

California Commercial Lease Agreement

General template, not legal advice. Have a California attorney review before use. Last reviewed October 29, 2026.

This Commercial Lease Agreement (the "Lease") is made on _____ (Date signed) between the landlord and the tenant named below for space located in California. The law of that state governs this Lease. The parties are businesses dealing at arm's length, and each has had the chance to consult its own advisers.

1. Parties

Landlord legal name and entity type

Landlord notice address

Tenant legal name and entity type

Tenant notice address

Tenant contact name and email

Guarantor name, if any

2. Premises

The landlord leases to the tenant the space known as _____ (Suite or unit) at _____ (Building address), containing approximately _____ (Rentable square feet) rentable square feet, as shown on the floor plan attached as Exhibit A (the "Premises"). The tenant may use the common areas of the property, such as lobbies, corridors, restrooms and parking, together with other occupants, under the landlord's reasonable rules.

Parking: _____ (Number of spaces and whether reserved).

3. Term

The term starts on _____ (Commencement date) and ends on _____ (Expiration date), unless ended earlier under this Lease. If the landlord cannot deliver the Premises on the commencement date, rent starts when the Premises are delivered, and the tenant may cancel if delivery has not happened by _____ (Outside delivery date).

4. Renewal option

If the tenant is not in default, the tenant may renew for _____ (Number of renewal terms) additional term or terms of _____ (Length of each renewal term) by written notice given at least _____ (Months of notice) months before the term ends. Rent for a renewal term will be _____ (Fixed amount, percentage increase, or fair market rent).

5. Base rent

The tenant pays base rent monthly in advance on the first day of each month, without demand or setoff, starting on _____ (Rent start date).

Lease months	Annual base rent	Monthly base rent	Rate per square foot
1 to 12			
13 to 24			
25 to 36			
37 to 48			
49 to 60			

Rent received more than _____ (Grace period in days) days late incurs a late charge of _____ (Late charge: amount or percent) and interest at _____ (Interest rate) per year, or the highest rate the law allows if lower.

6. Operating expenses and taxes

This Lease is a _____ (Gross, modified gross, or net) lease. If the tenant shares costs, the tenant pays its proportionate share of _____ (Tenant share percent) percent of the property's operating expenses, real estate taxes and insurance ("Additional Rent") in monthly estimates set by the landlord. Within _____ (Days after year end) days after each calendar year, the landlord gives the tenant a statement of actual costs, and the parties settle any difference within 30 days.

Operating expenses do not include the landlord's financing costs, capital improvements (except those that reduce operating costs, spread over their useful life), leasing commissions, or costs caused by the landlord's negligence. The tenant may review the landlord's records for the prior year once a year on reasonable notice.

7. Security deposit and guaranty

The tenant pays a security deposit of \$_____ (Security deposit amount) on signing. The landlord may apply it to any amount the tenant owes after default, and the tenant restores it within 10 days. The landlord returns the unused balance within _____ (Days to return deposit) days after the Lease ends. If a guaranty is required, it is attached as Exhibit C.

8. Permitted use

The tenant will use the Premises only for _____ (Permitted use) and for no other purpose without consent. The tenant is responsible for obtaining the business licenses and permits its use requires, and for complying with laws that apply to its particular use. The landlord does not promise that zoning allows the tenant's use unless stated here: _____ (Zoning statement, if any).

Exclusive use, if any: _____ (Exclusive use granted, or none).

9. Condition and improvements

The tenant accepts the Premises in their current condition, except for the landlord's work described in Exhibit B. The landlord provides a tenant improvement allowance of \$_____ (Improvement allowance) toward approved work. All tenant work requires the landlord's approval of plans and licensed, insured contractors, and must be done lawfully and lien free.

10. Maintenance and repairs

The landlord maintains the roof, structure, foundation, exterior walls, common areas and building systems serving more than one tenant. The tenant maintains the interior of the Premises, its own fixtures and equipment, and any systems serving only the Premises, including _____ (Systems the tenant maintains, such as HVAC).

11. Utilities and services

Utilities for the Premises are _____ (Separately metered and paid by tenant, or included). The landlord is not liable for interruptions it does not cause, but if an interruption the landlord controls makes the Premises unusable for more than _____ (Days) consecutive business days, rent abates until service returns.

12. Insurance and indemnity

The tenant keeps commercial general liability insurance of at least \$_____ (Liability limit per occurrence) per occurrence, property insurance on its contents and improvements, and workers' compensation as required by law, naming the landlord as additional insured, and provides certificates before moving in. The landlord insures the building. Each party releases the other from claims covered by its property insurance, and each indemnifies the other for claims caused by its own negligence or breach.

13. Assignment and subletting

The tenant may not assign this Lease or sublet any part of the Premises without the landlord's written consent, which the landlord will not unreasonably withhold. A change in control of the tenant counts as an assignment. The tenant stays liable after any assignment unless released in writing.

14. Signs

The tenant may install signs approved by the landlord and allowed by local code, at the tenant's cost, and removes them and repairs any damage at the end of the term.

15. Access

The landlord may enter the Premises on _____ (Hours of notice) hours' notice during business hours to inspect, repair or show the space, and at any time in an emergency, while trying to limit disruption to the tenant's business.

16. Damage and condemnation

If fire or another casualty damages the Premises, the landlord restores them within a reasonable time if insurance proceeds are available, and rent abates for the part the tenant cannot use. Either party may end the Lease if restoration will take longer than _____ (Days) days. If all or a material part of the Premises is taken by eminent domain, the Lease ends on the date of taking.

17. Default and remedies

The tenant is in default if it fails to pay any amount within _____ (Days) days after written notice, fails to cure any other breach within 30 days after written notice (or longer if the cure reasonably needs more time and is being pursued), or becomes insolvent or abandons the Premises. On default, the landlord may end the Lease, recover possession through legal process, and recover unpaid rent and damages as allowed by California law, while making reasonable efforts to relet the Premises where required.

18. Subordination and estoppel

This Lease is subordinate to any mortgage on the property if the lender agrees not to disturb the tenant's possession while the tenant is not in default. Within 10 business days after request, the tenant signs a statement confirming the Lease terms and whether any defaults exist.

19. Surrender and holdover

At the end of the term the tenant returns the Premises broom clean and in good repair, except normal wear and casualty, and removes its property and any alterations the landlord requires to be removed. If the tenant stays without consent, it pays _____ (Holdover percentage) percent of the last monthly rent for each month or part of a month of holdover.

20. Required disclosures

Some states and cities require disclosures in commercial leases, such as accessibility inspection status, asbestos or environmental notices, or energy use data. Other disclosures may also be required: check.

21. General terms

Notices go to the addresses above by hand delivery, recognized overnight courier, or certified mail. This Lease and its exhibits are the entire agreement. Changes must be signed by both parties. If any part is unenforceable, the rest remains. Each party confirms the person signing has authority to bind it. Electronic signatures count as originals.

- ☐ Exhibit A: floor plan of the Premises
- ☐ Exhibit B: landlord's work and tenant improvement terms
- ☐ Exhibit C: guaranty, if any
- ☐ Exhibit D: building rules

22. Signatures

Landlord, by authorized signer and title signature

Printed name

Date

Tenant, by authorized signer and title signature

Printed name

Date

Guarantor, if any signature

Printed name

Date

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