

## General conditions to tenancy agreement

Edition August 2019

The legally binding German original text was handed over to the tenant at the time of signing the tenancy agreement.

#### Section 1: Rent

- 1. Rent has to be paid in advance, at the latest on the first day of the month (expiry date).
- 2. Heating and operation costs, listed in the tenancy agreement in paragraph 2, are not included in the net rent. The listing in the tenancy agreement is conclusive.
- 3.1. Unless otherwise agreed payment of heating and operational costs has to be processed as payment on account and the landlord has to balance accounts annually with the tenant. The bill will be sent to the tenant at the latest 9 months after the end of the account period. Amounts of balance become due to payment within 30 days.
- 3.2. Unless otherwise agreed the fee for the compilation of the heating and operational cost accounts will be calculated as a percentage of the heating and operational costs accumulated in one year. A percentage usual in this industry will be applied.
- 3.3. Unless otherwise agreed the share of heating costs of apartment buildings, if central heating or hot water systems exist, is distributed to the individual tenant according to the effective accounting system, and in all other cases the share of costs is distributed in equal parts to the tenants.
- 4. If a fixed term of rent of at least five years has been agreed, rent is set according to the Swiss National Consumer Index.
- 5. The landlord is authorised to charge the tenant a security deposit up to the maximum amount of three monthly gross rents. The security has to be deposited on a blocked account at a bank or in a depot registered in the name of the tenant (article 257e Swiss Code of Obligations). The security deposit can also be provided in terms of a bank guarantee or security deposit insurance.
- 6. The landlord is authorised to charge expenditures in connection with late payment of rent to the tenant.

#### Section 2: Termination (cp. article 3)

- 1. If a tenancy agreement has been concluded for an indefinite period the tenant or the landlord can terminate the contract subject to the term of notice agreed in paragraph 4 of the tenancy agreement at the end of every given month, except on 31st December. Notice of termination has to be issued in writing by the tenant. The landlord has to complete an official document approved by the canton. The termination is binding when the other party has received it on the last day of the month before the beginning of the notice period at the latest.
- 2. Tenancy agreements with a fixed term of tenancy can be terminated at the end of the fixed tenancy period in compliance with the term of notice agreed in the tenancy agreement. If no notice of termination is issued the tenancy continues indefinitely (cp. previous article 1)
- 3. On demand the termination must be justified.
- 4. If a notice of termination is not issued in due time or on schedule it comes into effect at the earliest possible date. The party affected by the termination has to inform the terminating party immediately about this earliest possible date.

# Section 3: Termination in case of family flats, civil partnerships or shared flats / obligation to inform

- 1. In the case of family flats and civil partnerships the termination is only legally valid in the following cases:
- On the part of the landlord: if it is sent to both spouses/partners separately.
- On the part of the tenant: if it is signed by both spouses/partners.
- 2. Anyone, who realises after receipt of the termination that it does not comply with the above regulations, is to advise the opposite party of the fault within an appropriate period of time.
- 3. If, in case of shared flats, several tenants have signed the tenancy agreement they are jointly held liable for their contractual obligations unless agreed otherwise.

- 4. Each tenant is authorised to resign from the tenant collective and to terminate the tenancy agreement for them personally as long as the notice period is observed. The tenancy agreement continues to exist for the remaining tenants.
- 5. The tenant is obliged to inform the landlord in due time of changes of his/her civil status (marriage, civil partnerships, divorce, separation, death of the spouse/partner) and changes of his/her address as well as of the address of the spouse/the partner (e.g. in case of separation).

## Section 4: Delivery of the rental property

- 1. The landlord has to deliver the rental property in serviceable, clean condition. The tenant has to tolerate repair works required for this purpose if they cannot be carried out before the start of the rental period due to time restraints. For resulting disturbances of the tenant article 5 paragraph 2 applies.
- 2. The tenancy agreement parties jointly compile a handover protocol, which is signed by both parties. It has to be recorded in the handover protocol if the tenant abandons his/her right to have certain deficiencies repaired.

### Section 5: Maintenance obligation of the landlord

- 1. The landlord has to maintain the rental property during the rental term in such a way that it can be used according to contract. He has to carry out those repairs and renovations that have become necessary despite proper use by the tenant. Section 7 reserved.
- 2. The tenant has to tolerate urgent repairs and renovations on the rental property that become necessary during the rental term.
- 3. If the interests of the tenant can be duly respected in this connection the tenant has no right to compensation. In case of substantial disturbances the landlord has to propose in writing to the tenant an appropriate compensation after completion of works. If the tenant considers the landlord's proposal insufficient he/she has to inform the landlord in writing within 30 days after receipt of the proposal. Failing this the landlord's proposal becomes effective.

## Section 6: Duty of care of the tenant

1. The tenant is obliged to maintain the rental property and built-in equipment and appliances in good and clean condition. The tenant is liable for damages that are not a result of proper use.

2. Cost of common maintenance contracts for devices that need regular servicing (washing machine, dishwasher, ventilation etc.) are at the tenant's expense (cp. paragraph 2 of the tenancy agreement).

#### Section 7: Small repairs

- 1. The tenant is responsible for small repairs that become necessary as a result of the normal use of the rental property (cleaning and renovations). The tenant is obliged to repair all small defects emerging during the term of rental irrespective of the fact if he/she has caused them.
- 2. All repairs costing no more than CHF 150.00 incl. VAT per individual case, and defects for the remedy of which no expert is required are considered small repairs.
- It is at the landlord's discretion to decide if an expert has to be called in in order to remedy the (small) defect.
  The tenant is not authorised to actively call up an expert for the remedy of the defect without the landlord's consent

## **Section 8: Alterations and improvements**

## If carried out by the tenant:

- 1. All alterations and improvements of the rental property require the written consent of the landlord. Lack of consent authorises the landlord to demand that the tenant leaves the alteration/improvement with no claim for compensation or that he/she restores the original condition at his/her own expense at the end of the rental term. Before an alteration/improvement authorised by the landlord is carried out the parties are to put down in writing the current condition of the rental property and the extent of the alteration/improvement, as well as agree on how to handle the alterations/improvements at the end of the rental term and if the landlord will contribute to the costs.
- 2. If the tenant takes over furnishings against payment or free of charge from his/her predecessor, who has installed them with or without the landlord's consent and on his/her own account and at his/her own risk (e.g. textile floor coverings), the tenant is liable for the original condition of the rental property (e.g. parquet floors).

## If carried out by the landlord:

3. If the landlord intends to carry out alterations or improvements exceeding section 5 he has to inform the tenant in advance in writing of the following: character and extent of the intended alteration/improvement, start and estimated duration of the corresponding works and their impacts on the use of the rental property. Furthermore,

the anticipated amount of an intended rent increase and the anticipated amount of a possible rent reduction during the alteration works. This notification has to be sent to the tenant in writing at least four months in advance – except in the case of imminent danger.

- 4. If the tenant considers the disturbance in connection with the alteration/improvement unacceptable he/she has to inform the landlord within 10 days in writing. A disturbance is not unacceptable if the landlord offers the tenant an appropriate substitute property for the duration of disturbance and pays all costs incurred by moving out and moving back in.
- 5. The landlord informs the tenant in writing about the amount of the rent reduction granted during the term of renovation at the latest together with the announcement of the amendment to the tenancy agreement (rent increase) justified by the alteration or improvement. If the tenant considers the announced rent reduction insufficient he/she has to inform the landlord in writing within 30 days after receipt of the announcement of the amendment to the tenancy agreement. Failing this the landlord's proposal becomes effective.

## Section 9: Subtenancy / Purpose of use / Pets

- 1. The tenant is allowed to sublet his/her flat upon approval by the landlord. The tenant has to apply for the subtenancy in advance by submitting the necessary documents to the landlord. The landlord is only allowed to refuse agreement if:
- the tenant refuses to inform the landlord about the conditions of the subtenancy or
- if the conditions of the subtenancy are improper compared to those of the main tenancy agreement or
- if the subtenancy results in substantial disadvantages for the landlord.
- 2. Without the written consent of the landlord changes of the purpose of use (effective at the time of start of the tenancy agreement) and transfer of the tenancy are not allowed.
- 3. The keeping of animals such as budgerigars, canaries, other small birds, turtles, small lizards, amphibians and cats and dogs are tolerated unless otherwise agreed. However, the pet regulation has to be complied with. There is no obligation to register. The keeping of potentially dangerous dogs, as per Basel-Stadt law, and of other bigger animals is prohibited. However, the landlord reserves the right to explicitly prohibit the keeping of animals in the tenancy agreement in special cases.

4. The landlord is authorised to withdraw a granted approval of subtenancy, transfer of tenancy and purpose of use, as well as toleration of pets at any time if regulations in connection with the approval or toleration are violated, if grievances arise or if founded complaints of cohabitants exist.

## Section 10: Absence of the tenant / Right of inspection of the landlord

- 1. In case of longer absences the tenant has to ensure that access to the rental property is granted for emergencies (water damage, fire hazard etc.). In case of non-compliance the tenant is liable for any damage caused.
- 2. The landlord or his representation are authorised to enter the rental property on appointment on working days for the purpose of protecting the property ownership rights and for rental negotiations.

# Section 11: End of rental and return of the rental property

- 1. Tenancy ends at 12.00 o'clock noon on the last day of the month at the end of which the tenancy agreement has been terminated. If this day falls on a Sunday or a public holiday tenancy ends the following working day (also if it is a Saturday).
- 2. Repair of damages to the rental property or property caused by the tenant (section 6 paragraph 1) have to be completed by the move-out day unless otherwise agreed by the parties. If the tenant does not fulfil his obligation to remedy the defects the landlord is authorised to repair the damages at the expense of the tenant.
- 3. At the time of returning the flat the landlord has to examine the condition of the flat and file a deficiency claim in writing within 3 working days regarding deficiencies for the elimination of which he wants to hold the tenant liable for. For deficiencies discovered at a later date that were not visible upon examination at the time of returning the flat and for the elimination of which he wants to hold the tenant liable for, the landlord has to file a deficiency claim in writing within 3 working days after discovery.
- 4. When the situation arises that a tenant does not return the flat on the due date as per section 11 paragraph 1 the landlord is authorised to change the locks of the rental property at the expense of the tenant and initiate clearance of the flat at the expense of the tenant in order to protect mutual interests. In such a case the landlord is not obliged to store the tenant's objects.

## Section 12: Cleaning fee

At the end of the tenancy the tenant has to return the rental property (incl. possible balconies, cellar and attic compartments) in a clean condition (so-called clean swept). The landlord undertakes the thorough cleaning of the rental property instead of the tenant. For this purpose the tenant pays compensation to the landlord (cleaning fee of CHF 6.00 per square metre of rental space. Balconies, cellar and attic rooms, where applicable, are charged at 1/4). An additional fee of CHF 3.00 will be charged for textile floor coverings. Payment of the cleaning fee can be demanded from the time of termination of the tenancy agreement but has to be paid by the tenant at the latest one month prior to the end of the rental. In case of subsequent restoration works or alterations the cleaning charge does not apply to the rooms restored or altered.

### **Section 13: Early return**

If a tenant returns his/her rental property without observing the notice period or termination deadline he/she is only released from his/her obligations to the landlord when a next tenant is proposed, who is a reasonable new tenant for the landlord. He/she has to be solvent and prepared to accept the tenancy agreement under the same terms and conditions. Failing this the tenant has to pay his rent up to the point in time when the tenancy ends or can be terminated by contract or by law. The landlord must permit those expenses to be offset, which he saved and what he gained or deliberately failed to gain by using the rental property otherwise. However, the landlord is not obliged to conclude an agreement with the proposed next tenant. Possible clearance costs are at the tenant's expense.

## Section 14: Secret moving out

If the tenant is behind schedule with his rent and if it has to be assumed that the tenant has secretly left the rental property before expiration of the agreement the landlord can dispose of the rental property (cp. section 11 paragraph 4). The tenant is liable for the rent and additional costs until the rental property is let to another party. Possible clearance costs are at the tenant's expense.

## **Section 15: Insurances**

1. The building in which the rental property is located has been insured at the landlord's expense with National Building Insurance against fire and natural forces. Furthermore, the landlord effects a liability and water damage insurance at his own expense.

2. From the start of the rental the tenant is obliged to effect a tenants' liability insurance at his/her expense.

#### Section 16: Cable TV and radio

The tenant can decide at the start of rental if he/she wants to use an existing cable TV and radio connection or if they want to have it sealed off at no cost. With this decision at the start of rental the tenant defines the so-called normal condition. During the rental term the tenant can only request changes to this normal condition at a termination date subject to the period of notice plus 20 days and when assuming the costs incurred.

#### Section 17: Disputes and court of jurisdiction

- 1. Disputes arising from this tenancy agreement exceptions by law reserved have to be submitted to the arbitration board for landlord and tenant (in short arbitration board) before appealing to a judge.
- 2. Court of jurisdiction for all disputes arising from the tenancy agreement is the location of the rental property (article 23 CJA).