

FURNISHED PROPERTY LEASE

ARTICLE L.632--1 CONSTRUCTION AND HOUSING CODE

Between the undersigned:

M. _____
residing at _____
Hereinafter __ referred to as "Lessor"

ON THE ONE HAND

AND

Mr. _____
residing at _____
And
Mr. _____
residing at _____
Mr. _____
residing at _____
Mr. _____
residing at _____
Hereinafter __ referred to as "Lessee"

ON THE OTHER ONE HAND

The following has been agreed and decided upon:

The Lessor leases under the terms and conditions hereinafter set forth below, to Lessee(s) who jointly and severally accept(s) the premises specified hereunder. Lessees are jointly and severally liable for the payment of rents, expenses, occupancy indemnities, as well as implementation of the terms of this lease and other provisions. As long as the lease has not expired, the Lessor can claim in case of failure of a Lessee, full payment of these amounts to any of the Lessees.



1 DESIGNATION OF PREMISES

Address

2 DESIGNATION OF PREMISES AND PRIVATE EQUIPMENT

Cellar No. _____

Parking No. _____

3 LIST OF COMMON PARTS AND EQUIPMENT

Lessee declares to have visited the premises and found that the above-described items exist (ii).

4 LEGAL FRAMEWORK OF THE RENTAL

The parties declare that this rental is intended for furnished residential use.

Lessee establishes his/her main residence in the rented premises.

Therefore, they agree that their respective rights and obligations shall be governed by the provisions of this contract and, where appropriate, by Article L.632-1 of the Construction and Housing Code.



5 PERIOD

The lease is concluded for a period of ONE YEAR.

with effect from _____
and ending on _____

6 RENT

The monthly rent is set at _____ €

payable in advance on the first of each month and no later than the 5th, at the Lessor's home or that of Lessor's agent, and for the first time on _____

7 CHARGES AND RECOVERABLE TAXES

In addition to the above mentioned rent, Lessee shall simultaneously pay charges and recoverable taxes.

- Option 1: flat-rate charges

The contracting parties agree to a flat-rate charges system. Lessee shall pay monthly flat-rate charges. They shall be set at _____ €

Therefore, there will be no need to justify and adjust them. The expense account will be cleared definitively.

- Option 2: justified expenses

The contracting parties agree to refer to Decree No. 87-713 of 26 August 1987, which establishes the list of expenses recoverable from Lessee.

In addition, it is expressly agreed between the parties that Lessee shall bear:

- a) Contribution on rental income where necessary, and taxes, principal and incidental, which correspond to services which Lessee directly benefits.
- b) All taxes or charges arising or that may arise and which are caused or occasioned by the leased premises or this agreement, with the exception of property tax borne by the Lessor.

The monthly charges on expenses are set at _____ €



These charges will be readjusted annually based on trends in the cost of these expenses, according to results recorded the previous year and according to the estimated budget if the property is subject to co-ownership status. The adjustment will be done each year upon presentation of an account that will be sent to Lessee.

In this case, the distribution will be done according to shares related to the leased lots, such as resulting from the co-ownership agreement and division description.

8 RENT REVIEW

The rent set above shall be automatically reviewed at the end of each year of the lease, according to changes in the rent reference index (IRL) published by INSEE, or any other index substituted to it. This review shall be done only in case of increase in the index.

The reference index is that _____ of quarter _____ whose value is _____ (last known index on the date the lease takes effect), and the index of the same quarter of each year.

9 SECURITY DEPOSIT

At the signing hereof, Lessee has paid to the Lessor, who acknowledges, the sum of _____ € representing one month's rent in principal, assigned to ensure the implementation of its lease obligations.

This amount, which will not be subject to revision during the contract period or during its possible renewal, shall be returned to Lessee at the end of possession, without interest, within a period of two months after complete removal, handing of all keys and inspection of the property, deduction, where appropriate, of all sums that Lessee may be owing the Lessor or that the Lessor may be held responsible on his/her behalf. Failing return within two months, the remaining balance due to Lessee after the closing of accounts shall generate interest at the legal rate to Lessee's advantage.

10 IN CASE OF CO-TENANCY

In case of termination by a co-tenant, the latter remains jointly and severally liable to the payment of rent and charges until a new co-tenant is approved by the Lessor or, failing that, until the end of the current lease.

If the outgoing co-tenant provides a deposit as guarantee, the co-tenant replacing him/her must provide his/her own deposit that the owner has to approve in writing.



In case a co-tenant leaves, this contract shall be subject to an amendment. The outgoing Lessee may not require the Lessor to reimburse its share of the security deposit.

11 TERMINATION BY LESSEE

This lease may be terminated by Lessee at any time and without cause, subject to one month notice. The termination must be notified by registered letter with acknowledgment of receipt or served by a bailiff.

12 TERMINATION BY THE LESSOR

This lease may be terminated by the Lessor to end of lease subject to three months' notice. The reason for termination could be the sale of the building, recovery to live in, or a serious and legitimate reason. The termination must be notified by registered letter with acknowledgment of receipt or served by a bailiff.

In the absence of termination, the lease is automatically renewed for one year.

The Lessor may propose a one-year renewal under new terms on condition that Lessee is informed by three months' notice. If agreed by Lessee, the lease is renewed for one year under new terms. Failing agreement, the lease is terminated.

13 AUTOMATIC RENEWAL, EXTENSION OF LEASE

1. Automatic renewal: Failing termination or renewal proposal, the lease which has reached its maturity is automatically renewed, on the same terms, for a period of three years if the Lessor is a natural or related person, and for six years if it is a legal entity.

2. Renewal: Failing termination, the Lessor may propose to Lessee, at least six months before the expiry of this lease and in compliance with the terms of Article 17c of the Law of 6 July 1989, a renewal for a period at least equal to three years if the Lessor is a natural or related person and six years if it is a legal entityⁱⁱⁱ.

3. Establishment of rental rates: In the 38 cities covered by Decree No. 2012-894 of 20 July 2012, the rent of the renewed lease can be reviewed only up to the IRL^{iv} changes



14 INVENTORY AND WORKS

1. Unless otherwise provided^v the Lessor delivers the building in good condition for custom and repairs as well as the equipment mentioned in the lease in good working order.
2. An inventory established jointly by the parties, or failing that, by bailiff at the initiative of the more diligent party and at equally shared costs, is attached to the lease.
3. Lessee assumes maintenance of the housing including equipment mentioned in the contract and minor repairs, as well as all rental repairs. The Lessor shall maintain the premises in order and make repairs - other than rental repairs - necessary for this purpose.
4. Lessee shall bear the cost of maintenance or improvement works in the rented premises and in other parts of the building. Lessee shall allow the Lessor or the Lessor's representative to visit the leased premises whenever necessary for maintenance, repairs or building security. Lessee shall promptly notify the Lessor of any damage noticed in the leased premises and requiring repairs borne by the Lessor. Failing this, Lessee may not claim any compensation for damage caused to Lessee as a result of extension of damage beyond the date when he/she notified the Lessor
5. Lessee shall not change the premises, gardens and leased equipment without the prior written consent of the Lessor. Otherwise, the Lessor may require Lessee, while leaving the premises, to return them to their original state or keep the changes made without Lessee being able to claim any compensation for expenses incurred. The Lessor, however, has the right to require Lessee at Lessee's expense to immediately return the premises to its original state where such changes are jeopardizing the proper functioning of equipment or safety of the area. If the Lessor authorises the change requested, the Lessor may require that the work be done under the supervision of the Lessor's architect, whose fees will be borne by Lessee.
6. Lessee shall clean smoke ducts that may exist in the leased premises whenever necessary and in any case following administrative requirements.
7. Lessee shall take out a maintenance contract with a specialized company to maintain, at least once a year, all heating appliances (central heating boiler, water heater, bath heater, drain pipes, air intakes ...) and justify them when required by the Lessor. Lessee may not install any oil or gas furnace without making, at Lessee's expense, chimneys and ducts comply with the regulation and this, under the guidance of the Lessor's architect, whose fees will be borne by Lessee.



15 OCCUPATION OF LEASED PREMISES

1. At no time, shall the leased premises be over-occupied with regard to their surface and the number of rooms.
2. Lessee shall use the rented property in a peaceful manner and according to the purpose for which they are described in the lease. Lessee shall be responsible for damage and loss that may occur during the contract period to the property Lessee has exclusive use.
3. Lessee shall, during the lease period, keep the premises constantly decorated with furniture and furnishings in sufficient quantity to guarantee the payment of rents and charges, and performance of its obligations.
4. Lessee shall use the rented premises solely for habitation. Lessee may not perform any liberal profession, craft, commercial or industrial activity on the rented premises.
5. Lessee acknowledges receipt, if any, of excerpts of the co-ownership regulations concerning the use of the building.
6. Lessee may not set-up in these premises, the registered office of the company of which Lessee is creator or legal representative or perform any such activity without the express acceptance of the Lessor. The only exceptions to this contractual provision are specified in Articles L.123-10 paragraph 3 and L.123-11-1 paragraph 2 of the Commercial Code.
7. Lessee shall insure against fire, water damage, electrical hazards, claims by neighbours, explosions of any kind and companion pets under Lessee's responsible, and more generally against all risks which must be managed in his/her capacity as tenant. Lessee shall present such upon occupation of the premises and every year at the request of the Lessor by providing the latter with a certificate from the insurer or its representative.
8. The possession of companion pets is subject to the fact that they do not cause any damage to the building or any disturbance to the quiet possession of the occupants thereof. If the Lessee may keep animals in the rented premises, possession of non-companion animals, such as attack dogs, is however strictly prohibited under penalty of termination of this contract.
9. Lessee shall not commit any misuse likely to either damage the solidity or good appearance of the building or for which the owner could be held responsible towards other occupants of the building or neighbours.

In particular, Lessee may not place any object on the window sills, balconies and any openings overlooking the street or courtyard, or hang out any cloth or carpet. Lessee must prevent noise likely to disturb neighbours, especially those emitted by radio, TV and others.



10. Lessee may not place in the courtyards, entrances, hallways, stairways or landings, and generally in any of the public areas except those provided for this purpose, any object whatsoever, including: bicycles and other vehicles, prams and pushchairs.

11. Household appliances if any, are provided to Lessee free of charge and without guarantee by Lessor.

12. Lessee shall provide, at its expense, all the charges and conditions for city sanitation, police, as well as health and hygiene regulations. Lessee shall exactly pay his/her housing tax as well as all other related or substituted taxes. In case of departure, Lessee shall justify this payment made as required in advance, at the latest when returning the keys.

13. Lessee shall provide protection against freezing for all pipes and meter devices reserved for Lessee's personal use in the rented premises. Lessee shall be held responsible for damages that occur due to negligence.

14. Lessee may have no recourse against the Lessor in case of theft and depredations in the rented premises.

15. In case of installation or change of a master television antenna in the building, after Lessee has occupied the premises, he/she may be connected thereto. Lessee shall avoid using any individual external antenna, but rather pay a share of the installation costs of the said antenna. Lessee shall also contribute in the maintenance and repair of this antenna^v.

16. In case of sale of the building or apartment, Lessee shall let visit the rented premises every working day and for two hours a day. Lessee shall also, on the same days and hours, let visit the premises in case of termination of the lease, during the three months preceding its expiration. Failing agreement on visiting hours, they shall be done between 5pm and 7pm.

17. Lessee must comply, if they exist, with the internal regulations of the building and the co-ownership regulations that has been communicated to him/her.

18. Any transfer of this lease, any sub-lease, total or partial, shall be strictly prohibited. Lessee may not make the premises available, even for free or on loan, to any person outside his home.

16 AUTOMATIC TERMINATION

Failing either payment, on the agreed terms, of all or part of the rent, charges or security deposit, or underwriting of insurance by Lessee, or observance of the obligation to peacefully use the rented premises resulting in disturbance of neighbours established by a court decision and which has become final, this lease shall be automatically terminated.



Under penalty of nullity, the summons produced in case of non-payment, the provisions of the first five paragraphs of Article 24 as amended by the Law of 6 July 1989 and Article 6 of the Law of 31 May 1990, and failure to contract insurance, the two paragraphs of Article 7 g) amended by the first above-mentioned law.

In case of non payment of rent, charges, or security deposit: termination shall take effect two months after an unsuccessful summons to pay. The summons to pay must be served to Lessee by a bailiff. If despite this Lessee still fails to pay, the two-month period having expired, it will be filed for a summary procedure before the President of the District Court to acknowledge that the termination clause applies and order the eviction of Lessee, as well as order Lessee to pay the amounts due (the judge may immediately grant Lessee a time limit for payment). The summons to pay must equally be given to surety within fifteen days after service of the summons to Lessee: otherwise, the surety may not be required to pay penalties and interest on delay.

In case of non subscription of insurance: the termination clause for non-subscription of insurance by Lessee shall only be effective one month after a summons served by bailiff remains unsuccessful. Lessee must, within the month in which the summons is served, underwrite insurance. Otherwise, the termination of the lease will be acquired automatically and must be **acknowledged by a judge.**

17 PENAL CLAUSE

In case of non payment, at term, of any amount due, and after formal notification by registered letter with acknowledgment of receipt or after summons served by bailiff, the tenant will become debtor of a fixed sum equal to 10 % of the amount of the outstanding sum when the payment delay exceeds 10 days.

If the occupant does not quit despite an eviction order, he/she shall pay, per day of delay, occupancy compensation equal to twice the daily rent until he/she finally leaves the premises.

18 DIAGNOSES AND INFORMATION ATTACH Lessee

acknowledges receipt of the following documents:

- the state of natural and technological risks
- information on the possibility or not of receiving television services
- the diagnostic of energy performance



22 SIGNATURES

Issued at _____ on _____ in _____ original copies.

| The Lessor | Lessee or co-tenant | Co-tenant | Co-tenant | Co-tenant |
|------------|---------------------|-----------|-----------|-----------|
| | | | | |

Cross out as null

_____ lines

_____ words

i In case of multiple tenants.

ii Excerpts of the internal regulations and co-ownership regulations are attached hereto.

iii A renewal can be offered for a shorter duration, but for at least one year and the previous rent maintained, if the Lessor, natural or related person justifies professional or family reasons for anticipated recovery

iv Article 4 of the Decree of 20 July 2012 provides for an exception to this rule, where the rent is clearly undervalued, it can be re-valued within a certain limit.

v In this case, enter this clause at the end of the lease in the section "specific clause": it will indicate the works to be performed by Lessee, the conditions for charging them to the rent and compensation in case of early departure.

vi This Lessee's contribution accepting to connect to the master antenna is provided for in Article 2 of Law No. 66-457 of 2 July 1966.



