

Callahan & Galloway, INC.

Subleasing Procedures

Subleasing is the process by which a tenant may find someone to occupy their space in a unit as well as their position on the lease should they need to leave for any reason. **Subleasing is the only option available if you want to leave before the lease contract has been satisfied and it will not release you from your lease obligation or the liability of the lease.** "Breaking your contract" or "buying out of your lease" are not options. "Illegal" subleasing will result in an **AUTOMATIC LOSS OF THE ENTIRE SECURITY DEPOSIT**. ***You may NOT sublease with an outstanding balance.***

If only one person in a multiple-bedroom unit will be subleasing and all others will remain, that person may sublease as an individual. In this event, the sublessor must begin by notifying all of his roommates of his decision to leave. It does not matter who finds the sublessee, but everyone must be in agreement as to who will be moving in for **two reasons**. First, **for the protection of the person leaving** as the person subleasing is not released from their lease obligation, ergo if the new individual defaults on rent the original tenant (along with all other persons on the lease) will be ultimately responsible for covering the debt. Two, **for the protection of those remaining in the unit** as they will have to live with this new person, therefore, they must approve of the individual selected. **Callahan & Galloway will not be able to help you in the process of finding a sublessee in this instance**, as we are not in the business of roommate matching.

If everyone in the property will be leaving, you may sublease your entire unit. Your first step is to review and sign the Subleasing Procedures form. At this time, you will pay the three-hundred and fifty dollar (\$350.00) non-refundable subleasing fee, which if the entire unit is available for sublease, enables us to place the property on our vacancy list and on our website. Whether you are subleasing as an individual or as a unit, we encourage you to place an ad to your outlet of choice, at your own expense to help you find a sublessee. Again, **Callahan & Galloway is not responsible for finding your sublessee**. After you pay the subleasing fee, we will place it on our website and vacancy list, but that is the extent of our advertising. **PLEASE NOTE: Per your lease the subleasing fee is non-negotiable and non-refundable**. Regardless, if you find the sublessee or if the sublessee is found by Callahan & Galloway, you **MUST** pay the subleasing fee before the sublessee can sign onto your lease.

Once a potential sublessee is found they must go through our application process. This includes submitting an application, paying the twenty-five (\$25.00) online application fee, and contacting our office to check for approval. If the applicant is approved, it is now time for the sublessee(s) to sign the original lease and pay an equal share of your portion or the total deposit (depending on who is subleasing) to Callahan & Galloway (you must schedule this with the office). You **MAY NOT** transfer your deposit to the sublessee. Please note: you will not (and should not) expect to receive your deposit refund until 30 days after the **END DATE OF THE ORIGINAL LEASE**, regardless of your situation. Please try to remember that you signed a lease, therefore, you are obligated to that lease term and are subject to the subleasing procedures stated in your lease.

It is now time to coordinate the culmination of the sublease. If you are subleasing to someone whom you and/or your roommates have selected, it is up to you to organize transferring your keys and utilities, and establishing the day and time for move-out and move-in. A Callahan & Galloway representative will need to check-out the apartment after you are completely moved-out, and before the sublessee begins to move-in. You must contact the office to schedule this appointment. It is to your benefit to do so, as it protects your security deposit. If the sub-lessee was found with the help of Callahan & Galloway, you will need to **stay in contact with us** so we may assist you with this process.

I, _____, residing at _____ am in need of a sub-lessee beginning _____, 20 _____. I agree to the aforementioned rules and regulations (and, if applicable to my situation, hereby authorize Callahan & Galloway to aid in my search for a suitable tenant by placing my unit on their vacancy listing).

Signed _____ Dated _____

----This form is not valid unless signed and dated by a representative of Callahan & Galloway. ----

Signed by Callahan & Galloway _____ Dated _____

SUBLEASE AGREEMENT

This Sublease Agreement is made and entered into as of the date of signature by the last party to sign, by and among the parties identified below.

1. **PARTIES:** The parties to the Sublease Agreement are:
 - a. Sublessor(s) "old tenant", who is/are the lessee(s) in the below-identified main lease:

 - b. Sublessee(s) "new tenant", who is/are the sublessee(s) under the Sublease Agreement:

 - c. Lessor, who is the lessor under the below-identified main lease: **Callahan & Galloway, INC**
2. **MAIN LEASE/SUBJECT PREMISES:** This sublease Agreement relates to the lease (hereinafter called The "Main Lease") of the premises located at _____ (hereinafter called the "Subject Premises"). The Main Lease shall govern except as modified in this Sublease Agreement.
3. **SUBLEASE AGREEMENT:** Sublessor(s) hereby sublease the subject premises to Sublessee(s), and Sublessee(s) hereby sublease the subject premises from Sublessor(s), subject to the terms of the Main Lease except as modified by this Sublease Agreement.
4. **RENT PAYMENTS:** All rent payments by Sublessee(s) shall be made to Lessor pursuant to the Main Lease. Sublessor(s) are responsible for staying informed of Sublessee(s)' rent-payment status. If Sublessee(s) fail to pay rent, Sublessor(s) shall pay any such unpaid rent within 5 days after Lessor notifies Sublessor(s) of such non-payment. _____ Understood & initiated by Sublessor(s)
5. **LIABILITY:** *Sublessor(s) shall remain liable to Lessor under the Main Lease. Sublessee(s) shall be liable to both Sublessor(s) and Lessons for all future performance or non-performance under the Main Lease and this Sublease Agreement. In any legal action to enforce the Main Lease and/or this Sublease Agreement, Landlord shall be entitled to sue Sublessor(s) and/or Sublessee(s).*
_____ Understood & initiated by Sublessor(s)
6. **SECURITY DEPOSITS:** Lessor shall continue to hold any security deposit paid by Sublessor(s) and account to Sublessor(s) therefore pursuant to law within 30 days after termination of the Main Lease. As additional security, Sublessee(s) shall pay a security deposit of \$_____ to Lessor before occupying the subject premises, and Lessor shall account to Sublessee(s) therefore pursuant to law within 30 days after termination of the Main Lease.
7. **Approval of Sublease:** Signature of this Sublease Agreement by a representative of Callahan & Galloway constitutes written approval of this Sublease Agreement as required by the Main Lease.
8. **CURRENT BALANCE:** Sublessor(s) may not sublease with a current rent balance. The property account balance must not be delinquent at the time of sublease.
_____ Understood & initiated by Sublessor(s)
9. **CURRENT TENANT SIGNATURES:** Before this sublease can be finalized all current/original tenants must approve of the sublessee(s) and sign this document. *This document will not be accepted without all signatures.*

Sublessor(s) Signature(s): _____ Date: _____

Sublessee(s) Signature(s): _____ Date: _____

By signing this document the current tenants are accepting this sublease as well as the sublessee(s). All signatures will be matched with signatures on file.

Current Tenants Signature: _____ Date: _____

_____ Date: _____

_____ Date: _____