

The Essence, Content And Validity Of A Rental Agreement

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Abstract: This article examines the legal nature, content, and historical origins of the rental agreement under Uzbek civil law. Drawing on Chapter 32 of the Civil Code of Uzbekistan, the author traces the emergence of rent as a contractual institution from medieval European law, where it arose partly due to a shortage of currency and church-imposed prohibitions on usurious lending. The article analyzes the essential characteristics of the rental agreement — its real and unilateral nature, its aleatory (risk-based) character — and distinguishes it from related contracts such as sale, exchange, and donation. Particular attention is paid to mandatory requirements governing form (notarization and state registration), the encumbrance of immovable property transferred for rent, and mechanisms for securing the rent payer's obligations, including pledge, guarantee, bank guarantee, insurance, and penalty. The article also discusses the interplay of dispositive and imperative principles in the legal regulation of rental relations, and examines statutory protections afforded to rent recipients, including the accrual of interest for delayed payments. The author concludes that, while rental shares structural similarities with alienation contracts, it constitutes an independent legal institution distinguished by its long-term, stable, and aleatory character, and by the social-protective function it fulfills in the civil turnover of property.

Keywords: Rental agreement; civil law of Uzbekistan; aleatory contract; property alienation; real contract; lifelong maintenance; immovable property; obligatory encumbrance; notarization; state registration; pledge; rent recipient protection; Civil Code Chapter 32; dispositiveness; delayed payment interest.

Introduction: Detailed rules governing relations related to the transfer of property to its former owner or another person in exchange for payment of money or other form of provision (rent) have appeared in the civil legislation of our country for the first time. As you know, the Civil Code of 1964 only allowed the purchase of housing with the condition of lifelong preservation of the seller, which was also quite limited, in particular, only an incapacitated person could participate in the role of a dependent. Currently, due to the changing socio-economic situation in the country, the need for these and some other restrictions has disappeared. With the massive emergence of rental relations in real life, the need for their legal regulation has increased significantly. The Civil Code the norms in Chapter 32 are aimed at filling the legal gap that has arisen and introducing appropriate procedures in the area under consideration.

Renta (German - Rente, French - rente, Latin reddit - returned, given) as an economic category means a regular income that is permanently received from capital, property or land and does not require any entrepreneurial activity from the recipient.

Various legal relations concerning the payment and receipt of rent may arise not only on the basis of contractual obligations, but also from legal facts unrelated to a contract. In certain cases, rent (or the right to receive it) may also emerge in the form of settlements or financial arrangements, for example, on the basis of a lease agreement.

Thus, Article 201 of the Civil Code of the Netherlands states that a tenant may be obligated to pay the owner of the property at certain intervals (regular or non – permanent) - i.e. a rent payment (which may also be assessed as rent). Rent can be defined as a debt obligation, and it also arises in the case of mortgaging

real estate as an abstract debt.

For example, the German Civil Law collection (BGB) Article 1199 establishes that rental debt can be imposed to periodically make fixed amounts of cash payments from a plot of land.

In the legislation of most countries, the main legal fact that gives rise to the right to receive rent is a rent agreement.

The rent contract is a legal institution that has been known historically since the Middle Ages. Legal literature points to two main reasons for the emergence of the rent contract in European law.

The famous French lawyer Louis Joseph-Morandier (L.J.Morandière) cites the lack of cash instruments as the first reason for the emergence of this contract. He wrote: "The owner of an immovable property who wanted to sell it found it easier to find a buyer who would pay a fixed rent in return. Because at that time there was a shortage of cash."

As a second reason, Morandier pointed out the following situation: both church and secular law prohibited the granting of interest-bearing loans, such practices being considered usury. This was a very strict prohibition, and people were looking for various ways to circumvent it. One of them was to enter into a rent-to-own agreement. "When the borrower received the capital sum, he would not be obliged to pay interest on that sum and then repay it, but to pay the creditor a certain amount of rent each year" .

Under the Renta agreement, one party (renter) makes real or movable property and to another party (renta payer), while the renta payer undertakes to pay the renta in the manner of giving the renta recipient an occasional fixed sum of money or other form of funds to secure it (Article 512 of the Civil Code) instead of the received property. As can be seen from the definition of the contract, it has a real character, since, in addition to entering the contract into the appropriate form, it requires the transfer of the property to the rent payer for its conclusion. After the transfer of property, the renter does not assume any obligations under the contract, but only rights. Consequently, the renta agreement is one-sided. A contract for a fee is a contract in which property is transferred in exchange for a certain amount of money or other form of consideration.

A lease agreement is among the contracts aimed at alienating property and, accordingly, has a number of similar features with them. As a result of the fulfillment of the purchase and sale, exchange and donation agreements, under the rent agreement, the property passes to the property of the renta payer, who, as a

general rule, acquires all the powers of the owner and at the same time assumes the risk of accidental death of the property and the burden of all obligations under the The general aspects of the Renta agreement with the above-mentioned contracts allowed the legislator to distribute pre-sale provisions (Chapter 29 of the Civil Code) to the relations of the parties to the Renta agreement related to the transfer of property and its payment, and in cases where the property was given without remuneration-the provisions of the donation agreement (Chapter 31 of the Civil Code) however, the relevant rules apply to rental relationships only to the extent that they are not modified by the provisions of Chapter 32 of the Civil Code and do not contradict the essence of the rental contract (second part of Article 514 of the Civil Code).

The similarity of the rental agreement to contracts for the sale and purchase of property and the transfer of property to another person on the basis of ownership does not justify the acceptance of the rental agreement as a type of them. The rental contract has its own characteristics that confirm its independence among other civil law contracts aimed at alienating property. A rental agreement creates a special legal relationship between the parties involved, which is not typical of other contractual obligations. The essence of such a relationship is the obligation of one person to provide lifelong or permanent support to another person, often being the only source of income for the recipient of this support. The relationship arising from the Renta agreement is long-term, stable, while in the case of lifelong maintenance, it is of a reliable nature. The mechanism of legal regulation of Renta relations is aimed at maintaining precisely these characteristics. At the same time, rent, unlike any other contract, has an aleatory (risk, lot. alea-game bone, randomness) character specific. Unlike, for example, buy-and-sell or exchange contracts, a renta contract that typically carries out an equivalent exchange of goods is associated with the risk that the amount of renta payments will remain greater than or vice versa smaller than the value of the property transferred for the renta payment. Consequently, at the time of concluding a lease agreement, the parties understand and agree to this situation. Therefore, the total amount of rent that could be paid to the tenant would be inconsistent with the essence of the contract that the inclusion of the given condition would be limited to the value of the property.

The legal regulation of rental relations in the Civil Code is mainly based on the principle of dispositiveness. Most of the provisions of Chapter 32 of the FK are expressed in a way that ensures that the relationship between the parties to a contract is adequately

regulated, even when the parties have not taken into account certain issues in the contract. For example, the parties may agree on a different method of indexation of the amount of annuity payments or extend the grounds upon which annulment may require the purchase of an annuity but may not provide for the possibility of succession of the rights of a lifetime annuity (except when an indefinite annulment is initially established in favor of several persons) or to allow the annuity payment for a certain period, such as ten years. , cannot be limited by the useful life of the property and similar periods, rules and include in the contract any other conditions that do not contradict the substance of the rent agreement. For example, the parties may agree on a different method of indexation of the amount of annuity payments or extend the grounds upon which annulment may require the purchase of an annuity but may not provide for the possibility of succession of the rights of a lifetime annuity (except when an indefinite annulment is initially established in favor of several persons) or to allow the annuity payment for a certain period, such as ten years, cannot be limited by the useful life of the property and similar periods.

At the same time, a number of specific rental relationships are regulated in an imperative manner. This mainly concerns the guarantees of their legality and stability, as well as the protection of the rights of renters. As noted above, giving these characteristics to rental relationships is one of the main goals of legal regulation.

First of all, the law makes very strict requirements for the form of the renta contract. This contract is one of the rare civil law contracts subject to notarization, if immovable for rent payment when it comes to alienation of property, it must also be registered with the state (Article 513 of the Civil Code). This requirement is fully justified, since renta contracts are often concluded by individuals in need of special legal protection, where cases of infringement and circumvention of the law are common, contracting persons often have a weak idea of their rights and the consequences of contracting, etc. In such circumstances, the assistance of a notary, in particular, in determining the true will of the parties to the contract and verifying the legality of its content, is an invaluable service for both parties and can prevent subsequent legal disputes.

In addition, the law imperatively stipulates the encumbrance of a land plot, enterprise, building, structure or other real estate provided for the payment of rent (part one of Article 515 of the Civil Code). In other words, the rights of the rent receiver are attached to the real estate they have mortgaged.

Therefore, in the event of alienation of such property by the rent payer, his obligations under the rent agreement pass to the recipient of the property, even if the subsequent person did not know about the encumbrance of the property. A buyer who is not informed by the seller that the property is encumbered by a rent may exercise the rights provided for in Article 393 of the Civil Code, but may not refuse to pay the rent on the grounds that they did not know about its existence.

Taking into account the fact that in real life the transfer of rent-laden real estate to a new owner can put the renter in a difficult position, the law determines that a person alienating property will have a subsidized liability with a new owner if the law or contract does not provide for solid liability under this obligation.

The interpretation of Article 515 of the Civil Code allows to conclude that the charging of movable property with rent is not provided for by law. It means that when such property is alienated, the rent receiver does not have the right to demand rent from the new owner, and the original recipient of the property remains bound to the obligation.

The issue of Renta payment was sufficiently strictly regulated by law. In cases where a plot of land or other real estate is issued for rent payment, it automatically becomes the subject of collateral. Therefore, in the event that the rent payer violates his obligations, the rent receiver has the opportunity to satisfy his claims in preference to other persons at the expense of this property. The law does not exclude the possibility of the parties using other methods of ensuring the fulfillment of obligations, permitted by law, along with a pledge.

If movable property is provided for rent, the parties must necessarily agree on the method of ensuring the fulfillment of the tenant's obligations. This can be a mortgage on the property or a third-party guarantee, bank guarantee, or penalty.

However, this issue can also be resolved by concluding a contract for insurance against the risk of liability for failure or improper performance of obligations to pay rent by the rent payer in favor of the rent receiver. If one of these important conditions is not included in the rental agreement, it is considered unstructured (Article 364 of the Civil Code). If the contract contains such a condition, but the provision is lost in cases where the renter is not fulfilled by the payer or the renter is not responsible, or its conditions have deteriorated, the renter has the right to terminate the contract and demand compensation for damages related to it (part three of Article 516 of the Civil Code).

Finally, as a special guarantee of the rights of the rent

recipient, the law provides for the payment of interest in his favor in connection with the delay in payments by the rent payer (Article 517 of the Civil Code). The amount of such interest is determined by the parties themselves; if it is not specified in the contract, it shall be calculated according to the bank interest rate applicable at the place of residence (or location) of the rent recipient on the day the obligation or the relevant part thereof is performed (in practice, the unified refinancing rate established by the Central Bank is applied). Considering that the payment of such interest is not regarded as a measure of civil liability in the commonly accepted sense, the obligation to pay it arises in all cases of delay in rent payments, including situations where the delay did not occur due to the fault of the rent payer.

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