

BA-S. fract
COP1

CONTRACT OF LEASE

**PREMISS TO HOUSE REGULATORY DIRECTORATE
AT
"THE LODGE", MSIDA VALLEY, B'KARA**

Contract of lease dated 5th March 2007

Saviour k/a Lino Mousu and CEO / MTA

Premises to house the Enforcement Unit of
MTA at 'The Lodge' Msida Valley B'Kara.

Agreement entered into this fifth (5th) day of March two thousand and seven (2007).

BETWEEN

Of the one part Saviour sive Lino Mousu, a son of the late Emmanuel and Jane nee' Vella holder of ID Card No 330041 M born in Zebbug and residing at 64/75 Flat No. 5, The Strand, Sliema (hereinafter referred to as the **LESSOR**);

AND

Of the second part, the Malta Tourism Authority, having its registered office situate at Auberge d'Italie, Merchants Street, Valletta, duly represented hereon by its Chief Executive Officer David Mifsud holder of ID Card No 377454M, (hereinafter referred to as the **LESSEE**).

1. PREMISES

- 1.1. The **LESSOR** hereby grants under title of lease the villa situate at Msida Valley, B'Kara without official number and named "The Lodge", (hereinafter referred to as the **PREMISES**) to the **LESSEE** which accepts the **PREMISES** under the same title.
- 1.2. The **LESSEE** hereby declares that it is accepting the **PREMISES** in its present state and condition of which it declares to be aware.
- 1.3. The **PARTIES** declare that by this Agreement it is their intention to enter into an Agreement of Lease and in the absence of specific provision in this Agreement the provisions regulating lease in the Civil Code shall apply.

2. MAINTENANCE

- 2.1. The **LESSEE** shall at its sole expense without right of reimbursement from the **LESSOR** carry out all ordinary maintenance and repair that may, from to time, become necessary in the leased **PREMISES**, including its improvements, fixtures and fittings, and shall at all times, keep the leased **PREMISES** including the improvements, fixtures and fittings, in good order and a good state of repair and shall so return the **PREMISES** to the **LESSOR** at the termination of the lease, save for fair wear and tear.
- 2.2. The **LESSOR** on its part shall at his own expense carry out all extraordinary repairs except for any extraordinary repairs occasioned through the sole and exclusive fault or negligence of the **LESSEE** which shall be at the sole and exclusive charge of the **LESSEE**.

3. **DURATION**

March 2001 till
Feb 2012.

- 3.1 The **PREMISES** is being granted on lease for a period of five (5) years, such period to run from the date on which the Malta Environment and Planning Authority shall issue the relevant full development permit in respect of the **PREMISES**. The first three (3) years shall be '*di fermo*' and the remaining two (2) years '*di rispetto*'.

PROVIDED that the **LESSEE** shall have the right to terminate the lease after the lapse of the period '*di fermo*' by giving six (6) months' notice in writing to this effect to the **LESSOR** prior to the lapse of the period '*di fermo*'.

PROVIDED FURTHER that if on termination of this Agreement following the lapse of five (5) years, the **LESSEE** desires to renew the letting for a further period of five (5) years, the parties undertake to enter into negotiations in good faith for the renewal of the letting and the **LESSOR** undertakes that the rent payable during the extended five (5) year period will be increased by an amount of one thousand Maltese Liri (Lm 1,000) per annum.

March 2016
Feb 2017

4. **RENT**

- 4.1 The rent payable throughout the duration of the Agreement shall be seven hundred Maltese Liri (Lm 700) per month, payable in quarterly instalments of two thousand one hundred (Lm 2,100) Maltese Liri each, in advance and exclusive of VAT.

€1630pm
x18% €293
= €1924pm

5. **GUARANTEE**

- 5.1 In security of the due and proper performance and discharge of all his obligations and liabilities under or in connection with this agreement, the **LESSEE** is delivering hereon a deposit of seven hundred Maltese Liri (Lm 700) to the **LESSOR** who accepts and tenders due receipt.

6. **USE OF LEASED PREMISES**

- 6.1 The **LESSEE** undertakes to use the **PREMISES** solely for commercial and educational purposes and the **LESSEE** is hereby specifically precluded from changing the said use at will and without prior notice to the **LESSOR**.
- 6.2 The **LESSEE** hereby undertakes to use the **PREMISES** and operate therefrom during normal business hours or during the hours which the **LESSEE** deems necessary, from time to time.

7. **SUBLETTING/ASSIGNMENT OF LEASE**

- 7.1 The **LESSEE** shall not have the right to sub-let or assign the **PREMISES** whether in whole or in part.

8. **TERMINATION**

The **LESSOR** shall have the right to determine this letting in the following cases:

- (a) If the **LESSEE** is in arrears in the payment of two (2) instalments of rent, consecutive or otherwise, or in an amount equivalent to two (2) instalments.
- (b) If the **LESSEE** is in material breach of any of the other obligations assumed by it in virtue of this Agreement.

In any of the above instances the **LESSOR** is to call upon the **LESSEE** by means of a judicial act, to pay the rent due or remedy the breach as the case may be and the **LESSEE** fails to pay or remedy the breach within fifteen (15) days from the date of service on it of the judicial act. Provided that if the nature of the **LESSEE's** default is such that more than fifteen (15) days is reasonably required for its cure, then the **LESSEE** shall not be deemed to be in default if it commences such cure within the said period and thereafter diligently prosecutes such cure to completion.

- (c) The termination of the Agreement under the preceding two paragraphs shall not prejudice or affect any right or action or remedy, including that for the recovery of damages, which may have accrued or shall thereafter accrue to the **LESSOR**.

9. **STRUCTURAL CHANGES**

- 9.1 The **LESSEE** shall not carry out structural alterations to the **PREMISES**.
- 9.2 The **LESSEE** is prohibited from changing any colour of the façade and any other outside walls from the original colours painted by the **LESSOR**.

10. **MISCELLANEOUS**

- 10.1 All water, electricity and telephone bills, as well as meters/telephone apparatus rentals, are to be borne by the **LESSEE** during the period of rent and the **LESSOR** shall have the right to demand immediate payment of such bills. In the event of such bills not being paid punctually and the aforesaid services being interrupted as a

consequence thereof, the **LESSEE** shall be bound to pay any and all extra charges incurred including those necessary to reconnect the said services.

- 10.2 The **LESSEE** are to adequately and appropriately insure the **PREMISES** with a reputable insurance company under a general insurance building policy, catering for all risks including also third party liability, caused to the **PREMISES** or neighbouring property, and in which policy the **LESSOR** must be mentioned as the beneficiary (or assignee) or as a co-beneficiary (or co assignee) with the **LESSEE** of the insurance proceeds. The **LESSEE** must supply the **LESSOR** with a copy of such insurance policy.
- 10.3 The **LESSOR** shall have the right to access and inspect the **PREMISES** provided at least fifteen (15) days' prior notice to this effect is given to the **LESSEE** and a mutually convenient time and date is agreed to between the parties.

11. REDELIVERY

- 11.1 The **LESSEE** undertakes to deliver the **PREMISES** to the **LESSOR** immediately upon termination of the lease for any reason in a good state of repair and condition, fair wear and tear excepted. The **LESSEE** undertakes to ensure that the internal walls are painted in magnolia colour and the outside walls are painted with acrylic plastic paint.
- 11.2. On termination of the lease, the **PREMISES** shall be returned to the **LESSOR** with vacant possession and together with such ameliorations carried out by the **LESSEE** in it. The **LESSEE** will have no right to compensation for any ameliorations which he may have done during the tenancy and he will have no right to remove such ameliorations if these are of the nature of fixtures in terms of law. The **LESSEE** shall, however, have the right to remove all movables which he shall have introduced into the **PREMISES**.
- 11.3. Moreover, if the **LESSEE** fail to clear the said area of all items belonging to it, the **LESSOR** shall have the right to clear such items and charge all clearance expenses to the **LESSEE**.

12. LICENCES AND PERMITS

- 12.1. The **LESSEE** shall maintain at its expense and responsibility all such necessary permits and licences, for the said use of the leased **PREMISES**. The **LESSEE** shall moreover at all times, comply with all the terms and conditions of all respective permits and licences.

13. **BROKERAGE FEES**

13.1 The parties are hereby agreeing that brokerage fees due to RIA Investments Limited shall be borne equally between them.

14. **SERVICE**

14.1 Any notice or communication in connection with this agreement shall be served by the parties at the respective address shown below or at any other address that may be notified from time to time.

to the LESSOR:

to the LESSEE:



SAVIOUR SIVE LINO MOUSU



DAVID MIFSUD
for and on behalf of
THE MALTA TOURISM AUTHORITY