

Institut de Droit des Affaires Internationales (IDAI)

LICENCE 3 – Anglais Juridique
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Séances 4

Lease Contract: General Law

(Unofficial English translation of selected articles)

I – Key Elements of Lease Contract:

Article 558

A lease is a contract whereby the lessor is obligated to enable the lessee to benefit from a specific thing for a specific period in return for a known fee.

Article 560

The lease contracted by someone who has the right of usufruct expires with the expiry of this right if the owner of the property did not permit it, provided that the dates set for eviction notice and the dates necessary for the transfer of the year's crop are taken into consideration.

Article 561

Rent payment may be in the form of money as well as any other offering.

Article 562

If the contracting parties do not agree on the rent value, or how it should be estimated, or if the agreed rent value cannot be proven, then the rent value shall be considered the same value paid for a similar rent.

Article 563

If the lease agreement did not include a duration of it was concluded for an indefinite term, or if it is not possible to prove the alleged term, the lease is deemed to have been concluded for the same duration of rent payment, and ends with the expiry of such duration at the request of one of the contracting parties, if the party terminating the lease agreement notified the other party to vacate as per the following dates:

- 1- For agricultural and raw lands, if the period specified for rent payment is six (6) months or more, notice must be given three (3) months before its expiry.
- 2- For residential homes, shops, offices, department stores, factories, warehouses, etc., if the period specified for rent payment is four (4) months or more, notice must be given two (2) months before its expiry, and if the period is less than that, notice must be given before its last half.
- 3- For furnished houses and rooms and in anything other than the foregoing, if the agreed rent payment period is two (2) months or more, a notice must be given one month before its end.

II - The effects of Lease Contract:

Article 564

The lessor is obliged to handover the leased property and its accessories to the lessee in a suitable condition to fulfill the purpose of rent, and in accordance with what is agreed upon or with the nature of the property.

III - Expiry of the lease contract

Article 598

The lease expires at the end of the period specified in the contract without the need for eviction notice.

Article 599

- 1- If the lease contract expires and the lessee continues to benefit from the leased property with the knowledge of the lessor and without his objection, the lease shall be deemed to have been renewed as per its original terms but for an unspecified period, and in such case the provisions of Article 563 shall apply to the lease renewed in this way.
- 2- This implicit renewal is considered a new lease, not an extension of the original lease. However, the in-kind insurance provided for the original lease are transferred to the new lease, taking into consideration the rules stated by the notary public for the real estate. As for the guarantees, whether personal or in-kind are not transfer to the new lease unless the guarantor approves it.

Article 600

If the lessor alerts the lessee of eviction, and the lessee continues to benefit from the property after the end of the lease, the lease is not considered renewed unless there is evidence to the contrary.