

How to complete a Month-to-Month Lease in Illinois

Open-ended residential lease with notice-to-vacate clause and recurring monthly rent.

What this form is for

This form is used by landlords and property owners to rent residential space on a rolling monthly basis without a fixed end date. It provides flexibility for both parties while establishing clear rent terms and notice requirements under Illinois law.

Before you start

- Full legal names and current addresses of all adult tenants who will sign the lease
- Complete property address including unit number and any parking or storage space identifiers
- Monthly rent amount, due date, acceptable payment methods, and late fee structure
- Security deposit amount you will collect and the interest rate required by Illinois municipalities if applicable
- Notice period you will require for either party to terminate (Illinois default is 30 days but you may specify longer)

Step-by-step

1. Fill in the effective start date of the lease and confirm it reflects when the tenant will take possession of the property.
2. Enter the complete property address in the premises description section, including any specific areas like basement storage or garage stalls that are included or excluded.
3. Record the monthly rent amount in both numerals and written words, specify the day of the month it is due, and indicate where and how payment should be made.
4. State the security deposit amount and confirm you will comply with Illinois requirements to hold it in a federally insured interest-bearing account if you own 25 or more units, or provide the interest rate disclosure if your municipality requires it.
5. Define the notice-to-vacate period clearly for both landlord and tenant, ensuring it meets the Illinois minimum of 30 days and specifying whether notice must be written.
6. Complete the utilities and services section by checking which items the tenant pays versus which you provide, such as water, gas, electric, trash, internet, and lawn care.
7. Fill in any property rules or restrictions, including pet policies, smoking restrictions, guest limitations, and quiet hours.
8. Add required Illinois disclosures such as lead paint warnings for pre-1978 buildings, radon notifications, and any local municipal registration numbers or licensing.

9. Review signature blocks to ensure space for all parties, dates, and witness lines if your county requires them.

What lenders look for

- Banks reviewing your rental income want to see consistent monthly amounts and clear collection terms, so specify rent due dates and document your actual deposit history with bank statements.
- Month-to-month leases are considered higher risk than fixed-term leases because income can disappear with 30 days notice, so maintain a pipeline of backup tenants and document occupancy rates above 85 percent.
- Underwriters flag security deposit disputes, so always provide the required Illinois itemized statement within 30 to 45 days after move-out and keep photographs proving property condition.