

CONTRACT OF LEASE
(Residential Property)

KNOW ALL MEN BY THESE PRESENTS:

This Contract of Lease, made and executed this _____ day of _____ 20 _____, in _____, Metro Manila, Philippines. by and between:

hereinafter known and referred to as the LESSOR/OWNER;

- and -

hereinafter known and referred to as the LESSEE .

W I T N E S S E T H: That

WHEREAS, the LESSOR is the absolute owner of that land on which stands a (bungalow/2 storey) residential house situated at (address),

WHEREAS, the LESSEE, desires to lease the above-mentioned premises and the LESSOR is willing to lease the same unto the LESSEE subject to the terms and conditions stipulated hereunder:

NOW THEREFORE, for and in consideration of the foregoing and mutual covenants herein contained, the LESSOR has let and leased unto the LESSEE, the aforesaid residential house and LESSEE hereby accepts the same by way of lease, according to the following terms and conditions:

1. TERMS OF LEASE - This lease shall be for a period of _____ years commencing from _____ to _____.
2. PAYMENT OF LEASE - The parties herein agree that the rental of the leased premises throughout the period of lease shall be _____ (P_____) PESOS. Philippine Currency, per month payable on every _____ day of the month. Succeeding monthly rental payments are to be paid by means of postdated check every _____ of each month to be given by the LESSEE to the LESSOR at the time of signing of this Contract.

Upon signing of this Contract of Lease, the LESSEE agrees to pay the LESSOR the sum of _____ (P)PESOS, Philippine Currency, to be applied as follows:

- a. The sum of _____ (P_____) Philippine Currency, shall be deemed as DEPOSIT which shall be held by the LESSOR and to be refunded only after the expiration of this Contract of Lease without interest. Said deposit can also be applied to damages incurred in the leased premises through the fault or negligence of the LESSEE, members of his household and guests, and any such damages shall be deducted from this deposit, and the balance if any, shall be refunded to the LESSEE, normal wear exempted.

b. _____ (P_____) Philippine Currency shall be applied as rental or payments _____ of the term of this contract to commence on _____

3. USE OF THE PREMISES. Occupancy of the leased premises shall be limited to the LESSEE and their domestic help as drivers and servants:

4. RESIDENTIAL PURPOSE - The premises subject matter of this contract shall be used by the LESSEE for residential purposes only;

5. FIXED IMPROVEMENT - The LESSEE shall not make any major structural changes, alterations or improvements in the leased premises without the written consent of the LESSOR; however, any major alterations or improvements made or introduced by the LESSEE in the leased premises with the written consent of the LESSOR shall, upon the termination of this leased contract automatically inure to the benefit of the said premises and become the property of the LESSOR without any obligation on the latter's part to refund its value or cost to the LESSOR:

6. MOVABLE IMPROVEMENTS - The LESSEE may install air-conditioning units and other movable furnishings, appliances and decorative items within the leased premises. The LESSEE shall take care of the removal of these items and shall not cause any damage to leased premises, otherwise, LESSOR may charge any such damages to the LESSEE;

7. SANITATION, MAJOR AND MINOR REPAIRS - The LESSEE shall keep the premises clean and in sanitary condition. The LESSEE shall inspect the premises leased to determine the same to be in good and tenantable condition.

The LESSOR shall be responsible for all major repairs to be made on the premises provided the LESSEE shall notify the LESSOR in advance within a reasonable time and specifying and describing such major repairs to be made on the water, electrical and sewage installations caused by ordinary wear and tear, except repairs that are due to the fault or negligence of the LESSEE, members of his household, guests or visitors. Minor repairs shall be for the account of the LESSEE. For purposes of clarifying this provision, major repairs are those repairs costing more than P 3,000.00 while minor repairs are those repairs costing P 3,000.00 or less per item of repair in question.

8. MAINTENANCE AND UTILITIES - Payment of all utilities bills including electric bills, telephone bills, association dues and damages to the property leased, including gardening plants, grass and hedges and landscape maintenance shall be for the account of the LESSEE;

9. FIRE HAZARD AND OBNOXIOUS SUBSTANCES - The LESSEE shall not keep, deposit or store in the leased premises any obnoxious substances or highly inflammable materials or substance that constitute a fire hazard.

10. THIRD PARTY LIABILITY - The LESSEE during his occupancy of the leased premises shall hold the LESSOR free and harmless from any damage or responsibility to any person or property arising out of or as a consequence of the premises by the LESSEE, his agents, employees and domestic help and guests; when such damage or act of God, such as typhoon, earthquake, flood, etc. are beyond the control of the

LESSEE, the latter shall not be liable to the LESSOR;

11. INSPECTION OF PREMISES - The LESSEE shall maintain the leased premises in good and tenantable condition and for such purposes the LESSOR reserves the right at reasonable times to enter and inspect the premises and to make the necessary repairs thereof. The LESSEE likewise agrees to cooperate with the LESSOR in keeping the said premises in good and tenantable condition. Furthermore, LESSOR must also give advance notice to the LESSEE through the telephone or a written one before he could enter and inspect the premises leased;

12. SUBLEASE AND ASSIGNMENTS - The LESSEE shall not sublease or allow the leased premises to be occupied in whole or in part by any other person or entity:

13. ENCUMBRANCES OF PREMISES - In the event of sale, transfer or mortgage, or any encumbrances of the same, the LESSOR shall advise the purchaser, mortgagor or encumbrance that all the terms and conditions of this Lease agreement including the provisions for renewal thereof shall be respected;

14. TERMINATION BY LESSOR - Should the LESSEE fail to pay on the stipulated time or in case of any violation of the terms and conditions stipulated in this Contract, the LESSOR shall have the unilateral right to this contract prior to the expiration of these terms by taking either judicial or extrajudicial ejectment. In case of the latter's option or remedy, the LESSOR or his duly authorized representative can immediately take action, actual, physical, complete and full repossession of the leased premises even without consent of the LESSEE;

15. FORFEITURE CLAUSE - The LESSEE is bound by this one (1) year contract and if he decides to reside elsewhere or abandon the same before the expiration of the term he shall forfeit as liquidated damages in favor of the LESSOR the two months' rental as deposit mentioned under par. n. 2(a) above. He shall also be liable to pay the LESSOR all the remaining utilities bills such as electricity, water, telephone, association dues and damages to the premises before clearance and release from this contract could be granted to the LESSEE by the LESSOR;

16. RETURN OF PREMISES - Upon termination of this Contract of Lease, the LESSEE shall immediately vacate the premises and return possession thereof including all the keys of the premises in the same and good and tenantable condition. It is also agreed that LESSEE will provide proof of full payment of all bills before LESSOR could grant clearance and release from this Lease Contract;

17. RENEWAL - This contract shall be renewed upon the terms and conditions mutually agreed by both parties;

18. THIRTY (30) DAY WRITTEN NOTICE - LESSEE is required to give at least a thirty (30) day written notice to LESSOR of his desire to renew contract for another term or to vacate the premises and terminate this Lease Contract.

19. Any violation of the part of the LESSEE of the terms and conditions provided for in this Contract shall be sufficient ground for the termination and revocation of this Contract of Lease.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their hands in signature together with their instrumental witnesses on the date and place first above- written.

_____ LESSOR	_____ LESSEE
_____ LESSOR	_____ LESSEE

SIGNED IN THE PRESENCE OF:

(NOTARIAL ACKNOWLEDGEMENT)