

CHAMA CHA MAPINDUZI

DEVELOPMENT AGREEMENT

BETWEEN


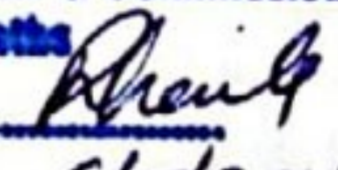
THE REGISTERED TRUSTEES OF CHAMA CHA
MAPINDUZI

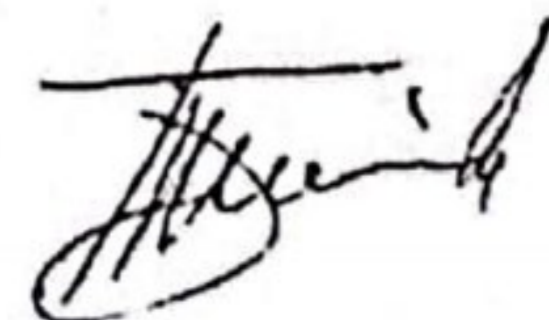
AND

NJOMBE FILLING STATION COMPANY LIMITED

(In respect of the development of petrol station and non-fuel multipurpose shops located at plots no. 980/1 & 981/1 with a total of 3508m² along Nelson Mandela road Buguruni area Ilala district Dar es Salaam city, Tanzania)

Prepared by:
The Registered Trustee of Chama Cha Mapinduzi
CCM Headquarters,
P. O. Box 50,
DODOMA.


Certified as True Copy of the Original
Rosemary Brasius Haule
Advocate, Notary Public & Commissioner
for Oaths
Sign: 
Date: 6/5/2023



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DEVELOPMENT AGREEMENT

THIS AGREEMENT records the understanding reached this.....⁰⁴.....day of.....^{MAY}.....2021.

BETWEEN

THE REGISTERED TRUSTEES OF CHAMA CHA MAPINDUZI a body corporate registered under the Political Parties Act Cap 258 (R.E 2019) of the Laws of Tanzania of P. O. Box 50 **DODOMA** (hereinafter referred to as the "**OWNER**" which expression shall include where the context so admits its successors, executors and assignees) **OF THE ONE PART.**

AND

NJOMBE FILLING STATION COMPANY LIMITED a limited Liability Company Incorporated under the Company Act Cap 212 (R. E 2019) of the Laws of Tanzania of P. O. Box 411 **NJOMBE** (hereinafter referred to as the "**DEVELOPER**" which expression shall include where the context so admits its successors, executors and assignees) **OF THE OTHER PART.**

WHEREAS, the Land bearing Plots No. 980/1 & 981/1 with a total of 3508M² along Nelson Mandela road Buguruni Area Ilala District Dar es Salaam City Tanzania (hereafter referred to as the "**PROPERTY**") which is absolute property of the present **OWNER.**

AND WHEREAS, the present Owner intends to develop the said property through a **DEVELOPER** and the **DEVELOPER** is looking for suitable property in their business of operating a Petrol Station and Non-Fuel Multipurpose Shops.

AND WHEREAS, the **DEVELOPER** has learnt of the intention of the **OWNER** and approached it with an offer to acquire from it the right to develop the said property.

AND WHEREAS, the parties had due deliberations and discussions, as a consequence thereof, they have reached understanding.

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Rosemary Brachino Huzulu
Advocate, Ministry Public & Commissioner
for Gender
Date: 05/02/2021

AND WHEREAS, the parties hereto have worked out the terms and conditions of their agreement and decided to reduce the same into writing.

AND WHEREAS, the owner has decided to confer upon the **DEVELOPER** some rights by putting the developer in possession of the said "property" subject to the terms and conditions hereinafter stipulated.

NOW THIS AGREEMENT WITNESSETH and it is hereby agreed by and between parties as follows:-

INTERPRETATIONS

In this agreement, unless the context requires otherwise "**Development**" means construction of a modern petrol station, non-fuel three storey, seventeen commercial rooms building and a toilets building.

"**Property**" means land bearing Plots No. 980/1 & 981/1 with a total of 3508M² along Nelson Mandela road Buguruni Area Ilala District Dar es Salaam City Tanzania which has been set-aside for the construction of a modern petrol station, three storey building, seventeen commercial rooms and a toilets building envisaged under this agreement.

"**Parties**" means, The Registered Trustees of Chama Cha Mapinduzi and Njombe Filling Station Company Limited.

TERMS AND CONDITIONS

1. GRANT

1.1 In consideration of the rent herein agreed, the **OWNER** grants to the **DEVELOPER** an exclusive right to develop the property herein referred without any interference from the **OWNER** as far as the **DEVELOPER** abides by all the terms and conditions of this agreement.

2. CONSTRUCTION AND SUPERVISION

2.1 **THAT**, the owner has agreed to confer the development rights unto the present developer and the owner has



authorized and empowered the developer to construct the intended petrol station and other above-mentioned buildings.

- 2.2 **THAT**, the parties hereto have specifically agreed and understood the nature of transaction to take place in which the **DEVELOPER** has agreed to take vacant possession of the said property and the development rights therein for the purpose of developing the said property.
- 2.3 **THAT**, the **OWNER** has authorized/empowered the **DEVELOPER** to construct buildings which are erected in compliance with the attached Architectural Baseline Document on the said property and granted in irrevocable license to the **DEVELOPER** to that effect. The said Architectural Baseline Document is appended to this Agreement as **APPENDIX "C"** and it is hereby declared that it shall form the basis of the development on the said property.
- 2.4 **THAT**, the owner has allowed the developer to prepare building plans, construction drawings and to get the same approved by planning authorities. The owner however undertakes to sign all such applications as may be necessary under the prevalent rules and regulations provided that the developer shall pay all related expenses and the owner shall not be liable for the said expenses at any stage even if the agreement fails.
- 2.5 **THAT**, the **OWNER** hereby assures unto the **DEVELOPER** that the said property is free from encumbrances, it is not a subject matter of any acquisition or requisition. The owner has clean, clear and marketable title to the said property and he also has right to transfer/sell it partially or wholly, and further assures the developer that no proceedings or litigation is pending in any Court of Law in connection to the property.



3. CONSTRUCTION COSTS

3.1 **THAT**, the total costs for construction of a modern petrol station, three storey building, seventeen commercial rooms and a toilets building shall be Tshs. 1,000,000,000/=.

3.2 **THAT**, the developer shall provide the entire investment funds for the development of the said property as follows:

Constructions costs	972,762,751.47
Prime, provisional & preliminary costs	<u>27,237,248.53</u>
TOTAL COSTS	1,000,000,000.00

4. DEVELOPMENT

4.1 **THAT**, development shall consist of construction of a modern petrol station, three storey building, seventeen commercial rooms and a toilets building.

4.2 **THAT**, the period for completion of the Development shall be 12 months (one year) from the date of signing this agreement.

4.3 **THAT**, the term of this Lease or Development Agreement is twenty-two (22) years effective from the day of completion of the said developments.

5. RENT AND MODE OF PAYMENT

5.1 **THAT**, upon completion of the development project the developer shall pay the owner monthly rent of Tshs. 3,000,000/= (Three million Tanzanian shillings) which shall be renewed after every three years according to the property's prevailing market rent rates.

5.2 **THAT**, before and during the construction period the **DEVELOPER** shall pay in advance annual rent as per agreed monthly rent mentioned in paragraph 5.1 hereinabove to cover the daily operations of the **OWNER**; and such payment shall be deemed to be the annual rent for the first year upon commencement of this Agreement.


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ROSEMARY BRASILIUS HAULILE
Advocate, Notary Public & Commissioner
for Ombudsman
Sign: *[Signature]*
Date: 6/5/2027

[Signature]

5.3 **THAT**, the developer's recovery period of the investment fund mentioned in paragraph 3.1 hereinabove is six (6) years effective from the day of completion of the said development.

5.4 **THAT**, upon the developer's recovery of the investment fund mentioned in paragraph 3.1 hereinabove, the whole property shall be surrendered and delivered to the owner.

5.5 **THAT**, all expenses of or related to registration or effectuation of this agreement, be they in form of taxes, statutory or contractual fees, stamp duty or any other charges, taxes, related to the property shall be borne out by the **DEVELOPER**.

6. EXPIRATION OF LEASE

6.1 **THAT**, the **DEVELOPER** at the expiration of the term of the tenancy or sooner determination of the said term, quietly surrender and deliver up to the **OWNER** the possession of the Development Premises with all corresponding keys and any addition thereof in as sound, perfect with tenantable repair in such state and condition as agreed herein.

6.2 **THAT**, upon expiration of 22 years of this lease agreement, the owner shall reserve the right to choose whether renew the lease agreement or not. The lease agreement may be reviewed under the new terms and conditions as may be mutually agreed upon by both parties, provided that the written notice of intention to renew the lease shall be served to the **OWNER** not later than six months prior to the expiry date of the period herein agreed upon.



7. RIGHTS AND RESPONSIBILITIES

OWNER

(a) To ensure eviction of any tenants currently in occupation soon after the signing of this agreements.

- (b) To ensure that all land rent, service charges, property tax and the like pertaining to the property, are all paid up to and including the date of signing this agreement.
- (c) To make use of the first and second floor of a three-storey building, seventeen commercial rooms and a toilets building envisaged under this agreement as agreed under clause 9.1(c).

DEVELOPER

- (a) To pay all costs of employing architects, quantity surveyors, structural and service engineers, cause them to prepare building plans, architectural drawings and designs and to get the same approved by relevant planning authorities.
- (b) To provide all funds for site preparation and clearance and other costs of construction whether direct or indirect.
- (c) The **DEVELOPER** hereby agrees and acknowledges that the owner's contribution towards the project shall be the property together with obtaining all administrative decisions/permissions necessary to launch the construction of the project.
- (d) To make use of a modern petrol station and a ground floor of a three storey building envisaged under this agreement as agreed under clause 9.1(c).

8. IT IS HEREBY FURTHER AGREED as follows:

8.1 **THAT**, the parties declare that the **OWNER** will not be obliged by any unilateral decision of the **DEVELOPER** to make any other or further contribution in the project except for those stipulated in this agreement.

8.2 **THAT**, would the **DEVELOPER** comply with all terms and conditions of this agreement will peacefully enjoy and use the demised premises without any unlawful interference from the **OWNER** or any one acting under the **OWNER**.

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ROSEMARY BRASLUS HAUTE
Advocate, Notary Public & Commissioner
for Oaths
Sign: *R. Haute*
Date: 6/5/2023



8.3 **THAT**, the **DEVELOPER** and **OWNER** agrees not to use any part of the property for any activities which are dangerous, offensive, noxious, illegal or immoral or which are or may become nuisance or annoyance to the developer or the tenants.

8.4 **THAT**, property tax and insurance cover for the ground floor and Petrol Station shall be paid by the **DEVELOPER** whereas Land rent and insurance covers for the remaining building shall be paid by the **OWNER**. The cost for utilities shall be shared in line with the property occupation.

9. FURTHER AGREEMENT

9.1 Use of the Property by the Parties

In consideration of the Developer having developed the property as indicated in the valuation report the investments that will take place in this area are the construction of a three-storey building, 17 modern commercial frames, a gas station and a three (3) toilet building. In addition, the ground floor of the building will have six (6) office rooms and two (2) toilets. The first floor of this building will have four (4) office rooms and two (2) toilets. The third floor of this building will have eight (8) bedrooms, a stooge and two (2) toilets. The buildings to be built shall be used jointly between the **DEVELOPER** and the **OWNER** as follows: -

- (a) The petrol station as it will be the Mother Business in this area will be used by the **DEVELOPER** 100%.
- (b) All 17 business frames will be used by the **OWNER**.
- (c) Due to the nature of the oil business, the **DEVELOPER** shall use the ground floor of the (3) Floor Building 100% and 50% of the first floor. The **OWNER** shall use the second floor at 100% and the remaining 50% of the first floor.
- (d) The building of three toilets shall be used by the **OWNER** at 100%.

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Rosemary Brasius Haule
Advocate, Notary Public & Commissioner
for Oaths
Sign: *RHB*
Date: 6/5/2023



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10. APPOINTMENT OF CONSULTANCY TEAM AND CONTRACTORS

- (a) THAT, the **OWNER** shall reserve the right to appoint the Consultant whereas the **DEVELOPER** shall appoint the Contractor. The Developer shall be responsible for payment of both the Consultant and the Contractor.
- (b) The names of the partners, consultants and contractors shall appear clearly on the signboard during the construction period.

11. DEFAULT

A party shall be a defaulting party in terms of this agreement if the said party shall default in the due observance or performance of any covenant, condition or provision contained in this agreement, and such default shall continue for more than thirty (30) days after written notice from the other party specifying the default and demanding the same to be remedied.

12. NOTICE

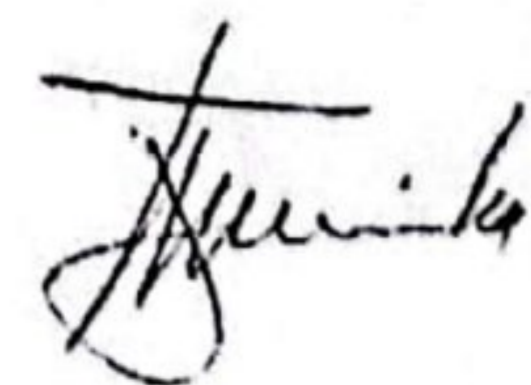
All notice, notification, requests, demands, approvals agreements or other communications to or by the respective parties shall be in writing and shall be deemed to be duly given or made.

- (a) In the case of delivery in person when delivered and so evidenced by acknowledgement or receipt by the recipient.
- (b) In the case of prepaid post on the fourteenth (14) business day after the date or posting to the party to which such communication is required to be given under this agreement.
- (d) In case of e-mail on the day of the effective delivery of an e-mail.

13. FINAL PROVISION

Should one or more of the provisions of this agreement prove to be invalid and/or unenforceable this shall not affect the

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ROSEMARY BRASLUS HAULE
Advocate, Notary Public & Commissioner
for Oaths
Sign: *Rhenda*
Date: *6/5/2023*



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validity and/or enforceability of the other provisions of this agreement.

In case of such invalidity and/or unenforceability the parties to this agreement shall replace such invalid and/or unenforceable provisions.

1. All or any of the provision of this agreement may be amended, altered, added to or replaced by the parties by mutual agreement made in writing.

14. TERMINATION

This agreement shall be terminated if any or all of the following circumstances arise.

- (a) In the event that any construction or preparatory work shall not commence without any reasonable cause and put into effect on the expiry of six months from the day of execution of this agreement and in accordance with the terms provided herein, the parties shall revert to their original positions prior to the signing of this agreement (status quo ante bellum).
- (b) Force Majeure in the event of either part being prevented from acting according with terms of agreement due to an occurrence of force Majeure the other party shall have no right to invoke the remedial terms as herein appearing on that account thereof.

For avoidance of doubt in this agreement "force majeure" shall mean any event beyond the control of either party that shall cause or delay the performance of the agreement and these shall include:

- (i) An act of God
- (ii) War or hostility whether declared or not
- (iii) Earthquake, flood, fire or other natural disasters
- (iv) Strikes, lockouts or other industrial actions (other than among the parties own employees) and
- (v) Any Government order prohibiting performance of this Agreement

In the event of force majeure, loss if any, shall lie where it falls.



(c) In case of default by the **DEVELOPER** in the payment of the rent herein agreed, the **OWNER** shall terminate this agreement if the **DEVELOPER** fails to pay two consecutive months rent subject to issue 30 days' notice of eviction. Provided that soon unpaid rent is secured the agreement shall continue to operate.

15. GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws for the time being in force in the United Republic of Tanzania.

16. DISPUTE SETTLEMENT

All disputes and controversies arising out of or relating to the performance of this agreement which cannot be settled mutually by the parties hereto shall be referred to the competent Court of Laws as per governing laws of the United Republic of Tanzania.

17. ANNEXTURES

This development agreement shall be accompanied with the following annexures; Bill of Quantities, Drawings, Specifications and Certificate of Incorporation of the Njombe Filling Station Company Limited.

IN WITNESS WHEREOF, the parties hereto have duly executed these presents by the hands of their duly authorized representatives on the day, month and year first above written and hereinafter appearing.

SEALED with the common seal of the **REGISTERED TRUSTEES OF CHAMA CHA MAPINDUZI** and **DELIVERED** in our presence this.....04.....day of.....MAY.....2021.

.....
SEAL

1. Name: ANNA MARGARETH ABDALLAH
Signature: [Signature]
Postal Address: P.O. Box 50, DODOMA
Qualification: TRUSTEE

Certified as True Copy of the Original
ROSEMARY BRASIU HAULE
Advocate, Notary Public & Commissioner for Oaths
Sign: [Signature]
Date: 6/5/2021

[Signature]

2. Name: DANIEL OLE NJOMBE
Signature: [Signature]
Postal Address: P.O. Box 50, DODOMA
Qualification: TRUSTEE

SIGNED and DELIVERED by the said
NJOMBE FILLING STATION COMPANY LIMITED

who is known to me personally/identified

to me by the said.....

the latter being known to me personally

this 04 day of MAY 2021

NJOMBE FILLING STATION
P. O. Box 50
NJOMBE

SEAL

1. Name: JAMES M. MWITWEKA
Signature: [Signature]
Postal Address: BOX 411 NJOMBE
Qualification: C.E.O

2. Name: ALICE BENEFINA ADAULI MUGWE
Signature: [Signature]
Postal Address: BOX 411 NJOMBE
Qualification: M.K.A. N.G.E.R.Z.

Prepared by:
The Registered Trustee of Chama Cha Mapinduzi
CCM Headquarters,
P. O. Box 50,
DODOMA.

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ROSEMARY BRASLUS HAULE
Advocate, Notary Public & Commissioner
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Date: 6/5/2023