

# *Catholic Mutual. . . "CARES"*

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## **ADDENDUM TO LEASE**

The Addendum to Lease has been designed to fulfill the insurance requirements for both tenants and the parish when parish property is leased. Therefore, even if a written lease is not used, the Addendum to Lease must still be completed to ensure that insurance requirements have been met.

When your parish enters into an agreement with a tenant for long term usage of parish facilities, a written lease should be drafted. The Addendum to Lease should be attached to the parish's written lease or the wording of the addendum incorporated into the lease. Please remember that your parish and the Arch/Diocese must be named as an additional insured on the Lessee's general liability insurance policy. It is not adequate for a Lessee to simply provide the parish proof of insurance where the parish is named as a "certificate holder."

Examples of situations where the parish should use the Addendum to Lease are as follows:

- 1) The convent is rented as a residence belonging to a religious order.
- 2) Space is rented in the school to be used as a non-parish operated daycare or learning center.
- 3) Office space is being rented in the parish rectory to a non-Arch/Diocesan organization.
- 4) The Addendum should not be used when the parish leases apartments or flats as private residences.

Your Arch/Diocese may have a lease review policy. Accordingly, leases should be reviewed by Catholic Mutual prior to the lease being signed by a parish representative. Should a prospective tenant have any questions regarding the requirements outlined in the Addendum to Lease, please refer them to Catholic Mutual's Risk Management Department at (800) 228-6108.

# **ADDENDUM TO LEASE**

**GENERAL LIABILITY INSURANCE:** LESSEE shall maintain general liability insurance in the amount of not less than two million dollars (\$2,000,000) per occurrence for the duration in which LESSEE rents or uses PARISH property and name PARISH as an additional insured on such policy of insurance. It is further agreed that LESSEE agrees to protect, indemnify, defend and hold harmless the PARISH against and from any claim or cause of action arising out of or from any negligence or other actionable fault caused by LESSEE or its employees, agents, members or officers.

**FIRE DAMAGE INSURANCE:** LESSEE shall maintain fire damage insurance (fire legal liability) for the term of this lease. LESSEE agrees to maintain fire damage coverage in the minimum amount of two million dollars (\$2,000,000).

**WORKER'S COMPENSATION INSURANCE:** LESSEE shall maintain worker's compensation insurance as required by law.

**ADDITIONAL INSURED:** LESSEE will name the PARISH as an additional insured on its general liability insurance policy for the duration of LESSEE'S renting or using PARISH property for claims arising out of LESSEE'S operations or made by LESSEE'S employees, agents, students, guests, customers or invitees. LESSEE must verify that its insurance policy is primary in the event of a covered claim or cause of action against PARISH. LESSEE will provide proof to PARISH that the insurance requirements have been met as outlined in this contract. If LESSEE fails to fulfill the insurance requirements contained in this paragraph, then LESSEE agrees to defend, hold harmless and indemnify the PARISH against and from any claim or cause of action arising out of LESSEE'S operations or any claim or cause of action which is brought against PARISH by LESSEE, its employees, agents, students, guests, customers, invitees which is alleged against the PARISH, even if such claim or cause of action arose from the negligence of PARISH, its employees or volunteers, or the negligence of any other individual or organization.

**INSPECTION BY THE PARISH:** PARISH may at any and all reasonable times enter premises leased to LESSEE for inspection purposes.

**NO WAIVER OF SUBROGATION:** PARISH does not waive any rights of recovery against the LESSEE for damages that are covered by the PARISH'S property insurance coverage.

**LEASE OVERRIDE AND SEVERABILITY PROVISION:** LESSEE and PARISH agree that this Addendum to Lease overrides any and all portions of previous agreements between LESSEE and PARISH that contain language in contradiction with this Addendum. If any portion of this Addendum to Lease is deemed or is determined to be in conflict with local or state or national statutes, both LESSEE and PARISH agree that the portion of the Addendum to Lease which is in conflict with the statute will be stricken from the Addendum to Lease with the remainder of the Addendum to Lease remaining binding for both parties.

**LESSEE:**

**PARISH:**

\_\_\_\_\_

\_\_\_\_\_

(PARISH is understood to include the Arch/Diocese of \_\_\_\_\_)

**BY:**

**BY:**

\_\_\_\_\_  
NAME

\_\_\_\_\_  
NAME

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

START DATE OF LEASE (Understood to be date signed if left blank): \_\_\_\_\_

Instruction to PARISH (PARISH Use Only): This Addendum to Lease stands on its own as a legal contract between PARISH and LESSEE should this addendum not be incorporated or attached to a lease.