

RESIDENTIAL AGREEMENT OF LEASE

1. SCHEDULE

1.1	The Agent	Gorete Malherbe and Chantel Nel
1.1.1	The Agency	Mars Hill Properties (Pty) Ltd
1.2	The Landlord	Brandon de Bruin and Lloyd de Bruin
	Registration No / Identity No	7108255084083 and 7906235044089
	VAT Registration No	
1.3	The Tenant	Ganeswari Shani and Dhanapalan Naidoo
	Registration No / Identity No	6802140275085 and 6612185045081
	VAT Registration No	
1.4	The Premises	403 The Apex, Jan Smuts Avenue, Rosebank, Johannesburg
Tenant Costs		
1.5	The Rent (INCLUDING LEVIES)	R175'500 for 13 Months. R81'000 due immediately for first 6 months.
1.6	The Deposit R13 500 *	R14 000 R94'500 due by no later than 30 May, 2017.
1.7	The Lease Fee	R1 000 will not initial
1.8	Key and Water Deposit	
1.8.1	Total	R96 000 R175'500 will not initial
1.9	Rental Escalation	4 - 9% (to be agreed upon at time of renewal)
Deposit and 1st Month's Rent Details		
	Account Name	Mars Hill Properties (Pty) Ltd
	Bank	First National Bank
	Account Number	62572593624
	Branch Code	256 755
	Reference-Property Address	CA - 403 The Apex
1.10	The Landlord's Nominated Bank Account	
	Name of Account Holder	B. de Bruin
	Bank	Investec Bank
	Bank Branch	Sandton
	Branch Code	580 105
	Account Number	10010824984
	Reference for Payment	Rent - The Apex
1.11	The Landlord's Address(es)	
	Physical	19 Glamorgan Road, Parkwood, Johannesburg
	Postal	19 Glamorgan Road, Parkwood, Johannesburg P.O. Box 72139 Parkview, 2122
	Telephone	083 380 5280
	Email	lloyd@earthlogistics.co.za

* NOTE: DEPOSIT OVERPAID BY R500.

1.12 The Tenant's Address(es)		BOWWOOD	
Physical	42 Brownwood Road, Claremont, Cape Town, Western Cape		
Postal	PO Box 44393, Claremont, Cape Town, 7735, Western Cape		
Telephone	083 302 2271		
Email	sharnin@tfg.co.za shanin@tfg.co.za		
1.13 Interest Rate of 2 (two) % per month on late rental payments			
1.14 Initial Lease Period is:	12 (twelve) months 13 (THIRTEEN)		
1.15 Lease Start Date	1 February 2017 1 st JANUARY 2017		
1.16 Lease End Date	31 January 2018		
1.17 Key Return Date and Time	31 January 2018 at midday (12:00 am PM)		
1.18 Declaration of Tenant regarding Direct Marketing (tick appropriate box)			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> X
1.19 Maximum Occupants	2		
1.20 Pets Permitted	No pets		
1.21 Maximum Cancellation Penalty not less than	2 (two) 3 (three)	Month/s but not more than	
	3 (three)	Months Rental	
1.22 Agency Commission	R14'000 R13'500		
1.23 Tenant Threshold (where the Tenant is a juristic entity)			
Asset Value:	R N/A		
Annual Turnover	R N/A		

2. DEFINITIONS

- 2.1 In this Agreement, the words below mean the following:
- 2.1.1 "Agent" means the party referred to in item 1.1 of the schedule;
 - 2.1.1.1 "Agency" means the party referred to in item 1.1.1 of the schedule;
 - 2.1.2 "Board" means the Estate Agency Affairs Board;
 - 2.1.3 "Body Corporate" means anybody corporate or home owners association applicable to the Premises;
 - 2.1.4 "Business Day" means any day other than a Saturday, Sunday, or official public holiday in the Republic of South Africa;
 - 2.1.5 "CPA" means the Consumer Protection Act 68 of 2008, together with all of its regulations and schedules, as amended from time to time;
 - 2.1.6 "Deposit" means the amount/s payable by the Tenant to the Landlord prior to the Tenant moving in to the Premises;
 - 2.1.7 "EAAA" means the Estate Agency Affairs Act 112 of 1976, together with all of its regulations and schedules, as amended from time to time;
 - 2.1.8 "Effective Cause" means the main reason for the Tenant entering into this Lease;
 - 2.1.9 "Fair Wear and Tear" means any decline which results from ordinary use and exposure over time, including breakage or malfunction due to age or deteriorated condition, but not where such decline results from negligence, carelessness, accidents, or abuse by the Tenant or its visitors;
 - 2.1.10 "Initial Period" means the term of this Lease, excluding any renewal periods;
 - 2.1.11 "Landlord/Lessor" means the party referred to in item 1.2 of the schedule;
 - 2.1.12 "The/this Lease" means this agreement together with all its annexures and schedules, as amended from time to time

- 2.1.13 **"Material Breach"** means any breach of this Lease which: this Lease defines as a "Material Breach";
has or is likely to have a serious financial or legal impact on either Party to this Lease;
has or is likely to have a serious impact on the ability of either Party to this Lease to enjoy its rights under this Lease; is not remedied by the Party who is in breach within ~~7 (seven)~~ ^{20 (Twenty)} Business Days of being asked to do so by the other Party; or happens more than once in any 3 (Three) Month period.
- 2.1.14 **"Month"** means a calendar month, and more specifically, in reference to a number of months from a specific date, a month commencing on that date or the same date of any subsequent month;
- 2.1.15 **"Parties"** means the Tenant and the Landlord and "Party" means either one of them, as the context may indicate;
- 2.1.16 **"Premises"** means the premises referred to in item 1.4 of the schedule;
- 2.1.17 **"Rental"** means the monthly rental payable by the Tenant to the Landlord for the rental of the Premises;
- 2.1.18 **"Rental Housing Act"** means the Rental Housing Act 50 of 1999, together with all of its regulations and schedules, as amended from time to time;
- 2.1.19 **"Rules"** means any applicable Body Corporate and/or house rules;
- 2.1.20 **"Signature Date"** means the date of signature of this Lease by the last Party signing;
- 2.1.21 **"Specific Performance"** means the fulfilment of either Party's obligations in terms of this Lease;
- 2.1.22 **"Tenant/Lessee"** means the party referred to in item 1.3 of the schedule; and
- 2.1.23 **"Termination Date"** means the date of termination of this lease for any reason whatsoever.

3. INTERPRETATION

- 3.1 Any reference to one gender includes the other gender.
- 3.2 Any reference to the singular includes the plural and vice versa.
- 3.3 Any reference to a natural person includes an artificial or juristic person.
- 3.4 No provision of this Lease is intended to contravene or limit any applicable provisions of the CPA or the Rental Housing Act.

4. LEASE

The Landlord leases the Premises to the Tenant, and the Tenant hires the Premises from the Landlord, in terms of this Lease. This Lease is granted according to the details and information furnished by the Lessee on the Rental Application Form.

5. DURATION OF INITIAL LEASE PERIOD

- 5.1 For a Lease with a duration of less than 24 Months:
- 5.1.1 This Lease will endure for an Initial Period as stated in item 1.14 of the schedule and will start on the date referred in 1.15 of the schedule and end on the date referred in 1.16 in the schedule.
- ~~5.2 For a Lease with a duration of more than 24 Months:~~
- ~~5.2.1 This Lease will endure for an Initial Period as stated in item 1.14 of the schedule and will start on the date referred in 1.15 of the schedule and end on the date referred in 1.16 in the schedule;~~

~~6. POTENTIAL FOLLOW-ON OR RENEWAL OF THIS LEASE~~

~~It is hereby recorded that the TENANT, in his personal capacity or as a member of a Close Corporation or director or shareholder of a company, or as a trustee of a trust, is a potential Lessee of the PREMISES after the termination of this lease and that in the event of the TENANT again renting the PREMISES for a further period from the LANDLORD during a period of twelve (12) months after the date of termination hereof, the LANDLORD shall be liable to pay to the AGENT a fee based R1 500.00 (one thousand five hundred rand only). The fee shall become due and payable immediately on invoice date.~~

7. NOTIFICATION OF END OF INITIAL PERIOD

~~7.1 In order to allow the Tenant to decide whether to renew this Lease upon expiry of the Initial Period, the Landlord shall notify the Tenant in writing between 40 (Forty) and 80 (Eighty) Business Days prior to the expiry of the Initial Period or:~~

~~7.1.1 the date of termination of the Lease;~~

~~7.1.2 that the Parties enter into a new lease agreement for a further fixed period~~

7.1. All discussions related to potential renewal of this contract are to be decided within October 2017, between the Landlord and Tenant

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8. USE OF THE PREMISES

The Tenant will only use the Premises as a place of residence, and shall not be entitled to use the Premises for the purpose of conducting any business without first obtaining the consent of the Landlord, in writing.

9. HOUSE AND BODY CORPORATE AND HOMEOWNERS ASSOCIATION RULES

The Tenant undertakes to read and familiarise himself with any Rules. It is specifically recorded that the Rules are an essential part of this Lease and that any breach of the Rules constitutes a Material Breach. Any penalties and/or losses which the Landlord may be liable for as a result of the Tenant breaching the Rules may be deducted from the Deposit. A copy of the Rules (if applicable) is attached to this Lease.

10. MONTHLY RENTAL

10.1 The Rental payable by the Tenant to the Landlord is an amount as referred to in item 1.5 of the schedule.

10.2 The Landlord nominated bank details are set out in 1.10 of the schedule.

10.3 The Tenant must:

10.3.1 ensure that the Rental clears the Landlord's nominated bank account by the 1st (first) day of every Month;

10.3.2 confirm with the Landlord that payment has been received;

10.3.3 repay the Landlord for any bank charges which result from any payment made by the Tenant to the Landlord.

10.4 The Tenant will be charged interest on any overdue Rental at a rate stated in item 1.13 of the schedule, calculated from the first day of the Month on which such Rental was due until the date of payment of such Rental by the Tenant in full.

10.5 The Rental cannot be reduced by the Tenant, save for where the Tenant is deprived of the use and enjoyment of the Premises.

10.6 The Rental will increase annually by the percentage referred to in item 1.9 of the schedule.

11. CHARGES BY SERVICE PROVIDERS

11.1 The Tenant must repay the Landlord for all amounts paid by the Landlord in respect of charges levied by service providers supplying services to the Premises, including but not limited to:

11.1.1 Electricity, including basic service and network charges, meter service charges, common area charges and charges in respect of consumption or estimated consumption;

11.1.2 Water, including basic service and network charges, meter service charges, common area charges and charges in respect of consumption or estimated consumption;

11.1.3 ~~gas, sewerage, refuse removal and all utility charges.~~ Electricity is paid by the tenant on a pre-paid basis

11.2 The Tenant shall pay these charges to the Landlord, on presentation of invoice, simultaneously with payment of the Rent.

11.3 If the Tenant arranges for any service provider to supply a service to the Premises, the Tenant must pay such service provider directly. The Tenant acknowledges that, given the Landlord's interest in the Premises, the Landlord may at any time request a printout of the Tenant's account with such service provider to confirm whether the Tenant is promptly making payments to such service provider.

11.4 If the Tenant does not repay the Landlord any amount which the Landlord pays in terms of clause 11.1 or if the Landlord pays a service provider directly for any amount which is due and owing by the Tenant, the Landlord shall be entitled in its discretion to deduct the

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amount paid by the Landlord from the Deposit or to claim such amount from the Tenant.

- 11.5 It is recorded that any failure by the Tenant to timeously pay any amount due by it to a service provider or to the Landlord shall constitute a Material Breach of this Lease.

12. DEPOSIT

12.1 The Tenant will pay the Deposit before the Signature Date into the Trust account of Mars Hill Properties (Pty) Ltd as per clause 12.8. When this Lease ends, the Landlord may use the Deposit, together with any interest accumulated thereon, to pay all amounts which the Tenant is liable for under this Lease, including but not limited to the reasonable costs of repairing any damage done to the Premises during the Initial Period, the cost of replacing lost keys, any arrear Rental that was not paid by the Tenant during the Initial Period and any other outstanding amounts for which the Tenant is liable under this Lease.

12.2 This Deposit is the amount referred to in item 1.6 of the schedule.

12.3 The Deposit will be placed in an interest-bearing account by the Landlord with a financial institution and any interest out of said deposit shall accrue to the Tenant/Investor after payment of administration costs. After deducting any amounts owed by the Tenant in terms of clause 12.1, the Landlord must pay the remainder of the Deposit to the Tenant, together with any interest accrued thereon at the applicable rate, within 14 (Fourteen) days of the restoration Date.

12.4 It is recorded that for the subsistence of this Lease, the Deposit at all times belongs to the Tenant and may only be removed by the Landlord or the Agent in accordance with the provisions of clauses 9, 11.4, 12.3, 12.5 and 13.5 or when the Agent or the Landlord is instructed to do so by the Tenant.

12.5 If, during the subsistence of the Lease, there is any increase in the Rental, the Tenant may be required to supplement the Deposit in terms of clause 7.1.2.

12.6 It is specifically recorded that the Tenant cannot ask the Landlord to use the Deposit to cover any Rental which the Tenant owes at any time during the subsistence of the Lease.

12.7 Notwithstanding anything to the contrary herein, both the Landlord and the Tenant agree that:

In the event of the deposit referred to in clause 1.6 (Tenant), or the lease fees referred to in clause 1.7 (Tenant), or the commission referred to in clause 1.22 (Landlord), being deposited directly into the Agent's Trust Account by way of cash (hard currency), or Forex (foreign exchange), the bank charges levied against such deposits by the bank, shall be for the account of either the Landlord or the Tenant, where applicable to either party. It is recorded that in terms of the regulations governing the financial Intelligence Centre Act 38 of 2001, the Agent is an accountable institution.

12.8 The deposit and first month's rental to be deposited into the following account:

MARS HILL PROPERTIES (PTY) LTD TRUST ACCOUNT
FIRST NATIONAL BANK (FNB)
Branch Code: 256 755
Account No: 62572593624

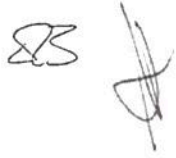


13. INSPECTION OF THE PREMISES

13.1 The Tenant and the Landlord or the Agent (as the case may be) will inspect the Premises together before the Tenant takes occupation of the Premises to determine whether there is any existing damage to the Premises or whether there are any defects at the Premises. Any damage and/or defect will be recorded in writing, signed by the Landlord or the Agent (as the case may be) and the Tenant and attached as a schedule to this Lease.

13.2 If the Tenant discovers any damage to or defects at the Premises after the inspection referred to in clause 13.1 above, the Tenant must notify the Landlord in writing of such damage or defects within 7 days of occupation by the Tenant, in which instance the Landlord must take all reasonable steps to remedy the damage or defects or, if the damage or defects are not capable of being remedied, the Landlord must supply the Tenant with a written acknowledgment confirming that such damage or defects exist/s.

13.3 It is recorded that the Landlord shall not be liable for any damage or defects which the Tenant was aware of at the inspection, but does not request the



- Landlord to record in writing.
- 13.4 Within 3 (Three) days prior to the Termination Date, either the Landlord or the Agent (as the case may be) and the Tenant will inspect the Premises together to determine if any damage was caused to the Premises or the furniture (in the event that the Premises contains the Landlord's furniture) during the subsistence of this Lease (including any renewal periods). If the Tenant fails to attend the inspection, the Landlord shall be entitled to inspect the Premises at any time within 7 (Seven) days of the Termination Date, without the Tenant, in order to determine whether any damage was caused to the Premises during the subsistence of the Lease.
- 13.5 The Landlord shall be entitled to:
- 13.5.1 deduct money from the Deposit to repair any damage caused to the Premises; and
- 13.5.2 charge the Tenant for any amount over and above the value of the Deposit, if the cost of repairing the damage amounts to more than the total amount of the Deposit.

14. MAINTENANCE AND REPAIR WORK

- 14.1 The Tenant must timeously complete any repair work for which he is responsible under this Lease. If the Tenant fails to do so, the Landlord shall be entitled to have such work completed by a third party and may claim any costs incurred in respect of the completion of such work from the Tenant.
- 14.2 If the Tenant discovers that maintenance or repair work needs to be done which the Tenant is not responsible for in terms of this Lease, the Tenant must inform the Landlord, in writing, as soon as is reasonably possible after he learns that such work needs to be done. ~~If the Tenant fails to do so, the Landlord shall be entitled to have such work completed by a third party and may claim any costs incurred in respect of the completion of any such work from the Tenant.~~ *The Landlord should attend to such repairs within a reasonable time.*

15. REASONABLE ACCESS

- 15.1 It is recorded that the Landlord, and/or contractors may require access to the Premises from time to time in order to inspect the Premises or to make repairs, alterations, additions, modifications or improvements to the Premises.
- 15.2 In this regard, the Tenant agrees to give the Landlord, or contractors access to the Premises for the purposes referred to in clause 15.1, provided that the Landlord must give the Tenant reasonable notice of its need for such access.
- 15.3 In the event that emergency work needs to be done at the Premises, the Tenant shall be required to give the Landlord, or contractors immediate access to the Premises.

16. GENERAL OBLIGATIONS OF THE TENANT

- 16.1 The Tenant must:
- 16.1.1 at his own cost look after the Premises (including any garden, pool, equipment and/or gates), and ensure that the Premises is kept clean and in good order and condition;
- 16.1.2 maintain all keys, locks doors, windows, water taps, and accessories related to any form of negligence or misconduct
- 16.1.3 regularly clean the inside of the Premises, including the carpets, floor coverings and tiles;
- 16.1.4 maintain replace &/or repair all electrical globes, fittings switches, water borne taps, stoves, locks, handles and windows related to any form of negligence or misconduct
- 16.1.5 at his own cost have the carpets and the furniture (where applicable) cleaned by a professional carpet cleaning company prior to the Termination Date, to the satisfaction of the Landlord. It is specifically recorded that if the Landlord is unhappy with the state of the carpets and/or the furniture (if applicable), the Landlord may appoint its own professional cleaning company to clean the carpets and/or the furniture (where applicable) and may claim the costs of such cleaning from the Tenant;
- 16.1.6 repair or replace any broken, damaged or missing items within the Premises belonging to the Landlord, unless these items were recorded as being broken,

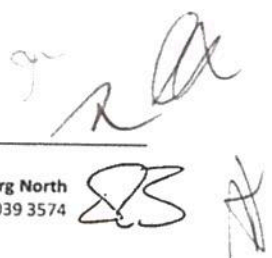
- damaged or missing at the inspection referred to in clause 13.1;
- 16.1.7 take all reasonable steps to prevent any blockage and/or obstruction of any drains, sewage pipes and/or water pipes in or used in connection with the Premises;
 - 16.1.8 respect the rights of use and enjoyment of neighbours;
 - 16.1.9 comply with all laws and regulations relating to the Premises and, in this regard, it is specifically recorded that if the Landlord is fined or penalised because the Tenant has breached any law or regulation, the Landlord shall be entitled to recover any costs associated with such breach from the Tenant;
 - 16.1.10 the Premises may be occupied by no more than the number set out in 1.19 of the schedule;
 - 16.1.11 make payment of all amounts to which the Landlord is legally entitled as and when such amounts are due and payable;
 - 16.1.12 return the Premises at the end of this Lease in the same order and condition in which it was received, Fair Wear and Tear excepted;
 - 16.1.13 return the keys to the Landlord by latest Midday on the date stated in 1.17.
- 16.2 The Tenant must not:
- 16.2.1 sublet the Premises or allow any third party to reside in or occupy the Premises without the prior written consent of the Landlord;
 - 16.2.2 allow any refuse to accumulate inside or outside the Premises, save as in rubbish bins;
 - 16.2.3 make any structural changes or additions to the Premises;
 - 16.2.4 stick adhesive picture holders onto or into, or otherwise deface the walls of the Premises;
 - 16.2.5 drive nails or other objects into any portion of the Premises;
 - 16.2.6 paint the interior or exterior of the Premises without first obtaining the prior written consent of the Landlord;
 - 16.2.7 interfere with the electrical, plumbing or gas system in the Premises, unless the Tenant is doing maintenance which is permitted in terms of this Lease;
 - 16.2.8 use any gadgets or tools or keep any liquids which may explode and cause the insurance policy of the Landlord to be questioned by the Landlord's insurers;
 - 16.2.9 hang or place any signs, notices or advertisements anywhere on the Premises without the prior written consent of the Landlord; or
 - 16.2.10 remove any of the Tenant's furniture or other movable property during the subsistence of this Lease, as legally such property can be sold by the Sheriff of the Court in the event that the Tenant does not pay his Rental in accordance with the provisions of this Lease.

17. VISITORS OF THE TENANT

- 17.1 The Tenant must use his best endeavours to ensure his visitors at all times comply with the provisions of this Lease and the Rules, including, but not limited to:
- 17.1.1 bringing to the attention of such visitors the relevant provisions of this Lease and/or the Rules;
requesting any person who is in breach of the provisions of this Lease and/or the Rules to immediately remedy such breach; and
 - 17.1.2 refusing to allow persons who have previously breached this Lease and/or the Rules access to the Premises if they are likely to commit another breach.

18. APPLICATION OF THE CPA

- 18.1 A transaction (as defined in the CPA) between the Tenant and Landlord may or may not be governed by the provisions of the CPA, depending on whether the Parties are natural or juristic entities and/or whether certain values as set out in item 1.23 of the schedule in respect of the Tenant ("Threshold Values") are above or below a certain value at the time when the transaction is entered into.
- 18.2 The Threshold Values are determined by the Tenant's asset value or annual turnover, and the value against which they are measured is as determined by the Minister of Trade and Industry by publication in the Government Gazette from time to time.
- 18.3 The Landlord's duties towards the Tenant may vary depending upon whether the

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transaction in question is subject to the provisions of the CPA, and the Landlord will act upon the information given to it by the Tenant in this regard. Consequently:

- 18.3.1 the Tenant warrants that any statement made by him to the Landlord in respect of its Threshold Values is true, correct and accurate;
 - 18.3.2 if the Tenant claims that all the Threshold Values are below a certain value, or otherwise that the CPA applies to the transaction in question, the Landlord may, at its instance, require the Tenant to provide it with financial statements as proof thereof; and
 - 18.3.3 if the Tenant misstates the Threshold Values in such a way that the Landlord considers that the transaction is subject to the CPA when it is not, all provisions of this Lease that do not apply to transactions subject to the CPA shall retroactively apply to the transaction in question, and the Tenant shall be liable for any damage sustained by the Landlord resulting from such misstatement.
- 18.4 The Landlord acknowledges that it cannot contract out of the provisions of the CPA and, to this end, should the provisions of the CPA apply in respect of any of the services rendered in terms of this Lease, the provisions of the CPA will prevail over any provisions contained in this Lease that may be contrary to such provisions, provided that the Landlord expressly acknowledges that this clause will only apply in relation to aspects of the Lease to which the CPA will apply in law.

19. JOINT AND SEVERAL LIABILITY OF THE TENANT

In the event that the Tenant consists of more than one party, each of the parties comprising the Tenant shall be liable to the landlord jointly and severally for the performance by the Tenant of its obligations in terms of the lease.

20. LIABILITY OF THE PARTIES

- 20.1 The Parties cannot sue each other or the Agent or Agency for any loss, damage or injury which they suffer unless:
- 20.1.1 the Party being sued was grossly negligent; or
 - 20.1.2 the Party being sued has breached the provisions of the CPA and/or the Rental Housing Act.


21. RIGHT OF CANCELLATION

21.1 The Landlord and the Tenant confirm that the Tenant entered into this Lease as a result of marketing stated in **(please tick the appropriate box and initial)**

- 21.1.1 ☒ **YES** if the Landlord or the Agent first approached the Tenant directly, as stated in 1.18 of the schedule, with a view to concluding this lease and such approach resulted in the conclusion of this Lease. In terms of the CPA, the Tenant therefore has the right to cancel this Lease without reason or penalty within 5 (Five) Business Days of the Signature Date by giving the Landlord or the Agent written notice of such cancellation. The Tenant is entitled to a refund of any payments made to the Landlord or the Agent in terms of this Lease within 15 (Fifteen) Business Days after he has given such notice; or
- 21.1.2 ☐ **NO** if the Landlord or the Agent did not first approach the Tenant directly, as stated in 1.18 of the schedule, to persuade the Tenant to conclude this Lease. Instead, the Tenant contacted the Landlord or the Agent of his own accord in order to discuss the leasing of the Premises. The Tenant therefore does not have the right to cancel or receive a refund of any payments made to the Landlord or Agent.
- 21.1.3 Should the Tenant cancel the lease after the expiry of the period in terms of Clause 21.1.1 or in terms of Clause 21.1.2 charges and penalties such as but not limited to cancellation fees, administrations fees, full commission charges, repayment of advertising costs will be payable immediately upon demand and the Tenant irrevocably instructs and authorises the Agency to deduct these amounts at its sole discretion from the Tenant's deposits held.

22. CANCELLATION OF THIS LEASE BY THE TENANT

22.1 If the Tenant chooses to cancel this Lease prior to the expiry of the Initial Period for a reason other than a Material Breach of this Lease by the Landlord, then the following will apply:

- 22.1.1 the Tenant must give the Landlord at least 3 (Three) Months' written notice of such cancellation;
- 22.1.2 the Landlord shall be entitled to recover any loss suffered by the Landlord as a result of such early cancellation of the Lease by charging the Tenant a reasonable cancellation penalty, which will be the equivalent of not less than the amount stated in item 1.21 of the schedule. **This amount is 3 (three) Months**
- 22.2 Such circumstances shall include, without limitation:
- 22.2.1 the amount of time left until the Initial Period is due to terminate; and
- 22.2.2 whether the Landlord is likely to find another Tenant to replace the Tenant within a reasonable time.
- 22.2.3 the Tenant agrees this is a fair and reasonable cancellation penalty;
- 22.2.4 if the Landlord or the Agent (as the case may be), by acting reasonably and diligently, is able to enter into a new lease agreement during the 20 (Twenty) Business Day notice period, and the new lease agreement is for the same duration or a longer period than the remaining period of this Lease, then the Tenant shall only be liable for the reasonable advertising costs incurred by the Landlord in advertising the Premises and for any commission due to the Agent. The advertising costs and commission charged under this clause cannot be more than the reasonable cancellation penalty referred to in 1.21 of the schedule.
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23. CANCELLATION OF THIS LEASE BY THE LANDLORD BEFORE THE EXPIRY OF THE INITIAL PERIOD

- 23.1 The Landlord may cancel this Lease on 3 (Three) months written notice on the following conditions:
- 23.1.1 the Landlord intends to move into the Premises; or
- 23.1.2 the Landlord intends to sell the Premises.
- 23.2 The landlord may cancel this lease with immediate effect if it is determined that the current tenant is conducting criminal or illegal activities from the premises.


24. BREACH OF THIS LEASE BY THE TENANT

- 24.1 In the case of a Material Breach of this Lease by the Tenant, the Landlord may cancel this Lease if the Tenant does not remedy such breach within 7 (Seven) Business Days of notification being sent to the Tenant instructing the Tenant to do so.
- 24.2 The Landlord may also apply to a Court:
- 24.2.1 where the breach involves non-payment of Rental by the Tenant, for the recovery of any Rental which the Tenant has not paid; where the breach consists of not giving up possession of the Premises after the termination of this Lease;
- 24.2.2 for the recovery of possession of the Premises from the Tenant;
- 24.2.3 for the recovery of compensation for the use and occupation of the Premises by the Tenant; and
- 24.2.5 for the recovery of damages suffered by the Landlord as a result of the breach.

25. BREACH OF THIS LEASE BY THE LANDLORD

- 25.1 If the Landlord commits a Material Breach of this Lease, the Tenant may apply to a Court:
- 25.1.1 for the recovery of any damages suffered by the Tenant as a result of such breach; and
- 25.1.2 for specific performance by the Landlord of any obligation under this Lease.
- 25.2 The Tenant may also cancel this Lease, without penalty, if the Landlord does not remedy the breach within 10 (Ten) Business Days of notification being sent to the Landlord instructing the Landlord to do so.

26. ACKNOWLEDGEMENT BY THE TENANT

- 26.1 The Tenant confirms that:
- 26.1.1 he has read and understands this Lease;
- 26.1.2 all necessary clauses have been explained to him by the Landlord and/or the Agent;
- 26.1.3 he has been advised of all his rights in terms of this Lease and all relevant sections of the CPA; and
- 

26.1.4 he signs this Lease, freely and voluntarily.

27. ARBITRATION

- 27.1 As an alternative to having any dispute arising between the Parties settled by a Court, either Party may choose to have such dispute resolved through arbitration.
- 27.2 If either Party notifies the other that it wishes to refer a dispute to arbitration, the Parties shall try and reach agreement on the appointment of an independent expert to resolve the dispute.
- 27.3 If the Parties are unable to agree on the selection of an independent expert:
- 27.3.1 a senior advocate or attorney having at least 10 (Ten) years' experience must be appointed by the auditor or accountant of the Landlord to resolve the dispute; or
 - 27.3.2 if the Landlord does not have an auditor or accountant, the dispute must be resolved through an arbitration process which will be conducted under the Expedited Rules of the Arbitration Foundation of Southern Africa, by an arbitrator selected in accordance with such rules.
- 27.4 The Party referring the dispute to arbitration must pay any costs related to the arbitration but such costs may be recovered by either Party through any costs order made by the arbitrator.
- 27.5 When a dispute is referred to arbitration:
- 27.5.1 the dispute will be determined only by arbitration;
 - 27.5.2 any award or judgement by the arbitrator will be final and binding; and
 - 27.5.3 all court proceedings pending at the time when the dispute is referred to arbitration must be terminated.

28. COSTS

- 28.1 If either the Landlord or Tenant takes legal action against the other, both can claim costs from the other on the same scale of costs.
- 28.2 The Tenant or Landlord must also pay any reasonable charges that the innocent party incurs due to late payments by the other party.

29. LETTERS AND NOTICES

- 29.1 Any letter or notice given in terms of this Lease shall be in writing and shall:
- 29.1.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;
 - 29.1.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 5th (Fifth) Business Day following the date of such posting; and
 - 29.1.3 if transmitted by facsimile or email be deemed to have been received by the addressee 1 (One) Business Day after dispatch.
- 29.2 For purposes of the above clauses, the contact details are:
- 29.2.1 The Landlord, as referred to in item 1.11 of the schedule; and
 - 29.2.2 The Tenant, as referred to in item 1.12 of the schedule.

30. JURISDICTION OF THE MAGISTRATES' COURT

- 30.1 The Parties consent in terms of section 45 of the Magistrates' Courts Act, 1944 (Act No. 32 of 1944), (or any similar section of an act replacing such act) to the jurisdiction of the Magistrate's Court for the purpose of any proceedings in terms of or incidental to this Lease, notwithstanding that the amount claimed or the value of the matter in dispute may exceed such jurisdiction.
- 30.2 The Parties specifically agree that the Magistrates' Court closest to where the Premises are situated is the court that shall be used to resolve all disputes under this Lease, unless either Party refers the dispute to arbitration in terms of clause 27.1 above.

31. TENANTS WHO ARE FOREIGNERS

- 31.1 If the Tenant is not a citizen or permanent resident of South Africa, he confirms that he:
- 31.1.1 is not in the country in contravention of the Immigration Act 13 of 2002; and
 - 31.1.2 he has permission to be in the country for the duration of this Lease (including any

Handwritten signatures and initials are present in the bottom right corner of the page. There are several distinct marks, including what appears to be a signature 'AK' and other initials.

renewal periods).

31.2 It is the Tenant's duty alone to comply with the provisions of clause 31 and the Landlord shall not be liable to the Tenant for any loss or damage sustained or incurred by the Tenant as a result of any breach of the undertakings contained in this clause.

32. PARTIES MARRIED IN COMMUNITY OF PROPERTY

If any person signing this Lease is married in community of property, they confirm that their spouse has consented to them signing this Lease.

33. CREDIT INFORMATION

33.1 The Tenant consents to and authorises the Landlord or the Agent to:

- 33.1.1 contact, request and obtain information at any time and from any credit provider (or potential credit provider) or registered credit bureau in order to assess the behaviour, profile, payment patterns, indebtedness, whereabouts, and creditworthiness of the Tenant; and
- 33.1.2 provide information about the behaviour, profile, payment patterns, indebtedness, whereabouts, and creditworthiness of the Tenant to the Landlord or any registered credit bureau or to any credit provider (or potential credit provider) seeking a trade reference regarding the Tenant's dealings with the Landlord.

34. ENTIRE AGREEMENT IN WRITING

34.1 No changes to this Lease will be valid unless reduced to writing and signed by both Parties.

34.2 The Landlord and the Tenant agree that this Lease contains everything agreed to between them.

35. LANDLORD'S HYPOTHEC

All items brought onto the Premises by the Tenant will serve as security for the Tenant's compliance with his obligations under this Lease. The Tenant may not give up his rights or possession of these items or remove them from the Premises.

36. RELAXATIONS OR INDULGENCES

If either Party for any reason chooses not to act against the other in the event of a breach of any provision of this Lease, such election not to act shall not constitute a waiver of any of the rights of such Party and such Party may still demand compliance with the provisions of this Lease at a later stage.

37. EFFECT OF INVALIDITY OF PROVISIONS

If any provision of this Lease becomes or is found to be unlawful, invalid or unenforceable, the rest of this Lease will not be affected and shall be severable from the provision in question (to the extent that it is invalid, unenforceable or unlawful) and the remaining provisions of this Lease shall remain in full force and effect.

38. SIGNATURE OF PARTIES ON DIFFERENT COPIES OF THIS LEASE

If this Lease (or any part of it) is signed by the Landlord and Tenant on different copies, it will be valid despite the fact that the signatures of the parties do not appear on a single document.

39. SURETYSHIP

39.1 If the Tenant is a body corporate, partnership, association, company, close corporation or trust, this Lease is not valid unless the trustees, partners, directors or members (as the case may be) confirm in writing that they agree to be personally liable for any obligations of the Tenant under this Lease, together with the Tenant.

39.2 If the person signing this Lease is not the Tenant, the person signing confirms they have the right to do so and accepts liability jointly and severally with the Tenant as surety and co-principal debtor for any and all amounts which the Tenant may owe under this Lease.



40. MARKETING THE PREMISES TO PROSPECTIVE TENANTS OR PURCHASERS

- 40.1 The Landlord shall be entitled to display "TO LET" signs at the Premises for 3 (Three) Months prior to the Termination Date, and to display "FOR SALE" signs at the Premises at any time during the subsistence of this Lease.
- 40.2 Notwithstanding anything else herein contained and as an express condition of this Lease should the LANDLORD decide to sell the PREMISES (the Shareholders, the shares in the LANDLORD company or the interest of the members of the LANDLORD Close Corporation), the TENANT hereby agrees to allow prospective purchasers to view the property at all reasonable hours and with reasonable notification during the subsistence of this Lease. The TENANT will also permit the LANDLORD or his agents to hold "showhouses" on Sundays, at intervals of two weeks if required, during the last sixty days of this lease. The TENANT furthermore specifically undertakes in no way, verbally or otherwise, to hinder or impair the LANDLORD or his agents in the conduct of discussions or negotiations with prospective purchasers with a view to any such sale.

42. AGENT

- 42.1 It is recorded that the conclusion of this Lease has been brought about, effective cause, through an Agent contracted to **MARS HILL PROPERTIES (PTY) Ltd** (the Agency). The Lessor agrees to pay the Agency a brokerage equivalent of 8.33 % of the total monetary value of the lease amounting to:

~~R 14 000.00 (Fourteen Thousand Rand Only)~~ **R13'500 (Thirteen Thousand Five Hundred Rand Only)**

in words inclusive of VAT, if applicable, which becomes due and payable on signature of the lease and further agrees to make payment of the renewal fee inclusive of VAT which would be due to the Agency for any extended period of the lease, or on a month to month basis, calculated at the same rate as above. Brokerage will be redeemed from the deposit and first months' rental if there is a shortfall in the deposit. Notwithstanding the date of occupation, the parties agree that on payment of the deposit and/or the 1st months' rental to the Agency, the Agency may, at its election, deduct the commission due from the amount received and immediately pay over such amount. In the event of renewal the Agency has the right to request the Tenant to pay directly to the Agency an amount equivalent to the renewal commission in terms of this contract.

- 42.2 It is agreed between the parties that the obligations of the said Agent and Agency shall terminate once this lease has been signed by the parties, and that there will be no obligation or duty upon the said Agency either to ensure that any payments to be made by the Lessee under this lease are in fact made to the Lessor and/or the said Agency or to resolve any disputes that may arise between the Lessor and the Lessee or to have to take any action or to anything resultant upon the obligations and duties either of the Lessor or the Lessee in terms of this Lease and should the Lessee require that certain repairs or maintenance or alterations be effected by the Lessor to the premises, the Lessee shall communicate directly with the Lessor in regard thereto.
- 42.3 Should this lease be terminated as a result of a failure by the Lessor to carry of any of the Lessor's obligations in terms of this lease, and/or should the Lessor cancel the lease prior to, during or after the commencement of this lease agreement, then the Lessor shall be liable for payment of the Agency's commissions as aforesaid for the remaining period of the tenancy or if cancelled/breached prior to occupation, which commission is deemed earned and payable forthwith by the Lessor whether or not occupation has been taken.
- 42.5 The Lessor and Tenant record that upon receipt of the deposit, alternatively fulfillment of any suspensive and/or resolute conditions to which the agreement may be subject, the deposit holders are hereby irrevocably instructed and authorised to deduct an amount equal to the Agency's brokerage fee as set out above from the deposit paid and pay such amount to the Agency and the Lessee indemnifies the deposit holders in this regard.
- 42.6 Notwithstanding anything to the contrary herein contained, should this lease be cancelled as a result of a failure by the Lessee to carry out any of the lessee's obligations in terms of this Lease, then the Lessee shall refund to the Lessor any commission, including Value Added Tax thereon, paid by the Lessor to the Agency or if no commission has been paid or is payable by the Lessor then (as the sole option of the Agency), the Lessor is liable to the Agency for

such commission and Value Added Tax as aforesaid for the remaining period of the tenancy, which commission is due and payable forthwith upon the termination of the Agent's appointment and whether or not occupation has been taken.

- 42.7 The agency notes that in terms of the lease agreement and the conditions herein, should the tenant cancel or breach this lease agreement for whatsoever reason, the commission paid is to be deducted from the deposit and no claims against the agency or its agents is applicable for commission payback as the signed lease is deemed as approval by the Landlord of the tenant procured.

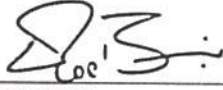
43. SPECIAL CONDITIONS

1. Landlord will hold the deposit in an interest bearing account;
2. The tenant to note that the rental amount payable plus all consumables (water, electricity, gas, etc.) must reflect in the Landlord's bank account by no later than the 1 st of each month. Failure to adhere to this will place the lease under breach;
3. The tenant notes that from month two the rental is to be paid directly to the owner's bank account. Mars Hill Properties will collect only the deposit and first month's rental on behalf of the owner. Any incorrect payment will incur a handling fee of R500 and deducted from the incorrect payment and the monies refunded back to the tenant. Any incorrect payment will be refunded to the tenant.
4. The tenant may store furniture in the unit from January 2017.
5. The tenants ^{tenant} will have the blinds installed but it is for the owners ^{Landlord's} account.
6. The balance outstanding is to be done as follows: - R700 to be paid into the Mars Hill Trust Account (same account the deposit was paid into) R81 000 to be paid directly to the owner as per the bank details in section 1.10 of this lease agreement. The owner will retain the deposit out of the monies paid in by the tenant directly to the owner. The monies the agency is retaining is from the first month's rental and our fee for placement.


5.1. All cost, design & fitting of blinds or curtains to be approved by the landlords in writing before commencement

SIGNATORIES:

Signed at Bedfordview on this day of 28 December 20 16

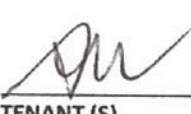


LANDLORD
(on behalf of and duly authorised)

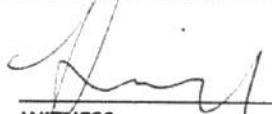


WITNESS

Signed at CLAREMONT on this day of 21st DEC 20 16



TENANT (S)



WITNESS

We accept the benefits hereof.



For: MARS HILL PROPERTIES (PTY) LTD