Checklist for Leasing Church Premises

1. Tenant Name and Authority of Party signing the Lease

Be sure you have the proper name of the tenant, its type of entity, i.e. corporation, partnership, unincorporated association; and the capacity of the person signing the lease, i.e. President, Vice President, Partner.

2. Lease Term and Termination

Have a start date for the term and an end date. Provide for annual renewals of the Lease, but

include a right by either party to terminate the lease without cause on 30 days notice.

3. Rent

Set an amount and a date on which it is to be paid. State if rent includes utilities, maintenance, or any other expense such as snow removal.

4. Description of Leased Premises

Identify the rental space by room or a drawing. Also identify common areas that can be used such as kitchen, bathrooms, and storage areas.

5. Permitted Use

Define how the tenant can use the space. Provide that the tenant’s right of use may be curtailed

in the event of a church need.

6. Improvements

State if tenant can change premises with paint, wall coverings etc.

7. Repairs and Maintenance

State if tenant cleans leased areas and keeps them in good repair. Be clear about who pays for upkeep.

8. Signs

State what signs, if any, tenant can place on the premises.

9. Parking

State what parking is available to tenant and if parking can be restricted for church events like funerals.

10. Assignment and Subletting

State that the lease can not be assigned or the premises sublet without the church’s approval.

11. Insurance

Tenant shall carry insurance on its property and persons using the leased premises. Many tenants won’t have such insurance so the church MUST contact its insurance agent to see about coverage. You should advise prospective tenants that any lease agreement is subject to approval of the church’s insurance agent.

12. Default

Have language in the lease that says tenant will have 15 days to cure a default such as missing a rent payment or failure to clean. If default not cured the lease may be cancelled.

13. Renewals

Use one year terms and give tenant a right to renew if they are not in default.

14. Notice Provisions

Put in language that makes clear who the contact person is for the tenant and the church. Put burden to advise of change of contact and contact information on each party.

15. Church Policies

Make clear in the lease that the tenant will abide by all church policies such as child protection, sexual harassment, alcohol, smoking and guns.

16. Relationship of the Parties

Make clear that the lease agreement does not create any type of relationship between the church and the tenant, and that the church has no control over the tenant, its employees or its invitees.