

**THE UNITED REPUBLIC OF TANZANIA  
THE LAND ACT, 1999  
(NO.4 OF 1999)**

**LEASE AGREEMENT**

*BETWEEN*

**ROWLAND PATRIC SAWAYA**

*AND*

**KILIMANJARO TRUCK COMPANY LIMITED**

**Drawn by:**

**Martin James Wanyancha, Advocate,**  
*Kanywanyi, Mbakileki, Mtaki & Ndit, Advocates,*  
*NIC, Life House Building, 5<sup>th</sup> Floor, Wing C.*  
*Sokoine Drive/Ohio Street,*  
*P.O. Box 35005,*  
**DAR ES SALAAM.**

**FEBRUARY, 2014**

## LEASE AGREEMENT

This **LEASE AGREEMENT** is made on the.....day of 5 FEB.....2014

### BETWEEN

**ROWLAND PATRICK SAWAYA**, a private adult person of sound mind of P.O. Box 1402, Moshi, Kilimanjaro (hereinafter referred to as "**the Lessor**") of the one part;

### AND

**KILIMANJARO TRUCK COMPANY LIMITED**, a private limited liability company incorporated in Tanzania under the Companies Act (Cap. 212 R.E.2002), with its registered office at Dar es salaam and of P.O. Box 80478, Dar es Salaam (hereinafter referred to as "**the Lessee**") of the other part.

### PREAMBLE

**WHEREAS**, the Lessor holds a **99-Year Right of Occupancy under Title No. 42333, L.O No. 120545 PLOT No. 37** overall that piece or parcel of land containing ..... squire meter situated at Mikocheni Light Industrial Area Dar es Salaam and is desirous of entering into a long term lease with the **Lessee** for **Commercial purpose** as a Bus and Truck yard and garage and other related actives;

**AND WHEREAS**, has agreed to let to the **Lessee** and the **Lessee** by a resolution dated .....2014 has agreed to take on a long term lease basis, the whole of **the Demised Premises** to be used for Commercial purposes as a Bus and Truck yard and garage and other related activities subject to and in accordance with the terms and conditions set forth hereinafter:

**NOW, THEREFORE, IN CONSIDERATION** of the promises and the mutual covenants of the Parties hereto as set forth hereinafter, it is mutually agreed as follows:

## **ARTICLE 1**

### **DEFINITIONS AND INTERPRETATION**

1.1 In this Lease, unless the context otherwise requires:

- (a) **“Agreement”** means this Lease Agreement;
- (b) **“Execution Date”** means that date on which this Lease is signed by the **last** party to **the Lease**;
- (c) **“Expiry Date”** means the date on which this **Lease** expires, unless extended by prior mutual consent of the parties hereto in writing;
- (d) **“Demised Premises”** means the land leased to the **Lessee** comprising the permanent structures on the surface of the land, the soil and water, save any mineral deposits embedded thereunder;
- (e) **“Lease”** means this **Lease** recorded herein and any authorized amendment(s) thereof and appendices hereto;
- (f) **“Parties”** means the **Lessor** and the **Lessee** and their successors in title or assignees and reference in the singular shall be to either one of them;
- (g) **“services”** means handling, storage and management of goods within the **Demised Premises**; and

1.2 Whenever appropriate, references in this **Lease** to the masculine gender shall be construed to include the feminine and *vice versa*, the singular to include the plural and *vice versa*.

1.3 Each provision of the **Lease** shall be interpreted in such a manner as to be valid under applicable laws, but if any provision shall be invalidated or prohibited thereunder, such provision or part thereof shall be

ineffective to the extent of such invalidity or prohibition without invalidating the remainder of such provision or the other provisions of this Lease.

- 1.4 This **Lease** shall be binding upon and shall inure to the benefit of each of the parties hereto and their respective successors in title and assignees.
- 1.5 This **Lease** contains the entire understanding between the parties with respect to the subject matter hereof and merges and supersedes all prior agreements between the parties hereto.
- 1.6 In the interpretation of the provisions of the **Lease**:
  - (a) the **Preamble and Appendices** shall be regarded as part of the **Lease**; and
  - (b) the headings of the Articles of this Lease are inserted solely for the convenience of reference and are not part of and are not intended to govern, limit and/or be taken into account in the construction of any term or provision of the Lease.

## **ARTICLE 2**

### **THE LEASE**

- 2.1 Subject to the provisions of this **Lease**, the **Lessor** hereby lets **the Demised Premises** to the **Lessee** and the **Lessee** accepts to take the **Demised Premises** for the **remainder period of the Right of Occupancy** (hereinafter referred to as "**the Lease Period**")
- 2.2 The **Demised Premises** is let to the **Lessee** by the **Lessor** and accepted by the **Lessee** on the condition of "**as is**", regardless of any defect or defects therein, whether latent or patent, and subject to observance of the conditions of title as reflected in the **Right of Occupancy**.

## **ARTICLE 3**

### **CONSIDERATION**

- 3.1 In consideration of the **Lessor** letting to the **Lessee** the **Demised Premises** for occupation, and use the Demised Premises for Commercial

purposes as a Bus and Truck yard and garage and other related activities as follows:

- (a) a sum of **TShs 1,200,000.00 (say: Tanzania Shillings One Million Two Hundred)** only per month, to be paid on Six Monthly basis in advance by Banker's Cheque or any other method the parties hereto shall be agree upon execution of this Agreement;
- (b) the **Rent** payable under sub-paragraph (a) hereof shall be payable by the **Lessee** to the **Lessor** in **one installment** and if the **Lessee** requests to settle it in more than one installments, then any outstanding balance shall attract interest payable at ruling the commercial bank rate applicable on the date of settlement.

#### **ARTICLE 4**

##### **OCCUPATION OF THE DEMISED PREMISES**

- 4.1 Subject to the provisions of the **Lease**, the **Lessee** shall be entitled to take vacant possession of and shall be deemed to be in occupation of the **Demised Premises** with effect from the date of signing this Lease Agreement.

#### **ARTICLE 5**

##### **COMMON UNDERTAKINGS**

- 5.1 Each of the parties hereto, unless agreed otherwise, shall bear and defray each **one`s own costs** associated with the preparation and/or registration of the **Lease** such as the Lawyers` fees, stamp duty, etc.
- 5.2 All the information supplied in connection with the **Lease** shall be treated by the parties and parties` respective employees, servants or representatives in strict confidence and shall not be divulged to any third party without the prior written consent of the concerned party hereto.
- 5.3 Neither party hereto shall be entitled to change the commercial use of the **Demised Premises** without the prior written consent of the other party and the **Lease** hereby binds the **Lessee** to the lawful use of the **Demised**

**Premises**, compliance with all relevant laws and bye-laws and the parties further undertake to prevent any unnecessary nuisance or disturbance as such unnecessary nuisance or disturbance may interfere with the peaceful enjoyment of the **Demised Premises** and/or neighboring properties.

## ARTICLE 6

### DURATION

- 6.1 Subject to the provisions of Articles 4 hereof, this **Lease** shall commence on the date of signing and/or execution of this Lease agreement and shall be valid for a period of **Ten (10) years** from 17<sup>th</sup> February, 2014 to 15<sup>th</sup> March, 2024 unless extended by mutual consent in writing.
- 6.1 Subject to Lease Agreement hereof, the **Lessee** shall, at the end of the **Lease Period** aforesaid, be entitled to a first option of extension of the **Lease** upon terms and conditions mutually agreed by the parties hereto.

## ARTICLE 7

### WARRANTIES AND OBLIGATIONS BY THE LESSEE

- 7.1 The **Lessee** hereby warrants that:
- (a) To pay the rent reserved hereinabove and without any deduction
  - (b) To use the **Demised premises** for the purposes stipulated in Article 3.1 herein above only;
  - (c) Not to store in the **Demised premises** anything which is unlawful and/or dangerous;
  - (d) To maintain the interior of the **Demised premises** and to hold them in good state of repair;
  - (e) To allow lessor enter upon the **Demised premises** at reasonable time for purposes of inspecting the **Demised premises** and/ or making repairs as are necessary and within the reasonability of the lessor;
  - (f) To pay all about going including electricity and water bills resulting from its use of the **Demised premises**;

## ARTICLE 8

### WARRANTIES AND OBLIGATIONS BY THE LESSOR

- 8.1 The **Lessor** hereby warrants that:
- (a) Pay all present and future rates, taxes and other dues in respect of the Demised premises as are required by law to be paid;
  - (b) To carry out structure repairs to the demised premises as required from time to time **PROVIDED THAT** any damage done to the premises by the Lessee in consequence of its negligence shall be made good by the Lessee;
  - (c) the **Lessor`s Right of Occupancy for 99 years** is free from any mortgage or other encumbrances whatsoever;
  - (d) the **Lessor** shall give vacant possession of the **Demised Premises** to the **Lessee** as undertaken hereinabove;
  - (e) subject to the **Lessee** being in due compliance with the terms of the **Lease**, the **Lessee** shall hold and enjoy peaceful possession of the **Demised Premises** throughout the term reserved hereinabove without any disturbance from the **Lessor** or any person claiming through the **Lessor**.

## ARTICLE 9

### INDEMNITY

- 9.1 The **Lessee** hereby undertakes to indemnify and hold the **Lessor** harmless from and against all demands, claims, actions, costs and expenses on account of any alleged violation of intellectual property rights or by any person from whatsoever cause arising, whether for loss of life, personal injury, damage to or loss of property, arising as a result of that person's entry into or upon or going about the **Demised Premises**, the cause of action of which claim arises or arose at any time during the subsistence of the **Lease** and before the date of vacation of the **Demised Premises** by the **Lessee** upon expiry of this **Lease**.

## ARTICLE 10

### NOTICES

- 10.1 Either party may terminate this Lease Agreement at any time, in the event of termination either party shall issue a 30 ( thirty days Notice) to the other party and shall be;
- (a) In writing by hand or sent by facsimile or by electronic mail transmission during office hours shall be deemed to have been received by the addressee on the day following date of delivery or date of the facsimile or electronic mail transmission;
  - (b) Posted by prepaid registered post from an address within Tanzania shall be deemed to have been received by the addressee on the 5<sup>th</sup> working day after the day of posting.

## ARTICLE 11

### AMENDMENT OF THE LEASE

- 11.1 Either party hereto may propose an amendment to any provision, condition or covenant contained in this **Lease**, for the benefit of such party proposing the amendment:

Provided that such proposed amendment shall be in writing and delivered to the other party and where the other party accepts the amendment, the parties hereto shall amend this **Lease** by executing an **Addendum** to this **Lease** containing the mutually agreed amendment, including extension of the **Lease**.

## ARTICLE 12

### DISPUTE RESOLUTION

- 12.1 Any dispute, controversy or claim arising out of or relating to this **Lease** or the breach, invalidity or interpretation of all or any one of the Articles herein contained or any part thereof shall initially be resolved by the

parties hereto in an amicable manner through mutual consultations and/or discussions.

- 12.2 If the parties fail to resolve their dispute, controversy, or claim amicably through such mutual consultation and/or discussion within a period of three months, either Party upon serving to the other party a 30-day notice in *writing*, *may* refer the matter to a Tribunal or Court of competent jurisdiction for adjudication and settlement.

### **ARTICLE 13**

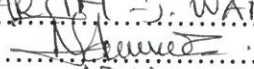
#### **GOVERNING LAW**

- 13.1 This **Lease** shall be governed by and interpreted in accordance with the laws of the United Republic of Tanzania.

**IN WITNESS WHEREOF THE PARTIES** hereto have executed this Lease on the date, year and the manner as shown herein below:

**SIGNED and DELIVERED** at  
**DAR ES SALAAM** by  
**ROWLAND PATRICK SAWAYA**, the  
**LESSOR** who has been identified to me by  
HAMILTON TERRY who is  
Known to me personally this .....  
Day of 5 FEB....., 2014

  
.....  
**LESSOR**


**BEFORE ME:**  
**COMMISSIONER FOR OATHS**  
Name: MARTIN J. WANYANCHA  
Signature:   
Qualification: ADVOCATE  
Address: 10047 DSM




**SEALED** with the **COMMON SEAL OF KILIMANJARO TRUCK COMPANY LIMITED**, the **LESSEE**  
And **DELIVERED** at DSM  
This ..... day of 5 FEB.....2014,

.....  
**COMMON SEAL OF THE LESSEE**

**In our presence of :**

1. **NAME:** ROSE R. SAWAYA  
**SIGNATURE:**   
**ADDRESS:** 80478 D.S.M  
**QUALIFICATION:** DIRECTOR

2. **NAME:** PRIM. R. SAWAYA  
**SIGNATURE:**   
**ADDRESS:** 80478  
**QUALIFICATION:** DIRECTOR