

ROOM RENTAL AGREEMENT

This Room Rental Agreement (this "Agreement") is made as of 05 day of January, 2018, by and between the principal tenant, Ryan Wood ("Principal Tenant"), and Tenant(s) listed below. This agreement defines the relationship between the Principal Tenant and Tenant(s) (collectively, the "Parties") in sharing the premises located at (the "Premises"):

Street Address: 582 Lighthouse Lane

City: Springdale **State:** Illinois **Zip:** 67643

Term of Lease – From: January 12, 2018 **To:** continues on a month-to-month basis

Names of tenants	Monthly Rent	Security Deposit	Room Occupied
Lillian Murphy	\$700	\$200	Room 1A
Bob Hurley	\$800	\$300	Room 1C

Security Deposit: The total security deposit under the Lease is \$500.00. Each Tenant is responsible for his or her share of the security deposit as described above, and will receive his or her share of the security deposit minus any amount applied by the Landlord after the termination of the Lease.

Utilities: The rent includes electricity, water, gas, heat, and internet as part of each payment. The utilities not included in the rent will be shared by the Parties according to the following arrangement:

- **Garbage** - Name on Bill: Ryan Wood; Payment Method: evenly split
- **Cable** - Name on Bill: Ryan Wood; Payment Method: evenly split

Legal Considerations:

- **Will the Tenants purchase Renters Insurance:** No
- **Damages:** Each Tenant is responsible for any damage to the Premises caused by him or her including his or her guests. If there is damage that cannot be reasonably traced back to a particular Party, the cost of the damage will be shared equally by all the Parties.
- **Early Termination:** A Tenant may terminate this Agreement before the end of the lease term if he or she gives two (2) months notice and assists in finding a replacement Tenant.
- **Shared Costs:** The Parties will evenly split all costs for items used by all the Parties and placed in common areas, unless otherwise agreed upon.
- **Shared Property:** All shared property will be paid for evenly, unless otherwise agreed upon. At the end of the lease term or when the Parties terminate this Agreement, shared property will be split between the Parties, or a Party may purchase shared property from the other Parties.

Behavioral Stipulations:

- **Pets:** Can pets be kept at the Premises: No
- **Chores / Household Duties:** Chores and duties will be discussed on a weekly basis, and individual responsibilities will be agreed upon at those times. Each Party must complete his or her chores to the full extent in a timely fashion.
- **Cleanliness Expectations:** Each Party will keep his or her bedroom and bathroom, as well as the Common Area, including the grounds and all appliances, fixtures and furnishings, in clean, sanitary and good condition and repair. Each Party will maintain the cleanliness and neatness of the Common Area and share in the responsibility of cleaning the Common Area.
- **Overnight Guests:** Guests are allowed: Only if previously discussed
- **Parties / Entertaining:** Each Party may have up to six (6) friends over at a time. Any more than this amount should be discussed with all the Parties at least three (3) day(s) prior. Large gatherings and parties must be agreed upon by all the Parties and planned at least seven (7) day(s) prior.
- **Smoking and Alcohol Use:** The Parties are not allowed to smoke on the property. Drinking alcohol is not allowed on the property. The Parties are responsible for maintaining reasonable standards of behavior and level of noise.

Additional Terms:

- **Severability:** If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, the remaining provisions shall not be affected and shall continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement.
- **Governing Law:** The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, not including its conflicts of law provisions.
- **Entire Agreement:** This Agreement contains the entire understanding between the Parties and supersedes and cancels all prior agreements of the parties, whether oral or written, with respect to such subject matter.
- **Amendments:** This Agreement may be amended or modified only by a written agreement signed by all Parties.

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GENERAL INSTRUCTIONS

WHAT IS A ROOM RENTAL AGREEMENT?

A room rental agreement is a legally binding agreement between a tenant wanting to sublease, or rent, their apartment to another party. It clearly outlines the expectations and responsibilities of both parties, and upon signing, imposes those specific duties and obligations on them. Room rental agreement is also used interchangeably with the term Sublease Agreement, as it incorporates elements and terms of the original lease agreement, and serves as a detailed and comprehensive guide for tenant responsibilities and rights.

Unlike oral agreements, written agreements are usually honored by law, and carry more weight when needing to enforce tenant financial responsibilities and obligations. A room rental agreement is important for protecting tenant rights when entering into a situation where the principal tenant subleases a room or property to secondary tenants.

A room rental agreement may also be referred to as sublease agreement or room lease agreement.

HOW IS IT DIFFERENT FROM A ROOMMATE AGREEMENT?

There may not seem to be much of a difference between a room rental agreement and roommate agreement. However, there are several notable differences you should acquaint yourself with.

Room Rental Agreement:

- Also known as a “sublease”
- When a tenant wants to sublet their room to a third party
- Usually need landlord’s approval of the sublease
- Incorporates elements of the original lease agreement

Roommate Agreement:

- Referred to as a ‘housemate agreement,’ or “roommate contract”
- When moving in with a new roommate, or have found a new roommate

- Don’t usually need landlord’s permission
- Independent of the original lease agreement

WHAT SHOULD BE INCLUDED?

A simple room rental agreement will identify date, tenants, premises, rent, obligations and duties, utilities, parking, damages, renter’s insurance, smoking and alcohol use, and various permissions.

WHEN DO I NEED ONE?

You should use a room rental agreement when you are a homeowner, principal tenant, or building manager, and want to lease a private room or portion of your property to a secondary tenant. Room rental agreements should be used when you want to clarify expectations, obligations, and responsibilities of both parties, and want to promote a harmonious living environment.

Room rental agreements are a great tool to curb potential issues before they escalate, and allow parties to open up communication channels. When entering into a housing agreement, parties often overlook simple and obvious points of future contention, so think of a room rental agreement as a catalyst for starting certain difficult conversations early on. Common situations for using one:

- The party you are renting to has a boyfriend or girlfriend
- Your roommate has guests constantly staying over
- You want to divvy up household expenses and other costs
- You want to provide for respective property maintenance duties
- You want to establish quiet hours

THE CONSEQUENCES OF NOT USING ONE

Without a room rental agreement, you risk opening yourself and other tenants up to severe financial consequences and wasted time, both of which lead to serious headache and stress, or even a potential lawsuit. A room rental agreement could help prevent and resolve lost money, lost time, lost property, and/or mental anguish.