

The 21<sup>st</sup> day of September 2024

**THE LAND ACT  
NO. 4 OF 1999  
(CHAPTER 113 OF THE LAWS)  
C.T. 23720**

**LEASE AGREEMENT**

**BETWEEN**

**TERESA SANKY RIGONI**

**AND**

**TANTU CONSTRUCTION LTD**

**BY**

**ADVOCATE  
NOTARY PUBLIC  
&  
COMMISSIONER FOR OATHS  
DAR ES SALAAM**

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*Fengjie*

This LEASE made this \_\_\_\_\_ day of September, 2024

**BETWEEN**

**TERESA SANKY RIGONI** of P. O. Box 4010 Dar es Salaam (hereinafter called "the Landlord") of the one part.

**AND**

**TANTU CONSTRUCTION LTD** of P. O. Box \_\_\_\_\_ Dar es Salaam (hereinafter "the Tenant" of the other part,)

**WHEREAS** the Tenant has inspected the Landlord's property and found it suitable for them to lease.

**AND WHEREAS** the Landlord is prepared to lease it to the Tenant.

**Now this deed witnesses as follows:**

1. The Landlord hereby grants unto the Tenant a leasehold interest in the property located next to Ally Sykes Road, Mbezi Beach area of Dar es Salaam together with the other buildings and other improvements thereon.
2. This lease agreement shall only become valid and enforceable upon the landlord's review and written approval of the architectural drawings and the Bill of Quantities (BoQ) related to any improvements or construction on the premises. The tenant shall provide the landlord with all necessary documents, including detailed plans and specifications, no later than 30 days prior to the commencement of any works.
3. The landlord reserves the right to engage a qualified third-party consultant to review the drawings and BoQ at the tenant's expense if necessary. If the landlord does not approve the architectural drawings and BoQ within 30 days of receipt, this agreement shall be deemed null and void unless otherwise agreed in writing by both parties.
4. The lease shall be for a term of five (5) years effective from the 1st day of October 2024 to the 30th day of September 2029. The contract may be renewed for a subsequent five years, subject to a mutual written agreement between the landlord and tenant no less than six months prior to the expiry date. Any renewal thereafter shall also be subject to the terms of a mutually agreed written contract.
5. The rent for the Premises shall be USD 1,500 per month, payable annually in advance for a total of twelve (12) months. The first payment must be made within ten (10) days of

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signing the lease agreement. For the first year, the Tenant shall pay the rent in two equal installments, with each installment covering six (6) months. After the first year, full annual payments will be required for each subsequent year

6. **Late Payment & Interest Penalty**, if the Tenant fails to pay any installment of rent within 10 days after the date that the same is due, the Tenant shall pay an interest penalty charge to the Landlord computed at the rate of 2% per annum on the outstanding balance.
7. **Security Deposit**, upon the start of this lease, the Tenant shall deposit with the Landlord the equivalent of one month's rent, totaling USD 1,500, as security for compliance with lease terms. The Landlord can deduct damages, fees, or overdue rent from the deposit before returning any balance. If used, Tenant must replenish deposit within 15 days of Landlord's notice.

**8. Rent Increases:**

- A. The rent shall be automatically increased by 2.5% at the beginning of the second (2nd) and third (3rd) years of the Lease Term. The revised rent for Year 2 will be USD 1,537.50 per month net, and for Year 3 will be USD 1,576.94 per month net.

Starting from the fourth (4th) and fifth (5th) years, the rent shall be increased by 5% each year. The revised rent for Year 4 will be USD 1,655.79 per month net, and for Year 5 will be USD 1,738.58 per month net.

- B. If the lease is renewed for any subsequent years after the initial five-year term, the rent shall be increased by 5% annually, regardless of the previous year's rent. The Landlord shall provide the Tenant with written notice of the revised rent at least 30 days prior to the commencement of each relevant lease year.
9. The parties confirm to have carried out a prior inspection of The Premises and to be satisfied that it is in the state agreed upon.

10. The Tenant hereby covenants with the Landlord as follows:

- A. To use The Premises solely for storage and office purposes.
- B. Not to assign, sublet or part with possession of the demised premises or any part thereof.
- C. To pay rent regularly as agreed together with utility bills consumed on The Premises.
- D. To peacefully, yield the demised premises at the expiration of the term hereby created of its sooner determination in good and tenantable repair and condition in accordance with the covenants herein contained including repainting of the landlords' choice.

- E. To keep in tenatable repair and condition The Premises together with the garden, lawn and the interior including the doors, windows, glass, locks, ceiling boards and fasteners, walls sanitary ware and water apparatus, electric wiring, fittings and the roof (fair wear and tear excepted).
- F. To permit the Landlord or its agents or servants at all reasonable times of the day and after reasonable oral or written notice to enter upon the premises and view the condition of The Premises.
- G. Not, without the previous consent in writing of the Landlord, to erect or cause to be erected on The Premises any additional thereto, not cut, maim or injury any part thereof. Cost for any Landlord approved alteration, additions or improvements to The Premises will be borne by Tenant. The fixtures, additions or structures so placed upon, in or attached to The Premises shall be and remain the property of the Landlord and shall not be removed from the Tenant or agents at the expiry of the term hereby granted.
- H. Not to do or permit or suffer to be done upon The Premises anything which in the opinion of the Landlord may be a nuisance or annoyance to or in any way interfere with quiet enjoyment and comfort of the neighbors or which may have a tendency to offend the rules and regulations of the City Council.
- I. To pay the local authority fee for refuse collection, disposal.
- J. To pay water bills as soon as it is due.

**11. The Landlord hereby covenants with the Tenants as follows:**

- A. To pay and discharge all rates, taxes and outgoings payable in respect of The Premises.
  - B. To ensure that the Tenant performing the obligations on its part herein contained, shall peacefully enjoy the demised premises during the said term without interruption.
  - C. After the signing of this agreement, the landlord will be obligated to assist the tenant throughout the entire process of obtaining the building license.
- 12.** One month prior to the end of the term, the parties shall make a joint inspection of The Premises to identify the items to be repaired/replaced prior to handing over The Premises.
- 13.** Should the Tenant desire to extend the lease, they shall give six months' notice before expiry of the term, Incase no prior notice and the lessor received the rent for new term of lease, the renewal shall be automatically granted.

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14. The Tenant agrees to bear all costs related to agent fees, government taxes, levies, and any other applicable charges imposed by local, municipal, or national authorities in connection with the lease and use of the premises. This includes, but is not limited to, stamp duty, property tax, and any taxes or levies required by the Tanzania Revenue Authority (TRA) or other governmental bodies, as may be applicable under Tanzanian law. The Landlord shall not be responsible for any taxes or fees arising from the lease, except where explicitly required by law.

**15. Termination:**

- A. Should the tenant wish to terminate the lease for lawful cause, they shall give six (6) months' notice delivered by registered postal mail, email, or hand-delivered with acknowledgment
- B. The Landlord may only terminate this lease before the expiration of the five-year lease term if the Tenant is found to be in material breach of any of the clauses contained in this lease agreement. In such an event, the Landlord must provide the Tenant with a written notice specifying the breach and granting the Tenant a reasonable period (no less than 30 days) to remedy the breach.

If the Tenant fails to remedy the breach within the specified period, the Landlord may terminate the lease by giving six (6) months' notice, delivered by registered postal mail, email, or hand-delivered with acknowledgement.

In the absence of any breach of the lease by the Tenant, the Landlord shall not have the right to terminate the lease prior to the end of the five-year term.

**C. Compensation for Improvements and Business Disruption:**

In the event of early termination by the landlord without lawful cause, the landlord agrees to compensate the tenant for permanent improvements made to the property. The compensation amount will be based on the initial value of the improvements, which is agreed upon as USD 50,000. This value will depreciate annually at a rate of 5% on a straight-line basis over a period of ten (10) years

Example: If the lease is terminated after five years, the remaining value for compensation will be USD 37,500 of the initial improvement cost (i.e., USD 50,000). After ten (10) years of the lease terms, the tenant has option to renew the lease. If the tenant chooses not to renew, all buildings and permanent improvements made by the tenant will be transferred to the landlord at no cost.

16. In the event of a dispute, the same shall be amicably resolved between the parties, failing which it shall be resolved by a single Arbitrator appointed by the National Construction Council in accordance with Tanzanian law, and incase either party is still aggrieved or not satisfied with the decisions of arbitration, shall take the matter to the Court.

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In witness whereof the parties hereto have set their respective hands to this lease on date stated herein below.

**SIGNED and DELIVERED** by the said  
**TERESA SANKY RIGONI** who is known  
to me Personally in my Presence  
the 22<sup>nd</sup> Sept. 2024

T. Rigoni  
**LESSOR**

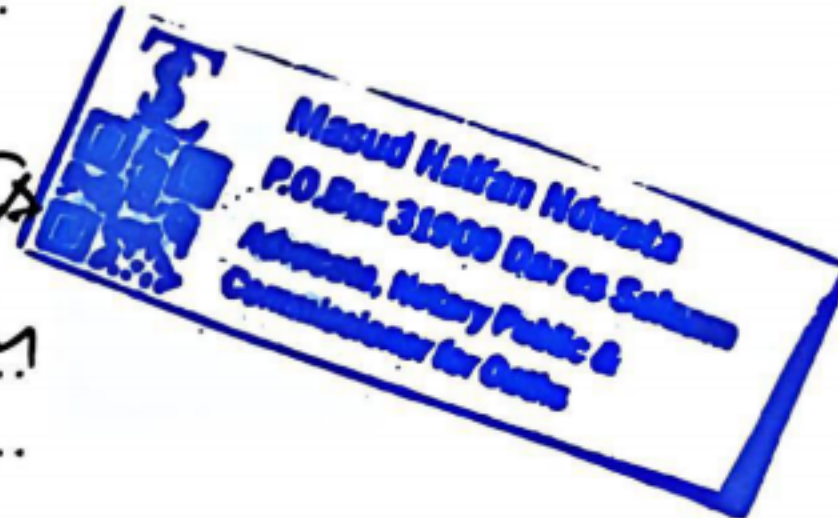
Witness: MASUD HALFAN NDWATA  
Signature: [Signature]  
Address: P.O. Box 31909 DGM  
Qualification: ADVOCATE



**SIGNED and DELIVERED** by the said  
**TANTU CONSTRUCTION LTD**, which is represented  
by \_\_\_\_\_ who is introduced to me  
by **HUANG JING**, latter known to me Personally in my  
Presence, the 22<sup>nd</sup> Sept. 2024

Teng Jie  
**LESSEE**

Witness: MASUD HALFAN NDWATA  
Signature: [Signature]  
Address: P.O. Box 31909 DGM  
Qualification: ADVOCATE



[Signature]

Teng Jie