

NOTARIAL LEASE AGREEMENT

Between

TEST DOC

ID number: 1

1

1

And

BITPROP SA (PTY) LTD

Reg: 2019/407668/07

Innovation City, Darter Road, Gardens, 8001

info@bitprop.com

Hereafter referred to as "the Lessor"

And

Hereafter referred to as "the Lessee"

PREAMBLE

IT IS HEREBY RECORDED AS FOLLOWS:

1. THE LEASED PROPERTY

The Lessor hereby agrees to let to the Lessee, and the Lessee hires the 1 housing units (hereinafter "the Rental Units") on the property known as Erf 1, 1, Title deed number 1, (hereinafter "the Property"). The Lease Agreement includes the entire Property but is exclusive of the main dwelling on the Property, which is utilized by the Lessor. The Lessee sources and provides the necessary expertise and services to complete the design and construction of the backyard rental flats on the Lessor's property. The Lessor is not required to contribute any funds to the construction process.

2. DURATION

The Agreement will be for a period of 1 (1 months) from the first month's rental income from the subletting, referred to in Clause 3 below, being received. As a result of the Notarial Lease Agreement, registration of this document is required on the title deed. The Lessor will do all required, including providing their original title deed for this purpose to ensure compliance.

3. SUBLETTING

The Lessee is entitled to sublet the Rental Units according to the terms of this agreement. The income generated from the subletting shall be shared between the Lessor and Lessee as outlined in Clause 4 below.

4. RENTAL

- 4.1. No rental shall be payable by the Lessee to the Lessor unless there is a sublessee in the Rental Units in terms of Clause 3;
- 4.2. The rental charged to the sublessees shall be determined by the Lessee. Such amount shall take into account rentals of similar premises in the area and the market at the time of the subletting agreement;
- 4.3. The rental charged shall be the same for all rental units on the property. Once the rental income for that unit has been determined for the year, it cannot be changed or negotiated for individual sublessees for each rental unit.
- 4.4. The rental generated from the subletting shall be split as follows between the Lessor and Lessee:
 - 4.4.1. 15% to the Lessor;
 - 4.4.2. 85% to the Lessee;
- 4.5. The rental shall be paid by the sublessees into the Lessee's bank account below:

BANK: 1
ACCOUNT HOLDER: 1
ACCOUNT NUMBER: 1
ACCOUNT TYPE: 1
- 4.6. The terms of the sublessee's lease agreement will be payment on the 1st of the month. Following receipt of the month's rental from the sublessee, the Lessee shall pay the Lessor their portion of the rental as outlined in Clause 4.4 above on the 7th of the month. In the event that the sublessee does not make payment of the rental timeously, the Lessee shall pay the Lessor in the next month's payment cycle on the 7th of that month.

5. DEPOSIT

- 5.1. The Lessee is not required to pay the Lessor a deposit for the rental units. These shall be paid by the sublessee for each individual unit. The deposit paid by the sublessee shall be equivalent to one month's rental.
- 5.2. No keys will be handed over to the sublessee until such time as the deposit has been paid and an inspection completed.
- 5.3. The deposit shall be paid by the sublessee to the Lessee. The Lessee shall hold the deposit in a special interest-bearing account with interest accruing to the sublessee.

6. LESSOR'S RESPONSIBILITIES

- 6.1. The Lessor shall be responsible for finding suitable sublessees for the rental units;
- 6.2. The Lessor shall ensure that the sublessees sign a lease agreement with the Lessee as the Lessor of the subletting agreement. The Lessee shall provide the sublease agreement to the Lessor for signing by the sublessee;
- 6.3. The Lessor shall obtain a copy of the sublessee's Identity document or passport;
- 6.4. The Lessor shall ensure the sublessee makes payment of the deposit to the Lessee prior to keys being handed over to the rental unit;
- 6.5. The Lessor shall be responsible for ensuring that the sublessee pays the monthly rental to the Lessee timeously;
- 6.6. The Lessor shall ensure the rental units are in good condition prior to a new sublessee taking occupation and on exit of any sublessee;
- 6.7. The Lessor shall ensure that the sublessee adheres to all the terms of the Subletting Agreement;
- 6.8. In the event of any sublessor breaching the terms of the subletting agreement and having to vacate the rental unit or having vacated following the expiration of the subletting agreement, the Lessor shall find a new sublessee for the rental unit that has been vacated;
- 6.9. The Lessor shall be the point of call between the Sublessee and the Lessee, hearing any concerns or queries the sublessee may have and where necessary conveying these to the Lessee;

- 6.10. The Lessor shall ensure the City of Cape Town municipal account is paid monthly, in full, to ensure that all utilities to the property are in order. Should there be any issues with the municipal services, it is the responsibility of the Lessor to contact the City of Cape Town to have the matter resolved. This shall be done in a timely manner;
- 6.11. The Lessor shall ensure that all electrical connections on the property are fully legal and compliant with City of Cape Town bylaws and regulations.
- 6.12. Credit Bureau and Home Loan: The Homeowner provides Bitprop with permission now and for the duration of the Agreement to submit the Homeowner's details to any credit bureau or financial institution in an effort to secure or validate funding for the property; either a home loan or a bank loan; before or after construction has been completed. The Homeowner agrees to answer questions and requests from these institutions, if necessary. The Homeowner is required to provide any and all assistance required to facilitate an independent funding process, including submitting to credit checks and providing the necessary documentation. Bitprop will attempt to inform the Homeowner beforehand if another institution is going to contact them. The Homeowner authorises and agrees that Bitprop or its nominated agent can, at all times:
- 6.12.1. Contact, request and obtain information from any credit or service provider (or potential credit or service provider) or registered credit bureau about the Homeowner's behaviour, profile, payment patterns, debt, location, and creditworthiness.
- 6.12.2. Give information about the Homeowner's behaviour, profile, payment patterns, debt, location, and creditworthiness to any registered credit bureau or to any credit or service provider (or potential credit or service provider).

7. LESSEE'S RESPONSIBILITIES

For the duration of the Lease Agreement, the Lessee shall be responsible for the following:

- 7.1. Assist the Lessor in finding sublessees for the rental units. This shall be done by advertising the rental units on the Lessee's Facebook page and website.
- 7.2. Provide the Lessor with the subletting agreements to be signed by the sublessees for the rental units as well as management of the documents pertaining to the same;
- 7.3. Collection of rental and deposits from the sublessees of the rental units and payment to the Lessor in terms of this Agreement;
- 7.4. Reasonable maintenance, including any defects as a result of the construction process, items that have broken/deteriorated through general wear and tear and not through the negligence of the sublessee or Lessor.

8. POSSESSION AND OWNERSHIP OF THE PROPERTY

- 8.1. The Lessor must reside on the property in the main dwelling for the duration of the lease agreement. Should they decide to vacate the main dwelling on the property, the Lessor is to ensure that the Lessee is told as soon as reasonably possible to ensure that proper measures are put in place to protect the property and manage the sublessees.
- 8.2. The Lessor may not sell, rent, use the property as security for a loan, abandon, or give the property or the rental units to any third party without the written express permission of the Lessee. In the event of the aforesaid, this lease agreement shall remain in full force and effect and shall be binding on the new registered owner.
- 8.3. The Lessor shall immediately inform the Lessee should any person lay a claim of ownership or any other right over the property.

9. DAMAGE TO THE PROPERTY OR RENTAL UNITS

- 9.1. The Lessee shall be responsible for reasonable maintenance as outlined in clause 7.4. However, such reasonable maintenance does not include damages that result from the Lessor or sublessee's negligence.
- 9.2. If a sublessee has caused damage to the property or to their rental unit, the cost of repair will be taken from their deposit. Damages incurred over the deposit amount shall be claimed from the sublessee, which amount is payable within 7 days of notification of the same.
- 9.3. If the damage occurs as a result of negligence from the Lessor, the cost of repair will be deducted from the Lessor's rental income until the repair has been completed and paid for in full.

10. INSURANCE

The Lessee is responsible for purchasing insurance for the rental units which covers damage due to unforeseen circumstances or natural disasters. Any monies paid out from a claim against the insurance shall be utilized to make the necessary repairs to the damages that had been incurred resulting in the claim.

11. BINDING ON ESTATE

The Lessor acknowledges that their obligations set out in this Agreement shall be binding on their estate and beneficiaries of their estate.

12. SERVICE PROVIDERS

12.1. The Lessor agrees to provide the Lessee with the right to install or introduce any service provider to the property and to the Lessee and sublessees as it so desires. Such services may include, but are not limited to, WiFi, rental payment apps, utilities consumption trackers, and property data monitoring.

12.2. The Lessor agrees that the Lessee may partner with service providers and install services on the property at any time during the Agreement period. The Lessee also has first right of refusal to introduce services, should other service providers approach the Lessor independently or should the Lessor approach a service provider independently to source services for the rental units.

13. CANCELLATION OF LEASE

13.1. Either party is entitled to cancel this agreement on 3 months' written notice to the other party. In the event of the Lessor cancelling the Agreement, the Lessee is entitled to a cancellation fee of 85% of the following calculation: Monthly rental received by the Lessee on a rental unit at the cancellation date in terms of Clause 3 and Clause 4, multiplied by the number of units as per Clause 1, multiplied by the number of months remaining of the notarial lease agreement as per Clause 2.

13.2. The outstanding amount due to the Lessee in terms of Clause 13.1 above is payable to the Lessee by the Lessor prior to the end of the notice period.

14. CONCESSION AND ASSIGNMENT OF AGREEMENT

14.1. From the date of signature and for the duration of this Agreement, the Lessee may cede, delegate, assign, sell, or transfer its rights or obligations arising from this Agreement to any third party without the prior written consent from the Lessor and without notification thereof.

14.2. The Lessor requires prior written consent from the Lessee to cede, delegate, assign, sell, or transfer their rights and obligations of this Agreement.

15. CONFIDENTIALITY CLAUSE

15.1. The Lessor agrees that during the period of the Agreement with the Lessee and following termination of the same, either by the expiration of the agreement or by cancellation, the Lessor will not disclose information that is in the Agreement or any other information about the Agreement to any third party, for any reason, without prior written consent from the Lessee, unless it is stated in the Agreement that it is allowed or agreed to by the Lessee in writing.

15.2. The Lessor agrees that if they were to disclose information about the Agreement, the information they disclose might consist of business trade secrets that this could lead to irreparable loss, harm, and damages to the Lessee.

15.3. The Lessor consents to the Lessee using their information for marketing purposes, including but not limited to photos of the property and the Lessor (if the Lessor has provided consent for photos to be taken), as well as statistics about the Lessor's property. This information may be used in reports, on the Lessee's website, and in other marketing material.

16. BREACH AND LIABILITY

16.1. Where either party breaches any material section of this Agreement and fails to rectify the breach within 7 (seven) days of receipt of written notice requiring them to do so, then the affected party shall be entitled to cancel this Agreement without any further notice in addition to any other legal option available to them and sue for damages.

16.2. If the Lessor is in breach, the Lessee may, without prejudice to any other claims they may have in law, cancel the agreement or claim for specific performance by the Lessor. Damages shall include, but are not limited to, immediate payment of the balance of the rental income for the remainder of the Agreement term by the Lessor to the Lessee, calculated on the following basis: in the event of the Lessor breaching the Agreement, the Lessee is entitled to a cancellation fee of 85% of the following calculation: Monthly rental received by the Lessee on a rental unit at the cancellation date in terms of Clause 3 and Clause 4, multiplied by the number of units as per Clause 1, multiplied by the number of months remaining of the notarial lease agreement as per Clause 2.

16.3. Should the Lessee institute action against the Lessor pursuant to a breach by the Lessor of this Agreement, then without prejudice to any other rights which the Lessee may have, the Lessee shall be entitled to recover from the Lessor all legal costs incurred by it, including Attorney and own client charges, tracing fees, and such collection commission as the Lessee is obliged to pay to its Attorneys.

16.4. A certificate from the Lessee showing the balance outstanding at any time shall be *prima facie* evidence and proof that such balance is owing and shall be sufficient for the purposes of enabling the Lessee to obtain summary judgment and/or provisional sentence.

17. WHOLE DOCUMENT AGREEMENT

This Agreement constitutes the whole agreement between the parties. No amendments or agreed cancellation of this Agreement shall be valid unless recorded in writing and signed by both parties.

18. LEGAL ADDRESSES OF EACH PARTY

18.1. The PARTIES choose as their respective *domicilium citandi et executandi* for all purposes arising hereto the addresses stipulated below:

Lessor:

Address: 1

Contact No: 1

Email Address: 1

Lessee:

Address: Innovation City, Darter Road, Gardens, Cape Town

Contact No: +27 60 068 7664 (WhatsApp)

Email Address: info@bitprop.com

18.2. Any notice to be given in terms of the Agreement shall be given in writing addressed to the other party at its *domicilium citandi et executandi*. Such notice shall be sent by prepaid registered post, which shall be deemed to have been received on the 7th day after posting, or by email, which shall be deemed to have been received on the same day if sent during normal business hours, or on the next business day if sent outside normal business hours.

19. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of South Africa.

20. SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Notarial Lease Agreement on the date first above written.

Signed at _____ on this _____ day
of _____, 20__

in the presence of the undersigned witnesses:

Witness:

Witness:

LESSOR

Witness:

Witness:

LESSEE

Your Will

Your personal details

Name and surname: _____

Identity number: _____

Address: _____

These are my last wishes, and this Will replaces all my previous Wills.

Who would you like to appoint to carry out your last wishes? (The executor of your Will)?

Name and surname: _____

Identity number: _____

Address: _____

If the person I have appointed to carry out my last wishes cannot, or does not want to do so,
I appoint:

Name and surname: _____

Identity number: _____

Address: _____

Security

My executor does not have to give security to the Master of the High Court or to anyone else.

How I would like my possessions to be distributed

You don't have to list each item separately. You can specify one or two items and then ask that the rest of your possessions be given to one person or divided between a group of people. You can also specify more than one person per item.

My possessions	Who they must go to
My property at 1 1.	Name and Surname: IDnumber:
My rights and obligations in terms of my lease agreement with Bitprop for 1 1 dated _____ (date of agreement with Bitprop).	Name and Surname: IDnumber:
Other possessions (list below):	Name and Surname: IDnumber:

Signatures

You must sign this will in front of two witnesses. A witness must not be someone to whom you leave something in this Will.

Your signature: _____

Date: _____

Place: _____

Witness 1

The owner of this Will signed this will in front of me.

Name: _____

Signature: _____

Date: _____

Place: _____

Witness 2

The owner of this Will signed this will in front of me.

Name: _____

Signature: _____

Date: _____

Place: _____