

# LEASE AGREEMENT

**THE PARTIES HAVE AGREED AS FOLLOWS:**

**1. PARTIES**

It is agreed that the parties to this Lease will be:

1.1 **LESSOR:** \_\_\_\_\_  
(provide title, full first names and surname, or full name of legal entity)

ID No / Registration No: \_\_\_\_\_

Address or registered place of business: \_\_\_\_\_  
\_\_\_\_\_

1.2 **FIRST LESSEE:** \_\_\_\_\_  
(provide title, full first names and surname, or full name of legal entity)

ID No / Registration No: \_\_\_\_\_

Address or registered place of business: \_\_\_\_\_  
\_\_\_\_\_

1.3 Complete the following if there is more than one lessee or if the first lessee is a legal entity the second lessee is the occupant.

**SECOND LESSEE:** \_\_\_\_\_  
(provide title, full first names and surname)

ID No: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

**2. INTERPRETATION**

In this agreement, unless the context indicates otherwise, the following expressions shall have the meanings assigned to them hereunder:

2.1 "the Premises" shall refer to: (delete whichever of A or B is inappropriate)

**A: THE HOUSE** on Erf/ Stand No \_\_\_\_\_ together with the dwelling and outbuildings thereon and situate at (street address) \_\_\_\_\_ in the suburb of \_\_\_\_\_, in the City \_\_\_\_\_.

**B: FLAT / TOWNHOUSE** No. \_\_\_\_\_ in the building known as \_\_\_\_\_ situated at (street address) \_\_\_\_\_ in the suburb of \_\_\_\_\_, in the City \_\_\_\_\_, including (if applicable) communal use of the garden and yard of the flat/townhouse and the following exclusive use areas: \_\_\_\_\_.

i Garage No: \_\_\_\_\_

ii Parking Bay No: \_\_\_\_\_

iii Other (specify): \_\_\_\_\_

2.2 "the Deposit" The deposit referred to in clause 6.

2.3 "the Property Manager" shall refer to: \_\_\_\_\_ and any reference to the Lessor's "agent" shall have the same meaning.

2.4 Any reference to the "Lessor" shall also include the Lessor's successor in title and any agent authorised by him. Any reference to the "Lessee" shall include the Lessee's agents, employees, servants, customers, contractors, invitees, visitors and guests.

2.5 The singular includes the plural and visa versa. Any reference to one gender includes a reference to the other gender.

**3. LETTING AND HIRING**

3.1 The Lessor hereby lets to the Lessee, who hereby hires, the Premises subject to the terms and conditions contained in this Agreement.

3.2 The Premises shall be personally occupied by \_\_\_\_\_ (name the main occupant) with ID Number \_\_\_\_\_ and not more than \_\_\_\_\_ other persons.

The full names and ID Numbers of the other persons that will occupy the Premises are:

- a. \_\_\_\_\_ ID No: \_\_\_\_\_
- b. \_\_\_\_\_ ID No: \_\_\_\_\_
- c. \_\_\_\_\_ ID No: \_\_\_\_\_
- d. \_\_\_\_\_ ID No: \_\_\_\_\_
- e. \_\_\_\_\_ ID No: \_\_\_\_\_
- f. \_\_\_\_\_ ID No: \_\_\_\_\_

3.3 The Lessee shall, subject to clause 10, be entitled to from time to time allow other persons than those listed in clause 3.2 to occupy the premises, provided that:

3.3.1 He shall, **prior to such occupation commencing**, in writing provide the names and ID numbers of the new occupants to the Lessor;

3.3.2 The total number of occupants shall never exceed the number of occupants listed in clause 3.2. Where the Lessee seeks to increase the number of occupants, he shall request the Lessor's written permission, which permission shall not be withheld unreasonably.

#### 4. **RENTAL AND SECURITY FOR PAYMENT**

4.1 The Rental shall (**inclusive of VAT**, where applicable) be R \_\_\_\_\_ (in words: \_\_\_\_\_  
\_\_\_\_\_ Rands) per month, and shall escalate by \_\_\_\_\_% on a date which will be \_\_\_\_\_  
months after the commencement date of the lease.

Should the commencement date not co-inside with the first day of a calendar month, a pro rata portion of the monthly rental for the period of commencement date to the last day of the calendar month, shall become due and payable on the signing of this lease by the Lessee

4.2 Rental shall be paid monthly in advance on or before the 1<sup>st</sup> day of each month, free from any deduction or setoff, whether or not the Lessor is indebted to the Lessee or in breach of any obligation to the Lessee.

4.3 Rental shall, subject to clause 4.5, be paid by way of direct debit order to be deducted from a bank account stipulated by the Lessee, on or before the last day of every month, and to be credited to the Lessor's designated bank account:

4.3.1 It shall be a condition of the establishment of a valid lease agreement that the Lessee shall complete and sign a copy of such a debit order instruction, a copy of which is attached hereto as Annexure A.

4.3.2 The Lessor shall be entitled to change the date on which the debit order is deducted from the Lessee's bank account by either making the deduction earlier or later than the day stipulated in clause 4.3, provided that such changed date shall not be more than 15 days earlier or later than the stipulated date.

4.3.3 The Lessee shall at least 30 days prior to closing the stipulated bank account provide full details of the new bank account. In the event that the Lessee closes his bank account without opening a new account and notifying the Lessor of the details thereof, this Lessee will be considered to be in default with effect from the end of the month for which the last full rental payment by way of debit order payment was received by the Lessor, which default shall entitle the Lessor to immediately cancel the lease.

4.3.4 The Lessor shall be entitled to recover any other amount due in terms of this agreement by way of debit against this debit order instruction. The Lessor may at its discretion run a separate debit order to recover the said amounts, or include same with the next monthly rental debit order.

4.3.5 The Lessee shall be responsible for payment of all costs associated with processing of the debit order. In addition to any other receipts forwarded to the Lessee, the record of the debit order instruction contained on the Lessee's bank statement shall be considered to be the Lessee's written receipt in respect of such payment.

4.3.6 In the event that the Lessee will vacate the premises at the termination of the lease period referred to in 5.1, he is required to give one month's written notice to the Lessor of that fact, in order to ensure the timeous cancellation of the debit order instruction.

4.4 Subject to clause 4.5, payment in any other form or manner than that indicated in clause 4.3 shall not be considered to be payment in terms of this agreement, despite the fact that such payment may in fact have been accepted by an agent of the Lessor. The Lessee acknowledges that any such agent has no authority to accept such payment.

4.5 Together with the signing of the lease, the Lessee shall pay to the Lessor's agent the following amounts:

4.5.1 The 1<sup>st</sup> months rental;

4.5.2 The full amount from the rental deposit referred to in clause 6 below;

4.5.3 The administrative fee for processing this lease, being an amount of R \_\_\_\_\_ (including VAT).

4.5.4 The payment in respect of any revenue stamps that may be due on the lease agreement, referred to in clause 7 below

4.6 During the period of the Lease the Lessee shall not without consent of the Lessor remove any movable property brought onto the Premises by the Lessee at the commencement of or during the lease period, it being understood that such movable property is to remain on the Premises as security for all rent or other payments for which the Lessee is liable in terms of this Agreement. If at the termination or cancellation of the lease the Lessee owes any monies to the Lessor the provisions of this clause shall continue to apply.

4.7 It is recorded and agreed to between the parties to this agreement that the Property Manager (where applicable) is only authorised to conduct the duties and exercise the Lessor's rights as described in this Agreement, as the agent of the Lessor. Nothing contained herein will purport to grant the Property Manager the status of Landlord and the Lessor will at all times be the responsible party for the duties and obligations as contained in this Agreement

#### 5. **LEASE PERIOD**

5.1 The lease shall commence on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, and shall expire at midnight on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, ("the expiry date").

5.2 The Lessee has the option to renew the lease for a further period of \_\_\_\_\_ years ("the renewal Period"), commencing on the first day after the expiry date, on the same terms and conditions contained in this Agreement: Provided that:

5.2.1 the Lessee shall exercise this option by giving written notice to the Lessor on or before the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, failing which the option shall lapse; and

- 5.2.2 the rental payable during the renewal period shall be R \_\_\_\_\_  
(words): \_\_\_\_\_ (Rands) per month.
- 5.2.3 the Lessee will pay an administrative fee equal to of 15% of one month's rental plus VAT, in respect of the processing of the renewal of the lease. This fee will be payable to the agent of the Lessor.
- 5.3 If on the termination of the lease period the Lessee remains in the premises with the Lessor's express or tacit consent, the parties will be deemed to have, in the absence of further written agreement, to have entered into a periodic lease agreement on the same terms and conditions as the expired lease, except that (subject to clause 16.2):
- 5.3.1 Should the Lessee wish to terminate the agreement, three month's written notice must be given of his intention to terminate the lease.
- 5.3.2 Should the Lessor wish to terminate the agreement, one month's written notice must be given of his intention to terminate the lease.
- 5.4 The Lessor may, notwithstanding the provisions of clause 5.3, elect to terminate the lease on the expiry date. Such election shall be exercised in writing, and shall be given to the Lessee at least 14 days before the expiry date.
- 5.5 In the event that the Lessee ever defaults on his obligation in terms of clause 4.2 and thereafter rectifies his default prior to a cancellation of the lease in terms of clause 16.2, the Lessor shall thereafter be entitled, notwithstanding the terms of 5.1, 5.2 and 5.3, to at any stage cancel the lease on 30 days written notice to the Lessee.

## 6. DEPOSIT

- 6.1 The Lessee shall on signing this Agreement, and as a condition for the commencement of the lease, pay a Deposit equal to \_\_\_\_\_ (number of months) month's rental, being an amount of R \_\_\_\_\_ (in words: \_\_\_\_\_ Rands) to the lessor to be kept and dealt with by him in accordance with the terms of the lease.
- 6.2 The Lessor shall be obliged to invest the amount of the Deposit in an interest bearing account, with a financial institution of its choice. The parties agree that, subject to 6.5, such Deposit and the interest earned thereon, during the currency of the Lease, will be for the account of the Lessee, less the reasonable charges incurred in administering the said Deposit, provided that such charges shall not exceed 25% of the interest accrued on the Deposit.
- 6.3 The Lessor shall be entitled, as and when the monthly rental payment has increased in accordance with this agreement, to by way of debit order instruction as provided by the Lessee in accordance with clause 4.3, increase the amount of the Deposit in the same proportion to the increase in the amount of the rental as stipulated in clause 4.1.
- 6.4 In the event that the Lessee is ever in breach of his obligation in terms of clause 4.2, the Lessor shall be entitled to, by way of debit order instruction as provided by the Lessee in accordance with clause 4.3, levy an Additional Deposit amount equal to the rental as stipulated in clause 4.1. and any increases applied thereto. The Lessor shall be so entitled despite the fact that the Lessee may have rectified his default.
- 6.5 On termination of the Lease the Deposit and any interest earned thereon shall be dealt with as follows (subject to 11.2, 16.2, and the terms of the Rental Housing Act):
- 6.5.1 the Lessor may in his discretion apply the Deposit towards the payment of all amounts for which the Lessee is liable under this agreement including, but without limitation, arrear Rental, unpaid electricity, water and telephone accounts, the costs of repairing damage to the Premises, and/or replacing lost keys; and
- 6.5.2 the balance of the Deposit (if any) shall be refunded to the Lessee as soon as possible, but not later than 14 days after restoring the premises to the Lessor.
- 6.5.3 In the event that there are no amounts due or owing by the Lessee to the Lessor in terms of this agreement, the Deposit and all interest accrued thereon (less reasonable administration charges) shall be refunded to the Lessee as soon as possible, but not later than 7 days after the inspection of the premises, by the Lessor.
- 6.6 Where the Lessor has taken out insurance to cover him against the event of non-payment by the Lessee, the relevant insurer shall be entitled to take cession of all the rights of the Lessor with regard to the Deposit.
- 6.7 The Lessee shall not be entitled to use the Deposit as rental for any month or for the last month(s) of the lease.

## 7. ADDITIONAL PAYMENT BY LESSEE

- 7.1 The Lessee shall pay to the Lessor –
- 7.1.1 The costs of any revenue stamps to be affixed to this Agreement in terms of Stamp Duty act 77 of 1968 (only applicable to lease agreements longer than 5 years); and
- 7.1.2 Without prejudice to any of the other rights or remedies of the Lessor, the Lessee shall pay interest at the maximum rate permitted by the Credit Act as prescribed from time to time in the Government Gazette. Interest will be charged for the period in which payment is outstanding on all amounts (rental or otherwise) in terms of, or arising out of this lease. For purposes of this clause any payment will be considered as having been received when it is credited against the Lessor's designated bank account. In the event of any debit order payment being reversed, such payment will be considered to have never been credited against the Lessor's designated bank account.
- 7.1.3 Where the Lessee does not pay the rental in accordance with his obligations in terms of this agreement, the Lessor is obliged to incur administrative costs to recover the outstanding amounts. The Lessee shall be obliged to pay such administrative costs:
- 7.1.3.1 For purposes of this clause "administrative costs" refer to the costs incurred by the Lessor from the moment that the Lessor's rental is in arrears and until the matter is handed over for legal recovery, and includes the Lessor's expenses in employing personnel to deal with such matters, SMS messages, telephone calls, letters of demand, hand over letters, and the cost of preparing a brief to hand the matter over for legal recovery.
- 7.1.3.2 The parties agree that the reasonable cost of administering any late payments by the Lessor is an amount of R50.00 (plus VAT) per day.
- 7.1.3.3 The Lessee agrees to pay administration costs in the amount of R50.00 (plus VAT) per day for every day that the rental remains unpaid after the 1<sup>st</sup> day of the month, until the matter is handed over for legal recovery. The matter is handed over on the day on which the relevant attorney accepts the instruction. After the matter is handed over for legal recovery, the Lessee's obligations with regard to recovery costs shall further be governed by clause 16.3.
- 7.1.4 Any deposit levied for the connection of Lights and Water, as may be required from time to time.
- 7.2 The Lessor shall be entitled to recover any of the amounts due in terms of clause 7.1 by way of debit on the debit order instruction provided by the Lessee in accordance with clause 4.3.

**8. PAYMENT OF RATES AND TAXES AND LEVIES AND SERVICES**

- 8.1 The Lessor shall be liable to pay all rates and taxes/levies payable in respect of the Premises to the local authority/body corporate/share block company/home owner's association concerned.
- 8.2 If, whilst the Lessee is in possession of the Premises, the rates and/or taxes payable to the local authority(ies) or the monthly levy payable to the Body Corporate, or any insurance payments in respect of the property or the lease, increases above the level payable at the time of first occupation in respect of the property, (subject to any Statutory provisions applicable) the Lessee shall in addition to any other payments for which the Lessee is liable under this Lease, bear and pay to the Lessor a proportionate share of such increased rates and taxes and/or such newly imposed taxes or the increase in the monthly levy from the date upon which the same became levied and the rental herein provided for shall be automatically proportionately increased. Should the premises leased not be separately valued for rating purposes or should they form a portion of larger or composite Premises, then the proportionate share in such increased rates or additional taxes payable by the Lessee shall be determined by the Lessor on the basis of the ratio which the rental value of the Premises bears to the rental value of the whole property of which the Premises forms a portion.
- 8.3 The Lessee shall for the duration of the lease be responsible for payment on the due date of all accounts for the services listed below, as presented from time to time by the relevant service providers in respect of the premises. The services referred to shall include [collectively referred to as "the services"]:
  - 8.3.1 Water;
  - 8.3.2 Electricity;
  - 8.3.3 Telephone;
  - 8.3.4 Gas.

The Lessee shall make arrangements with the relevant authority (the local authority, telephone company, body corporate, share block company, or home owners association), for the supply of services to the premises and shall with effect from the commencement date be liable for, and pay promptly on the due date to the authority concerned, all applicable fees and deposits for the services, wherever applicable, and for any other services required by the Lessee in respect of the premises. If a sub-meter has been installed in the premises the Lessee shall pay to the relevant authority/governing body each month within 7 (seven) days of being advised of the amount thereof the appropriate charge for the services consumed. Should the Lessee fail to make payment to the relevant authority/governing body as aforesaid, in addition and without prejudice to all other rights available to the relevant authority/governing body in law it will be entitled to terminate the supply of the services to the Lessee.

**However** in the alternative, and at the sole discretion of the Lessor/Agent, the Lessor/Agent reserve the right to having the local authorities account for lights and water remain in the Lessors name and to have the account forwarded to the Lessor/Agent. In this event, the Lessee will be liable for the amount of the account. Should the services be disrupted or disconnected due to late payment of the account by the Lessee, the Lessee shall carry full responsibility for any extra charges and re-connection fees that may be incurred as a result thereof. The lessee specifically agrees that the Lessor or the Lessors agent cannot be held responsible for any disruption or disconnection which may occur for what ever reason.

- 8.4 Where the Lessee has not concluded a separate agreement with these service providers:
  - 8.4.1 The Lessor shall be entitled to recover any amounts due in terms of 8.2 and 8.3 by way of debit on the debit order instruction provided by the lessee in accordance with clause 4.3;
  - 8.4.2 The Lessor shall be entitled to withhold the repayment of the deposit held in accordance with clause 6 until such time as the Lessee has provided proof that all amounts due to such service providers have been paid in full.

**9. ACKNOWLEDGEMENT BY LESSEE**

The Lessee acknowledges that –

- 9.1 the Premises are let subject to the conditions contained in the title deed of the Premises, any local authority regulations that may be applicable, and the provisions of any applicable town planning scheme; and
- 9.2 he has inspected the Premises and that they are suitable for the purpose for which they are let; and
- 9.3 he will have no claim for damages whatsoever against the Lessor if for any reason the Premises do not become suitable for the purpose for which they are let; and
- 9.4 all goods brought onto the Premises by the Lessee shall be at the sole risk of the Lessee without the Lessor incurring any responsibility relating thereto; and
- 9.5 the Lessor shall not be liable for any loss sustained by the Lessee or any other person on the premises by reason of any burglary, fire, water, storm damage or earth quake on the Premises, or for any damages suffered by the Lessee or any other person on the premises as the result of any act or omission on the part of the Lessor and/or his agent or as a result of any defect in the Premises, or as a result of an act of God, or as a result of any actions of any third party, or as a result of war or civil unrest. It shall be the responsibility of the Lessee to take out and maintain insurance against any potential loss for the reasons stated herein.

**10. PROHIBITION AGAINST SUBLETTING AND PARTING WITH POSSESSION**

The Lessee shall not –

- 10.1 cede his rights or assign his obligations hereunder; or
- 10.2 sublet the Premises or any Portion thereof; or
- 10.3 part with possession of Premises or any portion thereof

without the Lessor's prior written consent, which in the case of 10.2 and 10.3, shall not be unreasonably withheld.

**11. OCCUPATION**

- 11.1 Notwithstanding any receipt given for rental or deposit paid in terms of the lease, the Lessee shall have no claim for damages or other right of action against the Lessor, nor be entitled to cancel this lease, should the Lessor be unable to give the Lessee occupation of the Premises on the date of commencement of the lease for any reason whatsoever not attributable to wilful default on the part of the Lessor. The Lessee undertakes to accept occupation from whatever date the Premises are available, subject to a remission of rental in respect of the period of non-occupation.
- 11.2 Should the Lessee fail to take occupation of the Premises on the date upon which the Premises are made available to him for occupation, the Lessor may cancel the lease, in which event the Lessee will forfeit the Deposit paid by him while remaining liable for any loss of rental or other losses sustained by the Lessor; provided that this clause shall not apply if the Lessor and Lessee have agreed in writing that the Lessee will not take physical occupation of the Premises on the said date.
- 11.3 In the event of the Lessee not being able to enjoy the beneficial occupation of the Premises as a result of it having been materially damaged by fire, earthquakes, weatherstorms, riot activity or the like (and it not being the Lessee's making) and the Lessor –
  - 11.3.1 failing within 30 days of the date of the damage to give the Lessee written notice that he intends to keep this lease alive, this lease shall be deemed to have been cancelled on the date that the damage occurred and the Lessor shall refund the Lessee all rental paid in advance beyond the date of such damage; or

11.3.2 having given notice to the Lessee as aforesaid, the Lessor shall restore the Premises to a tenable condition as expeditiously as practicable and the Lessee shall be entitled to a total or partial rental according to the extent to which and the period for which he was deprived of beneficial occupation of the Premises

Save as provided in 11.3.1 and 11.3.2, the Lessee shall have no other claims whatsoever against the Lessor.

11.4 The Lessee may not without the Lessor's prior written consent which shall not be unreasonably withheld –

11.4.1 vacate the Premises prior to the expiry of the lease; or

11.4.2 allow the premises to remain unoccupied for any period exceeding six weeks; or

11.4.3 permit or allow any persons other than those persons referred to in 3.2 above to occupy the Premises or to reside therein.

## 12. **DEFECTS AND MAINTENANCE**

12.1 It is recorded that before taking occupation of the premises, the Lessee and the Lessor or his agent have jointly inspected the premises for any defects. Where any defects were found to exist, they are listed in annexure B, which will form part of this agreement. In Annexure B it is recorded whether the Lessor is required to rectify the defects and whether they are merely recorded to be in existence at the commencement of the agreement, and signature to the agreement by the Lessor implies acceptance thereof. Where no defects are listed in Annexure B, the parties are in agreement that the Premises are in a good state of repair and condition, and that all keys, locks, glass windows, electrical installations, sanitary ware, sewerage pipes, stoves, water taps, geysers and other appurtenance including all the movable items specified in the Inventory annexed hereto ("the goods"), are likewise in good order and condition. It is recorded that there are no damages or defects that the Lessor is required to rectify.

12.2 The Lessor shall be obliged to:

12.2.1 Effect repairs to those defects listed in Annexure B, if any, which he has agreed to in terms of clause 12.1

12.2.1 Keep the structure of the Premises and the roof in a state of good repair.

Save as herein provided, the Lessor shall not be obliged to effect repairs to or maintain the Premises or the goods. The Lessee shall not be entitled to withhold the rental or to claim any refund in respect of Rental paid, by any reason of any defect whatsoever in the Premises or the goods.

12.3 It is specifically agreed that:

12.3.1 The Lessor shall not be held liable by the lessee for any damages which the Lessee may suffer by reason of any repairs to be effected by the Lessor not being effected timeously or at all.

12.3.2 The Lessee shall be entitled to, if the Lessor fails to rectify the default within 30 days of being requested to do so in writing, effect the repairs and claim payment from the Lessor in respect of such repairs. The Lessee shall not be entitled to cancel this agreement, or to retain any rental as a result of the alleged failure of the Lessor to meet this obligation, or set off any expenses incurred in rectifying the alleged defaults against any rental payment.

12.4 The Lessee undertakes, subject to above 12.2 and 12.9, to maintain at his own cost the whole of the Premises and the goods for the full duration of the Lease in the same state of repair as they were received by him, reasonable fair wear and tear expected, alternatively to reimburse the Lessor for the cost of replacing or repairing any breakages or defects. Notwithstanding the generality of this clause, the Lessee specifically undertakes to –

12.4.1 keep and maintain all gutters, sewerage pipes, water pipes and drains on the premises free from obstruction and/or blockages; and

12.4.2 keep the grounds (if any) of the Premises in a clean and tidy condition, free from litter and rubbish and to keep the hedges trimmed, lawns mowed and flowerbeds neat and tidy; and

12.4.3 keep the electrical system in good working order and condition; and

12.4.4 clean the carpets and other floor coverings and tiles regularly, it being understood that same shall be replaced completely at the expense of the Lessee should they be damaged beyond reasonable wear and tear.

12.5 The Lessor and/or his Agent shall be entitled to:

12.5.1 Inspect the Premises at all reasonable times. During such an inspection any occupant found at the premises shall upon request be obliged to provide the names of all the persons then occupying the property.

12.5.2 To make such repairs and alterations as he may deem necessary for the safety, preservation or improvement of the Premises, both externally and internally;

12.6 Should the Lessee fail to maintain the Premises and/or goods in the manner specified in this clause, the Lessor shall be entitled, in addition to any other rights or remedies available to him in terms of this Agreement, to carry out the necessary maintenance work at his discretion and to recover the full costs from the Lessee.

12.7 If the Premises form part of a sectional title or share block scheme under the provisions of the Section Titles Act 95 of 1986 or the Share Block Control Act 59 of 1980 (as the case may be), the Lessee shall not be obliged or entitled to maintain in any manner the Premises and/or the goods insofar as the obligation or right to do so is imposed on or vests in –

12.7.1 the body corporate of the sectional title scheme; or

12.7.2 the relevant share block company.

## 13. **'FOR SALE' AND 'TO LET' NOTICES**

13.1 The Lessor shall at any time during the period of this lease be entitled to affix a 'for sale' notice in respect of the Premises.

13.2 On receipt of a notice given by either parties in terms of 5.1, alternatively three months prior to the expiry of the lease as referred to in 5.2 the Lessor shall be entitled to affix a 'to let' notice upon the Premises.

13.3 The Lessee shall allow the Lessor's Agent and/or any prospective tenant or purchaser to view the interior of the Premises during reasonable hours, provided a prior appointment to do so has been made with the Lessee

13.4 The Lessee shall not be entitled to remove, relocate or damage any notice referred to in 13.1 and 13.2.

## 14 **USE OF PREMISES BY THE LESSEE**

The Lessee shall use the Premises solely for residential purposes and hereby specifically undertakes not to:-

14.1 Contravene any law, bylaw, ordinance or regulation applicable in respect of the Premises, in particular (if applicable) the rules applicable to the sectional title of which the Premises forms part or, if the Premises form part of a share block scheme, any use agreement applicable to the Premises; or

14.2 Cause or permit any nuisance upon the Premises; or

14.3 Allow pets or other animals to damage the Premises; or

14.4 Deface, mark, paint or drive nails, hooks, screws into the doors, walls, ceilings or floors of the Premises, or place or display advertisements or notices of whatsoever nature on any part of the Premises, without the written consent of the Lessor; or

- 14.5 Interfere in any manner whatsoever with the existing electrical installation on the Premises or to connect any electrical current which may damage the electrical installation or cause it to short-circuit; or
- 14.6 Make any alteration or addition to the Premises or its appurtenances without written consent of the Lessor; or
- 14.7 Keep or store any dangerous or hazardous material or substance on the Premises, or do or permit anything which may vitiate the Lessor's insurance on the Premises or cause an increase in the premiums payable thereunder; or
- 14.8 Hold or permit the holding of, any sale by public auction whatsoever in or about the Premises; or
- 14.9 Keep any pets in or on the Premises without the Lessor's prior written consent; or
- 14.10 Allow that refuse remains on or outside the premises save in the area provided therefore; or
- 14.11 Allow linen or clothing to be laundered on the premises or to be hung outside the premises, except in the areas specifically designated for those purposes.

**15. VACATING THE PREMISES ON TERMINATION OF THE LEASE**

- 15.1 On termination of the lease for whatever reason, the Lessee shall restore the whole of the Premises and the goods to the Lessor in the same good order and condition as they are at present, fair wear and tear excluded, and in a condition fit for immediate occupation by future occupants
- 15.2 The Lessor and the Lessee shall arrange a joint meeting during reasonable office hours, to be held at least 3 days prior to the expiration of the lease with a view to ascertaining if there was any damage caused to the Premises during the Lessee's occupation. Should the lessee fail to respond to the Lessor's request for such an inspection, or fail to attend the arranged inspection, the Lessor shall within 7 days after restoration of the Premises to him inspect the Premises and notify the Lessee in writing of all damages to or defects in the Premises for which the Lessee is liable in terms of 12, and recover the said damages by deduction from the deposit in terms of clause 6, or otherwise. Failure on the part of the Lessor to give notice shall be deemed to be an acknowledgement on his part that the whole of the Premises including all the goods are in a good and proper state of repair and condition.
- 15.3 An inspection fee of R\_\_\_\_\_ is payable by the Tenant, and can be deducted from the deposit of the Tenant after the termination of the lease, if not otherwise paid by the Tenant.
- 15.4 Upon vacating the property the Lessee shall deliver all keys to the Lessor before 16h00 on the last working day of the vacating month, failing which an additional charge of R400 shall become due and payable to cover the administration and costs of reproducing a set of keys and or change locks.
- 15.5 In the event that the Lessee withholds the keys to the premises past the termination date of the lease, the Lessee shall be deemed to be occupying the premises unlawfully and shall be liable for damages in the sum of all rentals and other amounts that would have been payable had this lease continued.
- 15.6 Any improvements made by the Lessee on or to the Premises during the period of the lease shall become the property of the Lessor on termination of the lease and the Lessee shall not be entitled to remove any such improvement or claim from the Lessor any compensation in respect thereof.
- 15.7 Notwithstanding the provisions of 15.6 above, the Lessor shall be entitled at the termination of the lease to demand in writing that any improvement or addition made by the Lessee be removed by the Lessee at his own cost. The Lessee shall at his own expense and to the satisfaction of the Lessor repair all damage and/or defects caused by such removal.
- 15.8 Should he Lessee fail to comply with a demand made by the Lessor in terms of 15.7, the Lessor shall be entitled, in addition to any other remedy or right available to him in terms of this Agreement, to have the relevant improvement and/or addition removed and to recover the costs thereof from the Lessee, including the cost of repair and/or damage and/or defects caused by such removal.

**16. BREACH**

- 16.1 Should this Agreement be cancelled by the Lessor for any reason whatsoever, the Lessee and/or any other person occupying the Premises on the Lessee's behalf, shall, subject to clause 4.6 immediately vacate the Premises and allow the Lessor to take occupation thereof.
- 16.2 Should the Lessee fail to pay the rent aforesaid, or any part thereof, or any other monies due in terms of this agreement punctually on due date, or should the Lessee commit or permit any breach whatsoever of any of the terms and conditions of this lease, the Lessor shall have the right (and without derogation of any other rights he may have) to:
  - 16.2.1 Forthwith and without notice cancel this Lease. The Lessee in such event waives his right to legal notice which he may otherwise be entitled to.
  - 16.2.2 Immediately to re-enter upon and take possession of the premises hereby let and to eject the Lessee or any other person or persons therefrom.Such cancellation, re-entry or ejection shall however in no way prejudice any claim which the Lessor may then or thereafter have against the Lessee for any rent due and/or for damages (including loss of rental) or for any breach of any of the terms and conditions hereof, and the Lessor shall in no way be liable to compensate the Lessee for any damage he may suffer by reason of any cancellation, re-entry or ejection.
- 16.3 The Lessee hereby accepts liability for all legal costs, including attorney and own client charges and collection charges, and other expenses of any nature whatsoever, which may be incurred by the Lessor by reason of the Lessee's breach of any term or condition of this lease, and hereby agrees to pay such amounts to the Lessor on demand. Should such costs remain unpaid after 10 days, the Lessor shall, without detracting from any other remedies, be entitled to recover such costs through a debit on the debit order instruction provided by the Lessee in accordance with clause 4.3.
- 16.4 Any extension of time for payment of any rental or any other indulgence that may be granted by the Lessor for the non-enforcement by the Lessor of any of his rights under this lease or any non-insistence on his part on the Lessee performing in full his obligations under this lease, shall in no way be construed as a waiver of his rights and shall in no way debar the Lessor at any time from insisting on the Lessee's strict compliance with all his obligations under this Lease.
- 16.5 Where the Lessee has any claim against the Lessor, whether arising from this agreement or not, the Lessee shall not be entitled to raise such a claim in defence or as a counter claim to any claim instituted against him in terms of this agreement. The Lessee agrees to pursue such a claim by way of separate action.
- 16.6 In the event of the Lessor cancelling this lease 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 litigation, continue to pay an amount equivalent to the monthly rental provided in this Lease, monthly in advance on or before the first day of each and every month 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 affect the Lessor's claim of cancellation then in dispute. Failure to comply with this provision shall constitute a separate cause of action that will entitle the Lessor to immediately to re-enter upon and take possession of the premises hereby let and to eject the Lessee or any other person or persons therefrom.
- 16.7 Should the dispute be determined in favour of the Lessor, the payments made and received in terms of sub-paragraph 16.6 be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the grounds justifying the

cancellation of the lease and/or the unlawful holding over by the Lessee. Any cancellation by the Lessor shall be without prejudice to the Lessor's right to claim damages occasioned by or resulting from the Lessee's breach of the lease.

## 17. DOMICILE AND JURISDICTION

- 17.1 The Lessor chooses *domicilium citandi et executandi* as set out in 1 above, while the Lessee chooses the address of the Premises as his *domicilium citandi et executandi*, at which addresses all notices and legal process in relation to this lease or any action arising therefrom may be effectually delivered and served.
- 17.2 Any notice given by one of the parties to the other ("the addressee") which:-
- 17.2.1 is delivered by hand to the addressee's *domicilium citandi et executandi* shall be presumed until the contrary is proved, to have been received by the addressee on the date of delivery; or
- 17.2.2 is posted by prepaid registered mail until the contrary is proved to, have been received by the addressee on the third day after the date of posting.
- 17.3 The Lessor shall be entitled, on written notice to the Lessee, to change the address of his *domicilium citandi et executandi*. The parties agree that while the premises is occupied by the Lessee, or by persons on his behalf, the stipulated *domicilium citandi et executandi* of the Lessee may not be changed.
- 17.4 Subject to clause 17.5 the parties agree to the jurisdiction of the magistrate's court in connection with any action or suit arising from this lease or the cancellation thereof.
- 17.5 In the event that any legal action instituted by any of the parties in respect of or relating to this lease becomes a defended action, any party shall be entitled to refer the dispute for arbitration, provided that:
- 17.5.1 Such referral shall take place within 15 court days from the delivery of the notice of intention to defend;
- 17.5.2 Any such referral and arbitration shall be conducted in accordance with the Summary Arbitration Rules of the Arbitration Forum;
- 17.5.3 The party so referring the case to arbitration shall pay the arbitration costs (arbitrator fees and administration costs), provided that such costs shall be part of the costs in the cause that may be recovered in terms of any costs order made by the arbitrator.
- 17.6 Where the case has been so referred to arbitration:
- 17.6.1 The court proceedings shall be terminated;
- 17.6.2 The dispute shall be determined by arbitration, and any award made by the arbitrator shall be final and binding on the parties.

## 18 FINANCIAL POSITION OF LESSEE

- 18.1 It is recorded that prior to the conclusion of this lease the Lessee made certain representations to the Lessor regarding the income that he, and or his household earns, and also with regard to his financial obligations. The said representations are contained in the rental application form submitted by the Lessee.
- 18.2 It is further recorded that the said information was material and induced the Lessor to enter into this agreement with the Lessee.
- 18.3 The Lessee undertakes, and is obliged to after commencement of the lease immediately report to the Lessor in writing any material changes in either the stated income or the stated financial obligations. Such notice shall provide full details of the changed circumstances, and the reasons for such changes. Such notice shall in no way affect any of the Lessee's obligations in terms of this lease. For purposes of this clause "material changes" shall be any changes that adversely affects the Lessee's financial circumstances, and in particular his ability to afford or continue to afford the rental payment.
- 18.4 In the event of receiving such notice, and provided that the Lessee is in no way in breach of any of the terms of the lease, the Lessor:
- 18.4.1 Will where appropriate consider releasing the Lessee from the balance of the period of the lease; and
- 18.4.2 Will where possible assist the Lessee in finding alternative and affordable accommodation; and
- 18.4.3 Shall be entitled to, in consultation with the Lessee and after having given due consideration to the changes in the Lessee's circumstances and the reasons therefore, determine an appropriate termination date for the lease.
- 18.5 Where the Lessee has wilfully failed to give notice referred to in clause 18.3, and thereafter fall in arrears with any financial obligations in terms of this agreement, his actions may in law amount to fraud, which can entitle the Lessor to lay criminal charges against the Lessee.

## 19 GENERAL

- 19.1 Should two or more persons sign this Agreement as Lessors or Lessees, the said person shall be liable *singuli in solidum* for the due performance of their obligations in terms of this Agreement.
- 19.2 This Agreement constitutes the sole and entire agreement between the parties and no warranties, representations, guarantees or other terms and conditions of whatsoever nature not contained herein shall be of any force or effect.
- 19.3 No variation of the terms and conditions of this Agreement or any consensual cancellation thereof shall be of any force or effect unless reduced to writing and signed by the parties or their duly authorised agents.
- 19.4 The Lessor hereby warrants that all consents required in terms of the Matrimonial Property Act 88 of 1984 have been duly furnished.
- 19.5 This Agreement shall be duly concluded upon signature thereof by the Lessor and the Lessee, without it being required that the fact of the Lessor's signature be communicated to the Lessee.

## 20 COMPANY RESOLUTIONS & DEED OF SURETY

- 20.1 Where the Lessee is not a natural person, but a legal entity the Lessee shall be obliged to provide:
- 20.1.1 A personal surety or sureties, to the satisfaction of the Lessor, in respect of any and all of the Lessee's obligations in terms of this agreement.
- 20.1.2 Proof of a resolution of the Board or Directors of the Company or of the Members of the Closed Corporation or of the Trustees of a Trust authorising the legal entity to enter into this agreement, and appointing the signatory to this agreement to sign the agreement for and on behalf of the legal entity.
- 20.2 The Lessee shall not be entitled to take occupation of the premises prior to such surety agreement(s) being finalised, and such resolution being provided.

## 21 ALIENS

Should the Lessee be an alien as defined in terms of the Aliens Control Act 96 of 1991 he warrants that he is in possession of a permit issued in terms of the said Act which qualifies him to hire the Premises. The expiry date of the permit is \_\_\_\_\_

**SPECIAL CONDITIONS**

22.1 The following special conditions will apply, provided that where any special condition:  
22.1.1 has the effect of amending or deleting any other provision of this agreement, or  
22.1.2 is in any way in conflict with any other provision contained in this agreement,  
that other provision shall be applied as if this special condition was never agreed to.

22.2 Special Condition 1: \_\_\_\_\_  
\_\_\_\_\_

22.3 Special Condition 2: \_\_\_\_\_  
\_\_\_\_\_

**SIGNED BY THE FIRST LESSEE ON THE DATES AND AT THE PLACES STATED HEREUNDER:**

DATE \_\_\_\_\_ PLACE: \_\_\_\_\_

\_\_\_\_\_  
WITNESS **FIRST LESSEE**

NAME OF SIGNATORY: \_\_\_\_\_

**SIGNED BY THE SECOND LESSEE ON THE DATES AND AT THE PLACES STATED HEREUNDER:**

DATE \_\_\_\_\_ PLACE: \_\_\_\_\_

\_\_\_\_\_  
WITNESS **SECOND LESSEE**

NAME OF SIGNATORY: \_\_\_\_\_

**SIGNED BY THE LESSOR ON THE DATES AND AT THE PLACES STATED HEREUNDER:**

DATE \_\_\_\_\_ PLACE: \_\_\_\_\_

\_\_\_\_\_  
WITNESS **LESSOR (OR DULY AUTHORISED AGENT)**

NAME OF SIGNATORY: \_\_\_\_\_

**Attachments:**

- 1. **Annexure A:** Debit Order Authority  YES /  NO
- 2. **Annexure B:** List of Defects to Premises  YES /  NO
- 3. **Annexure E:** Copy of House Rules  YES /  NO

*(The Rental Housing Act 50 of 1999 defines "House Rules" as "the rules in relation to the control, management, administration, use and enjoyment" of the Premises. If such rules exist in respect of the Premises referred to in terms of this agreement, the Lessor must annex a copy thereof to the Lease Agreement.)*



# Debit Order Authority

In Respect of the Lease Agreement between the Tenant and the Property Owner dated: \_\_\_\_\_

Name of the Property Owner: \_\_\_\_\_

Name of Lessee: \_\_\_\_\_

Lease Code: \_\_\_\_\_ Property Code: \_\_\_\_\_

Property Address: \_\_\_\_\_

\_\_\_\_\_

I/We hereby instruct and authorise you to draw against my/our account with the above-mentioned bank (or any other bank or branch to which I /we may transfer my/our account) all monthly amounts that may be due in respect of the above-mentioned lease agreement/insurance on the first working day of each and every month. All such withdrawals from my/our bank account by you shall be treated as though they had been signed by me/us personally.

**The details of the bank account to be debited are as follows:**

ACCOUNT NAME: \_\_\_\_\_

BANK: \_\_\_\_\_

BRANCH: \_\_\_\_\_ BRANCH CODE: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_ TYPE OF ACCOUNT: \_\_\_\_\_

**Details of the debit order are as follows:**

DATE OF FIRST DEBIT: \_\_\_\_\_ AMOUNT OF FIRST DEBIT: \_\_\_\_\_

I/we understand that details of each withdrawal will be printed on my/our bank statement or on an accompanying voucher.

I/We agree to pay the transaction costs relating to this debit order instruction. We understand that a penalty fee will be levied in the event that a debit order is unpaid.

I/We will only be entitled to cancel this authority once the lease agreement referred to above has been cancelled. I/we shall not be entitled to any refund of amounts which you have withdrawn while this authority was in force if such amounts were legally owing to you.

Receipt of this instruction by you shall be regarded as receipt thereof by my/our bank (whichever it is or will be).

**The details of the bank account into which all monthly rentals must be deposited are as follows:**

ACCOUNT NAME: \_\_\_\_\_

BANK: \_\_\_\_\_

BRANCH: \_\_\_\_\_ BRANCH CODE: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_ TYPE OF ACCOUNT: \_\_\_\_\_

Signed at.....on this .....day of.....20.....

\_\_\_\_\_  
SIGNATURE AS USED FOR SIGNING CHEQUES

\_\_\_\_\_  
ASSISTED BY  
(where legally necessary)

\_\_\_\_\_  
CAPACITY

Broker Name		Broker Code	
<b>For Logique Office Use</b>	Policy Number		



## Defects to Premises at Commencement of Lease

The following Defects to the Premises existed at the Commencement of the Lease:

	DETAILS OF DEFECT	Owner / Manager to rectify
1		YES / NO
2		YES / NO
3		YES / NO
4		YES / NO
5		YES / NO
6		YES / NO
7		YES / NO
8		YES / NO
9		YES / NO
10		YES / NO
11		YES / NO
12		YES / NO

Signed at \_\_\_\_\_ on \_\_\_\_\_ 200\_\_.

LESSEE: \_\_\_\_\_

LESSOR / AGENT: \_\_\_\_\_