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RESIDENCE LEASE CONTRACT

This agreement is made in San Juan, Puerto Rico between; _____ hereinafter referred to as **LESSEE**, and _____ hereinafter referred to as **LESSOR**, by virtue of which is mutually agreed as follows:

In consideration of the rents and covenants herein expressed, **LESSOR/OWNER** hereby leases to **LESSEE/TENANT** and **LESSEE/TENANT** hereby leases from **LESSOR/OWNER**, upon the following:

CLAUSES AND CONDITIONS

The **LESSOR** is the owner and is authorized to lease the property that is located at:

It includes the following furniture or equipment:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____





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8. _____

9. _____

10. _____

Services:

Electric and water service is included: Yes No

Cable and internet service is included Yes No

Pool maintenance fee and Community maintenance fee : Yes No

1.Term: The term of this lease is _____ months, starting on _____ and ending _____. The term of this lease is guaranteed. This contract can be renewed a second year with the consent of both parties.

2.Lease fee: The monthly lease fee will be _____ (\$_____) payable monthly in advance on or before the 1st day of every month. Payment of this lease is guaranteed by **LESSEE**. Payment not received within ____ days of being due, will be assessed as a penalty for late payment of _____ (\$_____). The **LESSEE** will promptly pay the penalty in accordance with the terms of this agreement, without deductions in any way and without the need for the **LESSOR** to request it.

3.Payment: The **LESSEE** will pay the lease fee, by check payable to _____ or by direct funds transfer or deposit to **LESSOR**'s bank account listed below, or at any other place designated by the **LESSOR**.

Address: _____

BANK NAME _____ . **BANK ACCOUNT** _____





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4. Initial payment:

Initial payment will consist of:

(a) Security Deposit: (\$ _____)

(b) First Month Rent: (\$ _____)

Total (\$ _____)

5. Security deposit: The **LESSEE** will provide **LESSOR** with a security deposit of _____ (\$ _____). The Security Deposit shall be held by **LESSOR** as a security to insure the full and faithful performance by **LESSEE** of each provision, covenant and condition of the Lease. **LESSEE** may not use said Security Deposit for rent owed during the term of the lease. Subject to **LESSEE**'s faithful performance of his obligations hereunder, and only after **LESSEE** has paid all rent and other charges due **LESSOR** and surrendered the premises (including all fixtures, facilities, and appliances) in the same condition as at the commencement of the lease, except for reasonable wear and tear, and has provided proof of payment of final utility bills, then **LESSOR** shall within ten (10) days after termination of the tenancy and delivery of possession of the Property return the Security Deposit less the cost, if any, of the replacement and/or repairs of any item on the Property which in the reasonable judgment of **LESSOR** needs to be repaired or replaced (reasonable wear and tear exempted) together with an itemized list of the items replaced and/or repaired and the cost and evidence of the same. Should the costs of the replacements and or repairs exceed the Security Deposit, **LESSEE** shall pay for such excess.

6. Monthly payments: The parties expressly agree that the monthly payments of rent are due and payable, together with its corresponding penalty, for the total duration of this contract, even if The **LESSEE** may not be occupying the leased property.

7. Checks w/o funds or closed account: Payments made with checks with insufficient funds or a closed account will be charged a surcharge of one _____ (\$ _____) to The **LESSEE** regardless of the reason for the return and will be considered a breach of contract.



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8.Delay in payments: Three (3) repeated delays in monthly rent payments (refer to paragraph 2), will be considered a violation of the lease and will result in the termination of this agreement, at the option of the **LESSOR**, with all the legal effects that this implies.

9.Services (utilities): These services are _____ included and are the responsibility of the _____.

10.Usage of property: The leased property shall be used exclusively as residential dwelling only, not commercial purpose.

11.Sub-lease or transfer: Under no circumstances the **LESSEE** will sub-lease, assign or transfer, in whole or in part directly or indirectly his lease rights on the subject of this contract of property lease without first obtaining the written consent of The **LESSOR**.

12.Expired lease term: If the **LESSEE**, with the consent of the **LESSOR**, continues to occupy the property upon the expiration of the lease term without giving the **LESSOR** sixty (60) days written notice, this will constitute an automatic renewal of the Lease for a second year and the lease fee will be negotiated again.

13.Vacated property: If the **LESSEE** is to leave or vacate the property for more than thirty (30) days without paying the rent, the **LESSEE** expressly authorizes the **LESSOR** to save his belongings and occupy the property, ending the rental contract. Passed ninety (90) days from the abandonment of property without a written notification or personal communication with the **LESSOR**, the **LESSEE** expresses his consent so the **LESSOR** can dispose of any property abandoned by the **LESSEE** as payment of the rent owed.

14.Signs: During the thirty (30) days prior to the expiration of this contract, the **LESSOR** may post "FOR SALE" or "FOR RENT" signs in the property. the **LESSEE** agrees to make the property available to the **LESSOR** so it may be shown to third parties at reasonable times with prior notice to or coordination with the **LESSEE**.

15.Condition of Premises: The **LESSEE** agrees receiving the leased property clean, with all equipment and appliances in good working condition and undertakes to keep it and return it in the same good condition in which he received it, except for the normal deterioration occurred during the term of this lease. **LESSEE** will maintain the property clean and shall comply with all laws and regulations of the _____ and other relating



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to such property. **LESSEE** will respond to the **LESSOR** for any fine, penalty or expenses that will result in the violation or non-compliance by the **LESSEE** of any laws, requirement, official rules or any liability arising from any violation of such laws or regulations. **LESSEE** will take good care of the property and will keep it free of any waste or garbage. **LESSEE** shall not use, occupy or permit the described property or any part thereof to be used or occupied for any unlawful, illegal or immoral or hazardous purpose. The **LESSEE** shall notify the **LESSOR**, in writing a list of damaged or malfunctioning equipments found when occupying the property on or before the first thirty (30) days from the first day that he enters in possession of the property. In which case, the **LESSOR** will proceed to fix those things which are indispensable so that the **LESSEE** is able to enjoy the property under normal conditions. The **LESSOR** states that he does not necessarily has to fix everything that is notified, but only those things which are indispensable for a normal, healthy, secure living and enjoyment of the property.

16.Repairs: **LESSOR** is responsible for the repair to the main plumbing system, electrical system, and physical structure of the property unless repair is due to negligence of **LESSEE**'s part. All appliances, electrical and plumbing equipment shall be in good working condition at the time of occupancy. **LESSEE** shall have a grace period of ten (10) days after taking occupancy to inspect the property and **LESSOR** shall be responsible for all necessary repairs or replacement of any and all systems and equipment during this period; unless repair is due to negligence on **LESSEE**'s part. Thereafter, **LESSEE** shall make all repairs, and **LESSEE** shall pay for the first _____ (\$_____) per repair, per item. Anything in excess of this amount or replacements shall be the responsibility of **LESSOR** and must be approved in writing by **LESSOR**. **LESSEE** agrees to maintain premises in good condition and will deliver them at the termination of this lease agreement in the same condition in which they were received, reasonable wear and tear excepted. Improvements to the property without the prior written consent of the **LESSOR** or changes of any kind will not be made and any changes, repairs or improvements made by the **LESSEE** will remain as property of The **LESSOR** at the end of the lease without any compensation to the **LESSEE**. It is prohibited to deposit any material or objects that could clog the plumbing system. The **LESSEE** will respond for the expenses of any breakage or obstruction.

17.Right to inspection: The **LESSOR** shall be able to inspect the property to verify the conditions of the property at any time, giving the **LESSEE** a five (5) day written notice.

18. Pets: Having pets on the property is_____ allowed.



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19. Attorney's fees: LESSEE agrees to pay LESSOR for reasonable legal fees and court costs if actions for eviction and/or damages are filed by LESSOR.

20. Requiring compliance: The LESSOR's omission to require strict performance of any of the terms and conditions of this agreement should not be construed nor shall constitute a waiver of The LESSOR's right of requiring compliance to all terms and conditions hereinafter.

21. Breach: The breach of any clauses or conditions stipulated in this contract will be cause for termination of this lease and The LESSOR may proceed with legal action after giving LESSEE thirty (30) days written notice.

22. Bankruptcy: In the event of bankruptcy of the LESSEE, any debt of any kind relating to this agreement shall be classified as a "secured" debt.

23. Agreements: This lease constitutes the entire agreement between the LESSOR and the LESSEE. Neither party shall be bound by any clause that is not included in this contract. Any change, amendment or alteration will only be done between the parties in writing.

24. Disclosure: All real property built before 1978 may contain lead-based paint. Painting based on lead, pieces of paint, and dust of lead-based paint can pose a health risk if it is not handled properly. Exposure to lead is especially harmful to young children and pregnant women. Landlords have to report the presence of lead-based paint and/or risk of paint lead in a unit of housing built before 1978 before rent. Tenants will also receive a booklet for the prevention of poisoning by lead in the event that the property has been built before 1978.

25. Commission: The LESSOR shall pay _____ of Encanto Realty, LLC a commission equivalent to one month rent for the first year of this contract and half month rent for the years that this contract is in force. If property is sold to LESSEE, LESSOR shall pay a commission of 6 % of the sale price to _____ of Encanto Realty, LLC.

26. Realtors Hold Harmless: The parties agree that _____ of Encanto Realty, LLC is acting solely as an intermediary in this transaction and in no way are responsible in the case of non-compliance by either party and assume no liability towards LESSOR or LESSEE for claims, damages or grievances against each other.



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27. Jurisdiction: This lease shall be governed by the laws of the Commonwealth of Puerto Rico. For the interpretation of this contract and for any action that might arise from it, the parties submit themselves voluntarily to the jurisdiction of the Superior Court of the Commonwealth of Puerto Rico and/or to the jurisdiction of Federal Court of the United States of America, for the District of Puerto Rico.

28. Notices: All notices and other communications provided herein shall be dated and in writing and shall be deemed to have been given (i) when delivered, if delivered personally, (ii) one day following the date sent, if sent by a nationally recognized overnight courier, fee prepaid, or (iii) upon receipt of confirmation, if sent by facsimile, in each case to the party to whom such notice or communication is directed, at the addresses or facsimile numbers set forth such party as follows:

LESSOR: _____ **LESSEE:** _____

29.The parties represent and warrant to each other that they have all the necessary corporate power and authority to enter into this Lease and perform all their obligations hereunder.

I certify that I have read, studied and understood this agreement.

IN WITNESS WHEREOF, the parties sign this contract this _____ day of _____ of 201____.

LESSEE NAME

LESSOR NAME

LESSEE SIGNATURE

LESSOR SIGNATURE

Encanto Realty AGENT: _____ LIC. _____

Signature _____ Date _____

