

AGREEMENT FOR USE OF CHURCH FACILITIES

This Agreement is made this _____ day of _____, 20__ by and between _____ (“Church”) and _____ (“Program”).

WHEREAS, this Agreement is made by the Church and Program with the shared goal and purpose of increasing the religious, charitable and educational use of the Church’s facilities in a manner which, in the sole judgment of the Church, conforms to the religious aims and polity of the Presbyterian Church (U.S.A.).

WITNESSETH:

That in consideration of the Program's covenants and agreements herein contained, the Church hereby grants a license to the Program to use:

The area designated on the floor plan attached hereto as Exhibit A (the “Premises”) and located in the _____ building(s) (said building(s) being referred to herein as the “Facility”). The Premises and the Facility are part of the Church’s real property (the “Property”) located at _____.

TO use the same for a term of _____ commencing _____ and expiring on _____, unless previously terminated, as hereinafter provided (“Term”), during the following times: _____ [*Specify the days of the week and the beginning and ending time for each day.*].

IN CONSIDERATION of this Agreement, the Program covenants and agrees with the Church as follows:

A. PAYMENT

Program agrees to pay Church a portion of the monthly expenses for the operation of the Premises, the amount of which is payable in monthly installments of \$ _____ (“Share of Expenses”) in advance upon the first day of every calendar month of the Term, and all of said payments shall be made at the office of Church, as set forth above or at such place as the Church may from time to time designate. Payment for any partial month shall be prorated on a per diem rate based on the prior or succeeding month’s payment for a fraction of a month if the Term begins or ends on any day other than the first or last day of a calendar month. If the Term is longer than twelve (12) months, adjustments to the Share of Expenses, payable monthly, shall be made on the first anniversary date of this Agreement and annually thereafter including any extension period, if applicable. Any such adjustments shall be the result of changes in operating costs based on the percentage increase or decrease in the operating expenses of the Facility over the prior year.

B. USE

The Premises shall not be used with a view to profit. The Program shall use and occupy the Premises for religious, educational and charitable purposes, specifically for

_____ and for no other use or purpose; and the Program shall, at its own expense, keep the Premises and those parts of the Facility it uses in good repair and in a useable, clean and orderly condition during the times it uses the Premises or Facility, replacing at its own expense, any and all broken glass with glass of same size and quality and repairing any other injury or damage caused by its use or the activities of its employees, agents, clients or other persons entering the Premises or the Facility invited or permitted to so enter by the Program. . If not included in the Share of Expenses, the Program shall be responsible for janitorial services for the Premises and those parts of the Facility it uses for the times it so uses such parts.

C. CONDITION OF PREMISES

No representations, except those that are expressly stated herein, have been made to the Program respecting the condition of the Premises. The taking possession of the Premises by the Program shall be conclusive evidence as against the Program that the Premises were in good and satisfactory condition when possession of the same was so taken; and the Program will, at the termination of this Agreement by lapse of time or otherwise, return the Premises to the Church in as good condition as when received, loss by fire and ordinary wear excepted.

D. TRANSFER OF PROGRAM'S INTEREST

The Program shall not assign this Agreement or any interest hereunder and will not transfer its interest under this Agreement or the use of the Premises or any part thereof; and will not permit the use of the Premises by any parties other than the Program, employees, agents, clients or other persons served by the Program, except with the written consent of the Church. If the Program shall at any time during the Term become insolvent, or if proceedings in bankruptcy shall be instituted by or against the Program, or if a receiver or a trustee of the Program's property shall be appointed, or if the Program shall make an assignment for the benefit of creditors, or if this Agreement and the Program's license to use the Premises shall, by operation of law, devolve upon or pass to any person or persons other than Program, then and in each of said cases the Church, at the Church's election, may terminate this Agreement and re-enter the Premises and take possession thereof without the service of any notice or demand whatever.

E. REPAIRS AND ALTERATIONS

Program shall be solely responsible for and shall promptly repair any damage to the Premises due to any action or omission of Program. The Church may enter the Premises at all reasonable times for the purpose of making any required repairs or alterations thereon as Church shall deem necessary for the safety, preservation or improvement of the Premises or Facility. The Program shall make no alterations or additions to the Premises without first obtaining Church's written consent, and Program shall submit to Church upon request paid bills, contractors' affidavits and full and final lien waivers for any alterations or repairs made by Program. All erections, additions, fixtures and improvements, whether temporary or permanent in character, (except only the moveable office furniture of the Program) made in or upon the Premises, either by the Church or the Program, shall be the Church's property and shall remain upon the Premises at the termination of this Agreement, by lapse of time or otherwise.

F. PROGRAM NOT TO MISUSE PREMISES OR FACILITY

The Program shall not use or permit upon the Premises or the Facility anything that may be dangerous to life or limb; and will not store on the Premises or Facility any hazardous or flammable material, including, without limitation, any paint, gasoline, kerosene, cleaning solvents or other hazardous or flammable liquids; and will do nothing and suffer nothing to be done upon the Premises or the Facility in any way tending to create a nuisance or to disturb any other occupant of the Facility, or to injure the reputation of the Church, or to annoy occupants of any neighboring property; and will comply with all laws, ordinances and health and police regulations respecting the Premises; and will not use the Premises for lodging or sleeping purposes, or for any immoral or illegal purpose.

G. NON LIABILITY OF CHURCH

The Church shall not be liable for any damage, either to person or property, sustained by the Program or by other persons, due solely to any act or neglect of Program or any occupant of the Premises.

H. DEFAULT: CHURCH'S REMEDIES

In case the Program makes any default in respect to any of the its covenants under this Agreement, and fails to cure such default within thirty (30) days of Church's notice thereof, then the Church may, at its option, terminate this Agreement and upon such termination, the Program shall at once surrender possession of the Premises to the Church, and if such possession is not immediately surrendered, the Church may re-enter the Premises and repossess itself thereof and remove all persons and effects therefrom using such force as may be necessary without being deemed guilty of any manner of trespass or forcible entry or detainer. No receipt of moneys by the Church from the Program, after the termination of this Agreement, or after the giving of any notice, shall reinstate, continue or extend the Term or affect any notice given to the Program prior to the receipt of such money.

I. CHURCH'S LIEN

The Church shall have a first lien upon the interest of the Program under this Agreement and to all property of the Program in the Premises, to secure the payment of all moneys due under this Agreement, which lien may be foreclosed in equity at any time when money is overdue under this Agreement; and the Church shall be entitled to name a receiver of said interest, to be appointed in any such foreclosure proceeding, who shall take possession of the Premises and such property and who may transfer Program's interest and such property under the orders of the court appointing the receiver.

J. CERTAIN RIGHTS NOT GRANTED

This Agreement does not grant any estate or ownership rights in the Premises or the property of the Church to the Program. The interest of the Program is that of a mere licensee.

K. RETAINING POSSESSION

If the Program retains possession of the Premises or any part thereof after the termination of this Agreement by lapse of time or otherwise, then the Church may, at its option, within thirty (30) days after the termination of the Term, serve written notice upon Program that such holding over

constitutes the creation of a month to month Agreement, upon the terms of this Agreement. Unless such written notice is given, it shall be implied that Program retains possession without permission, and all of the above provisions under "Default: Church's Remedies" shall be available to the Church's benefit. Program shall also pay to Church all damages sustained by Church resulting from retention of possession by Program.

L. EMINENT DOMAIN

If the Facility or any portion thereof containing the Premises shall be taken or condemned by any competent authority for a public use or purpose, the Term shall end upon the date when possession of the part so taken shall be required for such use or purpose, without apportionment of the award, and Program, as of such date, shall have no further obligations or benefits hereunder, and shall not be entitled to receive any portion of the award.

M. FIRE AND CASUALTY

If, during the life of this Agreement, the Premises shall be so injured by fire, explosion or other casualty, as to be untenable, then unless said injury be repaired within sixty (60) days thereafter either party hereto may cancel this Agreement, in which case the Share of Expenses shall be apportioned and paid to the day of such fire, explosion or other casualty.

N. UTILITIES

Church shall be solely responsible for the payment of all water, gas and electricity payments in connection with the Premises and the Facility. Church shall furnish to Program a reasonable amount of heat from October 1st to May 1st for the comfortable use of the Premises during the Program's business hours.

O. INSURANCE/INDEMNITY/WAIVER

At the Program's sole cost and expense, Program shall carry the following insurance naming the Program, the Church and its respective agents and employees as insureds in form and substance satisfactory to the Church in its sole discretion. A Comprehensive General Liability Insurance policy on the Premises without any deductible amount and with the following limits: not less than \$1,000,000.00 with respect to injury or death to a single person and an amount not less than \$2,000,000 with respect to any one occurrence, and for damage to property of not less than \$1,000,000. The Church shall be named as an additional insured as its interest may appear and certification shall be filed along with a copy of the endorsement adding additional insureds. The insurance policy shall provide that it will not be subject to cancellation, termination or change except after at least thirty (30) day's prior written notice to the Church. The policy or duly executed certificates for the same together with satisfactory evidence of the payment of the premiums thereof shall be deposited with the Church, prior to occupancy of the Premises and thereafter not less than fifteen (15) days prior to the expiration dates of said policy or policies, Program shall provide copies of policies or certificates of insurance evidencing coverages required by this Agreement. Should the Program fail to obtain and maintain any such insurance, the Church may (but shall not be obligated to) obtain such insurance and keep the same in effect and the Program shall pay the premium cost thereof upon demand. Program hereby agrees to indemnify, defend (with Church having the right to retain counsel for the purpose of participating in such defense, at Program's sole cost and expense) and hold Church harmless from and against and with respect to any and all obligations, liabilities, claims, accounts, demands, liens or

encumbrances, whether direct or contingent and no matter how arising in any way related to the use of the Church's property by the Program and arising or accruing on or after the use of the Church's property by the Program (including but not limited to, actions brought or claims made after the termination of this Agreement) or in any way related to or arising from any act, conduct, omission, contract or commitment of Program, at any time. In addition, Church and Program each waives its right of recovery against the other and each releases the other from any claim arising out of loss, damage, or destruction to the Premises and/or Facility and other improvements on the Premises or Facility, or contents on or in the same, to the extent its respective property is covered by a policy of insurance whether or not the loss, damage, or destruction may be attributable to the negligence of either party or its respective agent, visitor, contractor, servant, or employee. Each policy shall include a waiver of the insurer's right of subrogation against the party who is not an insured under the policy.

P. TERMINATION

Either party may at any time during the Term, terminate this Agreement, upon ____ [ninety (90)] days' written notice to the other.

Q. RENEWAL

Program, at its sole option, may renew this Agreement for an additional _____ (the "Extension Period") upon the same terms and conditions contained herein other than payment, by giving Church written notice thereof no later than _____.

R. SALE OF FACILITY

Church hereby agrees that in the event the Facility is sold, Program, at its sole option, may terminate this Agreement effective at anytime between Church's notification to Program of such sale and the closing of such sale (the "Closing Date"). Church agrees that in the event Program does not terminate this Agreement on or prior to the Closing Date, Church shall require the purchaser or purchasers to purchase the Facility subject to this Agreement and to assume all of Church's obligations hereunder until the termination of the then applicable Term.

S. PARKING/SIGNS

Program may use __ parking spaces in the parking lot of the Church during the times that Program uses the Premises. Program agrees to procure the prior consent of Church prior to placing any signs in or on the Premises, Facility or Property.

T. SECURITY DEPOSIT

Upon execution of this Agreement, Program shall deposit the sum of _____ [*list security deposit here, at least one month's Share of Expenses*] to be held as collateral security for the payment of amounts due to Church under this Agreement and for the faithful performance of all other covenants and Agreements hereunder. This amount, without interest, shall be returned to Program after the termination of this Agreement and provided Program shall have made all such payments and performed all such covenants and agreements. Upon any default by Program, all or part of said deposit may, at Program's sole option, be applied on account of such default and Program shall be responsible for restoring the resulting deficiency in said deposit. In addition, beginning on the first day of the second year of the Term of the Agreement, if applicable, and

each year thereafter, Program shall increase the security deposit to equal the percent of increase in the Share of Expenses for the prior year. The security deposit may not be used for the payment of the last month's Share of Expenses.

U. REAL ESTATE TAXES

The Program represents that it is a charitable, religious or educational organization entitled to be exempt from real estate taxes under the law of Illinois. In the event that the Facility or the Premises are assessed for real estate taxes as a result of Program's use thereof, Program shall pay to the Church any and all such real estate taxes assessed on the property not later than fifteen (15) days prior to the due date of such real estate taxes.

V. MISCELLANEOUS

- (1) All covenants, promises, representations and agreements herein contained shall be binding upon and inure to the benefit of Church and Program and their respective successors and assigns.
- (2) The rights and remedies created hereby are cumulative and the use of one remedy shall not be taken to exclude the right to the use of another.
- (3) The words "Church" and "Program" shall be construed to apply to firms or corporations, and the necessary grammatical changes shall be assumed in each case as though fully expressed.
- (4) If any clause, phrase, provision or portion of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Agreement.
- (5) Program agrees to indemnify and hold harmless the Church from any and all claims, liabilities, damages or costs, including reasonable attorney's fees arising from Program's use of the Premises which cause a violation of Americans with Disabilities Act of 1980 (the "Act"). Program further acknowledges that Church is exempt from the coverage of the Act and that any resulting violation of the Act is the sole responsibility of Program.
- (6) The Program, its agents and servants, at its own expense, shall at all times observe, perform and abide by all requirements of any federal, state and local regulatory authorities with respect to the use of the Premises and shall obtain and maintain at its own expense any required licenses, certificates, or variations of the zoning laws, if applicable.
- (7) The Program shall pay all reasonable attorney's fees and expenses of the Church incurred in enforcing any of the obligations of the Program under this Agreement, or in any litigation or negotiations against the Program in which the Church shall, without its fault, become involved through or on account of this Agreement.
- (8) All property belonging to Program and its employees, agents and invitees or any occupant of the Premises that is in the Facility or the Premises, shall be there at the risk of Program or other person only, and Church shall not be liable for damage thereto or theft or misappropriation thereof.

(9) Each and every monthly payment on the Share of Expenses and every payment of other charges hereunder which shall not be paid when due shall bear interest at the prime rate as then established by the Northern Trust Company, which rate is effective from the date when the same is payable under the terms of this Agreement until the same shall be paid.

(10) Program agrees to recognize as owner of the Premises any person or persons or other entity purchasing or otherwise acquiring the Premises or any right therein or thereto at any sale, sales, or other proceedings under any mortgage, deed of trust, or liens or security interest affecting the shared Premises who may elect to continue this Agreement in full force and effect in the same manner and with like effect as if such person or persons had been named as Church herein, and in the event of such election this Agreement shall continue in full force and effect as aforesaid.

(11) Program has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, including, but not limited to, mechanics' liens, whether created by act of Program, operation of law or otherwise, to attach to or be placed upon the Facility or any part thereof, and any and all liens and encumbrances created by Program shall attach only to Program's rights under this Agreement.

(12) Notices under this Agreement shall be in writing and either hand delivered or sent by mail, facsimile transmission or email transmission to the party being notified at the address, facsimile number or email address appearing after the party's signature. Notices shall be deemed received: (i) when hand delivered; or (ii) two business days after mailing with postage prepaid; or (iii) when received if sent by facsimile or email transmission during normal business hours, and if receipt is electronically confirmed; or (iv) on the later of actual receipt or the next business day after transmission if sent by facsimile or email transmission outside of normal business hours, and if receipt is electronically confirmed.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their respective seals, the day and year first above written.

CHURCH:

PROGRAM:

BY: _____

BY: _____

Its _____

Its _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____