

LEASE AGREEMENT

**MEMORANDUM OF AGREEMENT ENTERED INTO BY AND BETWEEN:**

1.1 Full name: \_\_\_\_\_

Identity Number: \_\_\_\_\_

**("the LESSOR")**

*-and-*

1.2 Full name: \_\_\_\_\_

Identity Number: \_\_\_\_\_

**("the LESSEE")**

**2. INTERPRETATION**

In this agreement and its annexes:

2.1 Clause headings shall not be used in its interpretation;

2.2 Unless the context clearly indicates a contrary intention;

2.2.1. An expression which denotes:

2.2.1.1 Any gender includes the other genders;

2.2.1.2 A natural person includes an artificial person and visa versa;

2.2.1.3 The singular includes the plural and visa versa;

2.2.2 The following expressions shall bear the following meanings and related expressions bear corresponding meanings:

2.2.2.1 **Effective date** \_\_\_\_\_

- 2.2.2.2 **Lessee** the person as set out in 1.2
- 2.2.2.3 **Lessor** the person as set out in 1.1,
- 2.2.2.4 **Leased Premises** Address: \_\_\_\_\_  
\_\_\_\_\_
- 2.2.2.5 **Period of Lease** \_\_\_\_\_

- 2.3 If any provision in a definition is a substantive provision conferring any right or imposing any obligation on any party, then notwithstanding that it is only in the interpretation clause, effect shall be given to it as if it were a substantive provision of this agreement;
- 2.4 Unless any schedule or annex provides otherwise, any schedule or annex to this agreement shall be deemed to be incorporated in and form part of this agreement.

### 3. LEASED PREMISES

- 3.1 The **LESSOR** hereby lets to the **LESSEE** who hereby hires the **LEASED PREMISES** situated at \_\_\_\_\_.

### 4. PERIOD

- 4.1 This lease shall run for a period of \_\_\_\_\_ thereafter, either party can cancel the agreement with two months written notice. The Lessor is entitled to request that a new lease be signed after the expiry of the current term.

### 5. RENT

- 5.1 The rent payable for the Rentable area is R \_\_\_\_\_ **per month**.
- 5.2 The **LESSOR** is not registered for **VAT**.
- 5.3 The rent will escalate on the \_\_\_\_\_ by \_\_\_\_\_ % (**\_\_\_\_\_ PERCENTUM**).

5.4 The rent is payable monthly in advance on or before the FIRST day of every month, exempt from exchange rates, without any deductions, which monies be payable to the **LESSOR** into the following bank account:

Account Details

Bank name: \_\_\_\_\_

Branch name: \_\_\_\_\_

Branch code: \_\_\_\_\_

Account holder: \_\_\_\_\_

Account number: \_\_\_\_\_

Account type: \_\_\_\_\_

5.5 In addition to the rental amount the Lessor will be responsible for purchasing his/her own electricity.

5.6 Water is included in the rental amount and will not be charged in addition to the LESSEE.

## 6. USE OF PREMISES

6.1 The Premises will be used as and the **LESSEE'S** core use will be :

\_\_\_\_\_  
\_\_\_\_\_

6.2 The parties confirm that the **LEASED PREMISES** will not be used for any other activity other than the activities as set out in clause 6.1 without prior written consent from the **LESSOR**. The **LESSOR'S** decision is final in granting consent or not.

6.3 The Lessee will also comply with the house rules and code of conduct set out in annexure "B" and by signing this agreement will be held to those rules and code of conduct. Should the lessee not adhere to any of the rules or code of conduct two warnings can be issued followed by a cancellation of this agreement.

6.4 Any movable assets given with the premises will be listed n annexure "C" and will be for the Lessee to maintain and replace should it not be returned in working order.

## 7. BREACH OF CONTRACT:

7.1 Should the **LESSEE** fail to make payment of the rental in terms of this lease on or before the third of each and every month the **LESSOR** shall be entitled, without prejudice to any alternative or additional right of action or remedy available to the **LESSOR** under the circumstances, to:

- 7.1.1 Cancel this Lease Agreement, to expel or have removed, the **LESSEE** and / or any other person or persons who occupy the Premises on his behalf, or what may be on the Premises, and to take into possession the Premises, without jeopardising the right of the **LESSOR** to claim payment of overdue rent, or alternatively
- 7.1.2 Demand the full balance of the rent payable in accordance to this Lease Agreement, or which may still become payable, in accordance with the right of the **LESSOR** to claim payment of any other amounts in default or reimbursement issuing from damage to the Premises, or payment of damages issuing from the **LESSEE'S** breach of contract.
- 7.2 If the **LESSEE** should continue occupying the Premises after cancellation or lapse of the Lease Agreement as mentioned above, the **LESSEE** will be obliged to pay further rental for the duration of his occupation, it being liquidated damages payable to the **LESSOR**.
- 7.3 Should the **LESSEE** be in breach of any other condition of this Lease Agreement other than the late payment of rent and fail to remedy such default or breach within seven days after receiving a written demand that it be remedied; then the **LESSOR** is entitled to his remedies as set out in 7.1.1, 7.1.2 and 7.2.
- 7.4 In the event of the **LESSOR** be in breach of this Lease Agreement, the **LESSEE** shall have the right to cancel this lease if it is construed a material breach going to the root of this contract.
- 7.5 In the event of the **LESSEE** be in breach of this Lease Agreement, the **LESSOR** shall have the right to cancel this lease if it is construed a material breach the following will be seen as a material breach of contract;

## 8 INSPECTION

- 8.1 The **LESSOR'S** caretaker, workmen or agents shall be at liberty at all reasonable times, and after making proper arrangements with the **LESSEE**, to enter into or upon the **LEASED PREMISES** for the purpose of inspecting and repairing any defect or damage which either party is in terms hereof liable to make good without hindrance or interference on the part of the **LESSEE**.
- 8.2 Furthermore, the **LESSOR** shall be entitled at all reasonable times to enter into or upon the **LEASED PREMISES** for the purposes of effecting any repairs or maintenance reasonably necessary to repair or maintain any part of the **BUILDING** not occupied by the **LESSEE** or directly above the **LESSEE'S** rented space provided that the **LESSEE'S** consent thereto must be first obtained, which consent shall not be unreasonably withheld. The **LESSEE** shall not be entitled to claim any remission of rent in respect of the a foregoing unless deprived of beneficial occupation of any part of the **LEASED PREMISES**.

- 8.3 Any damage caused to the **LEASED PREMISES** and the paintwork therein by the **LESSOR** and/or its servants or agents whilst in the **LEASED PREMISES** under the authority contained in this Clause, shall be the responsibility of the **LESSOR** who shall forthwith effect all necessary repairs. In carrying out its rights under this clause, the **LESSOR** shall at all times be obliged to act expeditiously and in such manner as to cause the **LESSEE** the least inconvenience possible.
- 8.4 The Local Authority shall be entitled at all reasonable times during the currency of this Lease or any extension or renewal thereof, to enter upon the **LEASED PREMISES**, through its servants or representatives for the purposes of inspecting, or for the purpose of executing and carrying out any repairs to or replacement of the switchgear and equipment in the sub-station, or for any other purpose, and the **LESSEE** shall be bound to afford the Local Authority all necessary facilities to carry out such inspection and repairs or other works.
- 8.5 In times of emergency the **LESSOR** will be entitled to enter the **LEASED PREMISES** of the **LESSEE** without consent if it is reasonably believed that serious damage could occur due to stated emergency, the **LESSOR** will inform the **LESSEE** as soon as possible regarding the emergency.

## 9 MAINTENANCE BY LESSEE

- 9.1 The **LESSEE** shall keep and maintain at its cost the **LEASED PREMISES** in good order and repair, including but not limited to the repair or the replacement, when necessary, of the lamps and windows and shall at the termination of the lease, re-deliver the **LEASED PREMISES** to the **LESSOR** in the same good order and repair as existed at the time of the commencement of this lease, fair wear and tear excepted.
- 9.2 The **LESSEE** shall keep the extent of his flat clean and in good order at his own expense.
- 9.3 The **LESSEE** shall not leave or permit to be left any packages, furniture, cycles, hand-carts, bags, boxes, papers, rubbish or any other goods or articles on or in service areas, landings, staircases or passages or in part of the **BUILDING** or the land upon which it is situate other than the specified areas allocated to the **LESSEE** for the express purpose concerned, in which areas no unreasonable accumulation of any articles or matter shall be made or permitted by the **LESSEE**.
- 9.4 If the **LESSEE** fails within reasonable period to carry out his obligations in terms of this paragraph after having been put to terms to do so by the **LESSOR**, then the **LESSOR** will be entitled to carry out such obligations and claim the costs thereof from the **LESSEE**, which amount shall be repaid by the **LESSEE** to the **LESSOR** within 14 (FOURTEEN) days

of the **LESSOR** having submitted to the **LESSEE** proof of expenditure, failing which the **LESSOR** shall be entitled to recover the amount in questions form the **LESSEE** by way of action.

## **10 MAINTENANCE BY LESSOR**

10.1 The **LESSOR** shall keep and maintain in good order, condition and repair during the term of this lease or any renewal or extensions thereof;

10.1.1 The roof exterior of the **LEASED PREMISES**, excluding plate glass and

10.1.2 The exterior of the **BUILDING** including the walls, parking areas and any public facilities and any other areas relating to the **BUILDING** ensuring at all times that a high standard of maintenance and cleanliness is applied.

10.2 The **LESSEE** shall forthwith upon discovery thereof, report to the **LESSOR**, in writing, any damage-requiring repair by the **LESSOR** whereupon the **LESSOR** shall have the same remedied as expeditiously as possible. In effecting repairs for which the **LESSOR** is liable under this clause, the **LESSOR** shall take reasonable care to cause the **LESSEE** as little inconvenience as possible.

## **11. LESSOR'S LIABILITY**

11.1 Notwithstanding the processions of any other clause of this Agreement of Lease, the **LESSOR** shall not be responsible for any damage caused to the **LESSEE'S** movable possessions, books, papers or other articles kept in the **LEASED PREMISES** whether by rain, wind, hail, lighting or fire, or by any reason of riots, strikes, the State's enemies or through any other cause whatsoever, save and except where the same have been sourced as a result of the **LESSOR** its agents or employees, who after reasonable notice having been given to it by the **LESSEE**, fails and/or neglects to carry out any of its obligations under this Lease with all reasonable despatch.

11.3 The **LESSOR** shall not be responsible to the **LESSEE** for any injury, accident, death or damage which may at any time during the period of this lease be done to, or suffered by, the **LESSEE** or its employees, invitees, customers or other persons in the **LEASED PREMISES**, or to the **LEASED PREMISES** or any of the goods or property or the **LESSEE** and the **LESSEE** hereby indemnifies the **LESSOR** against any third party claims.

## **12. LESSOR'S INSURANCE**

12.1 The **LESSOR** agrees to insure the **BUILDING** against all the risks for which insurance is available to owners of a **BUILDING** of this nature. The **LESSEE** must insure all the movables contained in its leased premise as the **LESSOR** will not be expected to insure those movables.

## **13. DAMAGE AND DESTRUCTION**

13.1 In the event of damage to or destruction of the **LEASED PREMISES** by fire, earthquake or any cause whatsoever, to an extent which prevents the **LESSEE** from having beneficial occupation of the whole or any part thereof, then and in such an event the **LESSOR** shall not be liable in any way to the **LESSEE** to repair the **BUILDINGS** or to compensate for the fact that the **LESSEE** cannot use the Premises any longer, whether in its entirety or only partially. The **LESSEE** will in this case not be liable to pay rent.

13.2 If part of the Premises should be usable and the **LESSEE** so chooses the parties can come to an agreement about reduced rental.

## **14. PROHIBITION OF SUBLETTING**

The **LESSEE** shall not be entitled to cede his rights under this Lease Agreement, or to pawn or assign his lease to another party without the prior written consent of the **LESSOR** and which will not be unreasonably withheld. The **LESSEE** shall not be entitled without prior consent of the **LESSOR**, to sublet the Premises or any part thereof.

## **15. ALTERATIONS AND / OR ADDITIONS**

The **LESSEE** shall not be entitled to make any alterations and/or additions to the Premises and shall also not be entitled to alter or supplement the electrical installations without the prior written consent of the **LESSOR**.

## **16. ELECTRICAL LIGHTS**

All electrical lights and/or fluorescent tubes in the Premises will be replaced by the **LESSEE** if any should break or become unusable, and at the termination of this agreement the **LESSEE** shall ensure that all electrical lights and/or fluorescent tubes in the Premises are in good working order before they vacate.

## **17. DOMICILIUM**

17.1 The **LESSEE** chooses herewith \_\_\_\_\_ as his **domicilium citandi et executandi** for all purposes concerning this Lease Agreement the Leased Premises, where all notices and/or legal process and documents may be delivered.

17.2 The **LESSOR** chooses as its **domicilium citandi et executandi**, \_\_\_\_\_.

**18. NO AMMENDMENTS OR WAIVER OF RIGHTS**

No agreement, which shall amend the terms and conditions of this Agreement, shall be binding on the parties, except if such an agreement is in written form and signed by both parties. No waiver of rights whether it be tacit or implied or verbally agreed will be binding on the parties.

**19. MULTIPLE CONTRACTUAL PARTIES**

If more than one **LESSOR** and/or more than one **LESSEE** should be party to this agreement, the **LESSOR** shall be jointly and severally responsible for the appropriate performance of the obligations of this agreement and shall the **LESSEE** similarly be jointly and severally responsible.

**20. JURISDICTION**

The parties consent to the jurisdiction of the Magistrate’s Court in respect of any matter arising from this Agreement, irrespective of whether such claim falls outside the jurisdiction of the said Court.

**21. CANCELLATION AND RENEWALS**

The parties agree that both the **LESSEE** and **LESSOR** should **LESSEE** wish to cancel the agreement before the expiry of the term of the agreement an amount of 10% of the rent outstanding as a penalty.

**THUS DONE AND SIGNED AT** \_\_\_\_\_ **on this the** \_\_\_\_\_

**day of** \_\_\_\_\_.

**AS WITNESSES:**

1. \_\_\_\_\_

\_\_\_\_\_  
**LESSOR**



2. \_\_\_\_\_

THUS DONE AND SIGNED AT \_\_\_\_\_ on this the \_\_\_\_\_  
day of \_\_\_\_\_.

AS WITNESSES:

1. \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_  
LESSEE