parties agree as follows.

1. Premises and Permitted Use

1.1 Premises. Landlord leases to Tenant the commercial space located at [PREMISES ADDRESS, SUITE/UNIT], consisting of approximately [NUMBER] rentable square feet (the "**Premises**"), together with the right to use common areas in common with others, all as part of the property known as [PROPERTY / CENTER NAME] (the "**Property**").

1.2 Permitted use. Tenant will use the Premises solely to operate a [TYPE, e.g. full-service / quick-service] restaurant under the trade name [TRADE NAME], and for no other purpose without Landlord's prior written consent.

1.3 Compliance and permits. Tenant is responsible, at its expense, for obtaining and maintaining all licenses, permits, and approvals required to operate the restaurant, including any food-service, health, signage, and (if applicable) liquor licenses. Landlord makes no representation that the Premises can be used for any particular purpose; Tenant has satisfied itself as to suitability and zoning, subject to local law.

1.4 Continuous operation. Tenant will open for business within [NUMBER] days after the Commencement Date and, unless otherwise agreed, operate during customary hours for similar restaurants, except for reasonable closures for repairs, remodeling, or events beyond its control.

2. Term

2.1 Initial term. The term of this Lease begins on [COMMENCEMENT DATE] (the "**Commencement Date**") and continues for [NUMBER] years, ending on [EXPIRATION DATE] (the "**Term**"), unless terminated earlier under this Lease.

2.2 Possession. Landlord will deliver possession of the Premises in the condition described in [EXHIBIT B / "AS-IS"]. If Landlord cannot deliver possession by the Commencement Date for reasons outside its control, the

Commencement Date and rent start will be adjusted accordingly, which is Tenant's sole remedy for the delay.

2.3 Renewal option. Tenant **[HAS / DOES NOT HAVE]** the option to renew for **[NUMBER]** additional period(s) of **[NUMBER]** years each, exercisable by written notice given at least **[NUMBER]** days before the Term expires, provided Tenant is not in uncured default. Rent for any renewal will be **[AS STATED / AT FAIR MARKET RENT / INCREASED BY [PERCENTAGE]]**.

3. Rent

3.1 Base rent. Tenant will pay base rent of **[AMOUNT]** per month, due in advance on the first day of each month, without demand, deduction, or setoff except as expressly permitted by this Lease or applicable law.

3.2 Rent increases. Base rent will increase **[BY [PERCENTAGE]]% ANNUALLY / AS SET OUT IN EXHIBIT C / NOT AT ALL]** during the Term.

3.3 Percentage rent (optional). In addition to base rent, Tenant will pay percentage rent equal to **[NUMBER]%** of Gross Sales above the breakpoint of **[AMOUNT]** per **[MONTH / YEAR]**, reported and paid as described in **[EXHIBIT C]**. "Gross Sales" is defined in **Exhibit C**.

3.4 Additional rent. Amounts other than base rent that Tenant owes under this Lease ("**Additional Rent**") are payable as billed. Base rent and Additional Rent together are "**Rent**."

3.5 Late charges. If any Rent is not paid within **[NUMBER]** days after it is due, Tenant will pay a late charge of **[AMOUNT OR PERCENTAGE]**, plus interest at the lesser of **[RATE]** or the maximum rate permitted by applicable law. Late charges and the interest rate are subject to any limits imposed by local law.

4. Security Deposit

4.1 Amount. On signing, Tenant will deposit **[AMOUNT]** with Landlord as a security deposit (the "**Security Deposit**") to secure Tenant's performance.

4.2 Use and return. Landlord may apply the Security Deposit to cure Tenant's defaults, including unpaid Rent and the cost of repairing damage beyond ordinary wear and tear. Landlord will return the unused balance within the period required by applicable law after the Term ends and Tenant surrenders the Premises. Handling, interest, and return of security deposits are governed by local law, which varies; the Parties will comply with those requirements.

5. Taxes, Insurance, and Operating Costs

5.1 Net obligations. This Lease is intended to be **[A TRIPLE-NET / MODIFIED- GROSS / GROSS]** lease. Tenant is responsible for its proportionate share of **[REAL PROPERTY TAXES, INSURANCE, AND COMMON-AREA MAINTENANCE]** as described in this Section, in addition to base rent.

5.2 Tenant insurance. Tenant will maintain, at its expense, commercial general liability insurance of at least **[AMOUNT, e.g. \$1,000,000]** per occurrence (with liquor-liability coverage if alcohol is served), property insurance on its improvements and equipment, and any workers' compensation coverage required by law. Tenant will name Landlord as an additional insured and provide certificates on request.

5.3 Landlord insurance. Landlord will maintain property insurance on the building and any commercially reasonable liability coverage, the cost of which may be included in operating costs to the extent permitted by this Lease.

5.4 Waiver of subrogation. To the extent permitted by their policies, each Party waives claims against the other for losses covered by required property insurance.

6. Maintenance, Alterations, and Utilities

6.1 Tenant maintenance. Tenant will keep the interior of the Premises, including its kitchen equipment, grease traps, hoods, plumbing fixtures, and exhaust systems, clean and in good repair, and will perform pest control as needed.

6.2 Landlord maintenance. Landlord will maintain the structural elements, roof, foundation, and building systems serving the Property in common, except to the extent damaged by Tenant's misuse.

6.3 Alterations and build-out. Tenant will not make structural alterations without Landlord's prior written consent, not to be unreasonably withheld. Any build-out or tenant improvements are governed by **[EXHIBIT B]**. Tenant will perform work lawfully, with proper permits, and free of liens.

6.4 Utilities. Tenant will pay for utilities serving the Premises, separately metered where practical. Landlord is not liable for interruptions in utility service beyond its reasonable control.

6.5 Surrender. At the end of the Term, Tenant will surrender the Premises in good condition, ordinary wear and tear excepted, and will remove its trade fixtures and equipment, repairing any resulting damage. Fixtures and improvements that are part of the realty remain with the Premises unless the Parties agree otherwise in writing.

7. Assignment, Default, and Remedies

7.1 Assignment and subletting. Tenant will not assign this Lease or sublet the Premises without Landlord's prior written consent, not to be unreasonably withheld. Tenant remains liable after any assignment unless expressly released in writing.

7.2 Events of default. Tenant is in default if it: (a) fails to pay Rent within **[NUMBER]** days after it is due; (b) fails to perform any other obligation and does not cure within **[NUMBER]** days after written notice; (c) abandons the Premises; or (d) becomes subject to bankruptcy or insolvency proceedings, to the extent enforceable under applicable law.

7.3 Landlord remedies. On an uncured default, Landlord may pursue the remedies available under applicable law, including terminating the Lease, recovering possession, and recovering damages, subject to any obligation to mitigate and to the notice and eviction procedures required by local law, which vary and which the Parties will follow.

7.4 Landlord default. If Landlord fails to perform a material obligation and does not cure within **[NUMBER]** days after written notice (or a reasonable longer period for matters that take longer to cure), Tenant may pursue remedies available at law or in equity, subject to this Lease.

8. Casualty, Condemnation, and General Provisions

8.1 Casualty. If the Premises are materially damaged by fire or other casualty, Landlord will repair them within a reasonable time, and Rent will abate proportionally for the affected area. If repairs cannot reasonably be completed within **[NUMBER]** days, either Party may terminate on written notice.

8.2 Condemnation. If all or a material part of the Premises is taken by eminent domain, this Lease terminates as to the taken portion, with an equitable Rent adjustment. Each Party may pursue its own award as permitted by law.

8.3 Indemnification. Tenant will indemnify Landlord against third-party claims arising from Tenant's use of the Premises or breach of this Lease, except to the extent caused by Landlord's gross negligence or willful misconduct.

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

8.5 **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 required by local law.

8.6 **Entire agreement; amendment.** This Lease, together 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.

8.7 **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.

8.8 **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 date first written above.

LANDLORD

TENANT

Signature: _____

Signature: _____

Printed name: [NAME]

Printed name: [NAME]

Title: [TITLE]

Title: [TITLE]

Date: _____

Date: _____

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