

THE REGISTRTRION OF DOCUMENTS ACT
(CAP. 117 RE 2019)

LEASE AGREEMENT

BETWEEN

AL-KARIM .K. SALEHMOHAMED

AND

ZHUANG CHENG CONSTRUCTION COMPANY LIMITED

PLOT NO. 173/3 AND 172/4 WESTERN INDUSTRIAL AREA
DODOMA CITY

DRAWN BY:

R.K. RWEYONGEZA & CO,
ADVOCATES,
NYERERE STREET,
P.O. BOX 1013,
DODOMA.



DATED THIS 04th DAY OF NOVEMBER 2023

LEASE AGREEMENT

THIS LEASE AGREEMENT made this 04th Day of NOVEMBER 2023.

BETWEEN

AL-KARIM K. SALEHMOHAMED of P.O. BOX 38 Dodoma City Tanzania (hereinafter referred to as the 'LESSOR' which expression shall, where the context so admits include his successors and assigns) on the one part;

AND

ZHUANG CHENG CONSTRUCTION COMPANY LIMITED, a Company incorporated under the Laws of Tanzania of with its office it Plot No. 39 Block 12A Dodoma City Tanzania (hereinafter referred to as the **LESSEE** which expression shall where the context so admits include its successors and assigns) on the other part.

WHEREAS the **LESSOR** is the registered owner of the two plots of land aforesaid which are fenced together within the same fence with a total area covering 9788 Square meters and is desirous of Leasing the same to the **LESSEE**;

AND WHEREAS the **LESSEE** is also desirous of taking on lease the said plots of land on the terms and conditions as hereinafter stipulated;

NOW THEREFORE THIS LEASE AGREEENT WITNESSETH as follows;

1. PERIOD OF LEASE

In consideration of the rent and mutual covenants hereinafter contained the LESSOR hereby demises unto the LESSEE all that land measuring a total of 9788 Square meters situated on two plots, namely plot no 173/3 and 172/4 Western Industrial Area in Dodoma City to hold and occupy the same for a period of FOUR (4) YEARS commencing from 1st November, 2023 to 30th October 2027 subject thereof to conditions regarding the right to termination and and/or renewal.

2. RENT PAYABLE

- (i) The agreed monthly rent payable by the LESSEE to the LESSOR is shillings **THREE MILLION (Shs. 3,000,000/=)** payable per year, that is a total of shillings **THIRTY SIX MILLION (Shs. 36,000,000/=)** exclusive of value Added Tax of 18% which makes a

total of Shs. 42,480,000/= (Shs. Forty Two Million Four Hundred Eighty Thousand) only which shall be payable in advance at the commencement of the time of the year concerned. Further that from 1st November, 2025 the monthly rent shall increase by 15% that is the **THREE MILLION FOUR HUNDRED AND FIFTY THOUSAND** (SHS. 3,450,000/=) only payable cumulative for the whole year concerned as aforesaid plus 18% Value Added Tax, which amount to a total of Shillings Fourty Eight Million Eight Hundred Fifty tTwo Thousand (Shs. 48,852,000/=) only per month. And that the amount shall be subject to 10% deduction as withholding Tax.

- (ii) Notwithstanding subparagraph (i) above, the rent payable shall be subject to deduction of 10% of the said amount as withholding tax which shall be paid to the Tanzania Revenue Authority without fail.

3. THE LEASED LAND

The Leased land comprises of two plots of land as aforementioned and are both fenced within the same fence made of a brick wall and consists of ;

- (i) One three room house for use as office and security guard accommodation.
- (ii) THREE PHASE electricity supply, whose meter shall be changed to read the name of the lessee.
- (iii) Water supply of which meter shall be changed into the name of Lessee.
- (iv) A twenty (20) foot container (to be used by Lessor) shall remain in the leased land.

4. LESSEE'S COVENANTS

THE LESSEE hereby covenants as follows;

- (i) To pay the rent, pay for utility charges that is electricity and water and any other charges as and when due without delay.
- (ii) To be allowed to make renovations of the Lessor's house and construct eight small unit buildings for their staff accommodation at the rear wall of the area adjacent to the existing house. The height of the said staff building shall not exceed the height of the fencing wall.
- (iii) To install a new transformer and construct a water borehole and pump to enable them to conduct their business properly.

- (iv) To leave enough space of not less than nine (9) meters from the front wall to the place where they will install their machinery and any other activities. This space will be left free for the use of the LESSOR as and whatever he will want to put in place.
- (v) Installations or constructions mentioned in paragraphs 4(ii) and (iii) herein shall be done at their personal costs of the Lessee and shall not (with the exception of the transformer) be removed or subject to compensation after the expiration or termination of the Agreement.
- (vi) To repair, clean and replace any fixtures within the leased premises which may be damaged during the lease term.
- (vii) At all times during the lease term to repair and keep the properties within the interior of the Leased land in good and substantial repair and condition.
- (viii) Not to cease carrying on business in the leased land or leave it continuously unoccupied for more than one month without good reasons and without (a) Notifying the Lessor,
 - (b) Providing such caretaking or security arrangements as it shall reasonably be required in order to protect the whole land from vandalism, theft, damage or unlawful occupation.
- (ix) Not to discharge into the pipes serving the leased land any oil, grease, sand or any other dangerous or explosive material or substance and to take all reasonable measures to ensure that any effluent discharged into the pipes will not corrode or in any way harm the pipes or cause obstructions.
- (x) To install machineries of which noise will not subject neighbours to annoyance or nuisance.
- (xi) Not to do anything on the leased land or any act which is forbidden by any Law or for which both the lessee and/or Lessor may be subjected to penalty compensation, costs, charges or expenses.

- (xii) Without prejudice to the generality of the foregoing, to comply in all respects with the laws of the land, and any obligations imposed by bylaws applicable to land use.
- (xiii) The use of the leased land shall be restricted to the business of brick making and any ancillary duties thereof.
- (xiv) To allow the Lessor to enter upon the leased land at reasonable times and upon prior twelve (12) hours notice for purpose of ascertaining that the covenants and conditions of this lease is being observed and complied with.
- (xv) Not to assign, underlet, or charge part of the leased land without prior consent of the Lessor.
- (xvi) Not to make structural adjustments or make any development or buildings on the leased land without making written request to the Lessor and obtaining consent of the Lessor in writing who shall seek approval of the relevant authorities and obtain permit thereof. In that case any allowed development shall be at the personal costs of Lessee and nonrefundable.
- (xvii) To indemnify and keep the Lessor fully indemnified against all damages, losses, costs, expenses, actions, proceedings, claims and liabilities made against or suffered or incurred by the lessor arising directly or indirectly out of;
 - (a) Any act, omission or negligence of the Lessee or any person at the leased land expressly or impliedly with the Lessee's authority and control.
 - (b) Any breach or non-observance by the lessee of the covenants, conditions, or other provisions of this lease Agreement.

5. LESSOR'S COVENANTS

Subject to the Lessee paying rent and other charges payable under this lease and complying with the covenants and other terms of this lease, the Lessor shall;

- (xii) Without prejudice to the generality of the foregoing, to comply in all respects with the laws of the land, and any obligations imposed by bylaws applicable to land use.
- (xiii) The use of the leased land shall be restricted to the business of brick making and any ancillary duties thereof.
- (xiv) To allow the Lessor to enter upon the leased land at reasonable times and upon prior twelve (12) hours notice for purpose of ascertaining that the covenants and conditions of this lease is being observed and complied with.
- (xv) Not to assign, underlet, or charge part of the leased land without prior consent of the Lessor.
- (xvi) Not to make structural adjustments or make any development or buildings on the leased land without making written request to the Lessor and obtaining consent of the Lessor in writing who shall seek approval of the relevant authorities and obtain permit thereof. In that case any allowed development shall be at the personal costs of Lessee and nonrefundable.
- (xvii) To indemnify and keep the Lessor fully indemnified against all damages, losses, costs, expenses, actions, proceedings, claims and liabilities made against or suffered or incurred by the lessor arising directly or indirectly out of;
 - (a) Any act, omission or negligence of the Lessee or any person at the leased land expressly or impliedly with the Lessee's authority and control.
 - (b) Any breach or non-observance by the lessee of the covenants, conditions, or other provisions of this lease Agreement.

5. LESSOR'S COVENANTS

Subject to the Lessee paying rent and other charges payable under this lease and complying with the covenants and other terms of this lease, the Lessor shall;

- (i) Permit the Lessee to peacefully and quietly hold and enjoy the leased land without interruption or disturbance from the Lessor or any other person claiming under or in trust of the Lessor.
- (ii) To pay existing and future land rents, property tax and other rates, taxes, assessment, impositions and/or outgoings which are payable by the Lessor or which may thereafter be imposed or charged in respect of the leased land.

6. GENERAL CLAUSES

Both the Lessor and lessee mutually agree as follows;

1. Re-entry, if and when;
 - (a) The rent or any other monies under this lease agreement is outstanding for twenty eight (28) days after becoming due whether formally demanded or not.
 - (b) Occurrence of breach by the Lessee of any of the covenants or other terms of this lease agreement.
 - (c) The Lessee enters into liquidation whether compulsory or voluntary unless the liquidation is for amalgamation or reconstruction of a solvent company.
 - (d) The Lessee has been put under receivership.
2. Each Lessee's covenants shall remain in full force both at law and equity notwithstanding that the lessor shall have waived temporarily any such covenant.
3. The Lessor shall not be responsible to the Lessee or to anyone at the leased land, expressly or by implication with the Lessee's authority for any accident happening or injury suffered or for any damages to or loss of any chattel sustained in the leased land except to the extent that such accident, injury, damage or loss is due to the act or negligence of the Lessor.

7. TERMINATION AND RENEWAL

- (i) This Lease shall terminate on expiry of the lease term herein reserved. Provided that the Lessee gives **SIX (6) MONTHS** written notice prior to the lease expiry of their intention to renew and the lease will be

(i) In the case of the Lessee
Email Uudequan12@gmail.com
Fax +255 658 72 26 78
P.O. Box 40928

(ii) In the case of Lessor
Al-Karim K. Salehmohamed
P.O. BOX 38,
DODOMA.
e-mail: alkarim.ksaleh@gmail.com

IN WITNESS WHEREOF the parties hereto have dully executed these presents and signified their acceptance of these terms by signing their respective signatures on the day, month and year as hereinafter appearing.

SIGNED and DELIVERED at Dodoma by the said)
AL-KARIM K. SALEHMOHAMED who is ^{DU} Day of) ~~Al~~ Mohamed
NOVEMBER 2023)

NAME: DELLI J. NYABIRI

SIGNATURE: 

POSTAL ADDRESS: P.O. BOX 1013

DODOMA

QUALIFICATION: ADVOCATE

