

Contract Template

RENT-TO-RENT INVESTMENT AGREEMENT

This Rent-to-Rent Investment Agreement (the "Agreement") is made and entered into on this [DATE] by and between:

1. **Investor:** [INVESTOR'S NAME], with address at [INVESTOR'S ADDRESS].
2. **Operator:** [OPERATOR'S NAME], with address at [OPERATOR'S ADDRESS].

Property:

Ocean Heights, Dubai Marina, 1-bedroom furnished apartment (the "Property").

1. Agreement Overview

The Investor agrees to invest in a rent-to-rent property located in Ocean Heights, Dubai Marina (the "Property"), under the terms and conditions outlined in this Agreement.

2. Investment Summary

- **Monthly Cashflow:**
 - Occupancy: Average of 70-80% for high-spec properties.
 - Average nightly rate: £205 (conservatively).
- **Profits:**
 - **Self-managed profit:** 70% occupancy results in £1,483 monthly profit at £205 per night.
 - **With management profit:** 70% occupancy results in £880 monthly profit at £205 per night.

3. Expenses

- **Monthly Rent:** £2,230 (bills included).
- **Monthly Expenses:** £340 (including maintenance, cleaning, and other operating costs).

4. Cash Inflows (Initial Costs)

- **Quarterly Rent:** £6,690 (due quarterly in advance).
- **Agent Fee:** £1,350 (one-time fee for securing the tenancy).
- **Security Deposit:** £1,350 (refundable, assuming no damage to the property).
- **Management Fee Setup:** £1,000 (for onboarding with the management service).
- **Finder's Fee:** £3,600 (inclusive of VAT).

Total Initial Investment: £13,990

5. Profit Distribution

- **Self-managed:** The Investor will receive profits of £1,483 per month at a conservative 70% occupancy, assuming no management services are engaged.
- **With Management:** The Investor will receive profits of £880 per month after management fees are deducted, based on 70% occupancy.

6. Payment Terms

- **Quarterly Rent:** £6,690 to be paid at the start of each quarter.
- **Agent Fee:** £1,350 payable upon signing the Agreement.
- **Security Deposit:** £1,350 to be paid upfront.
- **Management Fee Setup:** £1,000 payable upon setup of the management services.
- **Finder's Fee:** £3,600 inclusive of VAT to be paid upon signing of the Agreement.

7. Term of the Agreement

This Agreement will remain in effect for a period of **12 months (1 year)**, commencing on [START DATE] and ending on [END DATE]. The Investor has the option to renew the contract for an additional term, subject to renegotiation of terms and fees.

8. Responsibilities

- **Operator Responsibilities:**

- Manage the day-to-day operations of the Property, including guest relations, maintenance, and cleaning services (if management services are engaged).
- Ensure that the Property remains in good condition throughout the tenancy.

- **Investor Responsibilities:**

- Provide timely payment of all fees and expenses as outlined in this Agreement.
- Review monthly and quarterly reports regarding occupancy and profits.

9. Termination

Either party may terminate this Agreement with a 60-day written notice prior to the end of the term. Upon termination, all outstanding expenses must be settled, and the Security Deposit will be returned to the Investor, less any deductions for damages.

10. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of [GOVERNING JURISDICTION].

11. Signatures

By signing below, both parties acknowledge that they have read and agree to the terms and conditions of this Agreement.

Investor Name: _____

Signature: _____

Date: _____

Vendor Name: _____

Signature: _____

Date: _____
