

CONTRACT OF LEASE

1 PARTIES

1.1 Lessor

City of Espoo	0101263-6
Postal Address:	The Real Estate Department, PL 49, 02070 ESPOON KAUPUNKI
Telephone:	(09) 81 621
Decisions:	Business and Competitiveness Subcommittee 5.5.2025 § 47, legal

1.2 Leaseholder

Surname, First Names	PIN:
Address:	
(Phone:)	

2 LEASED LAND

Plot x of the x block in the x district of Espoo	
Property ID:	49-x-xxx-x
Surface-area:	x m ²
Local detailed plan:	
Building right:	x k-m ²
Address:	Espoo

3 DURATION OF TENANCY

3.1 Length of lease

The term of lease starts from the signing of the contract of lease and ends 31.12.208x.

3.2 Re-renting

At the end of the lease term, the leaseholder shall have the privilege of re-renting the area for the same purpose, provided that:

- a) the leaseholder has fulfilled all his obligations under this Contract;
- b) the area is otherwise to be leased for a similar purpose; And
- c) the leaseholder has informed the lessor in writing one year before the end of the lease term that the leaseholder agreed to exercise his or her privileged right.

The lessor shall inform the leaseholder when they so request, well in advance of the expiry of the above-mentioned period for the leaseholder, whether the area will be leased for a similar purpose.

4 USE OF THE LEASED LAND

4.1 Purpose of the leased land

The leased land is handed over for use within the meaning of Chapter 3 of the Tenancy Act (258/1966) as specified in the plan.

The leaseholder takes care of all the official permits needed to carry out their construction project.

4.2 Construction obligation

The leaseholder undertakes to build on the leased land a building (or buildings) with a floor area of at least 70% of the amount of the building right on the leased land, approved by the building control authority.

If the leaseholder transfers the lease to a third party before fulfilling the construction obligation without the written consent of the lessor, the leaseholder undertakes to pay the lessor a lump sum of 25 times the annual rent at the time of the transfer.

The leaseholder carries out soil investigation related to the implementation of the construction project and is responsible for foundation type of the building. The preliminary survey on the conditions of superficial deposits carried out by the city is not sufficient for the final building plans.

4.3 Maintenance, etc.

The leaseholder takes care of the maintenance, cleanliness and safety of their buildings and the leased land. Completed buildings may not be demolished even partially without the written consent of the lessor. The trees belong to the leaseholder. Trees growing in the area must not be damaged or felled without permission, provided that they do not pose a safety risk.

The leaseholder takes care of the renovation work on the leased land that is deemed necessary and

is responsible for the cost of the work. The leaseholder is not entitled to compensation or reimbursement of the rent maintenance obligations or renovations or other work performed. The leaseholder is also not entitled to compensation for renovations or other work that has increased the value of the object of the contract at the end of the lease.

4.4 Pollution of the soil

The lessor shall bear the costs of any pollution of the leased land prior to the lease to the level required by the use of the town plan, with the primary responsibility being the source of the potential pollution. It is not known to the lessor whether the land has been contaminated as a result of its activities or otherwise, or that there is waste or substances in the soil that could cause soil or groundwater pollution.

However, if the soil is found to be contaminated, the leaseholder must contact the City of Espoo's technical and environmental Real Estate Department before taking any action. The city will reimburse the additional costs of pollution to the level required by the local detailed plan only if all remediation measures have been agreed upon with the technical and environmental site unit prior to their implementation.

The leaseholder is responsible for removing any minor debris in the leased land prior to the rental at their own expense.

The leaseholder makes sure that the leased land is not spoiled or otherwise littered by the leaseholder. However, if the leased land or part of it is polluted or littered during the rental period, the leaseholder will take care of the cleaning of the area as provided in Chapter 14 of the Environmental Protection Act (527/2014) and/or Chapter 8 of the Waste Act (646/2011).

If the leaseholder fails to fulfil their obligations under this, the lessor has the right to carry out the cleaning on behalf of the leaseholder and recover the costs of the measures from the leaseholder.

4.5 Sublease

The leaseholder has no right to sublease or otherwise transfer the leased land or part of it to a third party without the written consent of the lessor.

4.5 Reviews

The lessor has the right to conduct inspections in the leased land to determine whether the leased

land and the buildings located on it are in a condition in accordance with the agreement and whether the provisions of this agreement are also complied with in other ways. The lessor notifies the leaseholder of the inspection in advance.

4.7 Encumbrances and the like

The encumbrances on the property and the like appear from the property register extract.

The city reserves the right to set up encumbrances on the site for utility lines free of charge.

The city has the right to place on the site, free of charge, embankments, cuts and other structures that may be required by the block and street plans. The city will compensate for the damage caused by these measures.

4.8 Assignment of tenancy

The leaseholder has the right to assign the rental right to a third party without consulting the lessor. Ownership of buildings in the leased land may not be transferred separately from the rental right.

The leaseholder to whom this lease has been assigned must apply for the registration of their lease rights as provided in the Code of Real Estate (540/1995). The new leaseholder must also immediately notify the lessor of the assignment. The notification shall be accompanied by a copy of the title deed.

5 PAYMENTS

5.1 Amount of rent

The rent is x € per year (basic rent).

5.2 Index clause

The rent is linked to the cost of living index (1951:10=100) so that the basic rent is the rent referred to in appendix 1 and the basic index number is the index number (2345) of March 2025. Starting on 1 January 2027, the rent will be adjusted by the calendar year in accordance with the average index point (comparative index) of the previous calendar year so that the basic rent is increased by applying the same ratio as between the comparative index and the basic index number. However, if the cost-of-living index rises by less than 1%, the rent will be increased by at least 1% annually (hereinafter referred to as the "minimum increase").

During the lease period, two level adjustments will be made to the basic rent so that the basic rent is corrected with the average of the housing price index in the Helsinki Metropolitan Area in the last three years before the level adjustment (the price index of old leasehold flats 2020=100). The index figure for the fourth quarter of the 2024 (2024 Q4) housing price index (93.5) will be used as the base index figure for the level adjustment. The level adjustments will be made to the rent on 1 January 2046 and 1 January 2066. The rent amount determined is the new basic rent. The adjustment linked to the cost-of-living index stated in the first paragraph of section 5.2 or the minimum increase will be implemented after the level adjustment as of 1 January 2047 / 1 January 2067. In this case, the basic index number is the average index of the 2046 / 2066 cost-of-living index.

5.3 Payment of the rent

The leaseholder pays the rent on a calendar quarterly basis to an account designated by the lessor. The due date is the 30th day of the first month of each calendar quarter. A rent of € 2,000 has been paid x.x.2025 for the rent on the plot, which will first be taken into account in the due rent or rents.

5.4 Unpaid rents

The leaseholder to whom this lease has been transferred shall also be liable to pay, together with a penalty interest, the rents which the previous leaseholder has failed to pay, but not from a period of more than three years.

The lessor sends the rental invoices to the leaseholder's address indicated in the contract of lease. The leaseholder must always immediately notify the lessor of any change in the billing address included in the contract of lease.

6 REDEMPTION

6.1 Lessor's redemption obligation

At the end of the initial lease period referred to in clause 3.1 of this agreement, the lessor is obliged to redeem the building referred to in clause 4.2 above and other buildings built in the area with the written consent of the lessor.

The redemption obligation also applies to equipment and facilities for permanent use owned by the leaseholder located in the area that can be considered to serve the future use of the building.

However, the redemption obligation does not apply to:

- 1. buildings located in the area other than those mentioned above;*
- 2. unfinished buildings, equipment and facilities;*
- 3. obvious luxury appliances; nor*
- 4. trees and bushes.*

6.2 Lessor's right of redemption

The lessor also has the right to redeem the leaseholder's property in the leased land that is outside the redemption obligation referred to in clause 6.1, which can be considered to serve the future use of the property.

6.3 Redemption price and its execution

The lessor pays a price for the redeemed property that is 60% of the technical value of the property at the end of the lease.

If the land lease right with its buildings has been mortgaged and a lien has been established, the lessor shall, if the matter is undisputed, pay the lien to the holder of the lien, if they so request in good time before the end of the lease term, the redemption price expires with a corresponding priority of the lien, up to the amount indicated in the pledge, after which the surplus goes to the leaseholder.

6.4 Effect of subleasing on lessor's redemption obligation

If the parties agree to extend the lease term referred to in section 3.1 or the lease area is immediately subleased to the former leaseholder at the end of the lease period, the lessor's redemption obligation referred to in section 6.1 shall pass until the end of the new lease period.

If, less than one year before the end of the original lease, the lessor has notified the lessee that they are willing to extend the lease for at least 25 years on the previous terms or to enter into a new lease on substantially the same terms or at the time of the lease, but the leaseholder has not accepted the offer within the time limit set by the lessor, the lessor is not obliged to make the claim.

6.5 Unclaimed property

At the end of the lease, the leaseholder is obliged to take away any buildings, equipment and facilities they own and other property that the lessor does not claim. The leaseholder is obliged to clean up the area.

If the leaseholder 's property referred to here has not been removed from the area within six months of the end of the lease, the lessor has the right to sell it on behalf of the leaseholder at a public auction and clean the area with the proceeds from the sale.

If the leaseholder 's property in the leased area is estimated to cover only the costs of organizing a public auction, the lessor has the right to proceed with the property in the way they deem best.

6.6 Leaseholder 's right to purchase

The leaseholder has the right to purchase the leased land during their rental period. The lessor decides on the sale price separately.

7 OTHER TERMS AND CONDITIONS

7.1 Case of damage

If a building owned by the leaseholder in the leased land is destroyed in a case of damage, either in whole or in part, the leaseholder must build a similar building to replace the destroyed one. Construction work must begin within one year and be completed within three years of the occurrence of the damage. The lessor may, upon application, extend the time limits referred to herein.

7.2 Street maintenance and cleaning

The leaseholder's obligation to maintain and clean the street and public area adjacent to the leased land is determined by the law on the maintenance and cleanliness of the street and certain public areas (669/1978) and by the relevant municipal regulation.

7.3 Late payment interest

Interest on late payments is in accordance with section 4 (1) of the Interest Act (633/1982).

7.4 Cancellation and termination of the contract

The contracting party has the right to cancel out or terminate the contract on the grounds mentioned

in the Tenancy Act (258/1966).

7.5 Registration of rental right

The leaseholder applies for the registration of their rental right according to the Code of Real Estate.

7.6 Mortgage

The leaseholder applies, with the best priority, for a triple annual mortgage on the rental right and the leaseholder owned buildings in the leased land and undertakes to order that the pledge be handed over to the lessor.

7.7 Lien commitment

The leaseholder hands over the pledge of the above-mentioned mortgage deed to the lessor as security for the fulfilment of the obligations of the lease agreement.

7.8 Familiarising oneself with the leased land

The leaseholder has inspected the area and boundaries of the plot as well as the terrain conditions. The leaseholder has compared these with the information obtained from the documents presented on the plot. The leaseholder has no comment on these matters.

7.9 The leaseholder has read the documents concerning the property, which are:

- 5. The legal confirmation of title to real property*
- 6. Encumbrance*
- 7. Real estate register extract*
- 8. Plan maps and regulations*
- 9. Preliminary feasibility study*
- 10. Site search instructions and brochure material 2024*

The leaseholder has also read the layout maps and regulations for neighboring properties.

7.10 Settlement of disagreements

Any disputes arising from this agreement will be resolved in the District Court of the location of the property.

In the event of inconsistency or discrepancy between the Finnish version and English version of the contract of lease, the Finnish language version shall prevail.

ANNEXES Map

DATE Espoo x. x month 2026

SIGNATURES

CITY OF ESPOO

land manager/ land use negotiator

leaseholders

Decision making and signing

By its decision of 22 May 2017, the City Council has transferred § 66 decision-making power to the Business and Competitiveness Subcommittee of the City Government (Administrative Regulations, Part II, Chapter 2, Section 5). In the decision, the City Government's Business and Competitiveness Subcommittee has authorized the land manager or land use negotiator to draw up and sign a land lease agreement.