
LEASE AGREEMENT

BETWEEN

SHINYANGA EMPORIUM (1978) LIMITED

AND

TERA HOLDING COMPANY LIMITED

DATED
2ND JANUARY, 2023

DATE OF COMMENCEMENT
15TH OF FEBRUARY 2023

DATE OF EXPIRY
10TH FEBRUARY 2026

LEASE AGREEMENT FOR A CAR SERVICE STATION

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[Handwritten initials]

This LEASE AGREEMENT is made on 2ND January 2023 BETWEEN SHINYANGA EMPOROIM (12978) LIMITED, P O Box 21609, Dar Es Salaam (Hereinafter called "the Lessor") of the one part and TERA HOLDING COMPANY LIMITED, Dar Es Salaam (hereinafter called "the Lessee") of the other part.

NOW THIS LEASE WITNESSETH AS FOLLOWS: -

i. In consideration of the rent hereinafter reserved and of the conditions hereinafter contained being observed by the Lessee, the Lessor **HEREBY** leases to the Lessee, plot Number **C1, along Mwai Kibaki Road, Mikocheni, Dar Es Salaam.**

TO HOLD the same unto the Lessee for a term of **THREE YEARS**, commencing from 15TH February 2023 and expiring on 14th February 2026 subject nevertheless to the provisions for review, termination, and renewal hereinafter contained.

The Lessee intends to use the said premises as a service station for cars.

[b] **WHEREAS** the Lessee desires to lease the said demised premises for the said term, at the rental and upon the covenants, conditions, and provisions herein set forth.

2. **THEREFORE**, in consideration of the mutual promises herein, contained and other good and valuable considerations herein it is agreed that;

(a) The monthly rent for the said commercial space shall be as follow for the three years term of the Lease agreement.


(b) Rent for the space rented in the first year of the lease agreement shall be USD 2200.00 + VAT (USD Two Thousand Two Hundred Only plus VAT)

(c) Rent for the space rented in the second year of the lease agreement shall be USD 2400.00 + VAT (USD Two Thousand Four Hundred Only plus VAT)

(d) Rent for the space rented in the Third year of the lease agreement shall be USD 3344.00 + VAT (USD Three Thousand Three Hundred and Forty-Four Only plus VAT)

(e) The rent shall be paid 6 months in advance for the duration of the lease period.

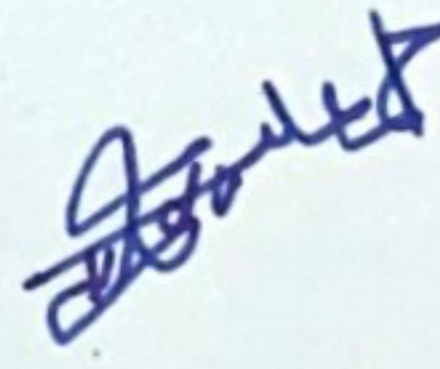
(f) The Lessee shall pay a refundable security deposit each year equivalent to the monthly rent and shall top up the balance amount each year as per the respective increment in the rent each year.



- (g) The Lessee shall pay the relevant stamp duty while registering the Lease agreement with the government organization and also shall deduct a 10% withholding tax from the rental payment and provide the certificates to the Lessor on time.

2.1 Highlights of the agreement reached between the Lessor and the Lessee regarding the revamping of the rented premises.

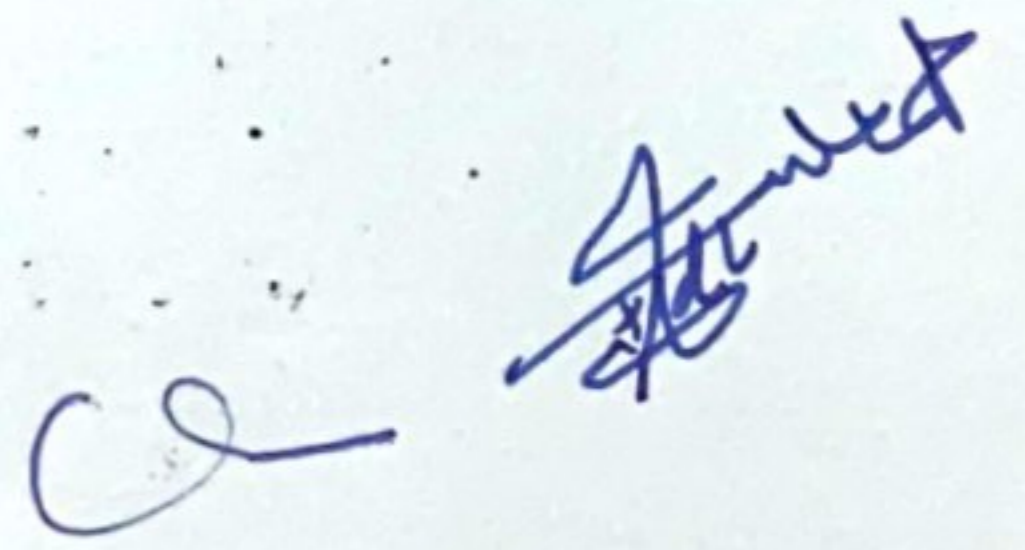
- i. The Lessee shall bear all the costs incurred towards the revamping of the premises which may include breaking down the existing structures within the premises for the purpose of restructuring to meet the Lessee's business requirements.
- ii. The Lessee shall provide and approve the relevant drawings and plans of such work from the Lessor prior to the commencement of the work.
- iii. The Lessee shall procure all the relevant permits from the relevant government organizations to undertake the revamping and the renovation work.
- iv. The Lessee shall also provide a list of the works to do to make the premises favorable to carry out the business he intends to do and The List shall be annexed to the Lease agreement.
- v. Should the need arise for the Lessee to vacate the premise during or at the expiry of the lease period, he shall either return the rented premises in the same condition it was rented or shall provide an estimated cost to the Lessor if he wants to retain the revamping done on the premises. In such a scenario, the Lessor can take the depreciation value of the things used over the period of time and may settle for a certain amount to pay to the Lessee and shall keep the premises revamped by the Lessee without asking him to change to its original condition.
- vi. Should the need arise for the Lessor to get the demised premises back before the expiry of the Lease agreement, the Lessor shall give one month's notice to the Lessee of his intention and considering the nature of the Lessee's business and the investment made, the Lessor agrees to compensate the Lessee for the potential loss by paying USD 850.00 (USD Eight Hundred Fifty Only) per month for the remaining unused months of the Lease agreement excluding one month of the notice period.
- vii. The rented premises is in a location that might come under the government policy to cut down the marked space close to the main road. If this happens then the cost of taking the outer fence (marked to be taken out) within the allowed limit given by the government, shall be borne by the Lessee. The Lessor shall not take any responsibility for such work.
- viii. The Lessee may get a notice from the government prior to the erasing of the marked area of the premises. Such notice, if received must be forwarded to the Lessor immediately upon its receipt.

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3. **THE LESSEE HEREBY COVENANTS** with the **LESSOR** as follows:-

The Lessee and its assigns, and to the extent that obligations (save where they are satisfied earlier) shall continue throughout the term of this lease agreement hereby created, covenants, with the lessor as follows:

- a) To pay all costs of utilities including electricity, water, telephone, sungu-sungu, security, and other charges hereinafter be assessed on the demised premises.
- b) To secure all the necessary permits needed from the respective government organizations to run their business operations.
- c) To procure an adequate number of fire extinguishers and to maintain updated fire certificates in compliance with the law.
- d) To permit the lessor or his agents at all reasonable times during the said term of this lease agreement with or without workmen or others, to enter upon and examine the condition of the demised premises with a prior appointment with the Lessee.
- e) Not to assign, lease, sublet, or otherwise part with possession of the demised premises or any part thereof without the consent in writing of the lessor first obtained but such consent shall not be unreasonably withheld AND IT IS HEREBY AGREED AND DECLARED that upon any breach of this covenant by the lessee it shall be lawful for the lessor to re-enter upon the demised premises and the tenancy hereby granted shall determine absolute but without prejudice to the rights of action of the lessor in respect of the lessee's covenants herein contained
- f) To provide relevant documents about his residency in this country and the documents regarding his business.
- g) To insure the goods inside the demised premises.
- h) Not to do or permit or suffer to be done anything, whereby any insurance of the demised premises against loss or damage by fire or other risks covered by the lessor's insurance policy may become void or increased and in such case to reimburse the lessor's all such expenses premium and to make good any losses suffered due to non-coverage of such occurrences.
- i) Not to put any hazardous material inside the demised premises.
- j) Not to conduct activities in such a manner that cause inconvenience to the neighbors.
- k) An electricity (Luku) Meter is installed on the compound. The Lessee shall buy the Luku for himself.



4. **THE LESSOR COVENANTS WITH THE LESSEE AS FOLLOWS:-**

- (a) The lessee having occupied the said demised premises and observing and performing the several covenants on his part shall peacefully hold and enjoy the demised premises without any interruptions from the lessor or his agent.
- (b) The LESSOR will pay all existing and future land rates, taxes, and other charges of public nature which are or may be assessed against the premises.
- (c) The Lessor has insurance coverage only for the building and not for anything put inside it.
- (d) The Lessor allows the Lessee to use the open space on the rented premises.

5. **RE-ENTRY:-**

The Landlord May re-enter the property (or any part of the property in the name of the whole) if any of the following occurs:

1. Any rent is unpaid 4 weeks after becoming payable.
2. Any breach of any condition or Lessee's covenant of this lease.

If the Lessee fails to clear the outstanding rent after the notice of 4 weeks, the Lessor shall give an additional 4 weeks to arrange for the payment of the outstanding rent. Failure on receiving the outstanding even after a total of 8 weeks' time, the Lessor shall take hold of all the goods and machines inside the demised premises and will address them as his property denying any claims, if made any time later by the Lessee.

6. **Lease Renewal:**

Should the Lessee **wish to renew** the lease agreement for a further period of time he should declare his intention giving it in writing to the Lessor in advance of **30 days**. Nonetheless, the Lessor would respect the Lessee's request of renewal on a priority base in case there is any other potential client wishing to rent the same premises after the expiry period of the lease.

7. **NOTICES:-**

Any notice under this agreement shall be in writing and shall be sufficiently served or dispatched by email. The email IDs for the Lessor and the Lessee are mentioned below.

Lessor: info@shyemp.com

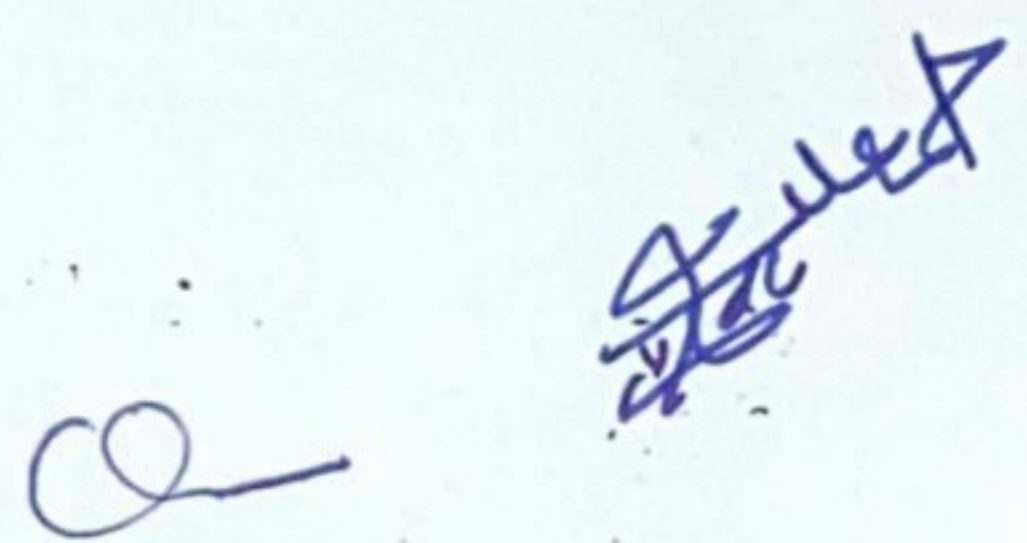
Lessee: ahmed.a.fadul@gmail.com

8. **APPLICABLE LAW:-**

This contract should be governed by and constructed in accordance with the written laws of the United Republic of Tanzania.

9. **DISPUTES & RESOLUTION :-**

All disputes or differences whatsoever which shall at any time hereafter whether during the continuance of the lease or upon or after its discharge or determination arise between the parties hereto touching or concerning this lease or its construction or effect or as to the rights duties or liabilities of the parties hereto or any of them under or by virtue of this lease or otherwise or in relation to the subject matter of this lease will be resolved amicably by mutual consensus.

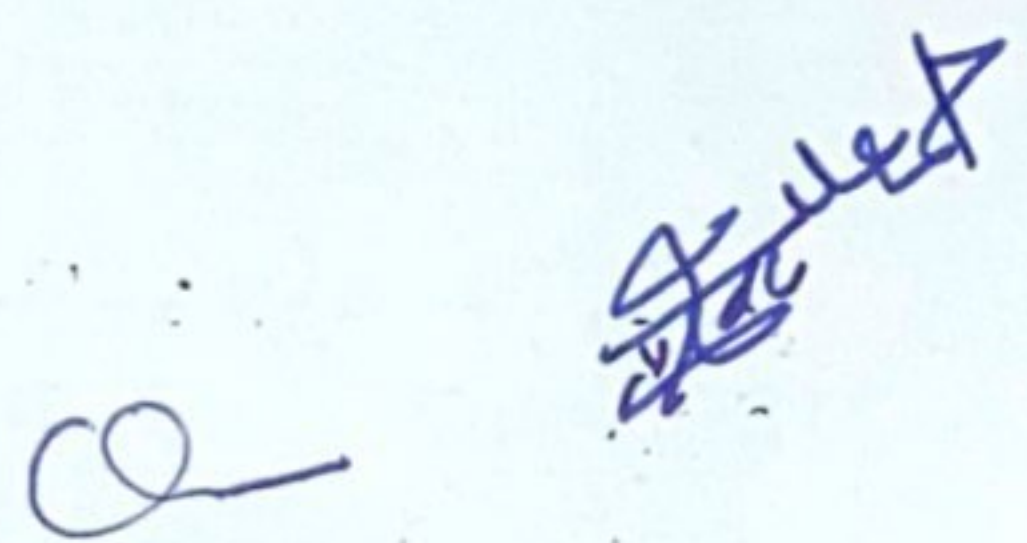
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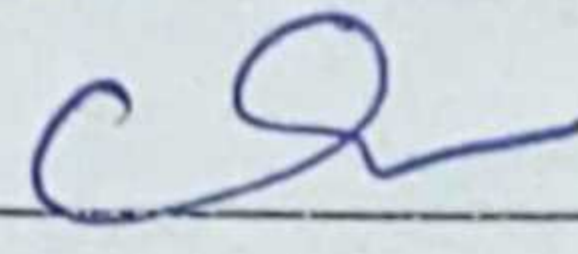
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IN WITNESS WHEREOF the parties hereto have duly executed these in the manner and on the days and year hereinafter mentioned.

SHINYANGA EMPORIUM (1978) Ltd, the presence of us this 2nd day of January 2023

Name: MR. C. M. KAKKAD

LESSOR

Signature: 

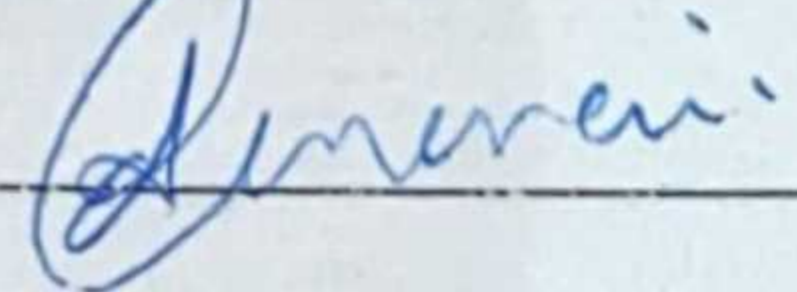
Postal Address: P.O. Box 21609, Dar Es Salaam

Qualification: DIRECTOR



WITNESS:

Name: A. G. Mwanini

Signature: 

Postal Address: P.O. Box 21609, DSM

Qualification: Manager

TERA HOLDING COMPANY LIMITED and DELIVERED in the presence of us this 2nd January 2023

Signature: 

LESSEE

Name: Ahmed Abdelmonim

Postal Address: Dar es Salaam

Qualification: Director



WITNESS

Name: JULIANA MUMBUJI MUMBUJI

Signature: 

Postal Address: 11924 DAR ES SALAAM

Qualification: ADVOCATE

