

SUBLEASE AGREEMENT



Landlords often choose sublease agreements with the ulterior motive of circumventing legal protections for tenants, because the sublease always expires at the same time as the lease contract. In this arrangement, they rent a dwelling to a company that they themselves own, or a related entity; they then enter into a mere sublease agreement with the person who is actually living in the property. If necessary, they can easily terminate the lease agreement. This means that the subtenant can lose their housing almost overnight.

Subleasing is essential for cooperative housing. It is also necessary to verify whether the landlord has agreed in writing to any sublease or has not expressly prohibited it if the tenant is themselves living in the property.

The sublease agreement is concluded with the tenant, not with the landlord.

The Landlord:

ACB s.r.o.
with its registered office at Národní 1, 110 00 Praha 1
ID no.: 123 45 678
represented by Jan Novák, Director



If the landlord is a company, check its existence in the Commercial Register (<https://or.justice.cz/ias/ui/re-jstrik>) and whether the person listed is actually authorised to represent the company (they are a director or have provided power of attorney for the conclusion of the lease agreement).

and

the Tenant:

Anna Novotná,
date of birth 1 January 1995
permanently residing at Jahodová 2, 100 00 Praha 2



If a group of people is looking for housing, each of them should be listed as a tenant. Otherwise, if the lease of the tenant specified in the contract expires, everyone must move out.

have entered into this lease agreement (the "Agreement") on the day, month and year specified below

I.

Subject of the Lease

The Landlord is the sole owner of plot no. 112/4, part of which is house no. 31 in Lhota. The property consists of flat no. 37 on the second floor. The flat has three rooms and a kitchen (3+1), with an area of 86 m². The flat consists of a kitchen, living room, two bedrooms, bathroom with toilet and entrance hall (the "flat").

With this contract, the landlord permits the Tenant to use the aforementioned flat temporarily and the Tenant accepts the flat and undertakes to pay the rent to the landlord.



When moving in, it is necessary to have a detailed handover protocol, take detailed photos of the condition of the flat and record the state of the meters.

Before moving in, the Tenant must carefully inspect the flat and report all defects. It is essential to take detailed photos of the condition of the flat (every scratch and stain) and record the state of the meters (water, electricity, gas). A handover protocol containing all this information and signed by all parties should be included in the lease agreement. If the tenant fails to point out defects, they are also responsible for those caused by the previous tenant.

II.
Term of the Lease

The lease is concluded for a fixed period from 1 September 2024 to 30 June 2024.



If no duration for a lease is agreed, the lease is for an indefinite period of time. If, following the expiry of the agreed period, the parties agree on the further continuation of the lease, a new contract is drawn up and the landlord may request a higher rent.

Specification of whether the lease is for a definite or indefinite period of time also affects the options for termination of the lease.

III.
Rent and deposit

The Contractual Parties have agreed on rent in the amount of 15,000 CZK per month. Rent shall be payable no later than on the fifth day of the relevant month.

Together with the rent, the tenant is also obliged to pay advances for services provided by the landlord, to the landlord's account.



Pay attention to the information on which services the landlord provides. Unless otherwise stated, the landlord provides the necessary services (water supply, wastewater collection and disposal, including sump cleaning, heat supply, municipal waste collection, lighting and cleaning of common areas of the building, ensuring of reception of radio and television signals, operation and cleaning of chimneys, or operation of the lift, if applicable).

The landlord cannot include payments to the repair fund in the services, but may include it in the rent.

The tenant is obliged to provide a deposit in the amount of 50,000 CZK. The landlord must return the deposit to the tenant after the annual settlement of services following the end of the lease and is entitled to offset it by any amount owed by the tenant for rent or services.

It is prohibited to charge interest on the deposit.



The amount of the deposit may not exceed three times the monthly rent, i.e. a maximum of 45,000 CZK in this case. The deposit is used to pay any debts for unpaid rent or damage caused by the tenant, and not debts for services. In addition, the tenant is entitled to interest payment by the landlord (statutory interest), even if it is not explicitly stated in the contract. Interest cannot be contractually excluded. The landlord must return the deposit following the end of the lease, and not after the billing of services, which can sometimes take months. If they do not do so, the tenant is, in addition to the statutory interest, also entitled to default interest.

For the duration of the contract, the landlord is entitled to unilaterally increase the rent by the annual rate of inflation as of 1 March of the relevant year.



In the contract, the contractual parties may agree on the method of increasing the rent (known as the inflation clause). If they do not agree on a method, the landlord may propose an increase to the tenant. If they do not agree, the decision shall rest with a court. However, rent increases are usually applied to long-term leases (for an indefinite period of time or for a period of several years)



The lease agreement may also contain a contractual penalty, e.g. if the tenant fails to pay rent or meet the agreed obligations. However, the total amount of such a penalty and the amount of the deposit may not exceed three times the monthly rent.

IV.

Rights and obligations of the tenant

The Tenant undertakes to use the flat properly and in accordance with the lease agreement. For the duration of the lease, the Tenant undertakes to comply with the usual rules for behaviour in the building, as well as reasonable instructions from the Landlord for maintenance of order according to local circumstances.

The Contractual Parties agree that subleasing shall be prohibited.



The landlord may prohibit subleasing. If it is not prohibited, subleasing without the written consent of the landlord is possible only if the tenant lives in the flat themselves.

The Tenant is prohibited from:

- keeping animals in the flat,
- receiving visitors,
- smoking,
- undertaking commercial activities in the flat.



The landlord cannot prohibit any of these activities in a flat. They are not entitled to impose unreasonable restrictions on or restrict the rights of the tenant. If such an arrangement is included in the lease agreement, the agreement remains valid, but the tenant is not obliged to comply with it.

However, proportionality applies. A small dog is not the same as an exotic, venomous snake. In addition, the fact that the landlord cannot prohibit something does not mean that the tenant is not responsible for the consequences, e.g. carpets contaminated by the smell of smoke, doors chewed by a dog, damage caused by a drunken visitor. The tenant is responsible for these types of damage.

The tenant is responsible for the condition of the flat and is obliged to carry out maintenance and all repairs. The tenant is obliged to hand over the apartment in perfect condition, freshly painted, and have carpets, mattresses and upholstered furniture professionally cleaned.



The tenant must perform routine maintenance of the flat and minor repairs (e.g. replacement of light bulbs, damaged taps, etc.) up to sums of approximately 1,000 CZK (the exact limit set by government regulation). If the tenant causes any damage, they must, of course, eliminate it at their own expense (e.g. broken dishwasher due to improper use, broken glassware, stains on parquet flooring due to spillage of red wine). However, with the exception of these cases, and taking into account the usual wear and tear, at the end of the lease, the tenant is not obliged to ensure that the condition of the flat is better than at the start of the lease.

The Landlord reserves the right to approve any new member into the Tenant's household. The Tenant is not entitled to accept a new member into their household without the prior written consent of the Landlord.



The landlord may make the admission of new members subject to its consent, but not if it is a close person ("osoba blízká"). A close person is defined as, for example, a partner, sibling, child, parent, etc.

The Tenant is obliged to inform the Landlord about any absence from the flat for a period of more than two months and at the same time hereby states that the Landlord is entitled to enter the flat during their absence.



In the event of a long-term absence of the tenant (e.g. trip abroad), the landlord must be able to access the flat in case of unexpected occurrences.

The Landlord is entitled to carry out random inspections of the flat.



The landlord may inspect the flat, but at reasonable intervals and following prior agreement with and in the presence of the tenant.

The Tenant is not entitled to make any modifications and alterations to the flat without the consent of the Landlord.



If the tenant still makes changes despite this, they must remove them at their own expense before the end of the lease, unless the landlord says that it is not necessary.

V.

Termination of the lease

The Tenant is not entitled to terminate the lease prior to the end of the agreed period. The Tenant may terminate the lease for the reasons permitted by law with a notice period of one month.



The legal grounds for the landlord giving notice in the case of a fixed-term lease are:

- *the tenant is in gross violation of one of their obligations under the lease (e.g. not paying the rent),*
- *the tenant is convicted of crime committed wilfully against the landlord or a member of their household, or a person who lives in the building where the tenant's flat is, or against the property of another person located in the building,*
- *the flat must be vacated for reasons of public interest,*
- *for other reasons of similar severity.*



The notice period for the tenant may not be less than three months and begins on the first day of the calendar month following the delivery of notice (this must be submitted in writing, preferably by registered post).



If no agreement is reached before the end of the lease period, the tenant may terminate the lease if there is a significant change in the circumstances assumed by the parties at the time of the conclusion of the agreement – e.g. the tenant unexpectedly moves out of town or due to serious illness.



The notice given by the landlord must include the information that the tenant is entitled to submit an objection to the notice and submit a petition to a court to review the validity of the notice within a period of two months. Without this information, the notice given by the landlord is invalid.

The Landlord is entitled to terminate a non-fixed-term lease for the same reasons as the lease for a fixed period, especially if they require the flat for their former spouse or a relative.

The Landlord is entitled to terminate the lease without notice in the event of a particularly serious breach of obligations by the Tenant.



One of the following may constitute such a breach:

- *the tenant has not paid rent and service costs for a period of at least three months,*
- *the tenant causes serious or irreparable damage to the flat or building,*
- *the tenant otherwise causes serious damage or inconvenience to the landlord or persons living in the building,*
or
- *the flat is used illegally in a different way or for any purpose other than the agreed one.*

However, the landlord must state the nature of the breach in the notice and first ask the tenant to remedy it. The landlord must grant the tenant a reasonable period of time to do so.

If the Tenant fails to vacate the flat immediately following the end of the lease, the Landlord is entitled to replace the lock and evict the Tenant themselves.



The landlord is not permitted to perform these actions, even if it is expressly agreed in the contract. However, make sure that you vacate your flat on time as the landlord could, for example, file a criminal complaint against such a tenant.

VI.
Final provisions

This Agreement shall enter into force and effect following its signature by both Contractual Parties and may be amended solely by written amendments numbered in ascending order.

This Agreement is drawn up in the Czech and English languages and in the event of a discrepancy between the language versions, the English version shall prevail.



If the agreement is drawn up in multiple languages, make sure that the meanings match. It is always better for Czechs that the decisive language version is Czech.

Mgr. et Mgr. Tereza Martincová
Legal counseling
Carolina Centre
CU Point
Charles University
<https://centrumcarolina.cuni.cz/CCENG-84.html>