

THE UNITED REPUBLIC OF TANZANIA

THE LAND ACT, CAP 113 & THE LAND REGISTRATION  
ACT CAP 334

---

---

LEASE AGREEMENT

---

---

BETWEEN

RAMADHANI MUSSA LUBUVA (Landlord)

AND

LETU VEHICLE MANUFACTURE CO LIMITED



---

---

**LEASE AGREEMENT**

---

---

This lease agreement is made today 3 day of february, 2024.

BETWEEN

**RAMADHANI MUSSA LUBUVA**, a legal person of P. O. Box \_\_\_\_\_ Dar es Salaam (Hereinafter called the "**Landlord**") which expression shall where the context so admits include its successors and assign of one part,

**AND**

**LETU VEHICLE MANUFACTURE CO LIMITED** of P.o. Box \_\_\_\_\_ Dar es Salaam (hereinafter called the "**Tenant**") which expression shall where the context so admits include its successors and assign of other part

**PREAMBLE**

- A. WHEREAS** the Landlord represent and confirm that he is the lawful owner of Landed property located at VISIGA ward, 35 mail KIBAHA District within COAST REGION which consist of 4600 sqm (hereinafter "**the property**")
- B. WHEREAS** the Landlord is willing and hereby leases to the tenant part of the said property namely 4300 sqm yard, together with two small apartments and three shop spaces (frames) constructed therein to the Tenant hereinafter referred to as "**Demise Premises**"
- C. AND WHEREAS** both the Landlord and the Tenant have conducted negotiations on this transaction and they now require a formal agreement to embody the terms and conditions agreed.

**1. DEFINITION AND INTERPRETATION:**

In this Agreement, unless the context otherwise requires, the following words and or expressions shall have the meanings assigned to them herein:-

- a. "Agreement" means this Lease Agreement dated this 15<sup>th</sup> day of **January, 2024** executed by the parties.
- b. "Amount Outstanding" means any amount outstanding under this Lease Agreement and shall constitute rental arrears, unsettled service charges, utility bills, unsettled taxes and other charges payable by either party to this Agreement;



*HR*

- c. "Rental" means the agreed amount of money paid to Landlord by Tenant under this Agreement;
- d. "SQM" means square metres
- e. "Parties" means the signatories to this Agreement who are the Landlord and the Tenant
- f. "Undertaking" means the parties' promises to perform certain obligations as specified in this Agreement;
- g. "Demised Premises" means the yard comprised of 4300 square meters located at the property together with two small apartments and three shop spaces (frames) constructed therein, leased to the Tenant by the Landlord;
- h. "Lease Tenure" means the period of the lease created by this Agreement;
- i. "Landlord" means **RAMADHANI MUSSA LUBUVA**
- j. "Tenant" means **LETU VEHICLE MANUFACTURE CO LIMITED**
- k. Words importing the singular include the plural and vice versa and references to articles are references to Articles to this Agreement.
- l. Reference to any person includes the person's assigns or transferees or successors in title, whether direct or indirect and words importing persons shall include companies.

**2. REPRESENTATIONS AND WARRANTIES BY BOTH PARTIES:**

- a. The Landlord represents that the ownership of the property upon which the demised premises are located is in the name of RAMADHANI MUSSA LUBUVA ("the Landlord").
- b. Each Party hereby represents and warrants to the other that:-
  - i. It has full power and authority to execute, deliver and perform its obligations under this Agreement and no limitation on its powers will be exceeded as a result of its entering into this Agreement.
  - ii. The execution, delivery and performance by it of this Agreement and the performance of its obligations under this Agreement have been duly authorized by all necessary action, corporate or otherwise and do not contravene or conflict with:



*Ramssa*

- iii. This Agreement is legal, valid and binding obligation, and is enforceable against each party in accordance with its terms and conditions.

**3. LEASE TENURE;**

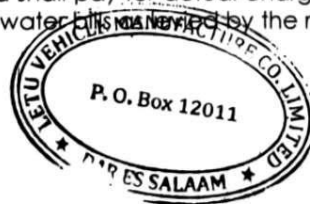
- a. **IN CONSIDERATION** of the rental and mutual covenants herein reserved and contained the Landlord hereby demises unto the Tenant the Demised Premises situated at the property to be used as yard, residential, factory building and office space, by Tenant for a period of **6 (SIX) YEARS** commencing on the **APRIL 2024** and ending on the **APRIL 2030** subject nevertheless to the provisions for renewal and review hereinafter contained. The lease period will start from the date when a tenant moves in.

**4. RENEWAL OF THE CONTRACT**

- a. Renewal of contract shall be done at least six months before existing expiry date of the contract, adhered by, both the tenant and the land lord.

**5. RENT AND OTHER CHARGES.**

- a. The applicable currency for the payment of rental shall be in Tanzanian Shillings.
- b. The rental for the demised premises shall be **Tshs 4,500,000/= vat exclusive per month**, the same to be paid for twelve (12) months in advance.
- i. On the signing of this agreement the Tenant shall pay forthwith to the Landlord the **TZS. 27,000,000/=** being the six months' rental the same to be deducted by the Tenant from the second year rental payable to Landlord. Also company will give 3,000,00TZS for construction and decoration of the new houses to meet the tenants usage requirement .
- ii. The first year rental being **TZS. 54,000,000/=** shall be paid to the Landlord by Tenant before or on the commencing date of the lease tenure.
- c. Payment of rental shall be paid by means of a crossed cheque or bank deposit in favour of **RAMADHANI MUSSA LUBUVA** ("the Landlord").
- d. The rental shall be reviewed after three (3 yrs) years depending on market forces. But the rent will not exceed 4,700,00TZS per month.
- e. The Tenant shall be liable for and shall pay for actual charges arising out of his use of electric current and water bills as metered by the relevant utility



*Ram*

Authority in respect of the demised premises the same shall have its separate electricity and water metre unless proved impossible by relevant authorities.

**6. SIGNS, BOARDS AND NOTICES:**

- a. The Tenant shall be at liberty to place any signboard, notice or advertisement on any part of the on the demised premises.
- b. That any sign, notice or advertisement to be placed must comply with the relevant authorities.

**7. COMMUNICATION FACILITIES:**

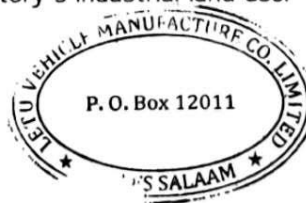
- a. The Tenant shall be responsible for sourcing its own communications facilities and services such as telephone, Internet and fax from the appropriate providers and shall install the same at its own costs.

**8. FURTHER, THE TENANT HEREBY COVENANTS WITH THE LANDLORD AS FOLLOWS:**

- a. To pay the agreed rental to the Landlord at the times and in the manner aforesaid without any deduction whatsoever unless the said deduction is subject to clause 5(b)(i) of this agreement
- b. To keep the interior and front parts of the demised premises in clean, tidy, in good repair and habitable conditions;
- c. To affect partitions, fixtures and fittings in accordance with the Tenant business requirement.
- d. Not to make any structural alterations in the said premises without first seeking and obtaining the Landlord's consent in writing.
- e. To provide security for the demised premises
- f. To keep the property free from all rubbish and litter and make proper arrangements for the disposal and removal of all rubbish and litter.
- g. To keep all sewerage pipes, water taps and drains within or serving the demised premises free from obstruction and/or blockage.

**9. THE LANDLORD HEREBY COVENANTS WITH THE TENANT AS FOLLOWS: -**

- a. To permit the Tenant to peacefully enjoy the demised premises and build a factory here during the tenure hereby created without any interruptions from or by the Landlord or any person rightfully claiming to act on its behalf or under or in trust for the Landlord. The nature of the land must meet the requirements of the factory's industrial land use.



*Handwritten signature*

- b. To keep the exterior areas of the demised premises in tenable condition and to carry out major repairs including plumbing etc;
- c. To provide the premises with electricity to be consumed in the common areas of the building including replacement of bulbs and similar items in the common areas;
- d. To ensure that the common areas of the demised premises are renovated and decorated periodically.
- e. Not to sell, mortgage, charge or assign the demised premises during the lease tenure without express written approval of the Tenant.
- f. To pay land rent, property tax and all other taxes in connection with ownership of landed property which may be assessed on the demised premises during the lease tenure to the relevant Authorities.

**10. BREACH OF COVENANTS:**

- a. If the rental agreed or any part thereof shall at any time remain unpaid for four (4) months after becoming payable (whether formally demanded or not) or if at any time thereafter the Tenant is in breach of any of the covenants or conditions referred to in this lease, the Landlord shall issue a Notice of Termination in accordance to the provision of clause 11 of this agreement and upon compliance of the requirement of provision of clause 11, the lease shall be terminated absolutely.

**11. TERMINATION OF CONTRACT**

- a. Notice of Termination shall be in writing and shall be served either on the landlord or the tenant by registered mail at their last known address in the United Republic of Tanzania.
- b. The tenant may terminate this tenancy by three months' notice and the landlord may terminate the tenancy by three months' notice under the terms of this agreement or under applicable provisions of the Law.

**12. ALTERATIONS;**

The Landlord hereby covenants with the Tenant as follows:-

- a) That before the commencing date of this lease tenure the Landlord shall renovate and restructure the demised premises to meet the Tenant requirement on the following manner but not limited to:-
  - i. The two small apartments shall be repainted and plumbing work should be finished together with but not limited to installation of kitchen chimney, washing sink, shower mixer and air-conditions



*Rum.*

etc. However the air-condition machines shall be purchased by Tenant and the landlord shall pay for installations cost of the same.

- ii. The wall surrounding the said apartments shall be restructured to fit the Tenant specifications.
  - iii. The electric fence shall be installed surrounding the entire demised premises.
- b) If any alterations or improvements are made by the Tenant, the Tenant shall, before the expiry or termination of this lease (unless the Landlord and Tenant otherwise agrees in writing in which case any alterations and/or improvements shall become the Landlord property with or without any compensation being payable to the Tenant in respect therefore), remove them and reinstate the demised premises to the original condition before the alterations and/or improvements were affected.
- c) The tenant shall be responsible and at his own cost for any alterations and/or improvements to the demised premises.

### 13. OTHER TERMS AND CONDITIONS

- a. The Tenant shall permit the landlord or employees and agents of the landlord to inspect the premises at all reasonable times during office hours.
- b. The Tenant shall be responsible for all acts of default, negligence or omission of itself, its employees, agents, licensees and invitees.
- c. The landlord shall not be liable for any loss or injury to the Tenant, its employees, licensees or invitees caused by;
  - i. Any defect in electrical fittings or plumbing,
  - ii. Any shortage of electricity or water,
  - iii. Water overflow from parts of the premises not in the Tenant's occupation or control,
  - iv. Any burglary or theft
- d. The tenant undertakes to give vacant possession on expiry of this lease by expiry of lease tenure or termination



*Handwritten signature*

- e. At the end of this lease or its earlier termination the tenant will put the demised premises into the same condition it was in as far as repair, painting, fixtures and fittings, locks and window panes are concerned.

**14. FORCE MAJEURE**

- a. Each of the parties hereto shall be excused from the performance of its obligations by any event of force majeure occurring, and such excuse shall continue so long as the condition constituting such force majeure continues plus thirty days after termination of such conditions. For the purposes of this Agreement, force majeure events are defined to include causes beyond the control of the landlord or tenant including without limitation to acts of God, regulations or law of any government, war, civil commotion, destruction of production facilities materials by fire, earthquake or storm, labour disturbances, epidemic and failure of public utilities.

**15. WAIVER:**

- a. The waiver by either party of any of its rights or remedies or of any breaches by either party under this Agreement in a particular instance shall not be considered as a waiver of the same or different rights, remedies or breaches in subsequent instances.

**16. SEVERABILITY**

- a. In the event that any of the provisions of this Agreement or the application of any such provision to the parties hereto with respect to their obligations hereunder shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining provisions hereof shall remain in full force and effect to the extent they are not inconsistent with the original provisions and the intentions of the parties expressed therein.

**17. SUCCESSION AND ASSIGNS:**

- a. Except as otherwise provided herein, the rights and obligations created hereunder shall inure to the benefit of and be binding upon the heirs successors and authorized assigns of the parties hereto
- b. Notwithstanding any provision hereof, neither the landlord nor the Tenant shall have a right to assign or transfer any of its rights hereunder, except to a company succeeding to all or substantially all of the rights of either party and no such assignment or transfer shall have any validity unless prior thereto: -
- i. The other party consents in writing to such assignment, transfer or succession;



*Handwritten signature*

- ii. All amounts outstanding and owing have been fully paid;
- iii. The proposed transferee or assignee has agreed in writing to the other to be bound by all the provisions hereof.

**18. DISPUTES RESOLUTION:**

- a. The landlord and the Tenant will make every effort to resolve amicably by informal negotiations any disagreement or dispute arising between them under or in connection with this Agreement.
- b. If, after thirty (30) days from the commencement of such informal negotiations, the Landlord and the Tenant have been unable to resolve amicably any such dispute, either party may require that the dispute be settled in accordance with the laws of the United Republic of Tanzania or any statutory modification or re-enactment thereof.

**19. ENTIRE AGREEMENT:**

- a. This Agreement constitutes the entire Agreement between the parties pertaining to the subject matter hereof. Any and all written or oral agreements heretofore existing between the parties pertaining to the subject matter hereof are expressly cancelled. Any modification of this Agreement shall be in writing and signed by the authorised representatives of both parties.

**20. GOVERNING LAW:**

- a. This Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.

**21. COSTS:**

- a. Both parties shall bear their own costs and expenses (including legal fees, out of pocket expenses, stamp duty and any value added tax or other similar or equivalent tax on such costs and expenses), which have been incurred in connection with:
  - i. The preparation, execution and delivery of this Agreement.
  - ii. Any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this Agreement.
  - iii. Any discharge or release of this Agreement; and
  - iv. The preservation or exercise (or attempted preservation or exercise), and the enforcement (or attempted enforcement) of any rights under, or in connection with the Agreement
  - v. Any stamping, attestation and or registration of this Agreement



*Handwritten signature*

**22. COMMUNICATION AND NOTICES:**

- a. Any notice or request or other communication required or permitted to be given or made under this Agreement to any party must be in writing. Such notice, request or other communication may be delivered by hand, or sent by airmail or facsimile to the party's address specified below, or at such other address as such party notifies to the other party from time to time.

**FOR THE LANDLORD:**

RAMADHANI MUSSA LUBUVA  
Plot no. \_\_\_ Block \_\_ located at \_\_\_\_\_  
Tel; 0654-080033  
Email; \_\_\_\_\_  
P. O. Box \_\_\_\_\_

Dar es Salaam.

**FOR THE TENANT/:**

**LETU VEHICLE  
MANUFACTURE CO LIMITED**  
Plot no. \_\_\_ Block \_\_ located at \_\_\_\_\_  
Tel; 0748984237  
Email; \_\_\_\_\_  
P. O. Box \_\_\_\_\_

Dar es Salaam.

**IN WITNESS WHEREOF** the parties hereto have set their hands to these presents as validly known and done in the manner herein under appearing:

Signature: [Signature]  
Name: **RAMADHANI MUSSA LUBUVA**  
Designation: **LANDLORD**

**Witnessed By:**  
Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Designation: **ADVOCATE**



Signature: [Signature]  
Name: **LETU VEHICLE  
MANUFACTURE CO LIMITED**  
Designation: **TENANT**  
**Witnessed By:**

Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Designation: **ADVOCATE**

**SIGNED AND DELIVERED** at Dar es Salaam by the parties, This 3<sup>rd</sup> day of February, 2024.



CRDB A/c

0152443381700

[Signature]