

**LEASE AGREEMENT**

**BETWEEN**

**ROSEMARY MAKONGORO  
(LESSOR)**

**AND**

**PIONEER BUILDERS LTD TRADING AS PIONEER LOGISTIC GROUP  
(LESSEE)**

---

**With regards to Plot no. 28 - 33, MADALE BLOCK B, P.O Box 31563 Dar es Salaam.**

---

6

THIS LEASE AGREEMENT is made this 1<sup>st</sup> day of August 2023

**BETWEEN**

**ROSEMARY MAKONGORO**, a natural person living in Dar es salaam and P. O. Box 31563, Dar Es Salaam, Tanzania (hereinafter referred to as "**the LESSOR**") which terms shall, where the context so admits, includes their heirs, administrator(s), legal personal representative(s), executor(s), successors and assigns of the other part.

**AND**

**PIONEER BUILDERS LIMITED TRADING AS PIONEER LOGISTIC GROUP** a registered company under the laws of the United Republic of Tanzania of P. O. Box 20894, Dar Es Salaam, Tanzania (hereinafter referred to as "**the LESSEE**") which terms shall, where the context so admits, includes their successors, and assigns of the other part.

The LESSOR and the Lessee are singly referred to as a "**Party**" and collectively as the "**Parties**".

**PREAMBLE:**

**WHEREAS**, the Lessor is absolutely seized and possessed or otherwise well and sufficiently entitled to the demised premises,

**WHEREAS**, the Lessee is interested in renting **DEMISED PREMISES** located at Plot no. 28, 29, 30,31,32,33, **MADALE BLOCK B**, P.O Box 31563 Dar es Salaam,

**AND WHEREAS**, the Lessor warrants that to the best of her knowledge, no claim, lien or action exists or is threatened against the demised premises which will interfere with the lessee Lease.

**Now, Therefore**, the Lessor and the lessee, (each a "**Party**" and collectively, the "**Parties**") in consideration of the mutual promises contained in this Lease, and intending to be legally bound, agree as follows:

**1. COMMENCEMENT DATE:**

This Lease takes effect on and from the Commencement Date and shall remain in force for the Term of **Seven (7) years** commencing from **1st day of August 2023 to 30<sup>th</sup> day of August 2030** subject to review of new rent in every two years, as shall be agreed by the parties, however if there will be rental increment shall not be beyond 4% to compensate for inflation. Moreover the effective monthly rental count will be 30 days after commencement to allow for the site development.

**2. RENT:**

- Monthly rent is stated as **TZS 4,500,000 per month** for the first year and it is NOT inclusive of Withholding Tax, Stamp duty and VAT. Lessor shall pay WHT on Lessee behalf and Lessor agrees to furnish lessee with WHT certificate within 30 days of signature of this agreement.
- The Lessee shall a monthly rental **TZS 4,500,000 p/m** (TZS 54,000,000/- (Fifty four million Shillings, Annually) for the demised premises of 12,981 sqm to the LESSOR at the signing of the contract. Rental is to be paid Twelve (12) Months in advance
- Withholding tax %10 (TZS )  
VAT %18 (TZS)  
Stamp Duty %1 (TZS)  
GRAND TOTAL Taxes exclusive (TZS 54,000,000)

**3. TAXES**

The Lessee shall be solely responsible for Withholding Tax, VAT and Stamp Duty. The lessee shall pay to the lessor at the signing and the lessor will furnish the lessee with the proper receipts.

**4. SECURITY DEPOSIT:**

- The Lessee shall affect in advance payment of one month rent to the Lessor as security deposit in the event of any loss or damages and upon completion of lease if no damage or loss has occurred the deposit shall be returned to the lessee.
- That any renovations, repairs, and fixings will be the lessee's responsibility and in the event of any loss or damage will be quoted to the lessee's account.

**5. QUIET ENJOYMENT AND POSSESSION.**

- The Lessor agrees that if the lessee pays the Rent and other money payable under this Lease and complies with all obligations under it, the lessee will enjoy the right to access the demised premises and carry out improvements, quietly hold and enjoy the Demised Premises and make use of the Common Parts during the Term without any interruption or disturbance by the Lessor or any person claiming under or in trust for the Lessor.
- The lessee cannot and has no right to sublet the demised premises or assign the lease agreement without consent from the lessor.

**6. LESSEE'S RIGHTS AND OBLIGATIONS.**

The lessee hereby covenants and agrees with the lessor as follows;

- To pay all charges for electricity, TTCL, Internet, water tanks, water bills, garbage collection, if any in respect to the demised premises accrued and payable during the lease period and upon the expiration to provide documentary evidence for having settled all the charges referred herein.
- To pay during the lease period, the rent on due date.
- To maintain the demised premises, including all additions there to, fixtures, doors, windows, locks sanitary, water apparatus, electric wiring among others, in good repair and tenantable condition in accordance with the covenants herein contained, fair wear and tear accepted.
- Not to keep or permit to be kept on the demised premises any, materials of dangerous explosive nature or the keeping of which may contravene any statutes or local regulations or By Laws or to carry on or do anything that may constitute nuisance to public or private nature or be a cause of disturbance or annoyance, or danger to neighbors, or public.
- To carry out minor and emergency repairs of the demised premises as may be deemed fit, for the smooth operations of its business on, upon consent (written) from the lessor, which consent shall not be unreasonably withheld.
- To permit the lessor or his agents or servants by reasonable prior notice and at all reasonable hours to enter and view the condition of the demised premises and in the event of any repairs being necessary to carry the same.
- To yield up peaceably the demised premises to the lessor or his agent or nominee at the expiration of the fixed term aforesaid in good and tenantable repair and condition in accordance with the covenants.
- The lessee shall be responsible to pay for any fine that shall be imposed as a result of the breach of any law or By Laws while in use of the demised premises.

**7. LESSOR'S RIGHTS AND OBLIGATIONS.**

The lessor hereby covenants with the lessee as follows;

- The lessor reserves the right to enter the demised premises to inspect and make any necessary repairs (-kisima, if any), as long as such entry is at pre-arranged times, with the consent of the lessee (which consent shall not be unreasonably withheld).
- To cooperate with the lessee to enable the lessee to obtain all-requisite consents. If requested to do so by the lessee and to respond to the requests made by the lessee in respect to the application for a requisite consent.
- The Lessor agrees that if the lessee pays the Rent and other money payable under this Lease and complies with all obligations under it, the lessee may access the demised premises and carry out improvements, quietly hold and enjoy the Demised Premises and make use of the Common Parts during the Term without any interruption or disturbance by the Lessor or any person claiming under or in trust for the Lessor.
- Where necessary and at the sole discretion of the lessee upon the receipt of oral or written notice from the lessee to allow the lessee to carry out minor and emergency repairs.
- The lessor has an obligation to pay land rent and property tax to the relevant authority to enable the lessee to conduct their business without encumbrance.

**8. PERMITTED USES**

- The Demised Premises shall be used and occupied by the lessee solely as a parking yard, office and trucks service and maintenance facility purposes and for no other purpose whatsoever.
- The Demised Premises shall not be used for any illegal purpose or in violation of any regulation of any governmental body or the regulations or directives of the Lessors insurance carriers, or in any manner to interfere with the quiet enjoyment of any other lessee.
- The lessee shall pay for all charges for electricity and water consumed on or supplied to the demised premises.
- That the lessee shall seek approval in writing to do any kind of renovation, construction or changes in the demised premises.
- The lessee should shall seek approval in writing to fix a signboard on any part of the demised premises, the lessee shall ensure that it procures all necessary approvals from the municipal council or any other relevant authority (ies) for fixing the signage or advertising boards, and all costs and taxes associated with the advertising and signage shall be on the account of the lessee.
- The lessee shall comply with the requirements of any competent authority pertaining to such signs.
- The lessee shall, upon the expiration or earlier termination of this lease, remove all signs, affixed, painted, placed, displayed, erected or installed by it and make good at its own reasonable cost any damage caused as a result of such removal
- The Annex 1 will be attached to the agreement in case of special offers and negotiations.

*A*

9. **CONDEMNATION.**

- If any legally, constituted authority condemns the Buildings erected or such part thereof which shall make the Demised Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and the Lessor and the Lessee shall account for rental as of that date. Such termination shall be without prejudice to the rights of either Party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. The lessor shall not have any right to compensate the lessee upon occurrence of condemnation from the relevant authority.

10. **RENT REVIEW**

- The lease term for the demised premises is for Seven years subject to review of rent within two years of this lease agreement.
- The parties shall sit and discuss the new rent to be paid after expiration of each two years of this lease agreement.
- If the review of rent shall be agreed by the parties, addendum to this agreement shall be made to cover the new rent agreed.
- Terms of this agreement for the demised premises shall change with full force and effect once there is approval from the lessor for subletting the demised premises.

11. **RENEWAL.**

The Lessor shall at or before the end of Term grant to the Tenant a new lease of the Demised Premises for a period which will be agreed by parties PROVIDE that;

- There has not been a notice of termination from the Lessee to the Lessor, six (6) months before the expiration of the current contract.; and
- When the new lease is granted, there is no subsisting breach of any of the lessee obligations.
- The terms and conditions for the new lease shall be negotiated on terms and conditions mutually agreeable to the Parties.

12. **YIELD UP**

At the end of the Term of tenancy or before, the Lessee shall return the Demised Premises to the Lessor in the state and condition in which this Lease requires the Tenant to keep it. For this purpose, the Demised Premises includes all the Lessors fixtures and fittings and anything else on it which belongs to the Lessor.

13. **NOTICES:**

- All notices, consents, and other communications between the Parties under or regarding this Lease shall be in writing (which includes without limitation, email and facsimile) and shall be sent to the recipient's address set forth in this Clause 10. Such communications shall be deemed to have been received on the earlier of the date of (a) actual receipt; (b) upon delivery by a reputable, third-Party commercial courier as evidenced by a signed receipt; (c) upon confirmation of receipt by the receiving telecopier; or (d) when first available on the recipient's email server. If received after 4:30 p.m., recipient's local time, or if received on a day when the recipient's facilities at the location identified in this Clause 8.1 are closed, such communication shall be deemed received at 9:00 a.m. the next day on which such facilities are open. The LANDLORD' address for such communications is:

A

**ROSEMARY MAKONGORO  
P.O. BOX 31563  
DAR ES SALAAM,  
TANZANIA.**

**EMAIL:**  
**TELEPHONE: +255 787 23 00 74**

The Lessee's address for such communications is:  
**PIONEER BUILDERS LTD TRADING AS PIONEER LOGISTIC GROUP  
TIN: 114 401 072  
REG: 542168  
P. O. BOX 20823  
DAR ES SALAAM,  
TANZANIA.**

**EMAIL: info@pioneerbuilders.co.tz  
TELEPHONE: +255 754 699 499  
SIGNATORY NAME: EMMANUEL JORAM METTA**

Either Party may change its address for notices by giving written notice of the new address to the other Party in accordance with this Clause 9.8 but any element of such Party's address that is not newly provided in such notice shall be deemed not to have changed.

**14. FORCE MAJEURE:**

- Neither Party hereto shall be liable for any breach of its obligations hereunder resulting from causes beyond its reasonable control (other than covenants and agreements for payment of money) including but not limited to fires strikes (of its own or other employees) insurrection or riots embargoes or delays in transportation inability to obtain supplies and raw materials requirements or regulations of any civil or military authority (an "Event of Force Majeure").
- Each of the Parties hereto agrees to give notice forthwith to the other upon becoming aware of an Event of Force Majeure such notice to contain details of the circumstances giving rise to the Event of Force Majeure.
- The Party claiming an Event of Force Majeure shall immediately proceed to perform its obligations under this Agreement as soon as the cause of the Event of Force Majeure has ceased to exist and or conditions permit. Neither Party shall have any liability to the other in respect of the termination of this Agreement as a result of an Event of Force Majeure.

**15. DISPUTE RESOLUTION:**

- Any dispute arising out of or in connection with this Agreement shall, in the first instance, be referred for consideration and attempted resolution by the duly authorized senior management representatives of the Parties;
- Should the representatives referred to in clause 15.1 above be unable to resolve the dispute within thirty (30) days of the same being referred to them; they shall appoint a third Party to act as a mediator to mediate in the resolution of the dispute. Such mediator shall be selected by the Parties or by the authorized personnel from the Commission of Mediation and Arbitration.
- Should the mediation referred to in clause 15.2 above fail to resolve the dispute within a reasonable time after the appointment of the mediator, the Parties shall submit themselves to the court of competent jurisdiction to deal with the matter in accordance with the laws of the united republic of Tanzania.

**16. BREACH**

If the Lessee -

- If the lessee shall not perform to pay rent without a 90days prior notice on the due date, there will be grace period of 30days to do payment to the lessor otherwise the lessor has a right to enter the demised premises or lease it out to another lessee.
- If the lessee shall not perform to pay rent, the commodity and assets inside the demised premises will remain with the lessor till the payment is done.
- If the lessee shall sublet the demised premises without approval from the lessor, the lessor has the right to enter the demised premises or lease it out to another lessee.
- Insolvency of the lessee.
- The lessee defaults in the observance or performance of any of the covenants and agreements required to be performed and/or observed by the lessee. The lessor has a right to enter the demised premises or lease it out to another lessee.
- If the parties shall not agree on review of rent in every two years of this agreement.

**17. GOVERNING LAW:**

This Lease shall be governed by and construed in accordance with the Laws of the United Republic of Tanzania

**BANKING DETAILS OF ROSEMARY MAKONGORO**

**ACCOUNT NAME: ROSEMARY MAKONGORO**  
**ACCOU NUMBER: 420407000795**  
**BANK NAME: TANZANIA COMMERCIAL BANK**  
**BRANCH NAME: TEGETA**



IN WITNESS WHEREOF, the lessor and lessee have put their respective signatures and have caused this Lease to be executed on the day, month and year first herein before appearing.

SIGNED and DELIVERED by the said  
**ROSEMARY MAKONGORO**  
who is known to me personally/identified to  
me by **ROSEMARY MAKONGORO**  
The letter being known to me personally  
this 01<sup>ST</sup> day of AUGUST 2023

  
.....  
LESSOR

NAME: ROSEMARY MAKONGORO

SIGNATURE: .....

POSTAL ADDRESS: 31563 D'ALBAAN.

QUALIFICATION: LESSOR

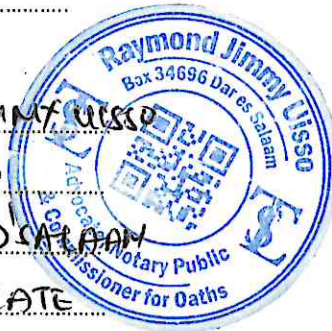
In My witness

NAME: RAYMOND JIMMY URSO

SIGNATURE: 

POSTAL ADDRESS: 34696 D'ALBAAN

QUALIFICATION: ADVOCATE




SIGNED and DELIVERED by the said  
**PIONEER BUILDERS LTD TRADING AS PIONEER LOGISTIC GROUP**  
who is known to me personally/identified to  
me by  
The letter being known to me personally  
This 01<sup>ST</sup> day of AUGUST 2023

.....  
LESSEE

In our witness

NAME: EMMANUEL JOHAN META

SIGNATURE: 

POSTAL ADDRESS: 20823

QUALIFICATION: MANAGING DIRECTOR

NAME: RICHARD A. MUMBAGA

SIGNATURE: 

POSTAL ADDRESS: 851

QUALIFICATION: ACCOUNTANT

