

THIS LEASE [Agreement] is made the 30<sup>th</sup> day of September, 2025

Between

**NATIONAL HOUSING CORPORATION**, a public corporation established by the National Housing Act of 1990, whose head office is located at Medeli West area, for the purposes hereof of Post Office Box Number 2422, Dodoma (hereinafter called the "**Lessor**" which expression shall, where the context so requires, include the Lessor's permitted successors in title and permitted assigns);

And

**DREAM HOME ESTATE LIMITED**, a limited liability company incorporated in Tanzania under No. 175621377, for the purposes hereof of P.O. Box 6889, Dar es Salaam, Tanzania (hereinafter called the "**Lessee**" which expression shall, where the context so requires, include the Lessee's permitted successors in title and permitted assigns).

**RECITALS:**

- (A) The Lessor is the registered proprietor of the landed property known as Plots No. 67/J/1 & 67/J/2 and 67/1/1 & 67/1/2, Kurasini, Temeke Municipality, Dar es Salaam covering a total of 16,033.23 square meters (herein referred to as the "**Property**").
- (B) The Lessee is desirous of constructing, at his own cost and expenses, a batch plant, warehouses and their ancillary facilities on part of the Property comprising approximately 16,033.23 square meters (subject to actual measurement upon completion of construction) in accordance with the Approved Documents attached to this Lease as **Annexure "A"** (hereinafter referred to as the "**Demised Premises**").
- (C) The Lessor agrees to lease the Demised Premises for the term, at the rent and upon the covenants, conditions and provisions herein provided.

**NOW IN CONSIDERATION** of payment of the Rent and the Terms and Conditions provided under Schedule 1 of this Agreement, **THIS LEASE WITNESSETH** as follows: -

**1. Interpretation**

All of the terms and conditions of this Agreement including but not limited to all introductory Paragraphs, Recitals, Conditions Precedent and all Schedules and

documents attached hereto are contractual and binding upon the parties hereto and are incorporated herein by reference.

## 2. Lettable Area & Measurement

The Lessor hereby demises unto the Lessee the Demised Premises. Upon completion of the construction and before the Occupation Date referred to under Clause 7 hereunder, the lettable area shall be subject to re-measurement for the establishment of the actual lettable area and the total monthly rent payable. Rent will only be adjusted in the event the total area to be established after the Development Period exceeds the approximate area before the Development.

## 3. Development

3.1 For the purposes of this Agreement, the term "**Development**" shall refer to all activities related to the preparation, construction, and establishment of a workshop and warehouse with their associated facilities on the Property. This includes, but is not limited to, demolition, site clearance, temporary works, and permanent construction activities.

3.2 Without limiting the general scope under Clause 3.1, the Development shall specifically include the following activities:

- (a) Demolition, at the cost of the Lessee, of the existing old buildings within the Property;
- (b) Construction of a batch plant and installation of machines and equipment;
- (c) Construction of three (3) single storey warehouses with a total of approximately 1,339 square meters of floor area;
- (d) Filling, compaction and paving of the remaining land for storage of containers and cars; and
- (e) Installation of security and surveillance systems.

3.3 The Lessor authorizes the Lessee to undertake the development of a **batch plant, warehouses and their ancillary facilities on part of the Property** at the Lessee's own costs and expenses and subject to specifications, drawings, and the Price Bills of Quantity (BOQ) approved by the Lessor ("**Approved Documents**").

- 3.4 The Lessee shall be responsible for any error, inaccuracy or omission of any kind in the Approved Documents. The Lessee may make minor variations/corrections to the Approved Documents provided that:
- (a) the variations or corrections are in accordance with the consent, approvals, licence, and authorisation required from the competent authority and any statutory requirements.
  - (b) any substitute materials used are of an equal or better quality and suitability to those originally specified; and
  - (c) the Lessee obtains approval in writing from NHC of such variations or corrections.
- 3.5 The Development shall be carried out and completed within a period of eighteen (18) months (the "**Development Period**") from the date of this Agreement. The Development Period shall not be extended.
- 3.6 Before commencing the Development, the Lessee shall obtain from the relevant authorities all approval, licenses, permits, and any other permissions required by law in respect of the Development. The Lessee shall indemnify and hold the Lessor harmless against any penalties, claims, damages, losses, expenses (including legal fees), and any consequences of failure to do so.
- 3.7 The Lessee shall, throughout the Development Period, supervise the performance of its employees, contractor(s), sub-contractor(s), consultant(s), and all persons working in connection with the Development.
- 3.8 If the Lessee fails to complete the Development within the period specified in this Agreement (including any extensions of time lawfully granted), the Lessor shall have the right to issue a written notice of default, giving the Lessee ninety (90) days to remedy such failure. If the Lessee fails to complete the Development within such additional 90-day period, the Lessor may, at its sole discretion, terminate this Lease by giving thirty (30) days' written notice to the Lessee.

**3.9** Upon termination under Clause 3.8:

- (a) The Lessee shall have no further right or interest in the land, and the Lessor shall be entitled to take full possession of the premises, including any structures or developments existing at the time of termination.
- (b) Any buildings, infrastructure, or improvements constructed by the Lessee shall, unless otherwise agreed in writing, vest in the Lessor without compensation.
- (c) The Lessee shall not be entitled to any reimbursement, compensation, or refund in respect of any development costs incurred or works completed.
- (d) The Lessor shall have the right to safeguard or dispose of the partially completed development as it deems fit, including engaging a third party to complete, alter, or demolish the works.

3.10 Nothing in this clause shall preclude the Lessor from pursuing any other remedies available under law or equity.

**4. Right of Access to the Property**

- 4.1 The Lessor shall make the Property vacant and give the Lessee the right to access and possession of the Property.
- 4.2 The Lessee is obliged to take over the Property and make arrangements, at its own costs, for the demolition of any existing structures that require to be demolished to allow for the Developments.
- 4.3 The Lessee shall make arrangements for guarding the Property and preventing encumbrances or encroachment by the trespasser or unauthorized persons upon the Property or any part or portion thereof. All costs, charges, and expenses for guarding the Property shall be borne and paid by the Lessee. NHC shall not be liable to remove or vacate the encroachments or unauthorized occupiers who occupy the Property after the handover of the Property to the Lessee.
- 4.4 In the event of any delay in granting possession or required rights to the Lessee, other than one caused by Force Majeure or delays arising from

compliance with lawful orders of competent authorities, the Lessee shall notify the Lessor (NHC) in writing of any resulting delay. The Lessee shall be entitled to a reasonable extension of time where such delay affects or is likely to affect project completion, provided that:

- (a) The delay is not attributable to the Lessee;
- (b) The Lessee has promptly issued written notice specifying the nature and effect of the delay; and
- (c) The delay does not exceed thirty (30) consecutive months from the original date possession was to be granted.

4.5 If the delay is caused by the Lessor's inability to deliver vacant possession of the Property including but not limited to failure to evict existing tenants, trespassers or occupiers despite having used all reasonable efforts, and such delay extends beyond twelve (12) consecutive months, this Lease shall automatically terminate upon the expiry of the 12 month period without the need for further notice. Neither party shall have any liability to the other upon such termination, save for any rights or obligations that accrued prior to termination.

## **5. Lessor's Authorised Representative**

Lessor's authorized representative means an employee of the Lessor or consultant appointed by the Lessor to act on behalf of the Lessor who shall be responsible for inspection of the Development progress.

## **6. Inspections and approvals**

6.1 The Lessor's authorised representative may enter the Demised Premises, at any time during the Development Period, upon giving a twenty-four (24) hours' notice to Lessee, to inspect the progress of the works and shall make a report of such inspection stating in reasonable detail the defects or deficiencies, if any, with particular reference to the scope of the works and in compliance with the Approved Documents. He shall send a copy of the inspection report (the "**Inspection Report**") to the Lessee within fourteen (14) days of such inspection and upon receipt thereof, the Lessee shall rectify and remedy the defects or deficiencies, if any, stated in the Inspection Report.

6.2 Throughout the Development Period, the Lessee shall submit to the Lessor's authorised representative, monthly progress reports in the form to be specified by the Lessor.

## 7. Occupation Date

The word "**Occupation Date**" shall mean the date following the expiration of the Development Period or the date of issuance of Certificate of Practical Completion, whichever is earlier. For the purposes of this provision, a Certificate of Practical Completion shall mean the Lessor's authorized personnel's written statement certifying that the Development is practically complete according to the terms of this Lease Agreement.

## 8. Development Cost

The Lessor and Lessee agree that the estimated cost to be incurred for the Development shall be Tanzania Shillings Nine Billion Three Hundred Sixty Two Million Three Hundred Thirteen Thousand Seven Hundred Eighty **(TZS. 9,362,313,780.00)** VAT Exclusive. Lessor and Lessee agree that the Development Costs will be affirmed once the priced bills of quantities (BoQ) are completed. Upon completion of the BoQ, the Lessor and the Lessee shall enter into an addendum to this Lease Agreement to record the affirmed Development Cost.

## 9. Rent

9.1 The total Rent payable for the Demised Premises per month is Tanzania Shillings twelve million four hundred thirty five thousand two hundred fifty seven and fifty cents **(12,435,257.50)** VAT Exclusive (the "**Rental Rate**") for the first five (5) years from the Occupation Date as illustrated in the table below. Rental Rent shall be increased by fifteen percent (15%) after every three (3) years.

**Table No. 1: Rental Rates**

Use	Lettable Space	Rate Per m <sup>2</sup> (TZS)	Rent per Month (TZS)	Rent per Annum (TZS)
Production Workshop	1,698.00 m <sup>2</sup>	2,650.00	4,499,700.00	53,996,400.00
Warehouse	1,339.00 m <sup>2</sup>	3,500.00	4,686,500.00	56,238,000.00
Paved Land*	9,097.36 m <sup>2</sup>	500.00	3,249,057.50	38,988,690.00
<b>Total Rent</b>			<b>12,435,257.50</b>	<b>149,223,090.00</b>

The total amount of Rent payable in each month shall be calculated by multiplying the Rental Rate applicable at each particular time and the lettable area to be determined pursuant to Clause 2 above.

- 9.2 Shall there be any additional space to be attained as a result of future developments of the Demised Premises by either party, such space shall, upon measurement by the Lessor, be included in the total rental space and be paid for at the Rental Rate existing at the time or re-measurement.

## 10. Lease Tenure

- 10.1 The lease for the Demised Premises shall be for a term of twenty (20) years, commencing from the date of signing of this Lease Agreement.

- 10.2 Lessee is granted the option to extend the Term of this Lease for another period of ten (10) years (the "**Lease Extended Period**"), provided that Lessee is not in breach of the terms of this lease either at the time of deemed exercise of the option or at the end of the original Term, which option must be exercised by written notice to Lessor at least ninety (90) days prior to the expiration of the original Term. If such option is exercised, Lessor and Lessee shall negotiate in good faith modifications to the Rent for the Lease Extended Period to adjust such Rent to market rates. The Lease Extension shall be otherwise upon the same terms and conditions as set forth herein for the original Term.

IN WITNESS WHEREOF this Agreement has been duly executed by the parties hereto as of the day and year first hereinbefore written.

**LESSOR**

SEALED with the COMMON SEAL of the said NATIONAL HOUSING CORPORATION and DELIVERED in the presence of us }

SEAL

FULL NAME: Harad Abdallah  
SIGNATURE: [Signature]  
ADDRESS: 2977 DAR ES SALAAM  
QUALIFICATION: DIRECTOR GENERAL

FULLNAME: Sarah Thomas Naisamu  
SIGNATURE: [Signature]  
ADDRESS: 2977 DAR ES SALAAM  
QUALIFICATION: DIRECTOR OF LEGAL SERVICES

**LESSEE**

SEALED with the COMMON SEAL of the said DREAM HOME ESTATE LIMITED and DELIVERED in the presence of us }



FULL NAME: ALIAN MALKAME  
SIGNATURE: [Signature]  
POSTAL ADDRESS: 6889, DSM  
QUALIFICATION: M. DIRECTOR

FULL NAME: SEIF SALUM SAID  
SIGNATURE: [Signature]  
POSTAL ADDRESS: 4440  
QUALIFICATION: DIRECTOR

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