



# CHAS EVERITT

*International Property Group*

Website: www.chaseveritt.com

## AGREEMENT OF LEASE [including SURETYSHIP(if applicable)]

ENTERED INTO AND BY AND BETWEEN .....

Identity / Registration Number ..... (“the Lessor”)

and .....

Identity / Registration Number ..... (“the Lessee”)

WHEREAS the Lessor is the owner of certain premises situated at .....

..... (“the premises”)

AND WHEREAS the Lessee wishes to lease such premises.

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

### 1 DEFINITIONS

In this agreement unless a contrary intention clearly appears:

1.1 words importing:

- 1.1.1 any one gender include the other two genders;
- 1.1.2 the singular includes the plural and vice versa; and
- 1.1.3 natural persons include created entities (corporate and unincorporated) and vice versa;

1.2 the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

- 1.2.1 “The Premises” – means .....
- 1.2.2 “The deposit” means .....
- 1.2.3 “The commencement date” means .....
- 1.2.4 “The termination date” means .....
- 1.2.5 “The rental” means .....
- 1.2.6 “The commission” means the commission payable in terms of either Option A or Option B as set out in Clause 20 below.
- 1.2.7 “The Agent” means .....
- 1.2.8 “Revenue stamps” means R\_\_\_\_\_ ( ..... )
- 1.2.9 “The maximum number of persons” means the persons set out in Clause 21 below.
- 1.2.10 “The maximum number of pets” means .....
- 1.2.11 “The administration fee” means R\_\_\_\_\_ ( ..... )
- 1.2.12 The physical address of the real estate agency .....

### 2 LEASE AGREEMENT

- 2.1 The Lessor hereby lets to the Lessee who hereby hires the premises.
- 2.2 The lease shall commence on the commencement date and shall continue until the termination date. One calendar month prior to the termination date of the lease, either party shall give the other written notice that: -
  - 2.2.1 he does not wish to renew the lease, in which event the Lessee shall vacate the premises on the termination date; alternatively
  - 2.2.2 he does wish to renew the lease, in which event the parties agree to enter into a new lease, the terms of which are to be agreed upon between the parties.
- 2.3 In the absence of a further written lease as referred to in Clause 2.2.2, if the Lessee remains in occupation of the premises after the termination date with the express or tacit consent of the Lessor, the parties will be deemed to have entered into a periodic lease on the same terms and conditions as this lease, save and except that: -
  - 2.3.1 one calendar months written notice must be given by either party to the other of his intention to terminate the lease; and
  - 2.3.2 the rental payable by the Lessee to the Lessor shall escalate annually at the rate of .....% (per centum) from the previous year’s rental with effect from the day following the termination date and thereafter on the same date of each and every succeeding year.
  - 2.3.3 The deposit will be adjusted annually in accordance with the rental increase referred to in 2.3.2.

### 3 RENTAL AND DEPOSIT

- 3.1 The rental payable by the Lessee to the Lessor shall be paid by debitor, monthly in advance on the first day of each month free of any deduction or set off at the address of the Agent, or such other address as the Lessor or Agent may in writing direct.
- 3.2 Notification by the Lessor and / or the Agent of any increase in the rental payable by the Lessee shall be prima facie evidence of such increase for all purposes under this lease.
- 3.3 During the period of the lease the lessee shall not without the written 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 the Lessor has a hypothec over such movable property as security for all unpaid rent

- or other amounts for which the Lessee is liable in terms of this lease, which hypothec the Lessor can exercise by means of a court order.
- 3.4 The Lessee shall pay the deposit to the Agent, which deposit shall be dealt with as follows: -
- 3.4.1 In the event of the Lessor choosing Option A as per Clause 20.2.1 below, then the Agent shall, after receiving the deposit from the Lessee, pay it to the Lessor who shall invest the deposit in an interest bearing account with a financial institution, the interest to accrue for the benefit of the Lessee.
- 3.4.2 In the event of the Lessor choosing Option B as per Clause 20.2.2 below, then the Agent shall, after receiving the deposit from the Lessee, invest it in an interest bearing account with a financial institution, the interest to accrue for the benefit of the Lessee.
- 3.5 The Lessee shall, under no circumstances, use the deposit and interest earned thereon in lieu of the rental due for the last month of the lease.
- 3.6 The Agent or the Lessor, as the case may be, may, on expiration of the lease or on the Lessee vacating the premises, apply such deposit and interest towards the payment of all unpaid amounts for which the Lessee is liable under the lease, including, but without limitation, arrear rental, unpaid water, electricity and telephone accounts, the reasonable costs of repairing damages to the premises or any movable property situated on the leased premises during the lease period, the cost of replacing lost keys and, if applicable, any damages the Lessor may suffer by reason of the Lessee's premature termination of the lease, including legal costs referred to in Clause 4.2 of this lease. The balance of the deposit and interest, if any, shall be refunded to the Lessee by the Lessor not later than 14 (fourteen) days after restoration of the premises to the Lessor, or, if the Lessee has failed to respond to the Lessor's request for a final inspection as contemplated in Clause 3.7 of this lease, not later than 21 (twenty one) days after expiration of this lease.
- 3.7 Within a period of 3 (three) days prior to the expiration of the lease, the Lessor or his Agent and the Lessee shall arrange a joint inspection of the premises at a mutually convenient time to ascertain if there is any damage to the premises during the occupation thereof by the Lessee. In the event that the Lessee fails to respond to the Lessor's request for an inspection as aforesaid, the Lessor or his Agent shall inspect the premises within 7 (seven) days of expiration of the lease and ascertain the damages.

#### **4 ADDITIONAL PAYMENTS BY THE LESSEE**

- 4.1 The Lessee shall pay on demand to the Lessor :
- 4.1.1 the cost of revenue stamps to be affixed to this agreement; and
- 4.1.2 all expenses, costs and charges incurred by the Lessor or the Agent in securing the Lessee's compliance with the terms of the Lease, including the costs of tracing the Lessee and legal costs (inclusive of Collection Commission) on the attorney and client scale together with such value-added tax as may be payable thereon, whether legal action has been instituted or not.
- 4.2 The Lessee shall, from the date of commencement of this lease, promptly pay for:
- 4.2.1 all electricity (including electricity service charges), water and gas (if any) consumed on the premises;
- 4.2.2 all sewer, effluent and sanitary fees on the premises;
- 4.2.3 all charges arising out of any telephone services installed on the premises;
- 4.2.4 any other fees payable in respect of services rendered to the premises during the period of the lease.
- 4.3 In the event of the Lessee failing to make payment of any of the foregoing items in this clause 4, then the Lessor shall have the right, without prejudice to any other rights in law or under this agreement, to effect payment himself and to recover the amounts so expended from the Lessee on demand.

#### **5 ACKNOWLEDGEMENTS BY THE LESSEE**

The Lessee acknowledges that: -

- 5.1 the premises are let subject to the conditions contained in the title deed of the premises; and
- 5.2 he has inspected the premises with the Lessor or his Agent and that they are suitable for the purposes for which they are let; and
- 5.3 he will have no claim for damages whatsoever against the Lessor if, for any reason, the premises become unsuitable for the purposes for which they are let; and
- 5.4 the payment of rental by way of a cheque is an indulgence to the Lessee and in the event of such cheque being dishonoured for any reason whatsoever, the Lessee shall be obliged to effect all payments in cash; and
- 5.5 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
- 5.6 the Lessor shall not be liable for any loss sustained by the Lessee by reason of any burglary or fire on the premises or for any damages suffered by the Lessee as a result of any act or omission on the part of the Lessor and/or his Agent or as a result of any defects in the premises; and
- 5.7 the Agent is the duly authorised agent of the Lessor and the Agent may exercise on behalf of the Lessor all the Lessor's legal rights and claims in terms of this lease, unless written notice to the contrary shall have been received by the Lessee from the Lessor; and
- 5.8 all legal proceedings for the recovery of rent or ejection or the fulfilment of any of the terms hereof or for the recovery of any damages or loss suffered through the Lessee's breach of any of the terms hereof or through the Lessee's failure to vacate the premises timeously upon the termination of this lease may be instituted by either the Agent in the Agent's name or by the Lessor, as the Lessor may from time to time direct; and
- 5.9 the Lessee acknowledges that no receipt given shall be valid unless on the Agent's customary receipt form and that any error in such receipt shall not be binding on the Agent or the Lessor; and
- 5.10 if the premises are part of a sectional title scheme under the provisions of the Sectional Titles Act No 95 of 1986 then the premises are let subject to the conditions contained in the relevant sectional title plan and is let subject to the Body Corporate Rules applicable to such scheme, a copy of which is annexed to this lease; and
- 5.11 If the premises are part of a cluster development, then the premises are let subject to the Homeowners Association Rules applicable to such scheme, a copy of which is annexed to this lease; and
- 5.12 The Lessor's workmen and / or agents, and the Agent, shall at all reasonable times be entitled to enter upon the premises to inspect same or to carry out any work that may be required to be done to the premises for the preservation, repair or alteration thereof.

#### **6 PAYMENTS OF RATES AND TAXES AND LEVIES**

The Lessor shall be liable to pay all rates and taxes and levies payable in respect of the premises to the local authority, Homeowners Association or Body Corporate.

#### **7 PROHIBITION AGAINST SUBLETTING AND PARTING WITH POSSESSION**

The Lessee shall not

- 7.1 cede his rights or assign his obligations hereunder; or
- 7.2 sublet the premises or any portion thereof; or
- 7.3 part with possession of the premises or any portion thereof.

#### **8 OCCUPATION**

- 8.1 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, and 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.
- 8.2 Should the Lessee fail to take occupation of the premises on the due date upon which the premises are made available to him for occupation, the Lessor may, without incurring any liability whatsoever towards the Lessee, immediately cancel this agreement without notice whereupon the Lessee shall forfeit the deposit paid by him while remaining liable for any loss of rental or any other losses sustained by the Lessor.
- 8.3 In the event of the Lessee not being able to enjoy the beneficial occupation of the premises as a result of them having been materially damaged by fire, earthquakes, weather, storms, riot activity or the like, and the Lessor: -
- 8.3.1 failing within 30 (thirty) days of the date of the damage to give the Lessee written notice that he intends to keep the lease alive, this lease shall be deemed to have been cancelled on the date that the damage occurred and the Lessor shall refund to the Lessee all rental paid in advance beyond the date of such damages;
- or

8.3.2 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 remission of 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 8.3.1 and 8.3.2, the Lessee shall have no other claim whatsoever against the Lessor.

8.4 The Lessee shall not:

8.4.1 Vacate the premises prior to the expiry of the lease; or

8.4.2 allow the premises to remain unoccupied for any period exceeding six weeks per year; or

8.4.3 permit or allow persons other than those referred to in Clause 21 hereof to occupy the premises or to reside therein.

## 9 DEFECTS AND MAINTENANCE

- 9.1 It is recorded that the Lessor or the Agent and the Lessee have, at the time of conclusion of this agreement, conducted a joint inspection of the leased premises. The Lessor further records that, at the time of conclusion of this agreement, all keys, locks, glass windows, electrical installations, sanitary ware, sewerage pipes, stoves, water taps, geysers, stove / oven, pool pump (if applicable), jacuzzi pump (if applicable), alarm system (if applicable), gate motors (if applicable) are in good order and condition.
- 9.2 Should the Lessee, at the time of taking occupation of the premises, discover any defects in the premises, he shall within 7 (seven) days of such occupation give written notice of any such defect to the Lessor. Failure on the part of the Lessee to give such notice shall be deemed to be an acknowledgement on his part that the whole of the premises are in a good and proper state of repair and condition.
- 9.3 It is specifically recorded that any notice given by the Lessee in terms of 9.2 shall not place any obligation on the Lessor to repair the premises concerned, the intention being that such notice will only serve to record the state of repair in which the Lessee took occupation of the premises. Such notice, if any, shall be annexed to this lease. It is furthermore specifically recorded that, save as is otherwise provided in this agreement, the Lessor shall not be obliged to effect repairs to or maintain the premises, and the Lessee shall not be entitled to withhold the rental or to claim any refund in respect of rental paid, by reason of any defect whatsoever in the premises.
- 9.4 The Lessor shall keep the structure of the premises and the roof in a state of good repair but shall not be held liable to 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.
- 9.5 The Lessee undertakes, subject to 9.4 above, to maintain at his own cost the whole of the premises for the full duration of the lease in the same state of repair as they were received by him, reasonable fair wear and tear excepted, and 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: -
- 9.5.1 keep and maintain all gutters, sewerage pipes, water pipes and drains on the premises free from obstruction and / or blockage; and
- 9.5.2 keep the grounds (if any) of the premises in a clean and tidy condition, free from all litter and rubbish, and to keep the hedges trimmed, lawns mowed and flowerbeds neat and tidy, replacing all such as may die or be damaged, carrying out such watering, cutting, trimming, moving, pruning, fertilising and other gardening activities as may reasonably be required, and applying all the fertiliser and other substances necessary for these purposes; and
- 9.5.3 keep the electrical system in good working order and condition; and
- 9.5.4 maintain the swimming pool, motor and filtration plant (if any) in good working condition and free from all obstruction and contamination and supplying all chemicals and other substances necessary for the purpose; and
- 9.5.5 steam 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. However, the Lessee acknowledges that the carpets must be steam cleaned ten days prior to the termination date; and
- 9.5.6 repair any damages caused to the premises by reason of any furniture or other objects or vehicles being brought onto or removed from the premises.
- 9.6 The Lessor shall be entitled to inspect the premises at all reasonable times and to make such repairs and alterations as are deemed necessary for the safety, preservation or improvement of the premises, both externally and internally.
- 9.7 Should the Lessee fail to maintain the premises 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 cost thereof from the Lessee.

## 10 "FOR SALE" AND "TO LET" NOTICES

- 10.1 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.
- 10.2 One month prior to the expiry of the lease, the Lessor shall be entitled to affix a "to let" notice upon the premises.
- 10.3 The Lessee shall allow any prospective tenant or purchaser to view the exterior and interior of the premises during reasonable hours.
- 10.4 The Lessor or the Agent shall be entitled at any time during the currency of this lease to exhibit the premises as a showhouse, in which event, the Lessee shall be given reasonable notice by the Lessor or the Agent of the date on which it is intended to exhibit the premises as a showhouse and the Lessee shall ensure that the premises are in a neat and tidy condition on the appointed day/s. The Lessee shall permit prospective tenants or purchasers to view the premises during reasonable hours at any time during the currency of this lease.
- 10.5 The Lessee shall not be entitled to remove, relocate or damage any notice referred to in 10.1 or 10.2.

## 11 USE OF THE PREMISES BY THE LESSEE

The Lessee shall use the premises solely for residential purposes and hereby specifically undertakes not to

- 11.1 contravene any law, bylaw, ordinance or regulation applicable in respect of the premises, in particular (if applicable) the rules applicable to the sectional title scheme of which the premises forms part or, if the premises form part of a share block scheme, any use agreement applicable to the premises and if the premises form part of a cluster development, the rules of the Homeowners Association; or
- 11.2 cause or permit any nuisance upon the premises; or
- 11.3 allow pets or other animals to damage the premises; or
- 11.4 deface, mark, paint or drive nails, hooks or 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
- 11.5 interfere in any manner whatsoever with the existing electrical installation on the premises or to connect any electrical equipment to the electrical current which may in any way damage the electrical installation or cause it to short-circuit; or
- 11.6 make any alterations or addition to the premises or its appurtenances without the written consent of the Lessor; or
- 11.7 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
- 11.8 hold, or permit the holding of, any sale by public auction whatsoever in or about the premises; or
- 11.9 keep more than the maximum number of pets in or on the premises without the Lessor's prior written consent.

## 12 EXCLUSION OF LESSOR FROM CERTAIN LIABILITY AND INDEMNITY

- 12.1 The Lessee shall have no claim for damages against the Lessor and may not withhold or delay any payment due to the Lessor by reason directly or indirectly of: -
- 12.1.1 any act or omission of the Lessor or any agent or servant or contractor to the Lessor or due to negligence including (without limiting the generality of the foregoing) any act or omission of any cleaner, maintenance person, handyman, artisan, labourer, workman, watchman, guard, or commissionaire, should such damage have occurred during a period that the Lessee was present on the premises and could have prevented the damage from occurring by exercising due care;
- 12.1.2 the condition or state of repair at any time of the Premises, the buildings, or part of the Premises or the buildings;
- 12.1.3 any failure or suspension of, or any interruption in, the supply of water, electricity, air conditioning, heating, or any other amenity or service to the Premises or any of the buildings of which the premises form a part, whatever the cause;

- 12.1.4 any breakdown of, or interruption in the operation of any machinery, plant, equipment, installation, or system situated in or on, or serving the Premises or any part thereof or any of the building and including (but without limiting the generality of the foregoing) the swimming pool plant, any geyser, boiler, burglar alarm or security installation or system (again regardless of cause);
  - 12.1.5 any interruption of or interference with the enjoyment of beneficial occupation of the Premises caused by any building operations or other works on or about the property, whether carried out by the Lessor or by anybody else; or
  - 12.1.6 any other event or circumstance whatever occurring, or failing to occur, upon, in or about the Premises or any of the buildings, whether or not the Lessor could otherwise have been held liable for such occurrence or failure, and the Lessee indemnifies the Lessor against all liability to members of the Lessee's household, the Lessee's servants, guests and other invitees, and all other persons who are to occupy or visit or be entitled to occupy the Premises or any part thereof through or under the Lessee, in consequence of any such matter as is referred to in clauses 12.1.1 to 12.1.6 above.
- 12.2 The Lessor shall not, however, be excused from specific performance of any of its obligations under this lease, whether express or implied, and particularly (but not only) his obligations to afford the Lessee occupation and enjoyment of the property as contemplated by this lease and to carry out such maintenance and repairs as are incumbent upon the Lessor in terms hereof, and if the Lessor fails to carry out any obligation of maintenance or repair with reasonable speed or efficiency and persists in such default after reasonable notice in writing requiring that it be remedied, the Lessee may cause necessary maintenance or repair (including any incidental or necessary replacement) to be carried out and may then recover the reasonable costs thereof from the Lessor on demand.

### 13 IMPROVEMENTS

- 13.1 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.
- 13.2 Notwithstanding the provisions of 13.1 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.
- 13.3 Should the Lessee fail to comply with a demand made by the Lessor in terms of 13.2, 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 of all damage and / or defects caused by such removal.

### 14 BREACH

- 14.1 In the event of: -
- 14.1.1 the Lessee not paying the rental or any other monies due in terms of this lease on due date; or
  - 14.1.2 the Lessee breaching any other term of this lease and remaining in breach of such term for a period of seven days after despatch of a written notice calling upon the Lessee to remedy such breach; or
  - 14.1.3 the Lessee committing an act of insolvency within the meaning of the Insolvency Act; or
  - 14.1.4 the Lessee allowing a judgment to be taken against him and failing, within 21 (twenty one) days after becoming aware of such judgment, to satisfy same or applying to the appropriate court for the rescission of the same, or
  - 14.1.5 the Lessee contravening clause 21 of this agreement,
- then the Lessor shall be entitled, at his sole discretion and without prejudice to any other rights in law, to either claim specific performance in terms of this agreement and may, at his election, claim part of or the full rental for the balance of the period of the contract of lease from the Lessee, notwithstanding the fact that such rental would not otherwise be due; or to cancel the agreement forthwith and resume possession of the premises without prejudice to any claim that the Lessor might have against the Lessee for arrear rentals and other sums due under the Lease and for damages that the Lessor may suffer by reason of the Lessee's breach or premature termination of the Lease.
- 14.2 Should the agreement be cancelled by the Lessor by reason of any breach of the lease by the Lessee, the Lessee and all other persons occupying the premises on the Lessee's behalf, shall immediately vacate the premises and allow the Lessor to take occupation thereof.
  - 14.3 In the event of the Lessor having reasonable grounds for assuming that the Lessee will be vacating the premises, the full rental which would be payable for the balance of the period of the contract of lease entered into between the Lessor and the Lessee will become immediately due, owing and payable as rental notwithstanding the fact that such rental would not otherwise be due.

### 15 LESSEE DISPUTING CANCELLATION

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 a decision in such dispute, continue to pay an amount equivalent to the monthly rental provided for in this Lease together with all other payments herein provided, on the due date and at the place provided for in this lease and the Lessor shall be entitled to accept and recover such payments, either before or after legal proceedings have been instituted, 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. Should the dispute be determined in favour of the Lessor, the payments made and received in terms of this paragraph shall be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the cancellation of the Lease and / or the unlawful holding over by the Lessee.

### 16 DOMICILIUM

- 16.1 The parties accept domicilium citandi et executandi for all purposes in terms hereof at the physical address as set out below:
  - 16.1.1 The Lessor: .....
  - 16.1.2 The Lessee: at the premises
- 16.2 A notice sent by one party to the other shall be deemed to have been received:
  - 16.2.1 on the same day if delivered by hand;
  - 16.2.2 on the fourth day after posting if sent by registered post;
 provided that any party alleging non receipt shall bear the onus of proving same.
- 16.3 Any party hereto may by notice advise the other party of a change of domicilium and such domicilium shall become operative 14 (fourteen) days after the date of delivery of such notice or the deemed date of delivery if posted.
- 16.4 No party shall be entitled to select a domicilium citandi et executandi which is not a physical address in the Republic of South Africa.
- 16.5 Notwithstanding anything to the contrary herein contained, a written notice of communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered to its chosen domicilium citandi et executandi.

### 17 SUSPENSIVE CONDITION

This agreement shall be conditional upon the Lessor being satisfied as to the credit rating of the Lessee. The Lessee hereby consents to the Lessor obtaining such credit rating and shall furnish the Lessor with all necessary details for the purposes of obtaining a credit report. The Lessor shall notify the Lessee within 7 (seven) days from date of the Lessee's signature to this document if it is not satisfied with the credit rating in which event this agreement shall be null and void. Should no such notice be given by the Lessor to the Lessee, then this suspensive condition is deemed to have been fulfilled.

## 18 TERMINATION

Notwithstanding the termination of this lease the Lessee shall remain liable in terms of this lease until the date that the Lessee has vacated the premises. By vacating the premises it is meant that the Lessee has left the premises empty and in a neat and tidy condition.

## 19 GENERAL

- 19.1 This agreement constitutes the entire agreement between the parties and may not be cancelled, amended, varied or altered, save in writing and signed by all parties hereto.
- 19.2 The parties hereto consent to the jurisdiction of the Magistrates Court in respect of any dispute arising out of this agreement.
- 19.3 No indulgence of whatsoever nature or any relaxation or latitude which any party hereto (hereinafter referred to as the grantor) may show, grant or allow to any other party (hereinafter referred to as the grantee) shall constitute a waiver by the grantor of any of the grantor's rights and the grantor shall not thereby be prejudiced or estopped from exercising any of its rights against the grantee which may then have already arisen or which may thereafter arise.
- 19.4 It is recorded that neither party hereto has made any representations or warranties other than those specifically referred to and contained in this agreement.
- 19.5 All the provisions of this agreement shall be severable and no provisions shall be affected by the invalidity of any other provision of this agreement.
- 19.6 The Lessee shall be responsible for and hereby undertakes to pay on demand to the Lessor or the Agent all expenses, costs and charges which the Lessee or the Agent may incur arising out of the default of the Lessee including any costs of tracing the Lessee, collection commission at the ruling rate and all legal costs as between attorney and client together with such value-added tax as may be payable thereon. The Lessee shall further be liable for any costs incurred by the Lessor or the Agent in respect of attendances at any Rent Board hearing held at the request of the Lessee in the event that such hearing should not be decided in favour of the Lessee, together with such value-added tax as may be payable thereon.

## 20 EFFECTIVE CAUSE

- 20.1 It is recorded that the Agent is the effective cause of this agreement of lease and that the Agent had introduced the Lessee to the Lessor.
- 20.2 The Lessor has the option to either exercise Option A (contained in paragraph 20.2.1 below) or Option B (contained in paragraph 20.2.2 below). Please delete whichever is not applicable.

### 20.2.1 Option A:

20.2.1.1 The Agent's duties are as follows:

- a) Obtaining a suitable tenant for the property.
- b) Vetting the Lessee with the credit bureau and previous landlords (if applicable).
- c) Ingoing Inspection of the property.
- d) Drawing up the lease agreement.
- e) Furnish copies of all documentation to the Lessor.

20.2.1.2 The Lessor's duties are as follows:

- a) To pay the Agent commission of 7% plus VAT on the rental for the period of the lease: R ..... (amount of rental) X 7% plus VAT X ..... months (period of lease) = R .....
- b) The Agent shall, after receiving the deposit from the Lessee, pay it over to the Lessor in order for the Lessor to act in terms of Clause 3.4.1 above and the Lessor agrees that the Agent may deduct its commission from the deposit. The Lessor is however responsible to invest an amount equal to the full amount of the deposit in an interest bearing account as per clause 3.4.1 above.
- c) Ensure that, in the event of the premises being a sectional title unit: -
  - i. The body corporate rules are given to the Lessee;
  - ii. Electricity readings are taken.
- d) Ensure that, in the event of the premises being a house or cluster: -
  - i. The stand number is given to the lessee to enable him to open an electricity / water account at the local municipality;
  - ii. Advise the municipality to take final readings

20.2.1.3 The Lessee will pay the rental directly to the Lessor. The Lessor's banking details are as follows: -

Account holder's details .....  
Financial institution .....  
Account number .....  
Branch Code .....

### 20.2.2 Option B:

20.2.2.1 The Agent's duties include the finding of a suitable tenant and the financial administration of the lease

- a) Obtaining a suitable tenant for the property.
- b) Vetting the Lessee with the credit bureau and previous landlords (if applicable).
- c) Drawing up the lease agreement.
- d) Receiving and disbursing the rent.
- e) Inspecting the property periodically.
- f) Verifying and paying creditor accounts on the Lessor's behalf at his written request.
- g) Accounting for income and expenditure and reporting to the Lessor.
- h) The deposit will be held by the Agent, subject to Clause 3.4.2 above.
- i) Paying the rent to the Lessor after deduction of the management fee as set out in 20.2.2.2 b) below and other payments made by the Agent on behalf of the lessor in terms of this clause.

20.2.2.2 The Lessor's duties are as follows: -

- a) To pay the Agent commission of 7% plus VAT on the rental for the period of the lease: R ..... (amount of rental) X 7% plus VAT X ..... months (period of lease) = R .....
- b) To pay the Agent commission on the financial administration of the lease, which commission will be deducted from the monthly rental paid by the Agent to the Lessor at the rate of 5% plus VAT per amount of monthly rental paid by the Lessee to the Agent.

- 20.3 The Lessor and the Lessee warrant that the agent has introduced the Lessee to the Lessor and to the property and that in the event of the Lessee purchasing the property from the Lessor, the Lessor shall pay to the Agent estate agents commission calculated at the rate of 7.5% plus VAT on the purchase price which commission will be deemed to be earned on the date that the agreement of sale is entered into between the Lessee and the Lessor.
- 20.4 The Lessor undertakes not to terminate the Agent's appointment during the currency of this lease or any extension thereof and, in the event of the Lessor purporting to do so, the Lessor shall make payment of the commission due to the Agent for any remaining period of this lease or any extension thereof which the Agent is not required to administer as per clause 20.2.2 above.
- 20.5 The Agent reserves the right, at any time during the currency of the lease or any extension thereof, to immediately withdraw from the administration of the Premises on written notice to the Lessor and the Lessee. Any monies paid in advance to the Agent, will be refunded proportionally for the remaining period that the administration of the Premises were paid for in advance.
- 20.6 Should this lease be terminated as a result of a failure by the Lessor to carry out any of the Lessor's obligations in terms of this lease, then the Lessor shall be liable for payment of the Agent's commission as aforesaid for the remaining period of the tenancy, which commission shall be earned and payable forthwith.
- 20.7 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 Agent, or

if no commission has been paid or is payable by the Lessor, then (at the sole option of the Agent), the Lessee shall be liable to the Agent for such commission and value-added tax as aforesaid for the remaining period of the tenancy, which commission shall be due and payable forthwith upon the termination of the Agent's appointment.

20.8 It is recorded that the Agent shall not be obliged to pay the rent over to the Lessor or to any third party on the Lessor's behalf until such time as the full rent has been received by the Agent in cash or any rental cheque has been cleared by the Agent's bank. Furthermore, the Lessor shall not have any claim whatsoever against the Agent arising out of any delay which may occur in rent being paid to the Lessor or to any third party on the Lessor's behalf by the Agent unless such delay is attributable directly to the wilful neglect of the Agent.

**21 SCHEDULE OF OCCUPANTS**

21.1 The Lessee, or in the event of the Lessee being a company, close corporation or trust, hereby warrants that the only persons, including gardeners, domestic servants or any other employees of the lessee, who will occupy the premises are: -

.....  
.....  
.....

21.2 The Lessee shall not permit any person other than those referred to in 21.1 above to occupy the premises or any part thereof unless the Lessee has obtained the Lessor's consent in writing for such person to occupy the premises which consent shall be solely within the discretion of the Lessor. The Lessor shall be entitled to request the Lessee to provide the Lessor with full details regarding such person before the Lessor decides whether to permit such person to also occupy the premises.

21.3 Should the Lessor become aware of the fact that the Lessee has contravened this clause 21, then the Lessor shall be entitled to immediately exercise his rights as contained in clause 14.1 of this agreement.

**22 INSPECTION DATES**

Ingoing inspection: .....  
2nd quarter: .....  
3rd quarter: .....  
Outgoing inspection: .....

**SPECIAL CONDITIONS**

.....  
.....  
.....  
.....

**23 CAPACITY OF LESSEE & SURETYSHIPS**

23.1 In the event of the Lessee being a Close Corporation, Trust, Company or consists of persons constituting a partnership, the members, trustees, directors or partners bind themselves unto and in favour of the Lessor as sureties in solidum jointly and severally with the Lessee for the due payment by the Lessee of all or any monies which the Lessee may now or from time to time owe to the Lessor arising out of this agreement.

23.2 Should the Lessee comprise more than one person, each such person shall be liable jointly, severally and in solidum with each other for the due performance of the Lessee's obligations in this agreement including the payment of each and every sum of money.

THUS DONE AND SIGNED AT \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 200

**AS WITNESSES:**

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

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

\_\_\_\_\_  
**LESSEE**  
The signatory hereby warrants that he has read clause 23 and binds himself as surety and co-principal debtor with the Lessee in favour of the Lessor.

THUS DONE AND SIGNED AT \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 200

**AS WITNESSES:**

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

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

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

The agent hereby accepts the terms and benefits of the aforesaid lease.

SIGNED on behalf of the Agent at .....

For and on behalf of Chas Everitt International Property Group.

Each office independently owned and operated.