**Building Lease**

This Indenture made at \_\_\_\_\_\_\_\_\_\_\_ this \_\_\_\_\_\_ day of\_\_\_\_\_ 201\_\_\_ between ABC of \_\_\_\_\_\_\_\_\_\_, Indian Inhabitant, hereinafter called **“The Lesser”** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to include his heirs, executors, administrators and assigns) of the One Part, and XYZ also of \_\_\_\_\_\_\_\_\_, Indian Inhabitant, hereinafter called **“The Lessee”** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include his heirs, executors, administrators and permitted assigns) of the Other Part;

Whereas :—

(a) The Lesser is seized and possessed of or otherwise well and sufficiently entitled to the plot of land situate at Peddar Road in Mumbai and more particularly described in the Schedule hereunder written with the building and structures standing thereon.

(b) The Lesser has agreed to demise to the Lessee the said Plot of land together with the building and structures standing thereon or which may hereafter be erected thereon for the period and at the rent and upon the terms and conditions therein contained.

(c) At the request of the Lessee, the Lesser has agreed to execute these presents in favor of the Lessee.

Now this indenture witnesseth as follows :—

1. In consideration of the rent and Lessee’s covenant hereinafter reserved and contained he the Lesser doth hereby demise Unto the Lessee All That piece of land situate at Peddar Road and more particularly described in the Schedule hereunder written and also the structures and buildings now standing thereon and shown in pink wash delineated by red colored boundary line on the plan thereof hereto annexed together with structures hereafter to be erected thereon by the Lessee TO Hold Unto the Lessee the premises hereby demised (hereafter for brevity’s sake referred to as “**the demised premises**”) from the \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_ Two thousand \_\_\_ for the term of 999 years (nine hundred and ninety-nine) yielding and paying therefore during the said term yearly and proportionately for any fraction of a year the rent of   
Rs. \_\_\_\_\_\_\_ (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ only) to be without any deduction by first day of \_\_\_\_\_\_\_\_\_\_\_, the first day of \_\_\_\_\_\_\_\_\_\_\_\_ and the first day of \_\_\_\_\_\_\_\_\_\_\_\_\_ each year the first payment shall be made on \_\_\_\_\_\_\_\_\_\_\_\_\_ And also yielding and paying in the event of the said term being determined by re-entry under the provisions in that behalf hereinafter contained a proportionate part of the said rent for the fraction of the current quarter forthwith on such determination.

2. The Lessee doth hereby expressly covenants with the Lesser as follows :—

(a) That he will during the said term pay to the Lesser the yearly rent hereinbefore reserved without deduction upon the days and in the manner aforesaid and in the event of failure to pay the rent for any quarter within seven days after the same shall fall due pay interest on such quarterly installment of rent in arrears at the rate of 15 per cent per annum from the date on which the same ought to have been paid to the date of actual payment such interest being recoverable as if the same formed part of the rent and will carry compound interest at the same rate with six monthly rests and that this provision of interest shall be without prejudice to the other rights and remedies of the Lesser.

(b) That he will also pay and discharge all rates taxes, charges, duties, burdens, assessments, outgoings and impositions whatsoever now pay­able or hereafter during the said term to become payable and now or hereafter during the said term assessed charged or imposed upon the demised premises or any part thereof or upon the buildings or struc­tures for the time being standing thereon or the buildings to be hereafter erected whether payable by landlord, tenant or occupier in respect thereof respectively.

(c) That he the Lessee will at his own expense and cost construct and complete within a period of ..................... ............... years from the date of these presents upon the land hereby demised a new building or buildings with all requisite and proper sewers, drains and other conveniences thereto including boundary walls with new materials in a proper workman like manner. The Lessee will for the aforesaid purpose be at liberty to demolish the existing structures comprised in the demised premises PROVIDED HOWEVER AND IT IS HEREBY AGREED AND DECLARED that in default of the Lessee constructing and completing within a period of five years from the date hereof (time being of the essence of the contract) a building or buildings as hereinabove provided the Lessee shall pay to the Lesser a sum of Rs................................... (Rupees .............................................) only as and by way of Liquidated damages without prejudice to the Lesser right to terminate the Lease and to re-enter upon the demised premises in the manner set out in clause 3 hereof.

(d) That he will in executing the works aforesaid and at all times during the continuance of this demise observe and confirm to all such rules and regulations of the Municipal Corporation of Mumbai and other authorities as may be in force for the time being relating to buildings and will lay all drains on the said premises to the satisfaction of the said Municipal Corporation of Mumbai and lead all such drains in to any drains or sewer which may be constructed in any street adjoining the said demise accordingly as may be directed by the said Municipal Corporation of Mumbai.

(e) That he will at his own expense maintain and keep in repair the drains, sewers and gullies leading from the said building and premises in accordance with the Municipal Act and the bye-laws there under for the time being in force without requiring any notice in that behalf from the Lesser.

(f) That he will throughout the said term hereby granted at his own expenses and whether requested so to do by the Lesser or not well and sufficiently repair, support, save, cleanse and keep in good condition (including all usual and necessary internal and external painting, color and white washing) the buildings and structures standing on the demised land.

(g) That he will permit the Lesser or his Engineer or agents or others employed by him at any time when occasion shall require during the term hereby granted in the day time after twenty four hours previous notice to enter in to and upon the demised premises to view the condition thereof and of all defects, decays and want of repairs there found and to give or leave notice in writing on or at the demised premises for him the Lessee to repair. The Lessee shall within two months next after such notice repair and make good all defects, decays and want of repairs as aforesaid.

(h) That he will not do or cause or suffer to be done upon the demised premises any act which shall be or grow to be a nuisance or an­noyance, or be injurious or offensive to the owners or tenants of any neighboring premises.

(i) That he will throughout the said term keep all and every of the building or buildings which may be erected on the said land insured in the joint names of the Lesser and of himself the Lessee against loss or damage by fire in the full insurable value thereof in an insurance office of repute in Mumbai and when thereun­to required will produce the Insurance Policy and the current year’s receipt for the premium of such insurance to the Lesser and in case of default the Lesser shall without prejudice to his power of re-entry be entitled to pay premium in respect of such Insurance and the premium so paid shall be repayable by the Lessee on demand with interest   
at ....................... per cent per annum from date of payment to the date of recovery.

(j) That he will as often as the building or buildings which is/are or shall be erected upon the said land or any part thereof shall be destroyed or damaged by fire, hurricane or lightning layout the moneys which shall be received by virtue of any such insurance (in recovering of which the Lesser shall join the Lessee) in the rebuilding   
re-installing or repair­ing the premises destroyed and damaged and if such moneys shall not be sufficient for rebuilding and reinstating the same the Lessee will out of his own moneys and at his own costs rebuild or reinstate the said building or buildings to the satisfaction of the Lesser but so nevertheless that the Lessee should not be liable to expend upon such rebuilding and reinstating a larger sum inclusive of the moneys recovered under the Policy of Insurance than the sum of Rupees..................... (Rupees........................................................).

(k) That whenever during the said term the said building or buildings or any part thereof respectively shall be destroyed or damaged whether by fire, hurricane, lightning or otherwise the Lessee will reinstate the same so that after such reinstatement the value of the building shall not be less than the said sum of Rs.................. (Rupees...........................................................).

(l) That he will continue to pay the rent hereby reserved as if no such destruction or damage by fire, hurricane, lightning or otherwise had happened.

(m) That he will indemnify and keep indemnified the Lesser against all suits, claims and demands in respect of the demised premises.

(n) That he will at the expiration or sooner determination of the said term quietly surrender and deliver up to the Lesser the said demised premises together with all buildings and erections which shall have been built thereon during the said term and all drains and appurtenances thereto in such good and substantial repair and condition and so maintained, saved and cleansed as aforesaid and in all respects in such state and condition as shall be consistent with the due performance of the several covenants hereinbefore contained.

(o) The Lessee shall not assign transfer or part with the possession of the demised premises or any part thereof to any person without previously obtaining the written consent of the Lesser which consent shall not be unreasonably withheld. PROVIDED FURTHER that after the build­ing covenanted to be constructed on the demised premises as herein provided is completed but not before, the lessee shall be entitled without such consent to assign the demised premises to a duly con­stituted Co-operative Housing Society. In such case a copy of Deed of Assignment shall be furnished by the lessee to the Lesser within one month after the date of its registration but nothing contained in such assignment shall prejudice or affect the rights of the Lesser to re-enter upon the premises in case of default as provided by the terms of the Lease.

3. PROVIDED ALWAYS AND IT IS AGREED and declared that if and whenever any two consecutive quarterly installments of the rent hereby reserved or any part thereof shall be in arrears, for the space of thirty days after the same shall have become due whether the same shall have been legally or formally demanded or not or if and whenever there shall be a breach of non-performance or non-observance by the Lessee of any of the covenants, conditions or agreements herein contained it shall be lawful for the Lesser to re-enter upon the said devised premises or any part thereof in the name of the whole and immediately thereupon this demise and all rights of the Lessee hereunder shall stand absolutely determined but without prejudice to any right or remedy of the Lesser already accrued and then subsisting PROVIDED HOWEVER before making such re-entry in respect of any breach of covenant other than the covenant for payment of rent notice in writing shall have been given to the Lessee intimating the breach of covenant. If the Lessee fails to make good such breach within two months of the date of service of such notice the Lesser shall be entitled to re-enter upon the demised premises or any part thereof in the name of the whole and thereafter the Lease shall stand determined provided always not such   
re-entry shall be without prejudice to any right of action or remedy of the Lesser in respect of any antecedent breach of any of the covenants on the part of the Lessee. The term for payment of interest on the arrears of rent shall not prejudice or affect the right of re-entry herein contained.

4. He the Lesser doth hereby covenant with the Lessee that the Lessee paying the rent hereinabove reserved and performing and observing all the covenants, conditions and agreements on the part of the Lessee hereinbefore contained shall peaceably hold and enjoy the said demised premises during the said term without any interruption by the Lesser or any person claiming under him.

IN WITNESS WHEREOF the parties have hereunto set and subscribed their respective hands, the day and year first hereinabove written.

THE SCHEDULE ABOVE referred to:

*(Give description of the land with the existing building)*

SIGNED AND DELIVERED by the

With in named ABC in the presence of:

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SIGNED AND DELIVERED by the

With in named XYZ in the presence of:

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