CONTRACT OF LEASE

(Sample document for demonstration. All parties, addresses, and amounts are fictional.)

KNOW ALL MEN BY THESE PRESENTS:

This Contract of Lease is made and executed this 1st day of September 2026, at Quezon City, Philippines, by and between:

MARIA D. SAMPAGUITA, of legal age, Filipino, with address at 12 Malaya Street, Barangay Bagong Pag-asa, Quezon City, hereinafter referred to as the **LESSOR**;

— and —

JUAN P. MAKISIG, of legal age, Filipino, with address at 45 Kalayaan Avenue, Barangay Central, Quezon City, hereinafter referred to as the **LESSEE**.

WITNESSETH, that the Lessor leases unto the Lessee that certain residential unit identified as **Unit 2-B, Sampaguita Apartments, 12 Malaya Street, Barangay Bagong Pag-asa, Quezon City** (the "Leased Premises"), under the following terms and conditions:

1. TERM. The lease shall be for a period of ONE (1) YEAR, commencing on 1 September 2026 and expiring on 31 August 2027, renewable upon the written mutual agreement of the parties at least thirty (30) days before expiration.

2. RENT. The monthly rent is EIGHTEEN THOUSAND PESOS (Php 18,000.00), payable in advance within the first five (5) days of each calendar month. Payment may be made in cash, by check, or by bank or e-wallet transfer to the account designated in writing by the Lessor. A penalty of three percent (3%) of the monthly rent shall be added for every month of delay.

3. ADVANCE AND DEPOSIT. Upon signing of this Contract, the Lessee shall pay one (1) month advance rent and a security deposit equivalent to two (2) months rent. The security deposit shall answer for unpaid utilities, unpaid rent, and damage to the Leased Premises beyond ordinary wear and tear. Within thirty (30) days after the lease expires and the Leased Premises are turned over, the Lessor shall refund the security deposit to the Lessee, less any deductions the Lessor itemizes in writing. The security deposit shall not be applied as rent for the final months of the term.

4. ESCALATION. Upon any renewal of this lease, the monthly rent may be increased by not more than seven percent (7%) of the rent for the immediately preceding year.

5. REPAIRS AND MAINTENANCE. Minor repairs and maintenance costing up to ONE THOUSAND FIVE HUNDRED PESOS (Php 1,500.00) per instance, including replacement of light bulbs, faucet washers, and door hardware, shall be for the account of the Lessee. Major and structural repairs, including the roof, load-bearing walls, embedded plumbing, and electrical mains, shall be for the account of the Lessor, provided the damage is not caused by the fault or negligence of the Lessee.

6. UTILITIES AND DUES. Electricity, water, internet, and other utilities consumed in the Leased Premises are for the account of the Lessee. Association dues, real property tax, and fire insurance on the building are for the account of the Lessor.

7. USE OF PREMISES. The Leased Premises shall be used exclusively as a private residence of the

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Lessee and immediate family. The Lessee shall not use the premises for any unlawful purpose, nor store flammable or hazardous materials therein.

8. SUBLEASE AND ASSIGNMENT. The Lessee shall not sublease the Leased Premises, in whole or in part, nor assign this lease, without the prior written consent of the Lessor. Any sublease or assignment without such consent is void and is a ground for termination of this Contract.

9. PRE-TERMINATION. Should the Lessee pre-terminate this Contract before the expiration of the term, the Lessee shall give the Lessor written notice at least sixty (60) days in advance, and the security deposit shall be forfeited in favor of the Lessor as liquidated damages, without prejudice to the collection of unpaid rent and utilities. Should the Lessor pre-terminate without cause, the Lessor shall return the security deposit in full and refund any unused advance rent within fifteen (15) days.

10. INSPECTION. The Lessor may inspect the Leased Premises during reasonable hours upon at least twenty-four (24) hours prior notice to the Lessee, except in emergencies threatening life or property.

11. ALTERATIONS. The Lessee shall not make structural alterations or improvements without the written consent of the Lessor. Permitted improvements that cannot be removed without damage shall accrue to the Lessor without reimbursement, unless otherwise agreed in writing.

12. DEFAULT. Failure of the Lessee to pay rent for two (2) consecutive months, or breach of any material provision of this Contract not cured within fifteen (15) days from written notice, shall entitle the Lessor to terminate this Contract and demand the Lessee to vacate, subject to due process under Philippine law.

13. TURNOVER. Upon expiration or termination, the Lessee shall peacefully vacate and return the Leased Premises in the same condition as received, ordinary wear and tear excepted, and shall present proof of full payment of utilities up to the date of turnover.

14. GOVERNING LAW. This Contract shall be governed by the laws of the Republic of the Philippines. Venue of any action arising from this Contract shall be the proper courts of Quezon City, to the exclusion of other venues.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date and at the place first above written.

MARIA D. SAMPAGUITA
Lessor

JUAN P. MAKISIG
Lessee

Signed in the presence of:

_____
Witness

_____
Witness

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