

## RENTAL AGREEMENT - IMPORTANT INFORMATION

### Expenses on the tenant's charge

Beside the rental cost, please be aware that you will be asked to pay for additional costs:

1. STATUS OF THE LIVING UNIT: houses are usually rented completely empty with no furniture in it. As an exception, the kitchen or other limited furniture could be provided by the landlord, and this will eventually be agreed apart.
2. REGISTRATION FEE: this tax needs to be paid every year and it is equal to the 2 % of the annual rent. This expense is divided at 50% between landlord and tenant, therefore 1% each part.  
Ex. Annual rental cost: € 50.000. Registration tax: 2% of € 50.000 = € 1000,00 - Cost for each part: € 500,00.  
The registration fee won't be applied in case that the landlord will choose the Flat Coupon Option (please refer to point 4 below).  
*Please note: if the lease agreement is signed by your company, then this cost is on their charge.*
3. ISTAT UPDATING OF THE RENTAL COST: every year, the landlord can choose to update the rent according to the increase of the cost of living indicated by the Italian government (ISTAT index). For you to

have an indication, please note that during year 2016, the index was around +0.3 %.

Ex. Annual rental cost: € 50.000. At the end of the first year of rent, the rent can be increased of ISTAT index.

0.6 % of € 50.000 = € 300. Total yearly rental cost of the second year of rent: € 50.300. On the third year, the ISTAT increase has to be calculated on the amount of the second year, so € 50.300.

The ISTAT Rent Update won't be applied in case that the landlord will choose the Flat Coupon Option (please refer to point 4 below).

*Please note: if the lease agreement is signed by your company, then this cost is on their charge.*

4. FLAT COUPON OPTION: according to art. 3 of the Italian Legislative Decree dated March 14<sup>th</sup> 2011, n. 23, the landlord can take advantage of the Flat Coupon Option. By choosing this alternative, the landlord won't provide to the yearly rent update and the registration costs will not have to be paid. The landlord can decide to choose this option at the beginning of the tenancy or during the tenancy itself. However, he is obliged to duly inform the tenant, each time that he wishes to apply or revoke the Flat Coupon Option by recorded delivery mail.

*Please note: if the lease agreement is signed by your company, then this clause does not apply.*

5. SHARE (ADMINISTRATION) EXPENSES: (expenses regarding the ordinary maintenance of the building where the flat is located): by law, every tenant of the building is required to pay a cost to the

administrator of the condominium, which is the person managing the maintenance of the whole building; the mentioned expenses are usually divided into some instalments throughout the year. They include the ordinary maintenance expenses of the building (e.g. cleaning of the common areas, ordinary maintenance of the lifts, lighting system in the common areas, etc.).

In some cases, the building may have a central heating system or central air-conditioning system, therefore the cost of some utilities (power, gas, water, etc.) would not be paid through personal bills, but they would be included in the administration expenses.

Any cost related to the extra-ordinary maintenance of the building will be on the landlord's charge. Before signing the rental agreement, please make sure to:

- a) receive a rough quotation of the yearly amount of the administration expenses on your charge;
- b) check with the landlord/administrator of the property whether the cost includes the heating consumption and/or other utility costs of your flat, as previously mentioned.

6. UTILITY COSTS: In Italy we distinguish between basic utility costs and additional ones. Basic utilities are commonly water, power, gas, garbage. Additional ones are phone, Satellite Tv, Internet, others. All the utilities are considered at the tenant's charge and the contracts will be opened in the tenant's name. Should the contract be in the landlord's name a split of the cost will have to be provided, and those

at the tenant's behalf will have to be paid separately by him/herself.

Please note that in northern Italy the weather is pretty cold during wintertime and quite hot during summertime. This could cause a high consumption of power in both seasons due to an intensive use of heating and air conditioning system. Therefore, the average cost of the bill can be considerably high, compared to the average cost in other countries. Any house and flat have different consumptions related to the conditions of the house, structure of the building, materials used for isolating the flat, size of the property, number of people living in the flat, common sense, etc.

7. POWER SUPPLY UPGRADE: Please be informed that, in Italy, the standard contract for power supply is for a power of 3.3 kw. This means that You will not be allowed to use at the same time two of the main household electric appliances (washing machine, oven and dishwasher) or several other appliances (for instance iron, toaster, hairdryers, kettle etc.). For a concurrent use of more household electric appliances, you will need to require an upgrade of the contract. The cost of the upgrade varies depending on the kw requested, possible options: from 3.3 to 4.5 or 6.6 kw, according to your family needs. The cost of the upgrade varies depending on the kw requested, please consider around € 100 per kw.
  
8. RAI - TELEVISIONE: in case you will import a TV or a RADIO equipment to Italy or if you will purchase them in Italy, you will be asked to pay

the tax on their ownership. The tax is cashed automatically through the power bill issued by your supplier. You can find further details by visiting the following website: <http://www.abbonamenti.rai.it/>

9. MAINTENANCE/REPAIR COSTS OF THE HOUSE: Please note that in Italy, the landlord is obliged by law to pay ONLY extra-ordinary maintenance costs (e.g. replacement/repair of any damage not caused by the ordinary use). Please find below some examples of expenses:

- a) Yearly maintenance of the water heating system/boiler: on the tenant's charge;
- b) Repair of a leak from a water pipe: on the landlord's charge;
- c) Cleaning and maintenance of the air-conditions system: on the tenant's charge;
- d) Breaking of the air-conditioning system: on the landlord's charge.

Even considering what stated above, please note that the use of common sense is strongly suggested in those cases, from both the landlord and the tenant's sides.

Ex: PROCEDURE TO BE FOLLOWED BEFORE PLANNING ANY REPAIR APPOINTMENTS: please note that any extra-ordinary intervention in the house has to be first agreed with the landlord, as he/she is the one paying for it.

To this purpose, you are kindly requested to:

- a) Please contact the landlord for informing him/her in order to get

his/her approval

b) Please agree with the landlord the terms of payment of the intervention

Please be aware that any intervention which has not previously agreed could remain on your charge, by law. For any doubt or information, you may need, please contact Arletti & Partners prior to proceed.

10. PAYMENT OF THE RENT: in Italy, the rent is paid in advance to any monthly rental period. Please check your rental agreement for the exact day of the month in which the rent is due, and kindly make sure to transfer the due amount on the landlord's bank account by that date. A wire transfer can take 1-2 days to be credited on a bank account, depending on the bank.

Ex. Starting date of the rental agreement: 15<sup>th</sup> of September. On that day, you will to pay in advance the monthly rent referring to the period from September the 15<sup>th</sup> until October the 15<sup>th</sup>.

*Please note: if the lease agreement is signed by your company, then the rent payment is on their charge.*

11. SAFETY DEPOSIT: according to the Italian law, the landlord requires a minimum of 3 months' rent in order to guarantee the property to be refunded of any damages caused to the apartment during your tenancy. Therefore, the payment of the safety deposit needs to be done when signing the rental agreement. EX. Yearly rent: € 36.000 – monthly rent € 3.000. When signing the contract, you will be

requested to pay € 3.000 X 3months' + 1<sup>st</sup> month of rent = € 12.000.

The deposit will be returned to the tenant at the end of the lease, after a proper check out, where the conditions of the house will be verified and damages, if present, will be detected.

The expenses that will be debited on the safety deposit, prior to be returned to you, are:

- the tax for cancellation of rental agreement (due by law), which is € 67,00.
- Any repair costs for possible damages caused by your use of the house
- Painting and cleaning works, if applicable, to return the house in the same conditions as it was delivered to the tenant at the beginning of the tenancy.

12. NOTICE TO THE LANDLORD: by law, the minimum period of notice for informing the landlord of the tenant's leaving is 6 months. Ex: if you wish to leave the house on the 1<sup>st</sup> of January 2017, you'll need to send the notice to the landlord 6 months earlier, so the 1<sup>st</sup> of July 2016. For this reason, 6 months of rent are always due to the landlord from the day you send the notice.

A shorter period has to be explicitly agreed with the landlord prior to starting the tenancy and reported clearly in the rental agreement.

13. REAL ESTATE AGENCY FEE: since the accommodation of your choice is rented through a real estate agency fee, a fee for their

service is due. The fee is normally equal to either 1 month rent + VAT 22% or a percentage on the yearly rent amount.

### **MAIN NEGOTIABLE ITEMS**

Generally speaking, properties are delivered in the same condition as they are when you visit them. Should you be interested in making any changes, these should be agreed with the landlord before signing the contract.

We listed the main negotiable items below, and we kindly ask you to think about them when looking at a property. However, you should consider that, as a general rule, landlords are not willing to invest and spend money on properties that will be rented, unless they already undertook renovation work before your visit.

So we always suggest being very reasonable with the requests.

We will be at your disposal to understand which requests could be considered excessive by the landlord.

1. **CLEANING**: including internal doors and windows - this request is always foreseen in our standard proposal to rent. Be informed that upon check-out you will have to return the property cleaned in the same way as when you received it at the check-in;
2. **REMOVAL OF PIECES OF FURNITURE/APPLIANCES**: make sure you fill in a list with items to be removed;



3. ADDING PIECES OF FURNITURE/APPLIANCES: make sure you fill in a list with items to be added and be informed that only rarely will the landlord give you the possibility to choose the items;
4. Clearing out of cellar and/or garage;
5. PAINTING: if the property is delivered newly painted upon check-in, the property will have to be newly painted at the end of the tenancy. Only in a few cases the landlord will give you the possibility to choose the colors;
6. PARQUET/MARBLE POLISHING (if applicable): if you request the floors to be newly polished upon check-in, be prepared to return the property newly polished, at your expenses, at the end of your tenancy;
7. KITCHEN: in case the kitchen is not installed in the property when you first visit it, the landlord is not obliged to install a new kitchen with appliances. Therefore, in the event he does not accept to install it, you should get it installed at your expense. At the end of the tenancy you are obliged to remove it, unless otherwise agreed with the landlord. Be informed that generally speaking it takes approx. 45 days to have a new kitchen installed;
8. MOSQUITO NETS: the landlord is not obliged to install mosquito nets, so in the case he does not accept to install them, you should get the authorization to install them, at your expense, and then remove them when you leave the property, unless otherwise agreed with the landlord;
9. ALARM SYSTEM: the landlord is not obliged to install an alarm system, so in the case he does not accept to install it, you should get

the authorization to install it, at your expense, and then remove it when you leave the property, unless otherwise agreed with the landlord;

10. A/C: the landlord is not obliged to install an A/C system, so in the case he does not accept to install them, you should get the authorization to install them, at your expense, and then remove them when you leave the property, unless otherwise agreed with the landlord. It might be that the A/C central system has to be installed in a specific place in the building according to condominium rules or it might be that installation of A/C systems cannot be authorized at all;
11. SATELLITE DISH: it might be that there is already a shared dish in the building that you have to connect to, or that it has to be installed in a specific place of the building according to condominium rules;
12. PETS: the landlord needs to approve the presence of pets in the property, and this should be authorized as well by the condominium rules;
13. GARDEN OR TERRACE MAINTENANCE: if you are looking for a property with some green areas around it, please be informed that you will be responsible for keeping it, at your expense, in the same condition it was in when delivered to you;
14. SMALL REPAIRS: the landlord is bound to deliver the property with all appliances and items in working condition. If you point out immediately any repairs to be done, we will request them to be done before the lease start date. In case you find small repairs out on the day of the keys handover, we will of course request them, in writing, to be performed within a given deadline, at the landlord's expense.



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# Immigration Services