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POSTPONED ARTICLES OF TURKISH CODE OF OBLIGATIONS RELATED TO WORKPLACE LEASE AGREEMENTS HAS COME INTO EFFECT

Some articles, which had been postponed for eight years in accordance with the Temporary Article 2 of the Turkish Code of Obligations, regarding the workplace lease agreements where the lessee is a merchant and private and public law entities have been come into effect as of 1 July 2020.

Having been imperative and related to public order, the articles will be directly applicable to the ongoing lease contracts in addition to bringing substantial changes to existing lease contracts.

The important provisions for the workplace leases are as follows:

1. Article 323 Lease Agreement Transfer

As per the Article, written consent of the lessor for a contract to be transferred to the third parties is required and lessors cannot abstain from giving the written consent without a justified reason.

2. Article 325 Termination of The Lease before the Terms of Contract

In case that leased property is returned to the lessor before the expiry date of the contract, the lessee must fulfil the contract obligations for a reasonable period of time until the property will be leased under similar conditions.



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3. Article 331 Extraordinary Termination with Substantial Reasons

Termination with a substantial reason is now applicable to the contracts of indefinite duration in addition to fixed term contracts.

4. Article 340 Linked Transaction Prohibition

As per Article 340, the lessor cannot ask the lessee to undertake any obligation not related to the use of the leased property and against the benefit of the lessee. Such contracts will be deemed invalid. For example, the lessor cannot request car park fee from the lessees who do not have any vehicle in the park area.

5. Article 342 Security Deposits

In case an obligation regarding security deposit takes place in the lease contract, the amount of deposit to be paid cannot exceed three months lease amount and if the security deposit amount is to be paid as money or valuable documents, it will be mandatory to be deposited in the bank.

Additionally, even if it is stated in the contract that no interest will be requested for security deposits, interest can be requested from the lessor under this Article.

6. Article 343 Prohibition of Change Against the Lessee

There cannot be made any regulations, except lease amount, against the lessee after the contract is signed.

7. Article 346 Prohibition of Regulation Against the Lessee

There cannot be imposed any payment obligation other than lease amount and side costs. Accordingly, if the lessee is failed to pay the lease fee on time, penalty or subsequent lease payments provisions stated in the lease contract will be invalid.

Kind regards.