

RESIDENTIAL AGREEMENT OF PREPAID LEASE

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1. SCHEDULE

- | | | |
|-----|---------------------------|-------|
| 1.1 | The Managing Agent | <hr/> |
| 1.2 | The Landlord | <hr/> |
| | Registration number | <hr/> |
| 1.3 | Tenant(1) name+surname,ID | <hr/> |
| | Tenant(2) name+surname,ID | <hr/> |
| | Tenant(3) name+surname,ID | <hr/> |
| | Tenant(4)name+surname,ID | <hr/> |

1.4	The Premises			
1.5	Parking Bay Number(s)			
1.6	Is Smoking allowed Inside Unit	NO/YES		
1.7	Small Pets Allowed	NO/YES		
	Gas appliances allowed	NO/YES		
1.8	The Monthly Prepaid Rental			
1.9	The Upfront Deposit			
	Interest on Deposit:	Tenant	N/A	Agent & the EAAB N/A
1.10	Parking Fees			
1.11	The Lease preparation fee			
1.12	The credit check fee			
1.13	Rental escalation	% PER YEAR		
1.14	The Tenant's nominated bank account for deposit refund:			
	Name of account holder			
	Bank			
	Bank branch			
	Branch code			
	Account number			
	Payment Reference			
1.15	The nominated bank account for PREPAID-SERVICES			
	SEE 10.2			
1.16	The Managing Agent/Landlord address(es)			
	Physical			
	Telephone			
	Work telephone			
	Cellular			
	Email			
1.17	The Tenant's information			
	Physical Work Address			

Tenant 1 Cell & Work & Email _____

Tenant 2 Cell & Work & Email _____

Tenant 3 Cell & Work & Email _____

Tenant 4 Cell & Work & Email _____

Employer Tenant 1 & 2 _____

Employer Tenant 3 & 4 _____

- 1.18 R _____ admin per month on arrears
- 1.19 Initial Period is _____ (_____) months (NON NEGOTIABLE)
- 1.20 Lease start date _____
- 1.21 Lease end date _____
- 1.22 Where Initial Period is greater than 24 (Twenty-Four) months financial benefit to the Tenant is N/A
- 1.23 Key return date and time BEFORE 17H00 ON LAST WORKING DAY OF MONTH
- 1.25 Maximum occupants _____ PER BEDROOM
- 1.26 Maximum cancellation penalty not less than 2 (TWO) Month/s but not more than 3 (THREE) Months' Rental
- 1.27 Sales commission 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;
- 2.1.2 "Body Corporate" means anybody corporate or home owners association applicable to the Premises;
- 2.1.3 "Business Day" means any day other than a Saturday, Sunday, or official public holiday in the Republic of South Africa;
- 2.1.4 "CPA" means the Consumer Protection Act 68 of 2008, together with all of its regulations and schedules, as amended from time to time;
- 2.1.5 "Deposit" means the amount/s payable by the Tenant to the Landlord prior to the Tenant moving in to the Premises;
- 2.1.6 "Direct Marketing" means, to approach a person, either in person or by mail or electronic communication, for the direct or indirect purpose of: promoting or offering to supply, in the ordinary course of business, any goods or services to the person; or requesting the person to make a donation of any kind for any reason;
- 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 "EAAB" means the Estate Agency Affairs Board, as established in terms of the EAAA;
- 2.1.9 "Effective Cause" means the main reason for the Tenant entering into this Lease;
- 2.1.10 "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 the Tenant's visitors;

- 2.1.11 “Initial Period” means the term of this Lease, excluding any renewal periods;
- 2.1.12 “Landlord” means the Party referred to in item 1.2 of the schedule;
- 2.1.13 “the/this Lease” means this agreement together with all its annexures and schedules, as amended from time to time;
- 2.1.14 “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 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.
- 2.1.15 “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;
- 2.1.16 “Parties” means the Tenant and the Landlord and “Party” means either one of them, as the context may indicate;
- 2.1.17 “Prepaid Vending System” means the system that manages the prepaid services as agreed to in clause 11 of the schedule;
- 2.1.18 “Premises” means the premises referred to in item 1.4 of the schedule;
- 2.1.19 “Rental” means the monthly rental payable by the Tenant to the Landlord for the rental of the Premises via Prepaid-Services;
- 2.1.20 “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;
- 2.1.21 “Rules” means any applicable Body Corporate and/or house rules;
- 2.1.22 “Sign” means a handwritten signature, electronic signature or advanced electronic signature as defined by the Electronic Communications and Transactions Act 25 of 2002, or an electric signature format agreed to by the Parties and “Signed”, “Signing” and “Signature” shall have corresponding meaning;
- 2.1.23 “Signature Date” means the date of signature of this Lease by the last Party signing;
- 2.1.24 "Smoking" means the lighting of any tobacco products, including but not limited to cigarettes and cigars, as well as the use of any smoking devices, including electronic cigarettes and "Smoke" shall have the corresponding meaning;
- 2.1.25 “Specific Performance” means the fulfilment of either Party’s obligations in terms of this Lease;
- 2.1.26 “Tenant” means the Party referred to in item 1.3 of the schedule;
- 2.1.27 “Termination Date” means the date of termination of this lease for any reason whatsoever; and
- 2.1.28 “Writing” means any mode of reproducing information or data in physical form and includes hard copy printouts, handwritten documents and facsimile transmissions, together with information or data in electronic form and “Written” and “Write” shall have corresponding meaning.

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 via Prepaid-Services, in terms of this Lease.

5. DURATION OF INITIAL PERIOD

5.1 For a Lease with duration of less than 24 (Twenty-Four) Months:

5.1.1 This Lease will endure for an Initial Period as stated in item 1.19 of the schedule and will start on the date referred in 1.20 of the schedule and end on the date referred in 1.21 in the schedule.

5.2 For a Lease with duration of more than 24 (Twenty-Four) Months:

5.2.1 This Lease will endure for an Initial Period as stated in item 1.19 of the schedule and will start on the date referred in 1.20 of the schedule and end on the date referred in 1.21 in the schedule;

5.2.2 The Tenant will have the financial benefit of the items referred to in 1.22 of the schedule.

6. AUTOMATIC CONTINUATION OF THIS LEASE

6.1 Upon termination of the Initial Period, this Lease will automatically continue on a Month-to-Month basis, subject to any material changes, which the Landlord has brought to the attention of the Tenant, unless:

6.1.1 either Party expressly advises the other prior to the termination of the Initial Period that it does not want this Lease to continue after the Initial Period has terminated; or

6.1.2 the Parties agree to extend the Lease for a further fixed – term period. In this regard:

should the Parties agree to renew or extend the Lease and not to alter any other terms of the Lease, then the Parties will sign an addendum specifying the further fixed-term period applicable, which addendum will be annexed to the Lease;

should the Parties, by agreement, seek to alter any other terms of the Lease other than extending the fixed-term period of the Lease, then the Lease will be deemed to have terminated on expiry of the Initial Period and the Parties will conclude a new lease agreement.

6.2 If this Lease is continued on a Month-to-Month basis in terms of clause 6.1, either Party shall be entitled to terminate this Lease without reason or penalty at any time, provided that they give the other Party a calendar Month's written notice of such termination.

6.3 Should this Lease continue on a Month-to-Month basis the provisions of Section 14 of the CPA will no longer apply to this Lease.

7. NOTIFICATION OF END OF INITIAL PERIOD

7.1 In order to allow the Tenant to decide whether to continue with 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 of:

7.1.1 the date of termination of the Initial Period;

7.1.2 any material changes that will apply if this Lease is automatically continued on a Month-to-Month basis after the termination of the Initial Period; and

7.1.3 the fact that this Lease will automatically continue on a Month-to-Month basis upon expiry of the Initial Period, unless the Tenant expressly stipulates by no later than 20 (Twenty) Business Days prior to the date upon which the Initial Period is due to terminate that the Tenant wishes for the Lease to terminate on the expiry of the Initial Period, or that the Tenant wants to extend the Lease for a further fixed-term period, in which case the provisions of clause 6.1 above will apply.

7.2 Should the Tenant give the Landlord notification of the Tenant's desire to extend the Lease for a further fixed-term period, and the Landlord agree to such extension, then the Parties shall conclude an addendum or a new lease agreement (as the case may be) by no later than (Ten) Business Days prior to the date upon which the Initial Period is due to terminate. Should the Parties subsequently fail to agree on the terms of the addendum or the new lease agreement (as the case may be), then the Lease shall be deemed to have terminated upon expiry of the Initial Period and the Tenant shall be obliged to vacate the Premises.

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 RULES

- 9.1 The Tenant undertakes to read and familiarize 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 of this Lease. 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. The parties agree that the Rules also regulate owner/landlord aspects. The parties agree that only those Rules pertaining to the Tenant and the Tenant's tenure at the said unit will be applicable.
- 9.2 It is specifically recorded that should there be any discrepancy between the abovementioned Rules and any municipal bylaws, then the municipal bylaws shall take precedence over any other Rules.

10. MONTHLY RENTAL

- 10.1 The Tenant is hereby notified that the Rental is payable to the Landlord or Agent.
- 10.2 The nominated payment method for services is via www.prepaid-services.co.za utilizing online banking
- 10.3. Reference Number for cash deposits and eft payments: _____
- 10.4 The Tenant must:
- 10.4.1 ensure that the Rental is paid on or before the 1ST day of every Month
- 10.4.2 confirm via www.prepaid-services.co.za that payment has been cleared;
- 10.4.3 Repay the Landlord / Agent for any bank and /or service charges which result from any payment made by the Tenant to his/her Prepaid-Services account.

11. SERVICES MANAGED VIA PREPAID-SERVICES VENDING SYSTEM

- 11.1 The Tenant agrees to pay the following services via "Prepaid-Services" vending system: (delete which is not applicable)
- Note that this is a single account and all services are linked and can't be unlinked. Municipal increase will cause these fees to increase.
- 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; R_____ per kWh
- 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; R_____ per kilo liter
- 11.1.3 Rent; R_____ pm
- 11.1.4 Prepaid-Services fee: R_____ pm
- 11.1.5 Internet: R_____ pm
- 11.1.6 Levy: R_____ pm
- 11.1.7 Other specify: _____ R_____ pm
- 11.2 The Tenant agrees to willingly participate in the Prepaid-Services Vending System as incorporated by the Landlord/Agent.
- 11.3 The Tenant is responsible to manage his/her funds in his/her Prepaid-Services account and as long as his/her Prepaid-Services account has a credit balance, he/she can vend tokens.
- 11.4 The Tenant is hereby informed and agrees that vending limits will be applied and will be adjusted by the Landlord/Agent discretion.

- 11.5 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 so as to confirm whether the Tenant is promptly making payments to such service provider.
- 11.6 If the Tenant does not repay the Landlord any amount which the Landlord pays in terms of clause 2 or if the Landlord pays a service provider directly for any amount which is due and owing by the Tenant, the Landlord /Letting Agent shall be entitled, in its discretion, to invoice such amount to the Tenant's Prepaid-Services account
- 11.7 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.
- 11.8 If the Tenant does not repay the Landlord any amount which the Landlord pays in terms of clause 2 or if the Landlord pays a service provider directly for any amount which is due and owing by the Tenant, the Landlord /Letting Agent shall be entitled, in its discretion, to invoice such amount to the Tenant's Prepaid-Services account.

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.

If the levies, electricity, water, gas and/or taxes in respect of the Premises increase at any time during the subsistence of this Lease, the Landlord shall be entitled to increase the prepaid-service to accommodate for such increase.

12. DEPOSIT

- 12.1 The Tenant will pay the Deposit on the Signature Date. When this Lease ends, the Landlord may use the Deposit, after consultation with the tenant together, to pay all amounts which the Tenant is liable for in terms of this Lease, including but not limited to the reasonable costs of repairing any damage done to the Premises during the Initial Period, and rental income lost if repairs have to be done once tenant has vacated unit, 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 1.9 of the schedule.
- 12.3 The Deposit will be placed in a non-interest-bearing account with a financial institution. 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, within 14 (Fourteen) days of the restoration Date.
- 12.4 If the Deposit is given to an Agent and not to the Landlord, the Agent will Deposit money in nominated account as per clause 1.15 using the prepaid meter number/dep as reference and provide tenant with receipt.
- 12.5 It is recorded that for the subsistence of this Lease, the Deposit at all times belongs to the Tenant and may only be utilised by the Landlord or the Agent in accordance with the provisions of clauses 9, 11.4, 12.3 and 13.5 or when the Agent or the Landlord, as the case may be, is instructed to do so by the Tenant.
- 12.6 If, during the subsistence of the Lease (including the Initial Period, any fixed- term renewal period, or where the Lease continues on a month-to – month basis) there is any increase in the Rental, the Tenant shall be required to supplement the Deposit so as to ensure that the deposit is proportionate to the increased Rental.
- 12.7 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.

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 or any defects to 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. The Tenant, by way of this inspection, acknowledges that the Premises is fit for beneficial occupation.
- 13.2 Recording of the defect or damage in writing does not presuppose that that Landlord has taken responsibility to have the defect or damage remedied. This recording is a mere acknowledgment that that defect or damage exists and that the defect or damage was not caused by the Tenant.
- 13.3 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 (Seven) days of the discovery thereof.

The Landlord must supply the Tenant with a written acknowledgment confirming that such damage or defects exist and can inspect such damage or defects with reasonable notice.

- 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 as well as loss of income due to repairs; 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 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.

15. REASONABLE ACCESS TO THE PREMISES BY THE LANDLORD

- 15.1 It is recorded that the Landlord, the Agent, its agents 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, the Agent, its agents and/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, the Agent, its agents and/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, geysers, water taps and accessories in the Premises;
- 16.1.3 regularly clean the inside of the Premises, including the carpets, floor coverings and tiles;
- 16.1.4 maintain, replace and/ or repair all electrical globes, fittings, switches, water-borne taps, stoves, locks, handles, windows and prepaid meters in the Premises;
- 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 neighbors
- 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 ensures that the Premises are occupied by no more than the number of people stated in item 1.25 of the schedule;
- 16.1.11 makes 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 accepted;
- 16.1.13 returns the keys to the Landlord by latest on the date and at the time stated in item 1.23 of the schedule;
- 16.1.14 ensure that should Smoking be permitted on the Premises in accordance with item 1.6 of the schedule, then such Smoking will not cause any damage to the Premises, regardless of whether the person Smoking is the Tenant, any further occupant of the Premises or any visitor of the Tenant. It is specifically recorded that smoking is not allowed inside the unit;
- 16.1.15 ensure that should Smoking not be permitted on the Premises in accordance with item 1.6 of the schedule, no person, including but not limited to the Tenant, any further occupant of the Premises or any visitors of the Tenant will smoke on the Premises;
- 16.1.16 ensure that, should the Tenant or any other person smoke or have smoked on the Premises, the Tenant shall at its own cost restore the Premises to the pre-smoking condition, making specific mention that the Premises must be professionally cleaned, fumigated and treated for aromas and the like.
- 16.1.17 ensure that, should the Tenant be permitted to keep pets on the Premises as per item 1.7 of the schedule, then such pets do not cause any damage to any movable or immovable property located on the Premises, including the garden, if applicable;
- 16.1.18 ensure that, should no pets be permitted to enter the Premises in accordance with item 1.7 of the schedule, then no pets, including pets belonging to visitors of the Tenant will enter the Premises at any time and for any reason whatsoever;
- 16.1.19 ensure that, should pets be kept or have been kept on the Premises, the Tenant shall at its own cost restore the Premises to the pre-pet condition, making specific mention that the Premises must be professionally cleaned, fumigated and treated for aromas and the like.
- 16.1.20 at all times maintain adequate insurance in respect of all movable property brought onto the Premises, by an insurance company of the Tenant's choice and make prompt and regular payment of all insurance premiums in respect of such insurance and in this regard the Tenant specifically acknowledges and agrees that the Landlord shall in no way be liable for any damages caused, for any reason to movable property brought onto the Premises by the Tenant; and
- 16.1.21 notify the Landlord of any changes to any locks to the Premises and provide the Landlord with keys to the changed locks within 24 (Twenty-Four) hours of such locks being changed.
- 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 inside or outside 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; or
- 16.2.11 make any improvements to the Premises without the prior, written consent of the Landlord (which consent shall not be unreasonably withheld) and in this regard, the Tenant specifically acknowledges and agrees that upon termination of the Initial Period (or any subsequent period) any improvements made by the Tenant shall be deemed to be the property of the Landlord, unless otherwise agreed to in writing between the Parties
- 16.2.12 Tamper with prepaid meter/s in any manner. Penalty will be R3000 and payable immediately

17. VISITORS OF THE TENANT

- 17.1 The Tenant must use his best endeavors to ensure that his visitors comply at all times 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;
 - 17.1.2 requesting any person who is in breach of the provisions of this Lease and/or the Rules to immediately remedy such breach; and
 - 17.1.3 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 1.28 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 Landlord's duties towards the Tenant may vary depending upon whether the 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:
 - 18.2.1 the Tenant warrants that any statement made by him to the Landlord in respect of its Threshold Values is true, correct and accurate;
 - 18.2.2 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
 - 18.2.3 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.
- 18.3 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 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 WITHOUT REASON OR PENALTY

21.1 The Landlord and the Tenant confirm that the Tenant entered into this Lease as a result of marketing stated in item 1.24 of the schedule. Consequently, if the Landlord or the Agent first approached the Tenant directly, as stated in item 1.24 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:

21.1.1 the Tenant 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 and 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 if the Landlord or the Agent did not first approach the Tenant directly, as stated in item 1.24 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 this Lease or receive a refund of any payments made to the Landlord or Agent.

22. CANCELLATION OF THIS LEASE BY THE TENANT BEFORE THE EXPIRY OF THE INITIAL PERIOD

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, or the Tenant is transferred out of the country for occupational or diplomatic reasons, thereby causing this Lease to terminate prior to the expiry of the Initial Period, then the following will apply:

22.1.1 the Tenant must give the Landlord at least 20 (Twenty) Business Days' written notice of such cancellation; and

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 1.26 of the schedule.

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; and

22.2.3 whether the Tenant agrees this is a fair and reasonable cancellation penalty.

22.3 It is recorded that, 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 1.26 of the schedule.

23. CANCELLATION OF THIS LEASE BY THE LANDLORD BEFORE THE EXPIRY OF THE INITIAL PERIOD

23.1 The Landlord may cancel this Lease on 2 (Two) 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 on 7 (Seven) days' notice to the Tenant in the following circumstances:

- 23.2.1 The Landlord become aware that the Tenant is conducting any kind of criminal activity from the Premises, as defined in the Criminal Procedure Act 51 of 1977;
- 23.2.2 The Landlord suspects or is notified of the fact that the Tenant is in any way dealing in counterfeit goods, as defined in the Counterfeit Goods Act 37 of 1997; or

24. BREACH OF THIS LEASE BY THE TENANT

- 24.1 In the event of the Tenant not paying the Rental or any other monies due in terms of this Lease on the date upon which such monies are due and payable, or committing any other breach in terms of this Lease then:
- 24.1.1 should the provisions of Section 14 of the CPA apply to this Lease and the Tenant remain in breach of any of the terms of this Lease for a period of 20 (Twenty) Business Days after despatch of a written notice calling upon the Tenant to remedy such breach; or
- 24.1.2 should the Lease continue on a Month – to – Month basis in accordance with the provisions of clause 6.1 and the provisions of Section 14 of the CPA accordingly not apply to this Lease and the Tenant remain in breach of any of the terms of this Lease for a period of 7 (Seven) calendar days after despatch of a written notice calling upon the Tenant to remedy such breach;
- the Landlord shall be entitled in his sole discretion and without prejudice to any other rights that he may have in law to either claim specific performance in terms of this Lease or to cancel this Lease forthwith and without further notice claim all arrear Rental and/or any other damages from the Tenant.
- 24.2 Should this Lease be cancelled by the Landlord for any reason whatsoever, the Tenant and all other persons occupying the Premises through and/or under the Tenant shall immediately vacate the Premises and allow the Landlord to take occupation thereof.
- 24.3 In the event of the Landlord cancelling this Lease, and in the event of the Tenant disputing the right of the Landlord to cancel and remaining in occupation of the Premises, the Tenant shall, pending a decision in such dispute, continue to pay an amount equivalent to the Rental provided for in this Lease, together with all other payments herein provided, on the date that such payments are due and into the bank account provided for in this Lease. In such event, the Landlord 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 Landlord's claim of cancellation then in dispute. Should the dispute be determined in favour of the Landlord, the payments made and received in terms of this paragraph shall be deemed to be amounts paid by the Tenant on account of the damages suffered by the Landlord by reason of the cancellation of the Lease and/or the unlawful holding over by the Tenant.

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 Material 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 Material Breach within 20 (Twenty) Business Days of notification being sent to the Landlord instructing the Landlord to do so.

26. ACKNOWLEDGMENT BY THE TENANT

- 26.1 The Tenant confirms that:
- 26.1.1 he has read and understands the provisions of 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 The Tenant shall pay on demand to the Landlord all legal costs between attorney and client incurred by the Landlord in respect of any legal steps taken in terms of this Lease.
- 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) calendar 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 1.16 of the schedule; and
- 29.2.2 the Tenant, as referred to in item 1.17 of the schedule.
- 29.3 Notwithstanding anything to the contrary contained herein, 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.
- 29.4 The addresses given by the Parties in the schedule shall constitute the Parties domicilium citandi et executandi for any and all purposes stipulated under this Lease and the receipt of any documentation and the institution of any legal proceedings.

30. JURISDICTION OF THE MAGISTRATES' COURT

- 30.1 Not limiting the jurisdiction that any other court may have, the Parties consent in terms of section 45 of the Magistrates' Courts Act, 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 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 authorizes 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 behavior, profile, payment patterns, indebtedness, whereabouts, and creditworthiness of the Tenant; and
 - 33.1.2 provide information about the behavior, profile, payment patterns, indebtedness, whereabouts, and creditworthiness of the Tenant to 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

- 38.1 This Lease shall be Signed in Writing. Any electronic communications under this Lease will only be deemed to be received by the Landlord once the Landlord expressly acknowledges receipt thereof, in Writing.
- 38.2 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. MANAGING AGENT

The Tenant and the Landlord confirm that the Tenant was introduced to the Premises by the Agent referred to in item 1.1 of the schedule, and that the Agent was the only Effective Cause of the conclusion of this Lease.

41. MARKETING THE PREMISES TO PROSPECTIVE TENANTS OR PURCHASERS

41.1 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.

41.2 During the subsistence of this Lease, the Tenant must allow the Landlord (or any representative appointed by the Landlord) reasonable access to the Premises for the purposes of showing the Premises to prospective tenants or purchasers, which access shall include access to the Premises on at least 2 (Two) Sundays per Month between the hours of 12:00 and 17:00, if required. The Landlord or its representative shall contact the Tenant to arrange for such access. Such access shall include the right to access the Premises to take photographs of the Premises for the purposes of marketing the Premises to prospective Tenants or Purchasers.

42. POTENTIAL SALE

If the Tenant signs a sale agreement with the Landlord at any time during the Initial Period of Lease, any renewal of the Lease or within 12 (Twelve) months after the Lease has come to an end, then the Agent shall be deemed to have been the reason that the sale took place and shall be entitled to payment by the Landlord of commission equal to a percentage of the selling price as set out in 1.27.

43. SPECIAL CONDITIONS

RULES – ANNEXURE "A"

NOTES:

No electricity/water tokens can be generated if there are insufficient funds in the Prepaid-Services Account. Ensure to check balance of Prepaid-Services Account regularly to avoid insufficient funds. Vending limit applicable on meters

Entry and exit inspection to be done by landlord or agent and signed by all parties. All repairs done that was not part of ENTRY inspection after 7 working days of moving in will be for Tenant account.

Tampering on any PREPAID meter will result in a case being opened at the South African Police as well as a R_____ fine and cancellation of lease agreement.

Tenants are encouraged to fund account online and purchase tokens online at www.prepaid-services.co.za

Funds received via EFT and/or Cash deposits will only be loaded once cleared in Prepaid-Services account and only NEXT BUSINESS DAY from 8am to 9am Mondays to Fridays excluding public holidays and weekends as well as excluding 15 December to 31 December and 1 January every year.

Current service fees: Please refer to www.prepaid-services.co.za

Should any tenant smoke inside unit, the fee/s to repaint unit and or replace eg wooden floor due to smoke smell will be for tenant account

Unit must be kept clean from ants, cockroaches, mice, rats, etc at all times. NO smoking inside unit at ANY time

Certain units are not allowed any gas appliances due to fire hazard – please check with landlord/agent

DATED AT (place)_____ ON _____ 20

MANAGING AGENT/LANDLORD NAME _____

MANAGING AGENT/LANDLORD SIGNATURE _____

(on behalf of and duly authorised)

DATED AT (place) _____ ON _____ 20

TENANT 1 NAME AND SIGNATURE _____

TENANT 2 NAME AND SIGNATURE _____

TENANT3 NAME AND SIGNATURE _____

TENANT 4 NAME AND SIGNATURE _____

(on behalf of and duly authorised)

_____ AS WITNESS (1) _____ AS WITNESS (2)