

## **PAYMENT OF RENT: ALL YOU NEED TO KNOW**

It is a fundamental obligation of the Tenant to pay rent to the Landlord for the use of the property.

The rent corresponds to a periodic pecuniary instalment, which means that, in the absence of an agreement between the parties, the first instalment is due when the rental contract is signed and the following instalments are due on the 1st working day of the month immediately preceding the one to which they relate. In other words, the rent for March is due in February.

The Landlord and Tenant may stipulate, in writing, the possibility of updating the rent and the respective regime. In the absence of a stipulation between the parties, the rent may be updated annually according to the update coefficients in force. The Landlord must notify the Tenant, in writing and at least 30 days in advance, of the update coefficient and the new rent to be applied.

If the Tenant is in arrears, the Landlord has the right to demand, in addition to the rent arrears, compensation equal to 20 per cent of the amount owed, provided that the contract has not been terminated on the basis of non-payment. However, the right to compensation or termination of the contract ceases if the Tenant ceases to be in arrears within eight days of its commencement, hence the understanding that the rent must be paid by the 8th day of each month.

As long as rent arrears remain, the Landlord may refuse to receive the following rents, which will be considered outstanding for all purposes. Receipt of new rent does not prevent the Landlord from exercising his right to terminate the contract or to compensation based on the rent arrears.

In the event of default by the Tenant, the Landlord may notify the Guarantor, if there is one, within the following 90 days, of the default and of the amounts owed, and may only demand satisfaction of its credit rights from the Guarantor after giving due notice.

The Landlord may terminate the lease in the event of a delay of three months or more in the payment of rent, charges or expenses that are the Tenant's obligation, or in the event of the Tenant's opposition to the carrying out of work ordered by a public authority. However, the Landlord's cancellation of the contract on the grounds of non-payment of rent, charges or expenses that are the Tenant's obligation shall be null and void if the Tenant puts an end to the delay within one month of the Landlord's communication. Furthermore, the termination based on the Tenant's opposition to the carrying out of work ordered by a public authority shall be null and void if, within 60 days of the Landlord's notice, the Tenant ceases such opposition.

If the Tenant defaults on the payment of rent for more than eight days, on more than four consecutive or interpolated occasions over a period of 12 months, with reference to each contract, the Landlord may also terminate the rental contract.

The contract must be cancelled within one year of becoming aware of the event on which it is based, otherwise it will lapse. In the last two cases mentioned above, this period is reduced to three months.



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