

Made on this day of, 2024

THE LAND ACT, CAP 113

LEASE AGREEMENT

BY AND BETWEEN

RAYA SAID NASSIR

AND

ROSELLE FOODS LIMITED

Drawn By: -

ISMAIL & CO. ADVOCATES;
VIVA TOWERS
PLOT NO 294 & 295
2ND FLOOR, OFFICE NO 8
ALI HASSAN MWINYI ROAD
UPANGA
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DAR ES SALAAM.
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LEASE AGREEMENT

THIS LEASE AGREEMENT is made this day of, 2024.

BY AND BETWEEN

RAYA SAID NASSIR of P.O. Box 5764, Dar es Salaam in the United Republic of Tanzania (hereinafter called "**the Lessor**" which expression shall include, when the context so admits, her successors, transferees and assigns) of the one part;

AND

ROSELLE FOODS LIMITED of Plot No 294 Ali Hassan Mwinyi Road, P.O. Box 1553 Dar es salaam a limited liability company incorporated in the United Republic of Tanzania, under Certificate of incorporation Number 174972206 having its registered office in Dar es Salaam (hereinafter referred to as "**the Lessee**" which expression shall include, where the context so admits, its successors, transferees and assigns) of the other part.

The "Lessor" and the "Lessee" will be together referred to as "Parties" and will be individually referred to as "Party" hereinafter wherever applicable.

WHEREAS

1. The Lessor is in possession and the sole owner of the property situated at Ubungo under TP no 1/497/968, located at Ubungo NHC Ward at Ubungo Municipality, Dar es Salaam together with all other improvements erected and being thereon. (hereinafter referred to as the "Premises")
2. **WHEREAS** the Lessee has requested the Lessor to lease and occupy the Property at the above mentioned address;
3. **WHEREAS** The parties hereby confirm to have carried out a prior inspection of the premises and are satisfied that it is in good condition and fit for its purpose;
4. **AND WHEREAS** the Lessor is willing and ready to lease the Demised Premises to the Lessee on the following terms and conditions;

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS

1.0 COMMENCEMENT, DURATION, RENEWAL OF THE LEASE

- 1.1 This Lease Agreement shall be deemed to have commenced on or from 1st of June 2024 subject to the terms and conditions contained herein (hereinafter referred to as "the term") and shall be in force for a period of 5 years, that is, up to 14th September 2029.
- 1.2 That there shall be a grace period of 3 months and 14 days from the 1st of June 2024 to 14th September 2024 for mobilization and



construction activities on the premises by the Lessee at the Lessee's expense and the rent shall be effective from the 15th of September 2024 as per the terms of Payment seen in Clause 2 of this LEASE.

- 1.3 Upon expiration of 5 years this lease shall be automatically renewed for an additional period of 5 years that is from 15th September 2029 to 14th September 2034 subject to terms and conditions contained herein (hereinafter referred to as "the term").
- 1.4 On the expiry of the term, if the Lessee desires to renew the Lease, it shall signify such desire by notice in writing delivered to the Lessor at least three (3) months before the expiration of the term hereby granted and if the Lessee shall have duly performed and observed all the covenants and conditions herein contained or implied and on its part to be performed and observed then the Lessor will on or before the expiration of the term consider granting renewal of the lease for a further term or any other period as may be mutually agreed between the parties and on such variation of the terms as may be mutually agreed.

2.0 RENT, SECURITY DEPOSIT AND TAXES

- 2.1 In consideration of the grant of lease to use the Premises as aforesaid, the Lessee shall pay to the Lessor the monthly Rent of United States Four Thousand Five Hundred Dollars (\$4,500) subject to the following conditions herein below:
 - a) The Lessee shall construct the building at the Lessee's cost and expense
 - b) That should the construction of the Lessors Property by the Lessee exceeds United States Dollars One Hundred Thousand (\$100,000) to a maximum of United States Dollars One Hundred and Thirty Thousand (\$130,000) the monthly rent Payable shall be revised to United States Dollars Three Thousand Six Hundred and Sixty-seven (\$3667) of which the difference in rent is to account for the Lessors contribution towards the property thereby capped to a maximum of United States Dollars Thirty Thousand Only (\$30,000).
 - c) That the revised rent in clause 2.1 (a) above shall only be paid so as to recoup the additional costs that exceeds United States Dollars One Hundred Thousand (\$100,000) to a maximum of One Hundred and Thirty Thousand Dollars (\$130,000) that may be incurred by the Lessee for construction of the buildings of which the cost shall be communicated from the Contractor to the Lessee and from the Lessee to the Lessor.
 - d) That pursuant to the excess costs (if any) as stated in 2.1 (a) and 2.1 (b) of this Agreement the rent shall revert back to



United States Dollars Four Thousand Five Hundred Dollars (\$4,500) as soon as the excess cost are recouped by the Lessee or the rent shall remain the same (United States Dollars Four Thousand Five Hundred Dollars (\$4,500)) if the construction cost remains less than United States Dollars One Hundred Thousand (\$100,000).

- e) That the Lessee is responsible for all other Construction cost and expenses attributed to her business except where the cost exceed exceeds One Hundred Thousand Dollars (\$100,000) to a maximum of One Hundred and Thirty Thousand Dollars (\$130,000) shall be contributed by the Lessor from the Rent as stated above of which the same shall be communicated by the Contractor to the Lessee and from the Lessee to the Lessor.
- f) That the additional costs that exceeds United States Dollars One Hundred Thousand (\$100,000) to a maximum of One Hundred and Thirty Thousand Dollars (\$130,000) that is a maximum of Thirty Thousand Dollars (\$ 30,000), a detailed costing shall be shared to the Lessor to substantiate the Lessors contribution through the rent by the Lessee.

2.2 The parties shall sit and discuss the contents and costings of the BOQ and use reasonable means to ensure the costings are mutually agreed within the Budget with the Contractor.

2.3 That the Lessee shall pay a Security Deposit of United States Dollars Two Thousand Only (\$2,000) upon signing of this Lease Agreement and the Security Deposit shall be refunded upon expiry or termination of this Lease Agreement

2.4 The rent shall be paid by the Lessee to the Lessor in the Following Manner:-

a) The rent stipulated above in Clause 2.1 shall be paid every six months in the following schedule:

i. Year One (2024-2025)

On or before 7th of June 2024 a Payment of United States Dollars Thirty-Six Thousand (\$36,000) shall be made to the Lessor and a Payment of United States Dollars Eighteen Thousand (\$18,000) shall be made to the Lessor on or before 14th March 2025 subject to any rent deductions as per Clause 2.1 of this agreement of which deductions shall be made from the rent paid on the 14th March 2025.

The rent of year one shall be used to offset and remove current tenants by the Lessor.



ii. Year Two (2025-2026)

On or before 14th of September 2025 a Payment of United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor as 6 months' rent and on the 14th March 2026 United States Dollars Twenty-Seven Thousand (\$27,000) shall be made to the Lessor subject to any rent deductions as per Clause 2.1 of this agreement of which deductions shall be made from the rent paid on the 14th March 2026.

iii. Year Three (2026-2027)

On or before 14th of September 2026 a Payment of United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor as 6 months' rent and on the 14th March 2027 United States Dollars Twenty-Seven Thousand (\$27,000) shall be made to the Lessor subject to any rent deductions as per Clause 2.1 of this agreement of which deductions shall be made from the rent paid on the 14th March 2027.

iv. Year Four (2027-2028)

On or before 14th of September 2027 a Payment of United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor as 6 months' rent and a payment on or before the 14th March 2028 United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor

v. Year Five (2028-2029)

On or before 14th of September 2028 a Payment of United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor as 6 months' rent and a payment on or before the 14th March 2029 United States Dollars Twenty-Seven Thousand (\$27,000) shall be paid to the Lessor

2.5 From year Six to Seven (2029- 2030) the Rent shall increase to United States Dollars Five Thousand Five Hundred Only (USD 5500) per month payable Every Six Months on or before the 14th of September of the equivalent rental year for the first six months and thereafter on or

before 14th March the remaining 6 months' rent of the equivalent rental year.

- 2.6 From year Seven to Ten (2030- 2034) the Rent shall increase by 5% to United States Dollars Five Thousand Seven Hundred Seventy-Five Only (USD 5775) per month payable Every Six Months on or before the 14th of September of the equivalent rental year for the first six months and thereafter on or before 14th March the remaining 6 months' rent of the equivalent rental year.
- 2.7 That the said amount of rent herein above shall be paid in CRDB BANK account Number 0252065758700 under the name of RAYA SAID NASSIR, SWIFT CODE CORUTZT, OYSTERBAY BRANCH, DAR ES SALAAM
- 2.8 The rent as stated hereinabove once paid to the Lessor by the Lessee shall not be refunded subject to the termination clauses herein
- 2.9 Both Parties shall not Terminate this Lease other than by the termination Clauses.
- 2.10 The Lessee is under the obligation to follow the payment schedule stipulated above or this Lease will be terminated with immediate effect if the delay exceeds 90 days.
- 2.11 The amount is inclusive of withholding tax. The withholding tax amount shall be remitted to the Tanzania Revenue Authority by the Lessee and remit the Withholding tax certificates to the Lessor.
- 2.12 The Lessee shall pay the stamp duty on this lease agreement provided for under the Stamp Duty Act, Cap. 189 R.E. 2002.

3.0 THE LESSEE HEREBY COVENANTS WITH THE LESSOR AS FOLLOWS: -

- (a) To use the premises for commercial purposes only, that is for a "Food products" operations and this shall not involve dealings contrary to any law in force in Tanzania at the time of executing this agreement or subsequently.
- (b) To use the premises without damaging, renovating or changing the structure and/or profile of the premises without Lessor's consent.
- (c) To pay all utility bills, including but not limited to, electricity, gas, telephone and water bills consumed on the premises, and all associated government taxes relating to the operation of the lessees' business.



- (d) The lessee shall be responsible for the security and cleanliness of the premises during the lease period.
- (e) Not to assign, sublet or part with possession of the premises or any part thereof without a written consent of the lessor duly signed by lessor.
- (f) To permit the lessor or its agents or servants at reasonable times of the day and after reasonable notice to enter upon and view the condition of the premises.
- (g) The lessee rents the premises on "as is basis" and undertakes not, without the prior consent in writing of the lessor, to erect or cause to be erected on the premises any addition thereto, nor demolish, modify, cut, maim or injure any part thereof.
- (h) Not to do or permit or cause to be done upon the premises anything which may be a nuisance or annoyance to or in any way interfere with quiet enjoyment and discomfort of the neighbours or which may have a tendency to offend the rules and regulations of the City Council and other relevant laws.
- (i) During the period of tenancy, the lessee shall take reasonable care of the premises and shall not cause any damage or permit to suffer any disfigurement to the premises and shall take good care and repair any damage thereto caused by act of negligence on the part of the lessee, their servants or agents
- (j) Not to keep or permit to be kept on the premises any materials of dangerous or explosive nature or the keeping of which may contravene any law or local regulations or by laws.
- (k) To pay to the local authority fees and levies for waste/garbage collection/disposal.
- (l) The Lessee shall be responsible for obtaining all building permits, licenses, installation of plumbing, sewage, electric wiring, construction and all matters and materials necessary for his business and warehouse including all its operation licenses and permits.
- (m) In the event of default or breach of the terms herein, the lessor shall be entitled to terminate the lease agreement, demand repossession of and re-enter the premises upon giving the lessee a Sixty (60) days' notice to remedy the default and the lessee fails to remedy the default within the given period. Where the lessor issues more than one default notice of less than 30 days to the lessee but whose aggregate makes



a total of Sixty (60) days the same shall be sufficient to enable the lessor to exercise right of termination, demanding repossession and re-enter the premises.

Provided that the Sixty (60) days' notice requirement shall not apply if the default by the lessee is non-payment of rent contrary to clauses herein above, instead, 90 days' notice shall suffice for the lessor to make the payment failure of which the Lease shall terminate.

- (n) To give the lessor One Year notice in the event the lessee wants to terminate the lease agreement before expiry of the duration herein granted.
- (o) To peacefully yield the premises at the expiration of the term hereby created or its sooner determination in good and tenable repair and condition in accordance with the covenants herein contained and any buildings, construction, structure shall remain the possession of the Lessor.
- (p) To pay the said rent and taxes on the day and in the manner herein stated.
- (q) Make renovations to the Property as Lessee desires, as approved by the Lessor in. Such renovations shall be executed at Lessee's discretion and entirely at Lessee's own cost, and be performed in a workmanlike manner and in compliance with all applicable laws and codes.

4.0 THE LESSOR HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:

- 4.1 To pay and discharge land rent in respect of the premises.
- 4.2 To ensure that the lessee, performing the obligations on its part herein contained, shall peacefully enjoy the premises during the said term without any interruption, let or hindrance.
- 4.3 The lessee shall be at liberty to install fittings and appliances as the Lessee shall deem appropriate for the activities envisaged herein.
- 4.4 To notify the lessee of any intended major change in the ownership of the premises provided that the same shall not lead to termination of the lease agreement before expiry of the lease period herein created.
- 4.5 The Lessor shall pay withholding tax in respect of this lease.



- 4.6 The Lessor shall not terminate this lease agreement within the first three years albeit subject to the terms and conditions of termination in this Agreement.
- 4.7 The Lessor shall afford the Lessee grace period of construction and mobilization as stipulated in this Agreement.
- 4.8 The Lessor agrees to rent reduction should the construction exceeds United States Dollars One Hundred Thousand (\$100,000) to a maximum of One Hundred and Thirty Thousand Dollars (\$130,000) that is a maximum of Thirty Thousand Dollars (\$ 30,000) as communicate by the Contractor.
- 4.9 The Lessor shall act and respond promptly to the Lessees requests for consent and shall not unreasonably withhold the consent.
- 4.10 The Lessor shall hand over Possession of the property to the Lessee on the 1st of June 2024 and permit the Lessee to carry out its mobilization and construction activities in the premises.
- 4.11 The Lessor shall ensure the outside Tenants are notified and vacated within reasonable time to allow the Lessee's mobilization and construction without interruption or delays upon receipt of the first rent installment and ensure the tenants vacate upon being given the required Notice by the Lessor.
- 4.12 The Lessor shall ensure to abide to the Lessee investment in capital and not terminate the Agreement prematurely aside from the termination Clause herein as permitted.

5.0 **TERMINATION OF THE LEASE**

- 5.1 **The Lessee** shall have the option to terminate the Lease Agreement by giving 1-year advance notice in writing at any time during the term and the Lessor shall have the right to terminate the Lease Agreement only in accordance with clause 3(m) above or on a breach of the Lessees obligations exercised under clause 3(m) above. The lessor is under no obligation to refund the Lessee of any costs or capital invested as a result of the termination caused by Breach, a failure to remedy the breach or Lessees discretion to terminate prematurely.
- 5.2 Any notice under this lease shall be in writing and shall be sufficiently served on the Lessee if addressed to it and delivered to or left on the Premises and any notice to the Lessor shall be sufficiently served if the notice has been delivered to the address stipulated in the name



clause hereinabove and the same has been acknowledged by the Lessor.

6.0 DISPUTE RESOLUTION

(a) Any dispute which may arise between the parties herein touching on the construction of this agreement or any clause hereof or the rights or liabilities of either party hereunder shall be amicably settled by the parties, failing which, the same shall be referred to a Court of competent jurisdiction in Tanzania.

7.0 ENTIRE AGREEMENT

This Lease incorporates the entire Agreement between the Lessor and the Lessee and no alteration, consensual or variation hereof shall be of any force or effect unless it is in writing and signed by both the Lessor and the Lessee who hereby acknowledges that no representations or warranties have been made by either the Lessor or the Lessee, nor are there understandings or terms of Lease, other than those set out therein.

8.0 GOVERNING LAW

8.1 This lease agreement, its implementation, interpretation and construction shall be governed by, and be in accordance with, the laws of United Republic of Tanzania.

8.2 The Parties submit to the exclusive jurisdiction of the courts of Tanzania in respect of any matter or dispute connected with this Agreement.

IN WITNESS WHEREOF the parties herein doth affirm these presents by putting/affixing their hands in the manner and dated appearing hereunder:

SIGNED and DELIVERED by the said)
RAYA SAID NASSIR)
who is identified to me by)
the latter being known to me personally in my)
presence this 30th day of May, 2024)

LESSOR

SIGNATURE

POSTAL ADDRESS

79472 Dar es Salaam

QUALIFICATION

COMMISSIONER FOR OATHS



SEALED with the common seal of the said
ROSELLE FOODS LIMITED
and delivered at Dar es Salaam in our
presence this day of, 2024



NAME

ALAMEEN KHAAT AHMED ABDELKARIM

SIGNATURE

POSTAL ADDRESS

.....

DESIGNATION

DIRECTOR

NAME

WALEED MAHMOUD ABDELRAHIM AHMED

SIGNATURE

POSTAL ADDRESS

.....

DESIGNATION

DIRECTOR