# LEASE AGREEMENT

This LEASE dated \_\_\_\_\_\_\_\_\_ is made between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(hereinafter called “the Lessor”) of the one part and the Tenant set in item 1.1 below (hereinafter called “the Tenant”) of the other part.

1. **Definitions & Interpretation**:

Unless the context otherwise requires, the following words and expressions shall have their respective meanings set opposite to them:

* 1. **Tenant’s Name:**
	2. **Tenant’s Address:**

* 1. **Tenant’s Telephone No:**
	2. **Tenant’s Facsimile No.:**
	3. **Tenant’s License No.:**
	4. **Premises:** Means that part of the Building of b.u.a of \_\_\_\_\_\_ sq.ft defined as office no. \_\_\_\_\_\_ of floor \_\_\_\_\_\_and Leased by the Lessor to the Tenant according to the terms and conditions set herein which does not include the Common Area.
	5. **Use of Premises:** The Tenant shall Use the office in connection with the Tenants business as set out in the trade license.
	6. **Lease Commencement Date:**
	7. **Lease Expiration Date:** \_\_\_\_\_\_\_\_\_on which the Tenant shall vacate and surrender the Premises to the Lessor unless the Lessor agrees to renew or extend this Lease for further period/s.
	8. **Lease Term:** Means the period of \_\_\_\_ year and one month, which set between the Lease Commencement Date and the Lease Expiration Date and/or any extended periods.
	9. **Rent:** Means the amount of AED \_\_\_\_\_\_\_\_\_\_ (Rent for a period of \_\_\_\_ year in accordance to Annexure 1 as per the payment schedule attached) which the Tenant shall pay to the Lessor against the Lease of the Premises, which shall not include the consumption charges for Electricity, Water, Telephone, Fax and other utilities and services.
	10. **Deposit:** AED \_\_\_\_\_\_\_\_\_ refundable within 14 days of the expiry or early Termination of the Lease in accordance with Clause 12.1 less any reasonable claims or costs that the Lessor may have against the Tenant for failure to perform its obligations under this Lease vide Clause 11.1.1.
	11. **Agreement or Contract:** Means this Lease Agreement.
	12. **Building:**

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* 1. **Common Area:** Means the parts of the Building which do not comprise a part of the Premises and used for common purpose either by the adjacent Tenants, visitors or workers which includes but not limited to the elevators, stairs, corridors, roof, garbage rooms, Building entrances, etc.

1.16 **Landlord’s Obligations:** The Landlord shall maintain and keep the common areas and plant and equipment in the Building in good and substantial repair and condition at no additional cost to the Tenant.

* 1. **Car Park:** The Tenant is entitled to 1 (one) free parking bay for each 750 sq.ft of office space Leased under this Agreement. This is included in the annual Rent payable by the Tenant.
	2. **Lease:** Means the period of time of which the Tenant is given the right by the Lessor to occupy and Use the Premises to carry out its commercial activities in accordance with the terms and conditions contained herein.
	3. **Lease Year/s:** Means each year of 365 calendar days commencing on the Lease Commencement Date and each anniversary date thereafter.
	4. Words importing the singular number include the plural, words importing masculine gender include the feminine gender and words importing persons include companies or other association of persons.
	5. Any covenants or Agreements on the part of two or more persons shall bind each of them jointly and severally.
	6. Heading of Clauses have been inserted for convenience only and shall not control the meaning or affect the construction or the interpretation thereof.
	7. Reference herein to clauses is, unless otherwise specified, reference to clauses of this Lease.
	8. Whenever in this Agreement, the consent or approval of the Lessor is required to be obtained, such consent shall be in writing and given by the Lessor at its sole and absolute discretion and shall be subject to such conditions as the Lessor may deem fit to impose on the Tenant in the circumstances.
	9. References to notices to be given by one party to other shall mean prior written notice and unless otherwise prescribed, be given in reasonable time.
	10. The Appendices annexed to this Agreement shall form an integral part of this Lease.

**2. Representations and Warranties**

 The Tenant represents and warrants to the Lessor the following:

2.1 That it shall obtain and keep valid such license, permissions, approvals and consents as are required to conduct its activities in the Premises.

2.2 That it is empowered under the Applicable laws, decrees and by such internal corporate approvals to enter into this Agreement.

2.3 The Tenant shall provide the Owner with a copy of the commercial license issued by DED, bearing at the bottom, the logo of TECOM. (Applicable only for Tower-B)

2.4 The Tenant shall enter into an Annual Maintenance Agreement for the maintenance of the Fire Fighting Systems of the premises with the Fire Fighting Company approved by the Lessor and submit a copy of the agreement for the Lessor’s records prior to occupying the premises as well as at the time of his renewal of this Lease Agreement.

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2.5 The Tenant has agreed to comply with the Fit Out guidelines as set out by TECOM as may be amended from time to time, and seek TECOM’s approval for any Fit Out design and implementation related to any Leased Unit(s) and to pay the Fit Out approval fees to TECOM as may be charged by TECOM. The Tenant agrees to pay the Lessor a sum of Dhs.15,000/- being a refundable deposit against the ‘fit out’ to be carried out to the premises and such deposit shall be refunded to the Tenant once the Tenant submits to the Landlord a copy of the “Fit-out Completion Certificate” issued by the Tecom Authorities.

2.5.1 The Tenant agrees that once the “Fit-Out” of the premises is completed all fixtures and electrical installations including electric cables, lights, false ceilings, floor tiles, carpets, partitions (of all types including glass, gypsum, wooden, concrete etc.) with doors, door handles with their locks and keys as well as sanitary ware installed by the Tenant shall become part of the premises and shall be handed over to the Landlord in good condition at the time of vacating the premises failing which the tenant shall be expected to handover the premises in the same conditions as it was (shell & core) when he first took possession of the premises along with a certificate by Tecom confirming that the premises has been restored back to its original state.

2.5.2 Whereas the Tenant has leased more than one premises and removed the common wall or walls of the adjoining premises the tenant agrees to restore the walls and provide the Landlord with a certificate by Tecom confirming that such restoration has been carried out in a proper manner at the time of vacating the premises.

2.5.3 Whereas the Tenant has leased more than one premise and has merged the Electrical Distribution Boards (DBs) the tenant agrees to restore the DBs to their original state and provide the Landlord with a certificate by the DEWA confirming that such work has been carried out as per DEWA regulations at the time of vacating the premises.

2.5.4 The Tenant agrees that while moving his loose furniture and office equipment including I.T. servers at the time of vacating the premises he shall ensure that the cables and electric circuits connecting them are not ripped off.

2.5.5 The Tenant agrees to pay the Lessor additional rent at the existing rate for the periods until he hands over the premises in accordance with the preceding sub clauses and subject to clause 11.1.1 of the Lease Agreement.

**3. Lease**

3.1 Subject to the observance of the Tenant to the terms and conditions set herein, the Lessor hereby and for the Lease Term shall,

3.1.1 Lease to the Tenant and the Tenant Rents the Premises in accordance with the Terms and Conditions contained herein.

3.1.2 Grant to the Tenant for the Lease Term a peaceful possession and permits the Tenant to use and enjoy the Premises without any interruption, hindrance, or disturbance with a clear and unhampered ingress and egress to the Premises.

**4. Lease Term**

4.1 Subject to early Termination, the Lease shall commence on the Lease Commencement date and continue for the Lease Term set out in article 1.10 hereof unless it is renewed or extended upon the mutual written consent of the parties hereto.

4.2 Upon the expiry of the Lease Term or any extended period and without prior request or notice to be given by the Lessor, the Tenant shall promptly vacate and surrender the Premises to the Lessor in a good and rentable condition.

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4.3 In the event the Tenant remains in the Premises for whatsoever period after the Lease Expiration Date, such period shall under no circumstances be deemed as an extension or Renewal to the Lease Term and the delay of the Lessor to enforce its right to evict and repossess the Premises shall not constitute a waiver to such right or an implied consent to renew or extend the Lease.

**5. Rent**

* 1. The Annual Rent shall be as follows: -
	2. In accordance with the amount set out in article 1.11 hereof.
	3. Subject to increase on Renewal of the contract as per the prevalent market conditions.
	4. The Annual Rent shall not include the connection, consumption, or any other charges payable against or for the electricity, water, drainage, or and other service or utility which is or to be connected to the Premises or the Building upon direct applications of or used exclusively by the Tenant.
	5. All Federal, Emirate, Municipal, TECOM and other taxes/charges imposed on the occupied Premises shall be the sole responsibility of the Tenant. In the event that the landlord pays the charges, the landlord shall have the right to recover the same from the Tenant.

**6. Terms of Rental Payments**

* 1. The Tenant shall pay the Rent in advance as per the payment schedule attached to this tenancy contract by way of postdated cheques.
	2. This Lease Agreement shall be signed and handed over to the Tenant on realization of the first payment of the Rental cheque vide payments schedule annexed to this Lease Agreement, notwithstanding the Tenant shall still remain a party to this Lease Agreement and honor his contractual obligations therein.

**7. Consequences of Nonpayment**

 If the Tenant fails to pay any of the Rental Payments on its due date or any of its cheques has been dishonored, then

* 1. Administration Fees of 1,000.00 AED is to be paid by the Tenant for each returned cheque.
	2. The Tenant shall settle in cash the amount of the returned cheque within 5 working days from the cheque date, failing which the Lessor shall claim a penalty equal to 5% of the total Rent each week for a period of one month and thereafter without prior notice shall have the right to terminate the Lease, evict the Tenant and repossess the Premises with immediate effect.
	3. If in the case of Renewal of this Lease the Tenant fails to submit to the Lessor the new Lease Agreement duly signed along with the rental cheques in accordance with its payment schedule within seven (7) days of its commencement date, then the Tenant shall be liable to pay the Lessor a penalty of 1000AED for each day after the expiry of lease without any maximum cap. The Lease Agreement shall then be signed and handed over to the Tenant in accordance to clause 6.2 and only after settlement of the penalty amount.
	4. If in the Case of Renewal of this Lease the Tenant fails to submit to the Lessor the new Lease Agreement duly signed along with the rental cheques in accordance with its payment schedule within seven (7) days of its commencement date the Lessor shall deactivate the Tenants “Parking Access Card” without prior notice.

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* 1. If the Tenant has rented extra car parking bays and intends to renew them for a further period of One year, the Tenant shall settle the rent of the parking bays at least seven (07) days prior to the expiry of the current rent period of his parking bays failing which the parking cards shall be de-activated automatically on expiry without prior notice to the Tenant

**8. Insurance**

8.1 The Lessor shall take a comprehensive insurance policy in its favour to insure the Building.

8.2 The Tenant shall be wholly responsible for and to indemnify the Lessor against any loss, damage or injury caused to any person whomsoever or any property whatsoever whether directly or indirectly through the defective or damaged condition of any part of the interior of the said Premises or any fitting fixtures or wiring therein for the repair of which the Tenant is responsible hereunder or through or any way owing to the spread of fire or smoke or the flow of water from the said Premises or any part thereof or through the act default or neglect of the Tenant, its servants, agents, licensees or customers.

8.3 The Tenant shall be responsible for the insurance of all his property and goods kept inside the Premises.

8.4 The Tenant shall comply with all fire and safety precautions and shall not store any chemicals, inflammable liquids, acetylene, gas, alcohol, volatile explosive oil or substances upon the Premises and shall not Use any of such substances or fluid in the Premises for any purpose to ensure that there is no possibility of invalidating insurance.

8.5 Whilst carrying out fittings decorations or renovation works in the Premises; the Tenant shall take out appropriate public liability and contractors all risks policies.

8.6 If the Tenant breaches or does not observe any of the sub-Clauses set in this article despite receiving one month written notice, the Lessor shall have the right to terminate the Contract and repossess the Premises.

**9. Use of Premises by Tenant**

**9.1 Permitted Use:**

9.1.1 The Tenant shall not Use or permit to be used the Premises or any part thereof under any name or for any purpose other than carrying out the activities specified in this Agreement and more particularly set out in its Trade License.

* + 1. The Tenant shall not allow the Premises to be used as a place of residence or sleeping or accommodation of any person.
		2. The Tenant shall adhere to all rules and regulations of TECOM Zone as may be implemented or amended from time to time and to all other rules or regulations passed by any other authority in the Emirate of Dubai relating to the conduct of commercial activities within the Leased Premises.

9.2 **Assignment or other dealing:**

 The Tenant shall not any time assign, sublet, and grant any license whatsoever under any title such as management or investment contract or otherwise deal with or dispose of the Premises to any other party.

9.3 **Merchandising Display:**

 The Tenant shall not place or display any merchandise or advertising material of any nature whatsoever within or outside the Premises or in any part of the Common Area without the prior written approval of the Lessor.

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9.4 **Signs:**

The Tenant shall not, without the prior approval in writing of the Lessor (such approval which is not to be unreasonably withheld or delayed), erect, display, affix or exhibit on or to the exterior of the Building or Premises any signs, lights, embellishments, advertisements, name or notice which do not conform to reasonable requirements and standards of the Lessor as to design quality size and appearance.

9.5 **Notice of Defects:**

 The Tenant shall give to the Lessor prompt notice in writing of any damage, defect, or want of repair or lack of any services to or fittings in the Premises and of any circumstances likely to be or cause any danger risk or hazard to the Premises or to the Building or any person therein.

9.6 **Repair:**

The Tenant shall maintain repair and keep the whole of the Premises in good and substantial repair in working order and condition and particularly all machinery, plant, equipment, fixtures and things thereto belonging or which at any time during the Lease Term shall be erected therein or be part thereof.

* 1. **Cleaning**:

The Tenant shall cause the Premises to be cleaned in a proper and workmanlike manner and to be kept clean and free from dirt and rubbish and particularly shall store and keep all trade waste, trash and garbage in proper receptacles and arrange for the regular removal thereof from the Premises.

9.8 **Damage to Common Area:**

In the event the Tenant cause any breakage defect or damage to the Common Area or any fixtures thereof then it shall pay the cost of repair as invoiced by the Lessor.

9.9 **Heavy Machinery Etc.:**

The Tenant shall not bring upon the Premises any heavy machinery or other plant or equipment or goods without the written consent of the Lessor and in no event shall any such machinery plant or equipment or goods be of such nature or size as to cause, or in the opinion of the Lessor be likely to cause any structural or other damage to the floor or walls or any other parts of the Premises or the Common Area.

9.10 **Access for Repairs:**

The Tenant shall permit the Lessor at all times on reasonable notice, to enter and carry out repairs, renovations, maintenance or alterations to the Premises or to any part thereof or to the Common Area or any part thereof in compliance with the Lessor’s Obligations under the provisions of this Lease or otherwise deemed necessary or desirable by the Lessor, provided always that in the exercise of any such power no undue inconvenience or damage is caused to the Tenant.

9.11 **Premises to be kept free of pests:**

The Tenant shall take all reasonable precautions to keep the Premises free of rodents, vermin, insects, pests, birds and animals and in the event of failing to do, If so required by the Lessor but at the cost of the Tenant employ from time to time or periodically, pest exterminators approved by the Lessor. The Tenant upon request shall furnish a copy of the pest extermination contract to the Lessor.

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10. **Force Majeure**

Neither party to this Agreement would be governed or bound by the terms of this Lease Agreement in the event of an occurrence of a Force Majeure event which destroys the Premises or any part thereof renders the Premises unfit for Use or otherwise renders the continuance of this Lease Agreement impossible.

11. **Yielding Up**

11.1 Upon the expiry of the Lease, the Tenant shall vacate and surrender the Premises to the Lessor in a fit and proper condition.

11.1.1 The Tenant shall handover the complete set of the original main door keys of the unit; parking / lobby access cards along with the receipt of the final settlement of the Dewa a/c and fit out completion certificate on or before the date of expiry of this Lease Agreement. The completed “Office Checkout Inventory” form should be signed by Tenant or his authorized representative as a confirmation of the hand over and countersigned by the Business Central Towers Facility Manager and Landlord’s Representative as an acknowledgement of the same. Delays in submitting the above shall cause the Tenant to pay additional Rent at the existing rate until the actual date of submission of the keys and the receipt. The Cost of any damages caused to the property during the Tenant’s occupancy as estimated by Business Central Towers Management and cost of any missing office keys; parking / lobby access cards etc., shall be recovered from the Tenant’s security deposit vide Clause 1.12 of this Lease Agreement. If such cost exceeds the amount of the security deposit the Tenant shall be required to make good of the same or bring the office Premises to a leasable condition at his own cost. Such losses and damages shall be computed on the basis of a standard practice as defined in clause 11.1.2 of this Agreement

11.1.2 The cost of lost main door key of the premises and each parking and lobby access card

 Shall be Dhs.1000/- while the material and labor cost of repainting the premises shall be charged at a rate between Dhs.1000/- and Dhs.5000/- based on the scope of the work as estimated by the BCT Management. Restoration and repairs of damages to the premises shall be charged at the actual cost plus 15% of the actual cost being supervision charges by the BCT Management. All estimates and charges provided by the BCT Management shall be final and binding.

11.2 Upon vacating the Premises or immediately prior thereto at the request of the Lessor, the Tenant shall remove any signs, names, advertisements or notices erected, painted, displayed, affixed or exhibited upon to or within the Premises and make good any damage or disfigurement caused by reason of such erection, painting, displaying, affixing, exhibiting or removal thereof.

11.3 If the Tenant holds over the Premises after the expiration or earlier Termination of the Term, then it shall pay double the Rent payable under this Agreement for the period of the holding over and shall also be liable to compensate the Lessor for all other loss and damage sustained by the Lessor by reason of the Tenant’s failure or refusal to yield up the Premises in accordance with this Lease.

12. **Term & Termination**

12.1 The Tenant cannot terminate this tenancy before its expiry date and claim any Rentals for the un-utilized period unless a new Tenant who is acceptable to the Landlord is found to overlap the tenancy period of this tenancy.

12.2 Notwithstanding article 12.1 hereof, this Agreement may be terminated upon the occurrence of any of the following: -

**TENANT LANDLORD**

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12.2.1 By the Lessor at his sole discretion: -

1. If the Tenant fails to pay any of the Rental Payments as more particularly set forth in article 6.
2. If the Tenant commits a breach to this Agreement and fails to remedy such breach within one-month period allowed by the Lessor.
	* 1. If this Agreement is declared not tenable or not sustainable in Law or the Premises is compulsorily or forcibly acquired by the Lessor at any time when this Agreement is in force pursuant to a rule, decree or law issued or prevailing in the United Arab Emirates.
		2. By mutual consent of the parties if it is deemed fit, just and equitable by them to terminate the Lease.
		3. During the tenancy period if the Tenant defaults payment of Rentals and abandons the subject of tenancy and the Tenant cannot be contacted by all usual means of communications within 7 days, the Landlord in his capacity as the legal owner shall have the right to open and take possession of the Premises and this contract shall become null and void.

13. **Notices**

13.1 Any notice served pursuant to this Lease Agreement shall be made in writing and shall be deemed duly served if delivered or sent to the other Party at the address set out above or by facsimile to the number set in its correspondence from time to time.

* 1. The Tenant is required to give the Landlord at least Sixty Days’ notice in writing before the expiry date of the tenancy should the Tenant decide not to renew this tenancy, failing which the Tenant shall be deemed to have decided to renew it for a further period of one year at the terms and conditions determined by the Landlord.
		1. After giving notice to vacate, if the Tenant wishes to extend his occupancy of the premises, he shall pay an additional amount equivalent to 12% of the rent payable for the extended period.
	2. Notice will be effectively served:
		1. On the day of receipt where any hand-delivered letter or telefax message is received on any business day (being any day other than Friday or any public holiday in the United Arab Emirates where delivery is in the United Arab Emirates) before or during normal working hours.
		2. On the following business day where any hand-delivered letter or fax message is received on any business day after normal working hours or on any day which is not a business day.

14. **Waiver**

14.1 Failure by the Lessor on any occasion to insist upon observance or performance by the Tenant of any covenant or condition herein contained shall not amount to a waiver of such breach or acceptance of such variation by the Lessor. Furthermore, no waiver by the Lessor of one breach of any covenant obligation or provision in this Lease contained or implied shall operate as a waiver of another breach of the same or of any other covenant obligation or provision in this Lease contained or implied.

**TENANT LANDLORD**

Signature / Stamp

15**. Governing Law**

15.1 This Lease Agreement and all rights and obligations of the Parties hereto shall be governed and construed in accordance with the laws of the Emirate of Dubai and the Federal Laws of the UAE.

**16.** **Value Added Tax (VAT)**

16.1 For each of the payments which the Tenant is obligated to pay to the Lessor in accordance with the provisions hereof and which is liable to the levy of value added tax

pursuant to Federal Decree-Law No. (8) of 2017, the Tenant shall pay together with such payments, value added tax at the rate of five percentage (5%) to the Lessor.

16.2 The Tenant shall settle the amount of Invoice for the Value Added Tax (VAT) as submitted by the Lessor in full by cash/ current dated cheque or wire transfer within three (3) working days from the date of the Invoice.

 **IN WITNESS WHEREOF** the Parties have signed below on this Lease on the dates set

 next to their signatures below to execute it as Deed:

Tenant: Landlord:

Full Signature: Signature:

Name**:** Name

Title: Title

Date Date

Company Stamp:

ANNEXURE - 1 TO LEASE AGREEMENT ON

 OFFICE NO. \_\_\_\_ VIDE CLAUSE NO. 6.1

RENTAL PAYMENT SCHEDULE

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Payment** | **Rent Payment** | **VAT Payment** | **Total Payment** | **Date** |
| 1st Payment |  |  |  |  |
| 2nd Payment |  |  |  |  |
| 3rd Payment |  |  |  |  |
| **Total** |  |  |  |  |

**All the Above Cheques to Be Made Payable to \_\_\_\_\_**

**EJARI Registration Charges: AED 210/- cash**

Bank Details:

Payees Name :
Bank :
Bank address :
Account No :
Swift Address :
IBAN No :

Currency of Account :

*In case of wire transfer, kindly add the amount of Bank Charges.*

**TENANT LANDLORD**

Full Signature

Company Stamp