Tenancy Agreement for Residential Premises

The landlord(s) ____________________________________________________________

_________________________________________________________

resident at ________________________________________________________________

and the tenant(s) __________________________________________________________

_________________________________________________________

conclude the following tenancy agreement:

Section 1 Rented Property

1. The following rooms
   _______ rooms, _______ kitchen/kitchenette, _______ bathroom/shower/toilet, ___ attic no. __
   _______ cellar no. __
   _______ garage / parking space, ___ garden, _______ commercially used rooms

   are let in the building ________________________________________________________
   (location, street, house no., floor)

2. The tenant is entitled to use the laundry room, drying loft / drying area ________________
   in accordance with the house rules.

3. For the duration of the tenancy, the tenant receives from the landlord:
   _______ house, _______ flat, _______ room, _______ attic, _______ garage
   keys.

4. The residential floor area is approx.: _______ m².

5. The flat is a freehold flat. □ yes □ no

Section 2 Duration of Tenancy

The tenancy commences on: ____________________________; it is concluded for an indefinite period.

The contracting parties intend to enter into a long-term tenancy. The landlord waives his right to
statutory notice of termination (termination for personal use, for use as a granny flat, partial
termination and termination for commercial exploitation of the flat pursuant to sections 573,
573a, 573 b of the German Civil Code (BGB)) for a period of 3 years and 9 months from the
conclusion of this contract. Therefore, notice cannot be given before this period has elapsed. In
other respects, the prerequisites for a termination are governed by statutory provisions and contractual
agreements (cf. section 8, 17-22 of this contract).

Note: Pursuant to section 22 of this tenancy agreement, the parties to this tenancy agreement
may also agree a permanent or long-term waiver of the landlord’s right to terminate the tenancy.

Section 3 Rent

1. The monthly rent is: ___________________________ Euro.
   in words: ___________________________________ Euro.
   The contracting parties agree that the rent will not be increased for a period of _______ years.

Important note: All entries in and amendments of this contract must be reflected both in the contract for the landlord and the tenant and be identical. Where a □ appears in the text, check as applicable.
The landlord must announce rent increases and provide all explanations concerning changes to the contract in writing. Where legally permissible, a declaration in text form (e.g. by e-mail or fax) suffices.

This rent covers all operating costs, unless otherwise specified in clause 2.

☐ The flat was subsidised by public funds and is therefore price-controlled; the rent has therefore been determined on the basis of a profitability calculation.

☐ The flat was subsidised by public funds. The options for increasing rent are therefore based on the funding agreement / funding approval in conjunction with the German Civil Code.

The maximum permissible rent is ___________ Euro until ___________ (end of rent control).

The landlord will provide the tenant with all information on the rent control contained in the funding approval.

2. In addition to the rent, the tenant will pay
   a) an advance payment of ___________ Euro per month for heating and hot water.
   b) ☐ a lump sum ☐ an advance payment of ___________ Euro per month

for water supply, drainage, refuse collection (enter other operating costs here:)

A statement of accounts for the advance payments will be drawn up once a year. Where a lump sum has been agreed, no supplementary claims will be made.

3. The sum total of the rent amounting to ___________ Euro per month must be paid into the landlord's account. Account holder (if different):

IBAN: ___________________ BIC: ___________________ or
Account No. ___________ bank sort code ____ bank ___________________

4. The landlord asserts that during the last two accounting periods, the heating costs for the entire object have not exceeded an average of ___________ Euro/m².

In the event that the tenant pays further operating costs in addition to the rent, the landlord asserts that the agreed advance payment is sufficient to settle to anticipated costs.

Section 4 Allocation of and Statement of Accounts for Heating and Operating Costs

1. In the event that advance payments were agreed, the following applies: where the principles of pro-rata consumption are used in the statement of accounts for the heating and hot water costs, the costs of operating the central heating system and the central hot water supply shall be allocated pro-rata to the tenants of the house.

2. The overall costs for heating and hot water will be allocated equally (50% each) by residential floor area (m²) and the actually established heat consumption, unless another distribution ratio permissible in accordance with the German Heating Cost Ordinance is chosen below.

3. ___________ percent (30 percent or 40 percent) of the costs for heating and hot water are allocated by residential floor area and ___________ percent (70 percent or 60 percent) by consumption.
4. Other operating costs are invoiced by consumption or on a costs-by-cause principle, provided they are recorded appropriately. Otherwise, the following applies:

- The operating costs are invoiced according to the share of the residential floor area:

- The operating costs are invoiced on the basis of the number of people:

5. A statement of accounts for the heating and operating costs will be drawn up once a year.

6. The landlord can only demand a supplementary payment for the heating and operating costs if he provides the tenant, no later than 12 months after the end of the accounting period, with a written statement of accounts proving that the advance payments for the operating costs were insufficient. In case the accounts result in a credit balance in favour of the tenant, this shall be paid out immediately. The landlord is not entitled to offset a credit balance against any claims that are disputed or have not been established as final and absolute. The tenant must inform the landlord no later than 12 months after receipt of the statement of accounts of any objections against the statement of accounts.

7. Supplementary demands by the landlord must be paid within 4 weeks of receipt of the proper statement of accounts. The landlord grants the tenant the opportunity to inspect the calculation notes. The tenant can ask for copies of the calculation notes to be sent to him by post in return for a reimbursement of adequate photocopying costs and postage.

8. In the event that the advance payments exceed or fall short of the actual costs, each contracting party may adjust the advance payment to a suitable level.

Section 5 Supply of Heating and Hot Water

1. The landlord must ensure the central heating is operational when dictated by the weather, but at least during the period from 15 September to 15 May. Between 6.00 a.m. and midnight, a temperature of at least 20°C to 22°C must be reached in the heatable rooms. During the rest of the night, 18°C will be sufficient.

2. The landlord must provide hot water day and night.

3. Outsourcing of heating and hot water supply or other services (such as TV/radio reception) to a third party is only permissible with the tenant's consent. In case of performance default, the tenant is also entitled to assert his warranty claims vis-à-vis the landlord under the landlord and tenant law.

Section 6 Obligations of the Landlord before the Tenant Moves in

1. The landlord is obliged to have the following work carried out in the rented premises at his own expense before commencement of the tenancy.

2. The landlord provides the tenant with a complete copy of an energy performance certificate that complies with the German Energy Saving Regulations. He assures that this energy performance certificate is correct.
Section 7 Defects and Damages in the Flat

1. The tenant must inform the landlord immediately about any obvious defects in the apartment.

2. In the event that the flat has considerable defects or does not have a guaranteed feature, the tenant is entitled to reduce the rent to an appropriate level until the landlord remedies the defect. This does not affect other claims such as the claim to performance and the claim for damages.

3. In the event that the landlord does not have the notified defect remedied within one month or immediately in urgent cases, despite a reminder by the tenant, the tenant is also entitled to remedy the defects at the expense of the landlord. For that purpose, the tenant can employ the services of specialist companies and withhold an appropriate amount from the next rent payment as a retainer.

4. The tenant is liable vis-à-vis the landlord for damage culpably caused by himself, his flatmates, housemaids, lodgers and any tradesmen commissioned by him after moving in.

Section 8 Repairs and Structural Changes

1. The tenant must tolerate any measures in the flat or the house that are required to maintain the flat or the building (maintenance and repair measures).

2. The tenant must tolerate measures taken to improve the flat or other parts of the house or to save energy or water (modernisation), provided the planned measures and the anticipated rent increase would not result in an unreasonable hardship for him, his family or another member of his household.

3. Expenses payable by the tenant during the construction work must be reimbursed by the landlord; upon request, the landlord must make an advance payment. These expenses will not result in a rent increase.

4. The landlord must inform the tenant in writing 3 months before the commencement of construction works about the type of work, their extent, commencement and anticipated duration as well as the anticipated rent increase. The tenant is entitled to terminate the tenancy agreement by the end of the month following the month of such an announcement; such termination will then become effective at the end of the month following termination. In the event that the tenant has terminated the agreement, the construction work must be postponed until the end of the tenancy. The latter does not apply to work that has no or only minor effects upon the rented rooms or that is urgently required for safety reasons.

Section 9 Structures Built in by the Tenant

1. The tenant is entitled to erect oil-heaters or other suitable heaters instead of coal-fired furnaces. Regulations by authorities, in particular for the erection of oil heaters and the storage of fuel oil, must be complied with. The tenant will obtain potentially necessary permits and approval from authorities at his own expense. The landlord must be given sufficient notice of the erection of such heaters.

2. The tenant is entitled to make structural changes and install facilities for barrier-free use of the rented property or access to it at his own expense. Before doing so, he must obtain the approval of the landlord. The landlord can refuse consent if he or the other tenants have an overriding interest in keeping the rented property unchanged. The landlord can request an adequate security from the tenant for restoring the property to its original condition after moving out. The tenant is liable for the professional execution of the work and proper use. In case of an appreciable risk of damage, the tenant must provide proof of suitable third party liability insurance.
3. Any other built-in structures and structural changes by the tenant, which exceed the contractually stipulated use, may only be carried out with the consent of the landlord. The landlord may only refuse consent if the measures are unreasonable for him or the other tenants.

4. The tenant may conclude his own supply and connection contracts with energy suppliers, telecommunications companies and multimedia service providers of his choice. For this purpose the landlord grants him the use of already existing house installations, if needed. Additional installations required will be granted by the landlord, provided this is reasonable for him after due consideration and the tenants indemnifies him against all related costs.

5. The tenant is entitled to remove any fittings put up by him in the flat. This does not apply if the landlord pays the tenant adequate compensation, unless the tenant has a legitimate interest in taking these fittings with him.

6. An agreement which excludes the tenant's right to take these fittings with him is only effective if an appropriate compensation is agreed as outlined in clause 8.

7. The tenant may carry out the following work in his flat at his own expense:

8. In the event that the landlord takes over the tenant's built-in structures or structural changes when the tenant moves out, he must compensate the tenant for the proven costs, minus an appropriate reduction for wear and tear. A lump sum of

   - ☐ 2 percent
   - ☐ 5 percent
   - ☐ 10 percent

   of the costs invested by the tenant for each year of his tenancy.

   is agreed as an appropriate reduction.

Section 10 Use of Residential Property, Subletting

1. The tenant may have his spouse, partner or family member move in with him at any time, if they intend to live together on a permanent basis and the flat will not be overcrowded as a consequence. When the tenant moves out, the aforementioned persons are entitled to continue the contract on their own if the flat was their main place of residence, provided the tenant agrees and the landlord has no compelling reasons preventing this in individual cases.

2. The tenant may sublet his flat only with the landlord's consent. The landlord must give his consent if the tenant has a legitimate interest, after concluding the contract, to sublet a part of or the entire flat to a third party for their use. This does not apply if subletting would result in the flat being overcrowded or if there is a compelling reason in the person of the lodger to refuse consent.

3. In cases of flat sharing the landlord must be notified immediately if individual persons sharing the flat change or move out.

4. Working from home requires permission if it affects significant interests of the neighbours or the landlord. Teleworking and non-disruptive work require no permission.

Section 11 Household Appliances

The tenant may put up household appliances (e.g. washing machines, dishwashers, tumble dryers) in his flat. The landlord affirms that the flat's electricity supply is adequately protected against short circuits or that he will take the appropriate action upon request.
Section 12 Keeping of Pets

1. The tenant may keep small pets such as fish, hamsters, birds, turtles/tortoises and pets such as a cat or a dog in his flat.

2. The landlord may oppose the keeping of pets if this were to result in a nuisance to the community of tenants.

Section 13 Use of the Garden

1. The tenant may use the garden belonging to the house.

2. The care and maintenance of the garden will be the responsibility of the landlord or tenant.

3. Gardening equipment and material for the care and maintenance of the garden must be provided by the landlord or tenant at his expense.

Section 14 TV and Radio Reception – Installation of Antenna

1. The landlord is entitled, with the consent of the majority of tenants, to install a community antenna, instead of individual antenna, for the reception of the usual radio and TV channels. In this case, the tenant is obliged to remove his individual antenna unless, in exceptional cases, he has legitimate reasons for keeping it. This also applies to all satellite dishes. The costs can only be allocated to those tenants that agree to these measures.

2. The landlord is obliged to keep a community receiver ready-to-receive (RR) at the local standard.

3. The tenant may have cable TV connected to his flat at his own expenses.

4. Provided the tenant has a legitimate interest, he is entitled to install an outdoor aerial for TV and radio reception for those TV/radio stations for which there is no community receiver at all or the landlord does not keep a receiver ready-to-receive. This also applies to satellite dishes (parabolic aerials). The landlord may choose where to install the antenna, provided this location guarantees faultless reception. The aerial must comply with VDE regulations for outdoor aerials. The tenant must keep his aerial in proper working order. The tenant will pay the costs of installing and maintaining his own aerial.

5. Outsourcing of the TV and radio supply to a third party requires the tenant's consent.

6. The landlord may only erect or permit the erection of a mobile phone base station with the tenant's consent.

Section 15 Landlord's Access to the Rented Property

1. The landlord or his representative may enter the rented property for legitimate reasons (sale of the house or flat, termination, repairs) in the company of interested parties or tradesmen and after prior agreement with the tenant. In doing so he must take into account the tenant's work schedule or other personal hindrances. Viewings are normally to be restricted to 3 hours on one day per week.

2. To ensure that the landlord can also access the flat in case of an emergency during an extended absence of the tenant, the tenant must inform the landlord to whom he has left a key for that purpose.
Section 16 Landlord’s Duty of Disclosure / Energy Performance Certificate

1. The landlord is obliged to provide the tenant in writing with all the necessary informations; this concerns in particular the statement of accounts for heating and operating costs, rent increases, reduction in interest rates, information about housing benefit application, calculations of residential floor areas as well as the details of how the rent of flats subsidised by public funds is made up.

2. The landlord undertakes to hand over to the tenant a photocopy of the energy performance certificate.

Section 17 Statutory Notice of Termination

1. The tenant can terminate the permanent rent agreement anytime with a notice period of 3 months.

2. For the landlord, this notice period is extended to 6 months after 5 years and 9 months after 8 years of tenancy.

3. Declarations of termination must be received by the contracting partner no later than the 3rd business day of the month if this month is to be included in the calculation of the notice period. The contracting parties can only terminate the agreement in writing; verbal terminations are invalid.

4. A partial termination of storage rooms is excluded.

5. The tenant is entitled to terminate the agreement prematurely if he can provide a new tenant.

Section 18 Termination without Notice

1. In the event that the tenancy ends by means of a justifiable and legitimate termination without notice by the landlord, the tenant is liable for the damage suffered by the landlord as a consequence of the rooms being vacant for some time after the tenant moves out or having to be let at a cheaper rate. This liability is restricted to a maximum period of 2 months after the return of the flat. No such liability applies if the landlord has not made sufficient efforts to find a substitute tenant.

2. In the event that the tenancy ends by means of a justifiable and legitimate termination without notice by the tenant, the landlord is liable for damage suffered by the tenant.

Section 19 Death of the Tenant

1. Spouses, children, partners, family members and other persons enter into the tenancy agreement in statutory order, if they lived together with the deceased tenant. They can inform the landlord within one month of finding out about the tenant’s death that they do not wish to continue the tenancy. In this case the tenancy agreement is deemed not to have been continued.

2. In case of more than one person being tenants and one tenant dying, the other tenants can terminate the tenancy agreement within the first 3 months of finding out about their co-tenant’s death, with a notice period of one month.

3. The same right of termination applies to the heir continuing the tenancy agreement if nobody has entered into the agreement on the basis of statutory provisions.

Section 20 Tenant Moving Out

When the tenant moves out he must return the rooms to the landlord or his estate manager swept clean and with all keys.

Section 21 More than One Tenant

1. Several tenants will be liable jointly and severally for all obligations under the tenancy agreement.
2. Terminations, rent increases and other declarations intended to bring about a change of contract must be made to or by all tenants.

3. The provisions above also apply to the members of a shared flat named to the landlord.

4. In case more than one person on the tenant’s side have concluded the contract, all contracting parties hereby agree that upon one or more co-tenant(s) moving out, the remaining tenant(s) will take on the contract with all its rights and duties. The tenants are obliged to inform the landlord in writing about any changes to the contract.

Section 22 Other Agreements

1. The House Rules are part of this contract if they are attached to it. However, they cannot alter or supplement major obligations under the tenancy agreement.

2. Tenant and landlord agree a deposit of ____________________________ Euro as security. The tenant is entitled to pay the deposit in 3 instalments from the commencement of the tenancy. Alternatively, the tenant can also provide a bank guarantee or pledge a savings account in his name to the landlord. The landlord undertakes to give the tenant 2 weeks notice if the is going to make use of the deposit. Upon termination of the tenancy agreement the landlord must return the deposit as quickly as possible, but at the latest within 3 months.

Landlord __________________________________________________________________________

Tenant __________________________________________________________________________

In cases of doubt the contracting parties are advised to seek legal advice from their competent local organisation of house owners or tenants.

The address of the local tenants association can be found on www.mieterbund.de. You can also contact the umbrella organisation direct, Deutscher Mieterbund e.V., if you are looking for the address of the tenants association; Tel: 030 / 2 23 23 - 0, Fax: 030 / 2 23 23 – 100, e-mail: info@mieterbund.de.

Also: Initial advice via phone on 0900 / 12 000 12 (2,- Euro/minute from German landlines; from the second minute billing per second) and online advice on www.mieterbund24.de.

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