

## **TERMS OF LEASE OF STATE-OWNED LAND**

1. If any type of building is to be constructed, the term should be for a period approximating the life expectancy of the building, up to a period of 99 years.
2. The land rental payments to the State should be nominal.
3. The conduct of dwelling operations should be made subject to all.
4. The premises should be open to inspection at all times by duly authorized staff of the campus.
5. Title to any buildings should remain in the lessee.
6. All improvements of the premises, including both buildings and landscaping and major alterations thereto, should be in accordance with plans and specifications approved by the campus administration and the State.
7. There should be a restriction on subletting or assignment, whether voluntary or as a result of action by any lending agency to which the building and leasehold interest has been hypothecated, to the end that the property shall at all times be used with the approval of the campus administration.
8. There should be a cancellation clause in the event of violation of the terms of the lease by the lessee. It may be necessary to make some provisions for the protection of any lending agency.
9. There should be a standard indemnity clause in favor of the State adequately submitted by a liability insurance policy.
10. The lessee should be required to carry insurance at its own expense covering the full insurable value of the improvements.
11. The lessee should be required to maintain the buildings and grounds at its own expense, in a condition satisfactory to the campus. The campus should have the privilege, upon giving reasonable notice to the lessee to correct any default, to make necessary repairs at the lessee's expense.
12. There should be an appropriate clause for restoration of the premises upon expiration of the term or upon destruction of the improvements by fire or other casualty and the failure of the lessee to rebuild within a stated time.