## **TENANCY AGREEMENT**

Authorised by the Danish Ministry of City and Housing on the 3rd of September 2001.

Non-official translation into English by SignForm Danmark A/S

Tenancy agreement for use in rental agreements concerning residence, including mixed tenancy, and rooms in privately owned apartment buildings.

The tenancy agreement comprises a description of the parties of the agreement, a description of the premises, and the payment, which the tenant is obliged to pay for the lease.

Furthermore, the rights and obligations of landlord and tenant respectively are regulated in current Consolidation Act relative to the Rent, unless the parties agree otherwise.

A number of provisions of the current Consolidation Act relative to the Rent are indispensable, whereas others can be departed from if agreed. If the parties would like to agree upon departures from the general provisions of the Consolidation Act Relative to the Rent, these departures must be described in § 11 of the agreement. Agreed departures must not be stated directly in the text of the agreement (by e.g. crossing out text), unless the pre-printed text is specifically opened for this purpose.

In a few of the terms of the agreement, the pre-printed text is italicized. These terms are departures from the general provisions of the Consolidation Act relative to the Rent.

If the parties have agreed upon the italicized terms of the agreement, it is not necessary also to specify the same terms in §11 of the agreement.

Enclosed with the agreement you will find guidance concerning tenancy agreement for use in rental agreements concerning residence, including mixed tenancy, and rooms in privately owned apartment buildings.

§ 1. The parties a	nd the premis	ses to be let			
Tenano	-	Concerning: a flat a single room an owner-occupied flat other:  Address: Town:			
Landlo	rd: Name			CVR / Co. no.	
Tenant	: Namo				
Area:		gross area of premich business space		$m^2$ , comprising $m^2$ .	rooms,
Right of	facilities (mark with X)			Room in attic/basement no.:	following
Use:	The <sub>I</sub>	premises must not v	without the landlords <b>writte</b>	en approval be used for other tha	n:
§ 2. Beginning a	and terminat	ion of tenancy			
Begini	ning: Tena	ncy begins on the continues until notice	ee.		
Notice		Unless otherwise is agreed upon and specified in § 11 of the agreement, the tenant can give notice concerning a tenancy agreement for residential flats with 3 months notice to			

the first weekday of a month, not being the day before a holiday.

## § 2. Beginning and termination of tenancy - continued

Unless otherwise is agreed upon and specified in § 11 of the agreement, the tenant can give notice concerning a tenancy agreement for a single room with 3 months notice to the first weekday of a month, not being the day before a holiday.

Unless otherwise is agreed upon and specified in § 11 of the agreement, the tenant can give notice concerning a tenancy agreement for an accessory single room with 1 months notice to the first weekday of a month, not being the day before a holiday.

Notice from the landlord is given according to §§ 82 and 83 of the Consolidation Act relative to the Rent. If the premises are situated on a farm, notice can also be given according to § 12, article 3 in Consolidation Act relative to Farms.

## Notice from both parties must be in writing

§ 3. Payr	ment of the re	ent etc.		
	Rent:	Yearly rent is:	DKK.	
	Payment:	Rent etc. is due for payment on the	every (mark with X)	
	Rent etc.	Rent:	DKK	
	comprises:	Charge for heating, on account:	DKK	
		Charge for water, on account:	DKK	
		Charge for aerials	DKK	
		Expenses for residents' representation	DKK	
			DKK	
			DKK	
		Total per	DKK	
	Taxes and duty:	In the rent is included taxes and duty as of:  The above date will be used when incorporating future changes in taxes and duty.		
	Where to pay:	The rent is paid to the landlords account:	in	
			(bank) or on location specified by the landlord.	
		Payment to a financial institution is conside	red to be payment to the location specified by the landlord.	
	Private urban renewal and agreed upon home impro- vement:	It must specifically be stated in the tenancy agreement that the tenancy is renovated according to Consolidation Act relative to Urban Renewal, if the premises are renovated according to Consolidation Act relative to Private Urban Renewal (lov om privat byfornyelse) or according to chapter 5 (agreed upon home improvement) in Consolidation Act relative to Urban Renewal (lov om byfornyelse), and if the increase in rent is calculated according to the same consolidation act. If a reduction of the increase in rent is publicly subsidised according to the same act, it must specifically be stated in the tenancy agreement, which amount of subsidy has been given for each settling period.		
	NB:	Information concerning private urban re	newal must be stated in § 11 of the tenancy agreement.	
§ 4. Depos	it and prepaid	rent.		
	Deposit:	At latest on the tenant i	must pay a deposit of DKK,	
	_ 0,0011.		aximum is 3 months of rent).	
	Prepaid rent:		int must also pay prepaid rent, total DKK, naximum is 3 months of rent).	

§ 4. Depos	sit and prepaid	rent – continued				
	Payment:	At the latest on the	tenant pays the total of		DKK,	covering:
		Prepaid rent Rent etc. for the period:			DKK	
		to Deposit			DKK DKK	
		Nameplate			DKK	
					DKK	
					DKK	
		Tatal	-		DKK	
		Total	<del>-</del>		DKK	
		First rent to be paid after above	payment is due on the (dat	e)		
§ 5. Heati	ng, water and	electricity				
	Heating:	The landlord also supplies heat and h	ot water to the premises?	(mark with X)	Yes	No
		If yes, the premises are heated I	by:			
		district heating/natural gas				
		central heating with oil				
	other:					
The heating financial year follows the payment schedule of the district heating The heating financial year begins on the				eating com	pany	
	Tenant supplies his own heating of the premises? (mark with X)			Yes	□No	
		If yes, the premises are heated I	by:			
		electricity	oil/petroleum			
		gas	district heating/natural ga	s 🗌 -		
	Water:	The landlord also supplies water	to the premises?	(mark with X)	Yes	□No
		If yes, water expenses are divide	ed based upon data from indivi	dual		
		water meters ? (mark with X)			Yes	☐ No
		The water financial year follo	ows the payment schedule of th	e waterworks		
		The water financial year begins		ic waterworks		
	Electricity:	The landlord supplies electricity other than heating purposes	used for	(mark with X)	□Yes	□No
& 6 Aprilas	otc.	other than neutring purposes		(mark with X)		
§ 6. Aerials	s etc.					
		The landlord supplies common del	ivery of signals for which tenant I	nas to pay	Yes	☐ No
		The tenants local aerial associa	tion provides TV/Radio signals		Yes	☐ No
§ 7. Condit	ion of tenancy	when moving in and when mov	ving out			
	Moving in:	Are the premises redecorated w	hen moving in?	(mark with X)	Yes	□No
		Are the premises also to be left in redecorated state when tenance	cy agreement is terminated?	(mark with X)	Yes	□No
	Inspection:	When entering into the tenancy apremises will be the basis for a premises			Yes	□No

§ 7. Cond	ition of tenancy	when moving in and when moving out - continued			
	NB:	The tenant must complain to the landlord in writing and specify the flaws, if the premises have flaws when tenant is entering into the tenancy agreement. Otherwise, he forfeits his right to complain. The time limit does not apply, however, if the flaws may not be discovered by general watchfulness.			
	Moving out When terminating the tenancy a mutual inspection of				
		the premises will be the basis for a report summarising the condition at the time when tenant hands over the premises to the landlord (mark with X) $\prod \gamma_{es}$ $\prod_{No}$			
		when tenant hands over the premises to the landlord (mark with X) \( \sum_{Yes} \) No			
		Concerning the state of the premises when moving out, see above section on "moving in".			
	If the tenant has not finished the obliged work in the premises when moving out, further renovation can be arranged by the landlord.				
§ 8. Mainte	nance during l	ease			
	<u> </u>				
	Obligation:	Internal maintenance of premises lies with:			
	Account	When signing the agreement on the (date) the amount of DKK			
		is available on the maintenance account for painting, repapering, lacquering floors of the			
		premises. The amount may change after signing the agreement due to the landlords redecoration			
	of the premises.				
	-				
	Locks & keys:	Tenant must maintain and if necessary renew locks and keys for the duration of the tenancy.			
§ 9. Inven	torv				
J					
	The following i	nventory in the premises belongs to the landlord when signing tenancy agreement: (mark with X)			
	Cooker	☐ Dishwashing machine ☐ Electric panel(s) - number:			
	_				
	Refrigerator	Washing machine Stove(s) - number:			
	Cooker hoo	d Tumble dryer Water heater(s) - number:			
		number:			
		'			
§ 10. Res	idents' repres	entation, domestic animals and house rules.			
	Residents	At the time of signing the tenancy agreement,			
		a residents' representation exists in the house? (mark with X) Yes \( \subseteq No			
	Domestic	Are demostic spinole allowed on the premises?			
	animals:	Are domestic animals allowed on the premises? (mark with X) Yes No			
	NB:				
	IND.	If special conditions are agreed upon concerning domestic animals, please specify in § 11 of this agreement			
	House	At the time of signing the tenancy agreement			
	House rules:	At the time of signing the tenancy agreement, a set of house rules is in effect (mark with X)			
		If they exist, house rules are enclosed.			

## § 11. Special terms

## **Exceptions:**

Please specify exceptions and amendments agreed upon in relation to the general provisions of the Consolidation Act relative to the Rent or other legislation and to  $\S1-10$  of this tenancy agreement.

Such terms may have the effect that the tenant is acquiring fewer rights or is burdened with more obligations than stated in the general provisions of the Consolidation Act relative to the Rent and other legislation.

§ 12. Signatures		
Date:	Date:	
Landlord	Tenant	

#### **Enclosure**

Guidance no. 1 of the 3. of September 2001 concerning Form A, 8th edition, of the 3. of September 2001

# Guidance concerning tenancy agreement

Guidance concerning tenancy agreement for use in rental agreements concerning residence, including mixed tenancy, and rooms in privately owned apartment buildings

The following guidance is an enclosure to the authorised standard tenancy agreement form, Form A, 8th edition, of the 3. of September 2001 and as such being an integral part of the authorised tenancy agreement.

The tenancy agreement comprises a specification of the parties, a description of the premises, and a specification of the tenant's payment for the tenancy.

Furthermore, the rights and obligations of landlord and tenant are regulated by any current legislation relative to the rent, unless the parties of the agreement choose other arrangements.

If the parties choose to depart from the general provisions of the Consolidation Act relative to the Rent or from the conditions of the current tenancy agreement, the settlement must be specified in § 11 of the agreement. Agreed departures must not be stated directly in the text of the agreement (by e.g. crossing out text), unless the pre-printed text is specifically opened for this purpose.

A few of the terms of the agreement in the pre-printed text are italicized. These terms are departures from the general provisions of the Consolidation Act relative to the Rent. If the parties have agreed upon the italicized terms of the agreement, it is not necessary also to specify the same terms in §11 of the agreement.

If the parties of the agreement wish to settle for departures from the general provisions of the Consolidation Act relative to the Rent or from the conditions of the current tenancy agreement, the special settlements may be described in a special annex to the agreement, instead of in § 11 of this agreement. The requirements for such an amendment follow from § 5 of the Consolidation Act relative to the Rent. The amendment will hereafter be considered an integral part of the tenancy agreement.

According to § 5 of the Consolidation Act relative to the Rent, a tenancy agreement drafted on a preprinted form, imposing more onerous obligations or conferring less extensive rights on the tenant than those provided for by the act shall not be valid unless it is stressed out. Tenancy agreements concerning flats or rooms shall not be drafted on pre-printed forms unless such forms have been authorised by agreement between national organisations of owners' associations and tenants' associations or by the Minister for Social Affairs.

These provisions shall also apply to other written tenancy agreements containing identical terms for several tenants in the same property, where such agreements appear to the tenant to be standardform agreements

This guidance comprises a description of the current legislation relative to the rent with references to the provisions of the current agreement. A number of provisions of the legislation relative to the rent cannot be deviated from if detrimental to the tenant, while other provisions of the current legislation may be deviated from if agreed upon. In the current guidance it is stressed out by using shadowed text, the instances in which landlord and tenant may arrange otherwise than stated in the general provisions of the Consolidation Act relative to the Rent. Such settlements may impose more onerous obligations or conferring less extensive rights on the tenant than those provided for by the act. The guidance is not exhaustive.

Further information can be found in current legislation relative to the rent and in the leaflets prepared by the Ministry of City and Housing on taking up residence in a new flat, on new wiring, on exchange and sublease, and on giving notice and moving out.

The present guidance is prepared by the beginning of May 2001. Please notice, that legislation may have changed since then.

In the following you will find information relative to the specific sections of the tenancy agreement:

## 1. Concerning tenancy agreement, § 1: The parties and the premises to be let

## The protection of The Consolidation Act relative to the Rent.

The general rights defined by The Consolidation Act relative to the Rent for a tenant in a tenancy agreement are in effect for anyone without registration. The rights of a tenant are therefore guaranteed in situations where the landlord is e.g. selling the property. A new owner of the premises must respect the tenants general rights according to The Consolidation Act relative to the Rent. The same applies to agreements concerning prepaid rent, deposit etc. within the framework of this Act.

If a tenant, however, has acquired special rights by agreement, e.g. security of tenure, this right is not necessarily secured against a new owner of the premises. A tenant may therefore demand that such rights are registered.

The tenant pays the expenses unless otherwise is agreed upon.

#### Sublease.

The tenancy agreement may also be used in agreements concerning sublease.

The tenant must not without the landlords' permission use the premises for other purposes than stated in the tenancy agreement, and basically also not hand over the premises to be used by others. However, c.f. below

The tenant of a flat has the right to sublease no more than half of the rooms of the flat for habitation (in mixed tenancies half of the part defined for habitation). The total number of persons living in the flat must not exceed the number of rooms for habitation.

In flats approved solely for habitation (i.e. not mixed tenancies) the tenant has furthermore a right to sublease the whole flat for a maximum of 2 years, if the absence of the tenant is temporary and caused by decease, business travel, sojourn for purpose of study, temporary transfer or the like.

The landlord may, however, oppose sublease of the whole flat if the property comprises less than 13 flats, if the total number of residents exceeds the number of rooms, or if the landlord has reasonable cause to oppose the sublease.

All sublease agreements between tenant and subtenant must be in writing, and the tenant (i.e. the person giving the sublease) must give a copy of the sublease agreement to the landlord before the beginning of the sublease.

## 2. Concerning tenancy agreement, § 2: Initiation and termination of agreement.

## **Tenants notice**

The tenant may terminate the tenancy agreement with 3 months notice, unless otherwise agreed upon between the parties. Such an agreement must be specified in § 11 of the agreement.

Unless otherwise agreed upon, the tenant may give 1 months notice if accomodated in an accessory separate single room. Such an agreement must be specified in § 11 of the agreement. An accessory single room is a room that is part of the landlord's flat or part of a single- or double-occupancy house occupied by the landlord.

Unless otherwise agreed upon, the tenant may give 3 months notice if accomodated in a separate single room ("klubværelse"). Such an agreement must be specified in § 11 of the agreement. A separate single room is a room, which is not part of the landlord's flat, nor of a single- or double-occupancy house occupied by the landlord.

### Landlord's notice.

The landlord may give notice only in compliance with §§ 82 and 83 of the Consolidation Act relative to the Rent and with a notice related to the specific type of notice in compliance with § 86 of the Act, stating amongst others that:

- A tenancy of accessory single rooms may be terminated with a notice of 1 month, unless otherwise is agreed upon, and that
- A tenancy of a flat may be terminated with a notice of 1 year, if, at the time of concluding the tenancy agreement, the flat is situated in a house with only 2 flats and the owner occupies the other flat.

It is furthermore stated that the landlord may terminate other tenancy agreements in some situations if he intends to use the premises himself. Notice in those instances is 1 year.

The Act also states a number of other due causes for the landlord terminating the agreement. Among these the tenants lack of common practise. Notice is here 3 months.

In § 1 of the agreement it must be specified whether the rented space is a flat or a room. If it is a flat, it must also be stated whether it is an owner–occupied flat. If the agreement concerns another type of lease, it must be specified.

This information is important in relation to the protection of the tenant against the landlord terminating the agreement.

With regard to owner-occupied flats a special provision of the Act, § 84, litra d, applies, namely that an agreement may only be terminated motivated by the landlord wanting to use the premises himself, if the tenant has been informed that the premises is an owner-occupied flat, and that notice may be given in accordance with § 83, litra a, if the tenant agreement is signed after the property being divided into owner-occupied flats.

If the premises are situated on a farm, notice may also be given according to § 12, section 3, in The Consolidation Act relative to Farms ("Landbrugsloven"). According to those provisions the agreement may be terminated with 6 months notice if the landlord wants to use the premises in order to fulfil his duty to inhabit the premises in order to acquire the farm, or to house persons employed with the working of the farm.

Regardless the length of the notice, notice must be given at the latest before the first weekday of the month not being a holiday.

The provisions of The Consolidation Act relative to the Rent must not be departed from if burdening the tenant, before the landlord has given notice concerning termination of the agreement.

## Tenant agreements limited in time.

The parties of the agreement may agree that the agreement is limited in time. The housing tribunal may, however, disregard a clause concerning time limitation, if not properly justified by the landlord's conditions. A proper justification for a lease limited in time may be stationing or temporary transfer. An agreement concerning tenancy limited in time must be specified in § 11 of the agreement

A tenancy agreement with a time limitation clause limits the rights of the tenant in relation to the general provisions of the Act. Notwithstanding the landlord's special motivations for a time limitation, the time clause may be disregarded in municipalities with a rent assessment committee, if the tribunal after a determination of the whole agreement finds, that the terms for the tenant are more onerous than terms for other tenants of the same property.

Tenancy agreements with a time limitation terminate without notice at the end of the lease period specified in the agreement. A time limited tenancy agreement may only be terminated during the lease period if agreed upon between the parties, or if the other party fails to fulfil the agreement. An agreement concerning time limitation must be specified in § 11 of the agreement. If the parties agree that the tenancy may be terminated during the lease period, the general provisions of the Act apply, cf. above.

## 3. Concerning tenancy agreement, § 3: Payment of rent etc.

### Fixation and regulation of rent.

Provisions on fixation and regulation of rent are to be found primarily in the Consolidation Act relative to the Rent ("Lejeloven"), and in the Consolidation Act relative to Housing Regulation ("Boligreguleringsloven"). After which provisions in these Acts the rent is to be fixed and regulated, depends upon the type of lease and where it is situated.

Provisions concerning fixation and regulation of rent also exist in other legislation, e.g. in Acts relative to city renewal.

### Fixation of rent when entering into the agreement.

In municipalities covered by chapter I–VI of the Consolidation Act relative to Housing Regulation – so–called regulated municipalities – special provisions are in effect concerning the size of rent at the time of entering into the tenancy agreement.

The general rule is, that the size of the rent must not exceed the cost-related rent for the lease with an addition of a calculated amount covering possible improvements.

As described below, however, special rules apply for "small property".

An exception is "radically improved leases", for which there may be fixed a rent not significantly exceeding the value of the lease. The Consolidation Act relative to Housing Regulation § 5 comprises a definition of "radically improved leases"

The decision on whether the rent exceeds the value of the lease depends on a comparison with rents for similar leases in the neighbourhood or in the area, in relation to location, type, size, quality, equipment, and state of upkeep.

For leases located in regulated municipalities it is furthermore the case that at the time of entering into a tenancy agreement the rent or the general terms cannot be agreed upon if they are more onerous for the tenant according to a general evaluation than the terms for other tenants of the same property.

In municipalities not covered by chapter II–IV of The Consolidation Act relative to Housing Regulation – so-called unregulated municipalities – no special regulation applies concerning the size of rent at the time of entering into the tenancy agreement. But if the rent exceeds the value of the lease considerably, the tenant may demand the rent to be reduced after entering into agreement.

## Regulating rent within the lease period.

Generally, rent for leases located in <u>unregulated</u> municipalities is regulated according to rules concerning the value of the lease, whereas rent for leases located in <u>regulated</u> municipalities is regulated according to rules concerning cost based rent.

## Small property.

An exception to the rules above concerning fixation and regulation of the rent is the special rules of regulated municipalities concerning leases in small properties, i.e. leases in properties comprising 6 or fewer flats on the 1. of January 1995.

Fixation and regulation of the rent for these leases complies with the rules concerning the value of the lease, but with the added provision that the rent for these leases may be increased or reduced if it is considerably lower / considerably higher than the rent paid for similar leases in larger properties, where the rent is regulated according to rules concerning cost based rent.

## Single rooms.

The rules concerning fixation and regulation of the lease according to the value of the lease apply for single rooms in <u>regulated</u> municipalities, if the room forms part of the landlord's flat or of a single- or double-occupancy house occupied by the landlord

The rent for single rooms in <u>unregulated</u> municipalities is likewise fixed and regulated according to rules concerning fixation and regulation of the lease according to the value of the lease.

The rent for separate single rooms ("klubværelser") in <u>unregulated</u> municipalities is fixed and regulated according to the value of the lease, while in <u>regulated</u> municipalities it is fixed and regulated according to the rules concerning cost based rent.

#### Mixed lease.

The rent for mixed leases – i.e. leases used both for habitation and purposes other than habitation – are generally regulated the same way as leases used solely for habitation.

If the premises used solely for habitation and the premises used for other purposes than habitation are each situated in their own physical localities, special legislation applies for the premises solely used for other purposes than habitation c.f. Consolidation Act relative to the Rent for Business (Erhvervslejeloven).

#### Taxes and duties.

In both regulated and unregulated municipalities the landlord may give notice of rent increase because of increased taxes and duties for the property.

If taxes and duties are reduced or abolished, the landlord must reduce the rent proportionally for all flats and premises where the expenses have been calculated in the rent.

#### Staircase rent

As an exception from the above-mentioned rules concerning regulation of rent in both regulated and unregulated municipalities it may be agreed upon that the rent during a lease is regulated with fixed amounts at fixed moments, so-called "staircase rent".

When entering into a tenancy agreement it must be defined for which period the agreement is settled and when the rent will be increased. The size of the increases must be stated with a specific amount so that the tenant is given a clear picture of the development of the rent.

For leases regulated by rules concerning cost based rent, the staircase rent must never at any given moment exceed the cost based rent. For other leases the staircase rent must generally never at any given moment exceed the value of the lease considerably.

In regulated municipalities an agreed staircase rent regulation may be disregarded in properties with at least 7 flats, if the staircase rent clause implies that the total conditions of the tenancy agreement according to a general evaluation is more onerous for the tenant than for other tenants of the same property.

An agreement concerning staircase rent regulation must be specified in § 11 of the agreement.

## "Free fixation of rent ".

In regulated as well as in unregulated municipalities, an agreement concerning "free fixation of rent" may be reached in the following cases:

- In leases concerning flats that were legally being used solely for business purposes on the 31. of December 1991. The same applies for rooms used solely for business purposes at the latest before this date, or rooms that were legally fitted up solely for business purposes, and
- In leases concerning flats in properties that started being used after the 31. of December 1991.

If an agreement of free fixation of rent is settled, the tenant cannot, as is usually the case, get a reduced rent, even if the agreed rent exceeds the value of the lease or the cost based rent considerably.

The rent can only be reduced in cases where an unfairly high rent is settled.

An agreement concerning free fixation of rent must be specified in § 11 of the agreement.

If an agreement concerning free fixation of rent is settled, it may also be agreed upon that the rent during the lease is regulated according to either net price index or with specific amounts at specific moments (staircase rent). The agreement must be specified in § 11 of the agreement.

If the agreement does not specify the rent to be regulated according to net price index or with certain amounts at certain moments, the rent cannot be regulated during the lease.

For leases located in regulated municipalities, the rent may be regulated according to increases in / new taxes and duties.

For leases located in unregulated municipalities, regulation must be specifically agreed upon. Such an agreement must be specified in § 11 of the agreement.

## Price-index financed housing estate.

For properties being built with price-index financed loans, special regulation applies for fixation of rent.

According to these rules the rent may be fixed so that the total rent revenue covers the necessary operating costs at the time of building the property with an addition of yield of the value of the property.

Similar rules apply for properties that were started being used after the 1. of January 1989, built and let by landlords covered by The Consolidation Act relative to Tax imposed on Real Rate of Interest (lov om realrenteafgift).

For both types of property special rules apply concerning regulation of the rent during lease.

### Improvements.

If the landlord has carried out improvements of the premises, he may increase the rent according to rules.

## Payment of the rent.

The landlord decides how and where the rent and related contributions are to be paid. Payment may, however, always be made to a banking institution, including the postal service.

### Obligatory payments.

A number of payments during the lease are "obligatory payments", meaning that the landlord may terminate the tenancy agreement on certain conditions if these obligatory payments are not settled. Obligatory payments are rent, deposit, prepaid rent, regulations of this, charges for heating and aerials, possible charges on account for delivery of water, and payment for fee on demand.

It may be agreed upon that rent must be paid each time for a period of 3 months. In § 3 of the agreement a checkmark specifies the length of the agreed period. A period longer than 3 months is not legal.

If the rent is due on a holiday, on a Saturday, or on Constitution Day, the settling—day is deferred to the following weekday. Payment is in due time if settled no later than the 3rd weekday after settling—day. If this weekday is a Saturday, payment on the following weekday is in due time.

If the rent is not paid in due time, the landlord may demand payment and an extra fee after settling-day, as fixed by The Consolidation Act relative to the Rent.

## 4. Concerning tenancy agreement, § 4: Deposit and prepaid rent.

### Deposit.

The landlord may claim a deposit from the tenant to guarantee the tenants obligations when moving out of the premises. The deposit must not exceed 3 months rent.

### Prepaid rent.

The landlord may also claim a prepaid amount covering 3 months rent. The tenant may use such prepaid rent to cover the rent for the last 3 months of the lease.

The landlord may proportionally increase the deposit as well as the prepaid rent when increasing the rent. The increase may be collected with equal monthly amounts during the same number of months being covered by the deposit and prepaid rent in relation to the rent at the beginning of the lease. It must specifically be stated in the rent collection form which amount is the actual rent, and which amount comprises the regulation of prepaid rent and regulation of deposit.

## 5. Concerning tenancy agreement, § 5: Heating, water, and electricity

The checkmark fields of the agreement must be properly marked, partly because of the need to specify what is actually rented, partly because the municipality may need the information in order to calculate habitation support.

The tenant must generally pay on account in order to cover the landlord's expenses in properties where the landlord supplies heating and hot water, and in properties where payment for water is distributed according to water meters.

Expenses for heating and hot water must not be included in the rent. The same applies to the use of water, if expenses are distributed according to water meters. This does not, however, apply to single rooms used for habitation, where expenses for heating and water may be included in the rent.

At the end of the financial year for water/heating the landlord must provide accounts for actual expenses and payments on account for the duration of the financial year.

The accounts concerning expenses for heating the property and supply of hot water must be available for tenants no later than 4 months after the end of the heating financial year.

If the supply comes from a district heating company, the accounts are in due time if presented to the tenants no later than 3 months after the landlord has received final settling of accounts from the heating company.

If supply comes from a district heating company, the heating financial year must follow the financial year of the heating company.

The accounts for water consumption must be available for tenants no later than 3 months after the landlord has received the final settling of accounts for water supply from the municipality of from the waterworks.

If the tenant has not paid enough on account, the landlord may collect additional payment together with the payment for rent due 1 month after receiving the accounts. The tenant may, however, decide to split an additional payment into 3 equal monthly payments, if the additional payment exceeds 3 months of rent.

If the tenant has paid too much on account for heating or for water consumption, the excessive amount must be returned to the tenant, either in cash or deducted from the first due payment of the rent after the accounts have been made available to the tenant.

If the heating and/or water accounts are delayed, the landlord must not collect additional payment according to the accounts. If the heating and/or water accounts are not presented until 2 months after the time–limits mentioned above, the tenant may choose not to pay on account until receiving the accounts and until receiving a possible excessive payment of heating and/or water for the closed accounting period.

Finally, it must be specified by marking the appropriate checkboxes whether the landlord supplies electricity to the premises. If not so, the tenant must enter into an agreement with the light and power company concerning supply.

## Concerning tenancy agreement, § 7: State of upkeep when moving in and out

The parties may specify by checkmarks in the proper checkboxes of § 7 of the agreement, whether the premises are redecorated when moving in, and if the premises are also to be returned redecorated when moving out. Also, the parties must specify by checkmarks whether it is agreed upon to make reports when moving in and out.

The condition of the premises must be specified in the report when moving in. The premises are to be returned in the same condition, unless otherwise is agreed upon, cf. however, the section below concerning redecoration when moving out, indoor.

It cannot be agreed upon that the premises are to be returned in better condition than when moving in.

If the premises are not in a condition, which the tenant can claim according to the agreement, the tenant must bring the flaws to the landlord's attention no later than 14 days after entering into the agreement. If the landlord does not react, the tenant may — depending upon the extent of the flaws — choose to repair on the landlord's account, to demand compensation from the landlord, or to terminate the agreement.

The tenant's options in relation to the flaws are therefore dependent upon his using his right to object no later than 14 days after entering into the agreement. The tenant is not, however, liable for the flaws when moving out.

## 7. Concerning tenancy agreement, § 8: Upkeep during the lease

#### Interior upkeep.

Indoor upkeep comprises painting, whitewashing, paperhanging, and lacquering the floors of the rented premises.

Painting comprises painting of radiators and woodwork of the flat, including doors, frames, architraves, panels and front door on the inner side, and interior window frames to edge and rebate.

If not otherwise agreed upon, interior upkeep lies with the landlord.

In that case the landlord must every month deposit an amount of money into an account regarding the interior upkeep of the premises belonging to the lease.

The landlord must every year and no later than 3 months after the end of the financial year inform the tenant in writing what amount is available on the account for internal upkeep.

The tenant may demand that the landlord carries out interior upkeep every so often that the premises are always kept in good condition, if the available amount on the maintenance account is sufficient to cover the expenses.

When the landlord deducts amounts from the upkeep account after having done the upkeep, the tenant is to receive a written account of expenses and information on the current available amount.

A tenant may not demand payment from the upkeep account for work initiated without a previous agreement with the landlord. Also, the landlord may decide which workmen are to make the upkeep.

The landlord is not obliged to deposit amounts for interior upkeep of mixed leases – i.e. leases used for habitation as well as for purposes other than habitation – and of single rooms used for habitation.

It may be agreed upon that interior upkeep is the tenants' responsibility. This implies that the tenant in addition to the rent itself must defray all expenses for painting, whitewashing, paperhanging, and lacquering the floors of the rented premises. Marking the "*Tenant*" checkbox in § 8 of the agreement specifies an agreement to this effect. The landlord may demand that upkeep is done so frequently as to always keep the premises in good condition.

The landlord or his deputy is entitled to gain access to the premises when needed.

## External upkeep.

Except from painting, whitewashing, paperhanging, and lacquering the floors of the rented premises all other upkeep is considered external.

External upkeep is the landlords' responsibility, except locks and keys, if not otherwise agreed upon.

The landlord must keep the property and the rented premises in good condition. All installations for plumbing, and for supply of light, gas, water, heating and cooling must be kept in proper working condition.

The landlord must also ensure that the property is clean and the lighting of the property and access roads to the property is adequate, as well as he must keep the sidewalk, the yard, and other common facilities clean.

If not otherwise agreed upon, the tenant must do the upkeep and necessary renewal of locks and keys, so that they are always in good working order.

Another distribution of upkeep duties may be agreed upon between tenant and landlord, e.g. that the tenant accepts to maintain and possibly renew lavatory bowls, taps, refrigerators, kitchen tables, mixer taps, panes, floors, flooring, and so on. Agreements according to which the tenant accepts the duty to maintain other than locks and keys must be specified in § 11 of the agreement.

If the tenant agrees to assume such major upkeep duties, it will imply a corresponding reduction of the amount that the landlord may claim for external upkeep of the property.

If another distribution of maintenance is agreed upon between tenant and landlord, the tenant must maintain the inventory in question in good repair during the lease.

## Redecoration when moving out - interior.

If interior upkeep is the landlords' responsibility, the tenant will only be required to paint etc. when moving out, if he damages the premises. The tenant must therefore not be required to repair deterioration caused by wear and old age.

If by agreement the tenant has assumed the duty for interior upkeep, he must return the premises in the same condition as at the commencement of the rental period. This implies that the tenant must maintain the roofs, the walls, the floors etc. that should have been maintained during the lease.

If the premises were redecorated when moving in, it may likewise be agreed upon in § 7 of the agreement that the lease must be returned in redecorated state when moving out.

## Redecoration when moving out - external

Locks and keys and other possible objects included in the tenant's responsibility for external upkeep must be returned in the same working order as when received, except for deterioration caused by general wear and old age, but provided that the objects have been properly maintained.

It may be agreed upon that objects that were renovated when entering into the agreement are also returned in renovated form. Such agreement must be specified in § 11 of the agreement.

No agreement must be settled to the effect that the premises are to be returned in better state than when moving in.

## 8. Concerning tenancy agreement, § 10: Residents' representation and house order.

## Residents' representation.

Residents' representation may on some accounts enter into agreements with the landlord on behalf of the remaining tenants. This is the case with common improvements of the property. Furthermore special rules apply in property with resident's representation concerning notice of rent increases and notice of common improvements.

#### House order

It is the duty of the landlord to maintain general order in the property. The rules to this effect may be written down in a house order.

If a residents' representation is elected, a residents' meeting may adopt a house order. Such a house order is in effect unless the landlord finds substantial reasons to oppose.

The tenant must comply with these rules and other reasonable commands to secure good house order and an acceptable use of the premises.

## 9. Concerning tenancy agreement, § 11: Special terms.

All exceptions and amendments agreed upon in relation to the general provisions of the Consolidation Act relative to the Rent or other legislation, and to the printed conditions of the current agreement, must be specified in this section. Such terms may have the effect that the tenant is acquiring fewer rights or is burdened with more obligations than stated in the general provisions of the Consolidation Act relative to the Rent and other legislation.

The special terms agreed upon in this section take precedence over the other terms of the agreement.