



Insuring America's churches and related ministries®

Legal Q & A A FREE SERVICE

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Q: What risk management issues are associated with lending our church facility to an outside group?

A: Knowing who will be using your facility and for what purpose can help avoid risk management issues.



Work with an attorney to create a written agreement for the use of the facility.

Keep your church in safe condition. Work with an attorney to create a written agreement for the use of the facility.

A written agreement should :

- Describe what parts of the facility will be used, the times and days of usage, and the purposes for which the facility will be used.
- Contain detailed insurance requirements for the group using your facility.
- Include a hold-harmless, indemnity and defense clause for any liability claim.

In addition, we recommend that insurance requirements should:

- Include at least a \$1 million limit of liability coverage in a commercial liability policy.
- Require that your church be listed as an additional insured for liability damages that are a result of the group's activities on your premises.
- Mandate that the other party provides your church with a certificate of insurance as proof of coverage.

Recommended Resources

If you found this information helpful, you might be interested in these other resources from Brotherhood Mutual:

- Read more about how to make groups assume liability in our article [Lending Church Facilities: Facilities Use Agreements](#).
- Learn what questions to ask about the group's activities in our article [Lending Church Facilities: Guidelines](#).
- Download our sample form [Facilities Use Agreement](#).

***Important information:** Brotherhood Mutual is pleased to provide LegalAssistance as a complimentary resource. The services we offer through LegalAssistance are intended to provide general legal information to our current and prospective policyholders.

The information we provide is intended to be helpful, but it does not constitute legal advice and is not a substitute for the advice from a licensed attorney in your area. Accordingly, no attorney/client relationship is created through this process, and no legal advice will be provided. We strongly encourage you to regularly consult with a local attorney as part of your risk management program.

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