

THE UNITED REPUBLIC OF TANZANIA

**THE LAND ACT, 1999
(CAP. 113 OF THE LAWS OF TANZANIA)**

**THE RENT RESTRICTION ACT
(CAP. 339 OF THE LAWS OF TANZANIA)**

LEASE AGREEMENT

Between

OTAMU WAZIR

(LESSOR)

And

CMC SMARICARGO (I) LTD

(LESSEE)

Drawn by:

.....

.....

.....

LEASE AGREEMENT

This Lease Agreement is made this 21st day of DECEMBER 2021

BETWEEN

OTHMAN WAZIR of P.O. BOX DAR ES SALAAM (hereinafter referred to as the "Lessor" which expression unless it be repugnant to the context and meaning thereof means and includes its successors in title and assigns) of the first part;

AND

CMC S MARICARGO (T) LTD a Company duly incorporated under the Companies Act (CAP 212) R.E 2002 in the United Republic of Tanzania of P.O. BOX 11600 DAR ES SALAAM (hereinafter referred to as the "Lessee" which expression unless it be repugnant to the context and meaning thereof means and includes its successors in title and assigns) of the second part,

The Lessor and the Lessee hereinafter together will be referred to as the "Parties".

1. **WHEREAS** the Lessor is the absolute owner of the premises and accordingly absolutely entitled to use, occupy, possess and let out the premises CHANIKA AREA at Mwanzongumu area within IKALA Municipality in the City of Dar Es Salaam together with all other improvements erected and being thereon. (hereinafter referred to as the "Demised Premises").
2. **WHEREAS** the Lessee has approached the Lessor with the request to allow the Lessee to occupy and use the Demised Premises on a lease rental basis, which the Lessor has agreed to do on certain terms & conditions mutually agreed upon by and between the Parties hereto.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND PARTIES HERETO AS HEREUNDER:

1. PREMISES

The Lessor shall grant unto the Lessee and the Lessee hereby accepts from the Lessor a license to use and occupy the Demised Premises comprising of 4000 square meters on a lease rental basis for a period of three (3) years commencing from the date of signing of this Lease Agreement.

The Lessee shall have vacant possession of the demised premises immediately after signing of this agreement.

2. TITLE

The Lessor warrants and represents, upon which warranty and representation Lessee has relied in the execution of this Lease Agreement that the Lessor is the owner of the Demised Premises, and the Demised Premises is free and clear from all encumbrances. The Lessor shall produce or cause to be produced to the Lessee or their Advocate copies of documents of ownership in his possession or power for investigation of the title to the Demised Premises upon being requested by the Lessee in writing before the execution of this agreement.

3. COMMENCEMENT, DURATION, RENEWAL AND REGISTRATION OF THE LEASE AGREEMENT.

- 3.1 The Lease Agreement shall be deemed to have commenced on or from the time of signing and shall be in force for a period of three (3) years from such execution date on the same terms and conditions contained hereinbelow.
- 3.2 The Lessor shall allow the Lessee to use the Demised Premises without any hindrance, obstacle etc. subject to the Lessee paying the lease rentals on a regular basis as hereunder stipulated.
- 3.3 The Lease Agreement may be renewed for a further term at the option of Lessor on newly agreed terms & conditions as shall be set out in the said Agreement.
- 3.4 The Lessee shall obtain all statutory clearances and approval for registration of this document.
- 3.5 The Withholding tax, Stamp Duty, Registration charges and expenses in respect of this Lease Agreement shall be payable by the Lessee and submit the proof of payment for such to the Lessor on a timely manner.

4 LEASE RENTALS

- 4.1 It is hereby agreed between the Parties hereto that the Lessee shall pay to the Lessor a monthly lease rental of Tanzania Shillings Three Hundred and Fifty Thousands only (TZS.350,000/=) per month.
- 4.2 It is agreed by the Parties that the Lessee shall start paying the lease rentals on the date of signing of this agreement.

- 4.3 The lease rentals shall be paid by the Lessee to the Lessor yearly at the tune of Tanzania Shillings Four Million Two Hundred Thousand (Tzs.4,200,000/=) at the commencement of each contractual year.
- 4.4 Failure of the Lessee to observe and perform their part of obligation in paying the lease rentals in a manner stipulated hereabove shall amount to substantial breach of this agreement. In such event, the Lessor shall issue a "30days notice to remedy" to the Lessee to honour their obligations. Upon the elapse of the 30days the Lessor shall be at liberty to take possession of the demised premises unless otherwise agreed by both parties in writings.

5. COVENANTS OF THE LESSOR

The Lessor confirms and covenants that:

- (a) Lessor has absolute rights over the Demised Premises and is competent to give the Demised Premises on lease to the Lessee.
- (b) There are no liens, encumbrances or charges on the Demised Premises or any third party claim or interest therein.
- (c) That the Demised Premises is in tenantable and habitable condition suitable for the use of the Lessee.
- (d) To pay requisite land rent and property tax in respect of the demised premises.
- (d) To permit the Lessee paying the rent hereby reserved and performing and observing the covenants and stipulations herein contained on their part, to enjoy quiet and peaceful possession of the demised premises during the period without disturbance in any manner whatsoever from the Lessor or any other persons representing the Lessor.
- (e) Shall not transfer, alienate or encumber or otherwise howsoever dispose of or deal with the Demised Premises or any part thereof or their right, title and interest therein during the term of this Lease Agreement so long as the Lessee is not in breach and does observe all the stipulated covenants on their part.
- (f) To pay 50% of the legal fees associated with the drafting of the agreement.

6. LESSEE'S COVENANTS

The Lessee hereby covenants as follows;

- (a) To pay lease rentals herein stated on the days and in the manner aforesaid without failure.
- (b) To pay the suppliers thereof all charges for telephone, electricity including meter rent (if any) used in the demised premises including sewerage, sanitation and conservancy charges with effect from the date the Tenant shall be handed over the demised premises.
- (c) It shall not carry out any hazardous, noxious, offensive or unlawful activity in the Demised Premises or any part thereof, nor shall do anything therein which may be or may cause nuisance, annoyance, damage, inconvenience or harm to the Lessor, residents and other occupants in the neighborhood.
- (d) It will maintain the demised premises in good condition during the tenure of this Lease and on the expiry of this Lease Agreement will hand over the possession of the Demised Premises to Lessor in the same condition as it was given to the Lessee on the commencement of this Lease.
- (e) To keep all parts and areas of the demised premises and appurtenances thereof in good substantial repair and condition throughout the term (fair wear and tear condition) as per clause 6d above.
- (f) To use the demised premises for the business leased for and or storage and other related businesses.
- (g) To comply with the local authority regulations relating to the demised premises.
- (h) To permit the Lessor or her duly authorized surveyor or agent upon the demised premises and make inventory of the Lessor's fittings, fixtures, equipment and appliances therein.
- (i) Not to carry out any permanent constructional work of the existing structure or any part of the demised premises or alterations to any other part of the demised premises without informing the Lessor and receiving a written consent to that effect.

- (j) Not to conduct any illegal business on the demised premises.
- (k) To keep the Lessor fully indemnify from and against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liability arising in any way directly or indirectly out of any act, omission or negligence of the Lessee or any persons in or about the demised premises expressly or impliedly with the Lessee's authority or any breach of the Lessee's covenants or the conditions or other provisions contained in this agreement.
- (l) To pay 50% of the legal fees associated with drafting of this lease.

7. TERMINATION

- 7.1 Either party shall have the right to terminate this Lease Agreement by giving the other party 3 months notice of its desire to do so.
- 7.2 In the event of termination of this Lease Agreement by the Lessor, any lease rental paid in advance for the unexpired term by the Lessee shall be immediately refunded, and the Lessor shall grant the last month of the notice as grace period to the Lessee as compensation for such termination.
- 7.3 In the event of termination of this Lease Agreement by the Lessee, any unpaid lease rental up to the time of termination shall be payable forthwith and in addition to it the Lessee shall pay to the Lessor one month rent as compensation for such termination.
- 7.4 Any act or omission resulting contrary to the observation and performance of contractual obligations as stipulated is an event of termination.

8. GOVERNING LAW

This Lease Agreement shall be construed in accordance with the laws of the United Republic of Tanzania.

9. DISPUTE RESOLUTION

Any dispute arising out of this agreement shall be amicably resolved between the parties, if the same fails either party shall be at liberty to seek other available legal remedy.

10. FINAL AGREEMENT

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both Parties.

IN WITNESS WHEREOF the Parties have executed these Presents on the date mentioned hereinabove.

SIGNED and DELIVERED by the said Osman Waziri..... who is known to me personally/identified to me by Salim Mubwa..... the latter being known to me personally on this 21st day of December 2021.



Osman Waziri
LESSOR

Signature: Osman Waziri
Name: OSMAN WAZIRI
Postal Address: P.O. Box DAR ES SALAM

Qualification: CONSULTANT

BEFORE ME:

Name: Haira Anzuruni Mungu
Postal Address: # 21473,

Qualification: ADVOCATE



SEALED with the Common Seal of **CMC SMARTCARGO LTD** in our presence on this 21st day of December 2021



Jing Zhu
LESSEE

Signature: Jing Zhu
Name: JING ZHU
Postal Address: P.O. Box DAR ES SALAM

Qualification: DIRECTOR



BEFORE ME:

Name:

Postal Address:

Qualification:

~~HAIRA ANZURUNI MUNGULA~~
HAIRA Anzuruni Mungula
21473
PSM
ADVOCATE

