

**AGREEMENT OF LEASE  
(RESIDENTIAL)**

**(INCLUDING ANNEXURE "A – F")**

**ENTERED INTO BY AND BETWEEN**

---

**hereinafter referred to as "the LESSOR"**

**AND**

---

**hereinafter referred to as "the LESSEE"**

INITIAL

**PREAMBLE**

**THE LESSOR AND LESSEE AGREE AS FOLLOWS:**

**1. INTERPRETATION**

- 1.1 In this agreement, unless the context clearly indicates a contrary intention, the following words will have the following meanings-
- 1.1.1 "agreement" means this agreement together with all annexures and addendums thereto;
- 1.1.2 "Attorneys" means \_\_\_\_\_;
- 1.1.3 "commencement date" means \_\_\_\_\_;
- 1.1.4 "constitution" means the Constitution of the Stonehurst Mountain Estate Owners Association;
- 1.1.5 "day" means an ordinary day of the week excluding Saturdays, Sundays and public holidays;
- 1.1.6 "house rules" means the house rules in relation to the control, management, administration, use and enjoyment of the premises (if applicable);
- 1.1.7 "incoming inspection" means the mandatory inspection of the premises, as required in section 5(1)(e) of the Rental Housing Act No. 50 of 1999, and contained in clause 12 of this agreement;
- 1.1.8 "lease period" means the period from the commencement date to the termination date;
- 1.1.9 "Lessee" means \_\_\_\_\_;  
Identity/Registration Number \_\_\_\_\_;
- 1.1.10 "Lessor" means \_\_\_\_\_;  
Identity/Registration Number \_\_\_\_\_;
- 1.1.11 "outgoing inspection" means the mandatory inspection of the premises referred to in section 5(1)(f) of the Rental Housing act No. 50 of 1999, and contained in clause 23 of this agreement;
- 1.1.12 "premises" means the unfurnished dwelling more fully described as \_\_\_\_\_;
- 1.1.13 "renewal period" means the period of renewal of this agreement;
- 1.1.14 "Rental Housing Act" means the Rental Housing Act No. 50 of 1999;
- 1.1.15 "SMEOA" means Stonehurst Mountain Estate Owners Association;
- 1.1.16 "Stonehurst" means Stonehurst Mountain Estate, a private residential estate situate at Tokai, Cape Town;
- 1.1.17 "Stonehurst Properties" means CSHELL 166 (Pty) Ltd, t/a Stonehurst Properties, a business duly incorporated under the laws of South Africa, with registration number 2005/035877/07, and which trades as an estate agency physically located at: Sales Office, Stonehurst Mountain Estate, Westlake Drive, Tokai, Cape Town.

1.1.18 "termination date" means \_\_\_\_\_;

1.1.19 "tribunal" means the Rental Housing Tribunal established under Section 7 of the Rental Housing Act.

1.2 Unless the context clearly indicates a contrary intention, any word denoting any gender includes the other gender, the singular includes the plural and vice versa; natural persons includes juristic persons and vice versa; and insolvency includes provisional or final sequestration, liquidation, judicial management or business rescue.

1.3 When any number of days is prescribed such number will exclude the first and include the last day, unless the last day falls on a Saturday, Sunday, or a public holiday (in the Republic of South Africa), in which case the last day will be the next succeeding day which is not a Saturday, Sunday or a public holiday (in the Republic of South Africa).

1.4 Where figures are referred to in numerals and in words and there is any conflict between the numerals and the words, the numerals will prevail.

1.5 Whenever a provision in this agreement is explained by adding the word "including" and then followed by specific examples, such examples must not be interpreted in a way that limits the application of the provision.

1.6 Any reference to legislation is a reference to that legislation as it stood at the date of signature hereof and as amended or from time to time.

1.7 Expressions defined in this agreement shall bear the same meanings in the schedules or annexures hereto if the relevant schedules or annexures do not contain their own definitions.

## 2. LEASE OF PREMISES

The Lessor hereby lets the premises to the Lessee who, in turn, hires the premises, subject to the terms and conditions set out in this agreement.

## 3. COMMENCEMENT, TERMINATION AND RENEWAL OF LEASE

### 3.1 COMMENCEMENT AND TERMINATION

The lease of the premises shall commence on the commencement date and terminate on the termination date. On the termination date, the Lessee shall vacate the premises subject to earlier termination as provided for in this agreement.

### 3.2 RENEWAL OPTION

3.2.1 The Lessor hereby grants to the Lessee an option to renew this agreement for a further period of \_\_\_\_\_ (\_\_\_\_\_) month(s) on the same terms and conditions contained herein, except with regard to the amount of rental, the latter determined in clause 3.2.2 below. The option to renew shall be exercised by the Lessee in writing and not later than 60 (sixty) days before the termination date. The provisions of this clause 3.2.1 will only apply if the Lessee at all times consistently and punctually performed all its obligations under this agreement.

3.2.2 In the event of a renewal of the agreement, the amount of monthly rental payable, as well as the annual escalation rate applicable thereto, shall be decided upon by agreement between the parties prior to the commencement of the renewal thereof. If the parties fail to make such a decision, the amount of the monthly rental will escalate at a rate of 10% (ten percent) on the preceding rental amount, together with

an annual escalation rate of 10% (ten percent) that will be payable after 12 (twelve) months, should the renewal period exceed 12 months.

#### 4. RENT

- 4.1 The rental payable by the Lessee to the Lessor for the lease of the premises is the sum of R \_\_\_\_\_  
( \_\_\_\_\_ Rand) per month.
- 4.2 The Lessee shall pay the rent monthly in advance by no later than the 1<sup>st</sup> (first) day of every month.
- 4.3 All monthly rent shall be paid on or before the due date, without any deduction or set off against it of amounts that the Lessor may be liable for to the Lessee, as follows:
- 4.3.1 the 1<sup>st</sup> month's rental to Stonehurst Properties – whose bank account details are reflected in Annexure "A";
- 4.3.2 all other monthly rentals to the Lessor - whose bank account details are reflected in annexure "A"; or
- 4.3.3 into such other bank account and/or place as the Lessor may indicate in writing to the Lessee from time to time.
- 4.4 The Lessee shall, when effecting payment to the Lessor, clearly identify each payment as being a payment made by him in respect of rental.

#### 5. ESCALATION

If the lease period exceeds 12 (twelve) months, the monthly rental set out in clause 4.1 above shall escalate at a rate \_\_\_\_\_ . The increase in rental will be effective immediately from the first day of the 13<sup>th</sup> month after the commencement date.

#### 6. DEPOSIT

- 6.1 As security for the proper fulfillment of all the Lessee's obligations in terms of this agreement, the Lessee shall upon signature of this agreement deposit an amount of R \_\_\_\_\_  
( \_\_\_\_\_ Rand) to the Attorneys Trust Account, the details of which appear in Annexure A.
- 6.2 The Lessor may deduct from such deposit any unpaid amount due by the Lessee and any amount owing by the Lessee for damages suffered by the Lessor. Should such a deduction occur during the lease period, the Lessee shall, upon request by the Lessor, immediately reinstate the deposit to the full amount.
- 6.3 The deposit shall be invested in an interest bearing account for the benefit of the Lessee as required by the Rental Housing Act. For this purpose, the Lessee shall complete the Lessor's compliance forms, furnish relevant personal information for FICA compliance, assist the Lessor to complete any due diligence investigation of the Lessee; and completion of the necessary Investment Mandate documentation.
- 6.4 In the event of an increase in rental as stipulated in clause 3.1.2 and 5 above, the Lessee shall pay an additional amount to the Attorneys in order for the deposit to be equivalent to the increased monthly rental, not later than 7 (seven) days prior to the date of the stipulated increase. Similarly, in the event of the deposit or a portion thereof being required to meet the obligations of the Lessee as envisaged in clause 6.1, the Lessee shall increase the amount of the deposit to the full amount required in terms hereof.

6.5 The Lessee shall not, under any circumstances whatsoever, be entitled in the final month of the tenancy to withhold payment of the rent or any portion of the rent and to set off the rent payment against any deposit which the Lessee have paid to the Lessor in terms of the lease, without the prior written consent of the Lessor.

#### **7. RATES, TAXES AND LEVIES**

The Lessor shall pay all municipal rates and taxes and SMEOA levies payable in respect of the premises during the lease period.

#### **8. USE OF THE PREMISES**

The premises shall only be used for the private residential purposes of the Lessee, subject to the provisions contained in the house rules (if applicable).

#### **9. SUPPLIES TO THE PREMISES**

9.1 With effect from the commencement date, the Lessee shall make all arrangements necessary for the supply to the premises of, internet and telephone services. The Lessee shall be responsible for the payment to the relevant supplier of the costs involved. The Lessee shall also liable for the costs relating to the supply and use of all electrical current to the premises, compulsory monthly telephone line fee, water and sewerage, and telephone calls (pay as you go) during the lease period.

9.2 The Lessee indemnifies the Lessor against any damages suffered by him as a result of any failure or interruption of any supplies to the premises irrespective of the cause thereof, or for any consequential damages, and the Lessor does not warrant that any such supplies will be continued for the duration of the lease period. The Lessor undertakes to perform no act or omission to prejudice the continuation or resumption of such supplies.

#### **10. FIXTURE AND FITTINGS**

10.1 The Lessee shall not be entitled to affix any fixtures or fittings in or on the premises without obtaining the prior written consent of the Lessor, which consent may be granted or withheld at the sole discretion of the Lessor.

10.2 Should the Lessor consent, all such fixtures and fittings shall, unless otherwise agreed to by the Lessor in writing, be removed by the Lessee by no later than the date of the termination of the lease. At this date all damage occasioned by the original fixing and/or by the removal of such fixtures and fittings must have been repaired at the instance and cost of the Lessee. The Lessee shall restore the premises to the condition that it was in on the commencement date.

10.3 Should the Lessee fail to remove any authorised fixtures and fittings, such fixtures and fittings shall become the property of the Lessor; and, the Lessor shall not be obliged to compensate the Lessee therefore.

10.4 The Lessee shall not be entitled to drive nails or any other objects into the walls, woodwork or ceilings of the Premises, not do anything else which may damage the walls, woodwork or ceiling or any other portion of the premises, without the prior written consent of the Lessor. The Lessee shall ensure that all nails and/or other objects driven into or affixed to the walls, woodwork or ceilings of the premises are removed on or before the termination date. The Lessee shall repair all damages caused by the driving in, affixing or removal of such nails or other objects and shall restore the premises to the condition that it was in at the commencement date by no later than the termination date.

## 11. ALTERATIONS

The Lessee shall not effect any alterations or additions, whether structural or not, to the premises without the prior written consent of the Lessor, which consent may be given or withheld at the sole discretion of the Lessor. The Lessor shall be entitled, at his sole and absolute discretion, on termination of this agreement, to require the Lessee to restore the premises at the Lessee's expense to the same condition in which they were prior to such alteration or addition.

It is expressly recorded that the Lessee shall have no claim of any nature whatsoever for any improvements or alterations effected by the Lessee to the premises. The Lessee furthermore waives any right of retention of the premises that may arise as a result of his alterations or additions on the premises; and expressly agrees that he shall have no right to occupy the premises pending the outcome of any legal or other dispute that may arise between the parties in respect of an alleged right of retention that may arise as a result of the alterations or additions.

## 12. INCOMING INSPECTION

- 12.1 It is recorded that prior to occupation the Lessor undertakes that the carpets, windows and house will be professionally cleaned and garden tidied at the Lessor's expense.
- 12.2 There shall be an inspection of the premises prior to the commencement date by the Lessor (or its agent) and Lessee.
- 12.3 Any defect or damage noted or found at the premises or any portion thereof, shall be recorded in writing in a list of defects, which shall be signed by the Lessee and the Lessor and attached to this agreement marked annexure "E".
- 12.4 The premises are let and hired in the condition in which they are at the commencement date, without any warranty, express or implied, as to the absence of latent or patent defects therein, but subject always to the Lessee's maintenance obligations in terms of clause 13.2 below.
- 12.5 Notwithstanding the terms of clause 12.4 above, should the Lessee, during the initial 3 (three) months from the commencement date, experience latent or patent defects within the premises, the Lessee shall notify the Lessor within 7 (seven) days of the discovery of such defect(s) and the Lessor shall then endeavour to repair such defect(s) on the Lessee's behalf.

## 13. MAINTENANCE

- 13.1 The Lessee shall throughout the lease period and at his own cost, maintain the interior of the premises as well as all the fixtures and fittings therein in a state of good repair, and shall, on termination of this agreement, re-deliver the premises to the Lessor in the same condition as it existed at the commencement date, fair wear and tear expected.
- 13.2 The Lessee's maintenance obligations in terms of this clause include, but are not limited to:
- 13.2.1 the replacement, where necessary, of all fluorescent and incandescent bulbs and globes, locks, keys and remote controls contained in the premises;
- 13.2.2 the replacement and repair of any damaged or broken glass or mirror, and electrical switches and sockets however such damage or breakage was caused;
- 13.2.3 the general maintenance and upkeep of the swimming pool and any related equipment (if applicable), such equipment to be provided by the Lessor. In the event of the Lessee neglecting to observe the general maintenance requirements in respect of the swimming pool and the related equipment, then the Lessee shall be liable for the full cost of repair thereof. The Lessor shall be liable for the maintenance

and/or replacement of all such equipment that has expired as a result of normal wear and tear thereof;  
and

13.2.4 any garden and landscaping which shall be maintained in a fit and proper manner.

#### **14. DAMAGE TO THE PREMISES BY THE LESSEE, VISITORS AND FAMILY**

14.1 The lessee shall for the duration of this agreement and at his own cost repair any damage caused by him, his visitors and/or family to the premises during the lease period, immediately upon being called upon to do so.

14.2 The Lessee shall not knowingly or negligently cause or allow to be caused any obstruction or blockage or any failure of any sewage pipe, water pipes, drains and other supply equipment and installations serving the premises. The Lessee shall ensure that any obstruction or blockage which occurs in such pipes or drain as a result of his action be removed at his own costs. Where necessary, the Lessee shall cause, such sewer, pipe or drain to be repaired at his own cost.

#### **15. INSURANCE**

15.1 The Lessee shall not do nor permit to be done any act, matter or thing which may render the Lessor's insurance of the premises against risk of loss or damage attributable to any of the causes insured against from time to time, either void or voidable, or which may increase the rate of premium payable by the Lessor in respect of the premises with regard to such insurance.

15.2 The Lessee shall be responsible for insuring his personal property that he brought on the premises. The Lessor shall not be responsible for any loss, theft or damage to the Lessee's property, regardless of how such loss, theft or damage is caused.

#### **16. NO NUISANCE**

The Lessee shall keep the premises clean and tidy and shall not do or permit anything to be done on the premises or in the building which constitutes a nuisance or annoyance to, or which may in any way interfere with, the quiet and comfort of the other occupants of the building. The Lessee may not allow any conduct on the premises or in the building in contravention of any law or regulation. In particular, no radios, jukeboxes or musical instruments shall be used in such a manner as to be audible outside the premises.

#### **17. INSPECTION OF PREMISES DURING THE LEASE PERIOD**

The Lessor or his duly appointed agent shall, at all reasonable times during the lease period and by prior arrangement with the Lessee, be entitled to have access to and inspect the premises during working hours.

#### **18. COMPLIANCE WITH LAWS AND RULES**

18.1 The Lessee shall at all times for the duration of the lease period observe and comply with all applicable laws, by-laws and regulations.

18.2 The Lessee shall at all times for the duration of the lease period observe and comply with the SMEOA Constitution and house rules and other regulations, where applicable.

18.3 The Lessee shall, upon signature of this agreement, complete the necessary application forms, annexure B, and tenant registration forms, annexure C. At all times during the currency of the lease period, the Lessee shall observe all the regulations imposed by the administration of Stonehurst from time to time.

- 18.4 The Lessee furthermore undertakes, in addition to clauses 18.2 and 18.3 above, and for the duration of the lease period and any renewal thereof, to familiarise itself with, as well as to observe and comply with, the terms and conditions of the SMEAO's Constitution, rules and regulations. The Lessor confirms that copies of the SMEAO's Constitution, rules and regulations will be provided to the Lessee upon signature of this agreement and are also available at the Lifestyle Centre.

#### **19. LESSOR'S MAINTENANCE OBLIGATIONS**

The Lessor shall, at his own cost, keep and maintain the exterior of the premises (including the roof, gutters and drain pipes of the premises, but excluding the windows and doors) in good order and condition, fair wear and tear excepted.

#### **20. SUBLETTING, CESSION AND ASSIGNMENT**

- 20.1 The Lessee shall not be entitled to sublet the premises without the Lessor's prior written consent, which consent shall not be unreasonably withheld.
- 20.2 The Lessee shall not be entitled to cede or assign any of its rights or obligations under this agreement without the Lessor's prior written consent, which consent shall not be unreasonably withheld.
- 20.3 On the commencement date, the Lessor shall cede his rights in respect of the premises to the Lessee including, but not limited to, the Lessor's use and enjoyment of the gymnasium and the lifestyle centre situate on the premises. The Lessor shall furnish the Lessee with a complete list of those amenities afforded to the residents of Stonehurst (as listed in the tenant registration form and to which the Lessee shall, by virtue of this agreement, gain access to as at the commencement date.

#### **21. ACCEPTANCE OF LIABILITY AND INDEMNITY**

- 21.1 The Lessor and/or its director(s), staff and employees shall not be liable in any manner whatsoever directly or indirectly and howsoever arising to the Lessee or his property for any injury or loss or damage of any description which the Lessee or his property or any member of the Lessee's family or any servant or any relative, friend, acquaintance, visitor, invitee or guest of the Lessee or of the members of the Lessee's family may sustain directly or indirectly in or about the premises, as a result of any act or omission by the Lessor and/or its directors, staff and employees.
- 21.2 The Lessee acknowledges by his signature hereto that Stonehurst, in which the premises is situated, is currently undergoing an improvement phase and, as such, shall be considered, until such time as the Stonehurst administration informs the Lessee otherwise, as a building site.
- 21.3 Accordingly, the Lessee undertakes to take all precautions deemed necessary in the circumstances to minimise the potential risks to himself, his family, or any servant, relative, friend, acquaintance, visitor, invitee or guest of the Lessee or the members of the Lessee's family, during the aforementioned improvement phase.
- 21.4 The Lessee hereby accepts responsibility for and indemnifies the Lessor or any of its directors, staff, employees, servants or agents against any claim by any such person for any such injury, loss or damage sustained in or about Stonehurst and/or the premises. In this regard the Lessee waives all and any claims he may have in respect of any claims against the Lessor and/or its directors, staff and employees.

#### **22. DESTRUCTION OR DAMAGE**

- 22.1 Should the premises at any time during the lease period be destroyed or be so damaged, by whatever cause, so as to deprive the Lessee of the beneficial use of the premises, then this agreement shall terminate, and each party

shall remain liable for its obligations in terms of the agreement up to the date of such termination but, save as aforesaid, and subject to clause 22.5 below, neither party shall have any further claim against the other.

- 22.2 In the event however of the premises being only partially damaged by any cause as aforesaid, then this agreement shall continue in force and effect and the Lessor shall, as soon as is reasonably possible, repair such damage. The Lessee shall be entitled to a reduction of rent during the period in which the premises are not wholly suitable for occupation, such deduction to be agreed upon by the Lessor and the Lessee. If the Lessor and Lessee cannot reach agreement, they shall agree upon an independent third party to decide on the reduction.
- 22.3 Notwithstanding the provisions of clause 22.1, the Lessee shall, in the event of the premises being partially damaged, continue to pay the full amount of rent until such time as the reduction of rent is determined by the Lessor.
- 22.4 After the amount of the reduced rent has been determined, the Lessor shall credit the Lessee with such amount as the Lessee may have paid in excess of the reduced rent.
- 22.5 The provisions of clause 22.1 above shall not prejudice any claim which the Lessor may have against the Lessee where any destruction of, or damage to, the premises is occasioned by the act or neglect of the Lessee or of any person for whose action the Lessee shall be responsible in law.

### **23. OUTGOING INSPECTION**

- 23.1 It is recorded that the Lessee undertakes to have the carpets, windows and house professionally cleaned and garden tidied prior to vacating at the end of the lease period.
- 23.2 There shall be an inspection of the premises on the termination date of this agreement in order to establish if there has been any damage thereto. Such damage (if any) shall be recorded in writing in a list of defects, and signed by the Lessee and the Lessor, and attached to this agreement marked annexure "F".
- 23.3 The Lessor may apply any of the deposit and the interest accrued thereon towards the payment of the costs of repair of such damage, including the replacement cost of any keys to the premises.

### **24. REPAYMENT OF DEPOSIT**

- 24.1 Should there be no amounts owing by the Lessee to the Lessor - whether for monies owing and unpaid in terms of this agreement, or for the costs of repair in terms of clause 23 - then the Lessor shall pay the full amount of the deposit plus any interest thereon to the Lessee within 7 (seven) days after the termination of this agreement.
- 24.2 Should the Lessor deduct the reasonable costs of repair in terms of clause 23.2 or any monies owing by the Lessee in terms of any provision of this agreement from the deposit, then the Lessor shall pay the balance of the deposit (if any) and the interest thereon to the Lessee no later than 14 (fourteen) days after the restoration of the premises to the Lessor.
- 24.3 At the request of the Lessee, the Lessor shall make all receipts/invoices, which indicate the costs of the repairs affected to the premises, available to the Lessee for inspection as proof of the costs incurred by the Lessor.

### **25. TERMINATION**

- 25.1 If the Lessor and Lessee are both juristic persons:
- 25.1.1 Subject to what is provided for in clause 28 hereunder, neither party shall be entitled to terminate this agreement before the termination date.

25.1.2 Thereafter, in the event of a renewal of the agreement, the Lessor and Lessee shall, at any time during the extended lease period, be entitled to terminate this agreement on 3 (three) months written notice to the other party.

25.2 If either the Lessor or the Lessee is a natural person.:

25.2.1 The Lessor may terminate the agreement 20 (twenty) business days after giving written notice to the Lessee of a material failure by the Lessee to comply with this agreement and the Lessee did not remedy the failure within 7 (seven) days after the Lessor gave the written notice.

25.2.2 The Lessee may terminate the agreement on 20 (twenty) business days' notice to the Lessor. The Lessee will remain liable to the Lessor for any amounts owed to the Lessor in terms of this agreement up to the date of termination. The Lessor may charge a reasonable cancellation penalty in respect of such termination.

## 26. INTEREST

Without prejudice to and notwithstanding any other rights the Lessor might have in terms of this agreement, interest shall accrue on any outstanding payments due by the Lessee to the Lessor in terms of this agreement, at the rate equal to 5% (five percent) above the prime lending rate charged by First National Bank from time to time, which interest shall be calculated and compounded monthly in advance, from the due date to the date of actual payment.

## 27. BREACH

27.1 Should any amount payable by the Lessee hereunder not be paid on due date or should the Lessee commit any breach of any other provision of this agreement and should such amount not be paid or breach not be remedied, as the case may be, within 7 (seven) days of receipt of written notice from the Lessor requiring the Lessee to make such payment or to remedy such breach, then and in either event, the Lessor shall be entitled to cancel this agreement by 20 days notice given by it to the Lessee to such effect. Such cancellation shall be without prejudice to any claim that the Lessor may have against the Lessee for any arrear rental or for such reasonable damages or cost which the Lessor may suffer by reason of such breach and/or cancellation. The provisions contained in this clause 27 shall be subject to the provisions of clause 25 hereinabove.

27.2 In the event of the Lessor cancelling this agreement in accordance with his rights hereunder and in the event of the Lessee disputing the right to cancel and remaining in occupation of the premises, the Lessee shall, pending settlement of such dispute either by negotiation or by litigation or by determination of the tribunal, continue to pay an amount equivalent to the rent provided for in this agreement in advance as hereinbefore provided and shall continue to pay, on due date any other amounts for which he is responsible hereunder and the Lessor shall be entitled to accept and recover such payments and the acceptance thereof shall be without prejudice to, and shall not in any way whatsoever effect the Lessor's claim for cancellation.

27.3 Should the dispute be determined in favour of the Lessor, payment made and received in terms of clause 27.2 above, shall be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the cancellation of the agreement and/or the unlawful holding over by the Lessee, but without prejudice to any other claim which the Lessor may have against the Lessee for damages or otherwise. Should the dispute, however, be determined in favour of the Lessee, payments made and received by the Lessor in terms of clause 27.1 shall be deemed to be on account of the rent payable by the Lessee in terms of this agreement.

## 28. CONSENT TO MAGISTRATE'S COURT JURISDICTION

The Lessee consents to the jurisdiction of any Magistrate's Court with jurisdiction under Section 28 of the Magistrate's Court Act 1944, in regard to any legal proceedings instituted by the Lessor in connection with this agreement.

**29. ADDRESS FOR SERVICE OF LEGAL DOCUMENTS AND NOTICES**

29.1 The Lessor and Lessee choose the below addresses and telefax numbers as the address and telefax number at which they choose to receive all legal notices, court process and documents in terms of this agreement. The parties acknowledge that such legal notices and documents shall be deemed to have been received (as provided for in clause 29.4 below) by the party at such address, even if such party is not present at the address at time of delivery or sending of the telefax.

29.1.1 Lessor address: \_\_\_\_\_

Telefax Number: \_\_\_\_\_

29.1.2 Lessee address: \_\_\_\_\_

Telefax Number: \_\_\_\_\_

29.2 Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if in writing but it shall be competent to give notice by telefax.

29.3 Either party may by notice to the other party change the physical address chosen above to another physical address or its telefax number, provided that the change shall become effective on the 10th business day from the deemed receipt (as provided for in clause 29.4 below) of the notice by the other party.

29.4 Any notice to a party:-

29.4.1 sent by prepaid registered post (by airmail if appropriate) in a correctly addressed envelope to its address mentioned in 29.1. above, shall be deemed to have been received on the 10<sup>th</sup> (tenth) business day after posting;

29.4.2 delivered by hand to a responsible person during ordinary business hours at the address mentioned in 29.1. above and shall be deemed to have been received on the day of delivery; or

29.4.3 sent by telefax to its chosen telefax number stipulated in clause 29.1, shall be deemed to have been received on the date of dispatch, unless the contrary is proved.

29.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered to the address mentioned in 29.1.

**30. RE-LETTING OR SALE OF PREMISES**

30.1 The Lessee shall give the Lessor or his duly appointed agent access to the premises at all reasonable times on 24 (twenty four) hours notice during the currency of the lease, for the purpose of showing the premises to interested third parties for sale or rent.

30.2 During the currency of this lease or any extension thereof, the Lessee shall be granted the first right to purchase the property. This right will come into existence when the Lessor, as owner of the property, receives a valid and *bona fide* (in good faith) offer to purchase the property from a third party and the Lessee must exercise his right within 3 (three) days, should he wish to purchase the property. After 3 (three) days the Lessee's right lapses.

- 30.3 In the event that the Lessee, or any other party introduced to the premises or the Lessor by the Lessee, purchases the premises during the currency of this agreement, or within 6 months of expiry of this agreement or any extension or continued extension of this agreement, then Stonehurst Properties will be deemed to be the effective cause to such sale and will be entitled to a brokerage fee of 6.00% (six percent) on the purchase price plus Value Added Tax (VAT) thereon, payable by the Seller or its appointed agent / attorney against the registration of transfer of the premises.

### **31. COSTS AND ESTATE AGENTS BROKERAGE**

- 31.1 The fee for the drafting and preparation of this lease is R 500-00 (Five Hundred Rand) plus Value Added Tax (VAT) and is payable by the Lessee to Stonehurst Properties at the same time as payment of the Deposit is effected.
- 31.2 It is recorded that this agreement has been facilitated by Stonehurst Properties and that a brokerage fee is due and payable by the Lessor to Stonehurst Properties in respect of this agreement as follows:
- 31.2.1 at a rate of 7.50% (Seven Point Five Zero Percent) plus Value Added Tax (VAT) on the total capital sum of the agreement, payable in advance; plus
- 31.2.2 if the lease agreement is managed by Stonehurst Properties, an additional rate of 7.50% (Seven Point Five Zero Percent) plus Value Added Tax (VAT) on the monthly sum of the agreement, payable monthly in advance.
- 31.3 Any extension or renewal of this agreement after the termination date, between the Lessee and Lessor, under any circumstances, will attract an additional brokerage fee payable to Stonehurst Properties, for a period of 5 (five) years, on the same terms and conditions as contained in this agreement. The Lessor shall be liable for the additional brokerage fee.
- 31.4 Both the Lessor and the Lessee acknowledge that Stonehurst Properties is not a Managing Agent.

### **32. CONSENTS**

The Lessee consents to Stonehurst Properties conducting a due diligence investigation of the Lessee on behalf of the Lessor in respect of credit, criminal and other relevant checks and records, by means of any legal procedure, and further agrees to Stonehurst Properties' sharing of such information for professional and commercial purposes relating to this lease.

### **33. GENERAL**

- 33.1 No extension of time, alteration, cancellation, variation, addition, waiver or relaxation shall be of any force or effect unless reduced to writing and signed by all parties to this agreement.
- 33.2 This document contains the entire agreement between the parties relating to the subject matter thereof and no party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein.
- 33.3 No indulgences, leniency or extension of time which any party may grant or show to any other party shall in any way prejudice such party or preclude it from exercising any of its rights in terms hereof.

### **34. LESSEE'S COOLING-OFF RIGHT**

- 34.1 It is recorded that the Lessor first approached the Lessee with regard to concluding this lease agreement and that such approach was in person, per e-mail or in a letter addressed to the Lessee ('direct marketing methods') and that the lease was concluded as a result of such approach.

or

It is recorded that the Lessor did not first approach the Lessee in person, per e-mail or in a letter addressed to the Lessee ('direct marketing methods') with regard to concluding this mandate.

*(Delete which is not applicable)*

I the undersigned Lessee know that if I have been approached by the Lessor by direct marketing methods as indicated in 34 above, then I have the right to cancel this lease 5 (five) days after signing it by giving notice in writing to them.

.....

34.2 Clause 34.1 finds no application of the lessee is a juristic person with an annual turnover exceeding R 2 million .

**34. OTHER**

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

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2011

AS WITNESSES:

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

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

\_\_\_\_\_  
**Duly Authorised LESSOR**

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2011

AS WITNESSES:

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

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

INITIAL

**Duly Authorised LESSEE**