

LEASE AGREEMENT

BETWEEN

MPANGILE SOUTHERN HARDWARE AND COMPANY LIMITED

AND

AVOAFRICA TZ (LTD)

IN RESPECT OF WEAREHOUSES LOCATED AT BLOCK Q, PLOT NUMBER 14,
MAJENGO STREET, AT MAKAMBAKO URBAN AREA, NJOMBE – TANZANIA.

Certified True Copy Of The Original

Sign: *Subramali*
SUBRINA A. GULAMALI
Advocate, Notary Public & Commissioner for Oaths

LEASE AGREEMENT

THIS AGREEMENT is made and entered into this 01ST day of SEPTEMBER. 2021.

BETWEEN

MPANGILE SOUTHERN HARDWARE AND COMPANY LIMITED of P.O.BOX 1187, Makambako Tanzania (hereinafter called "the LESSOR") (hereinafter called "the LESSOR" which expression shall where the context so admits include and extend to persons deriving title under the LESSOR, Its agents, successors and assigns) of the one part;

AND

AVOAFRICA TZ (LTD) OF P.O.BOX 67, NJOMBE (Hereinafter CALLED "The LESSEE" which expression shall where the context so admits include and extend to persons deriving title under the LESSEE, its agents, successors and assigns) of the other part.

WHERE AS:

- i. The LESSOR represents and warrants that it is the beneficial owner of all the property situated and being at Block Q , Plot Number 14, Makambako Urban Area, Njombe – Tanzania, comprising all the buildings, warehouse and open land (hereinafter referred to as the "demised premises")
- ii. The LESSEE has expressed its interest in taking the Demised Premises for the use for lawful commercial purpose only.
- iii. The LESSOR has agreed to rent LESSEE and the LESSEE has agreed to take tenancy of the described Demised Premises on the terms, conditions and covenants as hereinafter appearing in this agreement.

NOW THIS DEED WITNESSETH as follows;

1. Lessor HERE BY DEMISES on to Lessee of two warehouses both inclusive of store and parking area located at Block Q Plot Number 14, within Makambako Urban Area, Njombe Region, Tanzania (hereinafter called "the demised premises").
2. Lessee covenants with lessor as follows: -
 - 2.1 Not to make or cause to be made any alterations or improvements to the demised premises without prior consent of the lessor.

- 2.2 At his own cost with prior consent of the lessor make all necessary structural changes and repairs including but not limited to; plumbing and electrical system in order to suit him. Flooring will be evened out by Landlord
- 2.3 To execute the works herein covenanted in compliance with the governing laws of the united Republic of Tanzania and by – laws and regulations of the Makambako Town Council.
- 2.4 To obtain from the relevant authorities necessary licenses for the covenanted works and the business to be carried out by the lessee within the demises premises.
- 2.5 To pay for all utilities, services and charges supplied to the demised premises during the lease except property Tax and Land Rent which shall be paid by Lessor.
- 2.6 To pay rent reserved hereunder promptly when due.
- 2.7 To permit the landlord or his agent(s) to enter upon the premises for the purposes of inspecting.
- 2.8 To indemnify Lessor against damages and liability arising upon the premises form accident or injury caused solely by the negligence of Lessee, its agents, employee(s) or business invitee(s).
- 2.9 To surrender possession of the demised premises at the end of the term hereof or any renewals or extensions thereof together with all repairs, alterations and improvements effected on the demised premised in pursuance to the terms of this lease agreement.
- 2.10 Not to cause o permit any nuisance upon the demised premises caused by any acts or omissions of Lessee, its agent(s) or employee(s).
- 2.11 Not to assign this lease or sublet the demises premise or any part thereof without the prior written consent of Lessor.

3. Lessor hereby covenants with lessee as follows: -

- 3.1 To pay all taxes, ground rent, land charges required by the law in relation to the demised premises.
 - 3.2 To permit Lessee to install his fixtures and furnishings in and on the demised premises, and to remove the same therefrom at the end of the term hereof and any renewals or extensions thereon.
 - 3.3 To permit Lessee unfettered access to demised premises.
 - 3.4 To permit Lessee to erect or install exterior signage on the demised premises.
- 3.2 To permit lessee to install his fixtures and furnishings in and on the demised premises, and to remove the same therefore and the end of term hereof and any renewals or extensions thereon.
 - 3.3 To permit lessee unfettered access to the demised premises.
 - 3.4 To permit lessee to erect or install exterior signage on the demised premises

4. Lessor and the lessee hereby mutually agree as follows;

4.1 That, lessee shall hold the demised premises for a period of three years (3) with a option to renew commencing from the 1st day of Sep 2021 to 30th day of August 2024 at nominal rent of 5,300,000/= (Tanzanian shillings five million and three Hundred Thousand only) per month without any deduction(s) inclusive of VAT.

4.2 That the rent shall be payable at the beginning of every six months without any deduction(s)

4.3 That at the expiration of the said period of thirty six (36) months, a new rent shall be mutually negotiated between the properties hereto. The rent might change depends on economic situation at the time.

4.4 That in the event the lessor or her successors or assigns desire to sell the demised premises, she shall give the first option of the lessee.

4.5 Should the lessee desire to vacate the demised premises, three (3) months notice of this desire in writing to the lessor is required. In the case of such eventuality the lessor shall not reimburse the lessee with the balance of the rent paid in advance.

4.6 If the lessor desirous to end this tenancy agreement before the expiration of the term agreed, she must give the lessee three (3) months written notice.

4.7 If the lessee becomes desirous of taking a tenancy of the demised premises for further term from expiration of the term hereby granted, he should give the lessor notice in writing indicating his desire to renew, three (3) months notice before expiration of the term hereby granted.

4.8 All notice under this tenancy agreement shall be in writing and for the purpose of service, a notice shall be deemed to have been duly given or made when it shall be mailed by a registered mail at the postal address hereinabove of the party intended for services.

4.9 Each of the parties here to shall be excused from the performance of its obligation by any event of force majeure occurring. For the purpose of this agreement, force majeure events are defined to include causes beyond the control of the lessee including without limitation; acts of God, regulations, civil commotion and epidemic.

4.10 That this lease shall inure to the benefit of and binding upon the respective heirs, personal representative (s) successor(s) and/or assign(s) of the lessor and lessee

4.11 That this lease shall be deemed to have been made in, and in all respects interpreted in accordance with the laws of United Republic of Tanzania. If any dispute arises from any act or matter in connection with Tenancy agreement shall be settled amicably by the parties, failing which the aggrieved party may refer the dispute to a court of competent jurisdiction

IN WITNESS whereof the said parties to the tenancy agreement have hereunto set their respective hands the day and year above mentioned.

SIGNED SEALED AND DELIVERED with the COMMON SEAL of the within named LESSOR.

MPANGILESOUTHERN HARDWARE AND COMPANY LIMITED on the presence of|

BLATTINA ANALYE MPANGILE
NAME B. mpangile
SIGNATURE B. mpangile
DESIGNATION DIRECTOR



WITNESS
NAME BRIGHTON HAGAI KAGIRO
SIGNATURE [Signature]
ADDRESS P.O. Box 97, NJOMBE
DESIGNATION ADVOCATE



SIGNED, SEALED AND DELIVERED with the COMMON SEAL of AVOAFRICA TZ LIMITED in the presence of

NAME ASIF AMIN MOHAMMED
SIGNATURE [Signature]
DESIGNATION MANAGING DIRECTOR



WITNESS
NAME NAGIB KARMAL I
SIGNATURE [Signature]
ADDRESS 67 NJOMBE
DESIGNATION -

