

INDUSTRIAL LEASE AGREEMENT

THIS AGREEMENT is made this..... day of..... 20.....

BETWEEN

Mr. THANGAVELLU NALLAVAN VALLI of Post Box 77595, DAR ES SALAAM (hereinafter referred to as "LANDLORD") and its successor in title on the other part which expression shall include and extend to persons deriving title under the Landlord its successors and assigns) of one part;

AND

UNION PROSPER STEEL TANZANIA LIMITED of Post Box 4505, DAR ES SALAAM (hereinafter called "The TENANT" which expression shall, where the context so admits, include his successors and assigns in title) of the other part.

WHEREAS the Landlord is desirous of letting to the Tenant the premises more particularly described in clause 1 hereunder and the TENANT is willing to rent such premises on the terms and conditions stipulated hereinafter.

AND THE PARTIES HERETO COVENANT AS FOLLOWS: -

1. DEMISED PREMISES:

IN CONSIDERATION of the rent hereinafter reserved and the landlord DOTH HEREBY LEASE TO the Tenant the industrial at located at: Plot No. 30, 31,32 and 33, Block F with CT No. 15422, 15431, 15432 and 15433, situated at KIGUZI area within MKURANGA District – Coastal Region (hereinafter called "the Demised Premises").

2. TERM:

The term of this Lease shall be sixty (60) months, commencing on 1st January 2026 and expiring on 30th December 2031.

Either party may elect to terminate or renew this Lease by giving six (6) months' written notice prior to the expiry of the contractual period, upon the same or such other terms and conditions as may be agreed in writing.

3. RENT

3.1 Initial Rent

- a) The rent shall be United States Dollars Two Thousand Five Hundred (USD 2,500) per month, exclusive of withholding tax.
- b) Failure, at any time and for whatever reason, to pay the rent for one (1) month shall constitute a material breach, rendering this Agreement liable to termination subject to the default provisions herein.

 Certified as True Copy of the Original
Mwajuma Choggy
Advocate, Notary Public & Commissioner
for Oaths
Sign:
Date: 9/2/26

3.2 Rent Increase

With effect from 1st January 2030, the monthly rent shall increase to **United States Dollars Three Thousand (USD 3,000)** per month.

4. TENANT OBLIGATIONS

4.1 Payment

The Tenant shall:

- a) Pay **twelve (12) months' rent** amounting to **USD 30,000** at the time of signing this Agreement.
- b) Pay rent on the due date without demand into **Account No. 0150980492510**, operated at **CRDB Bank**, in the name of **Mr. Thangavellu Nallavan Valli**.
- c) Pay all other charges lawfully demanded by the Landlord.

4.2 USE:

The Tenant shall comply with the following requirements as to the use of the Demised Property and any part of it.

- a) To use the premises solely for the operation of a **industrial purpose** and for no other purpose without prior written consent from the Landlord.
- b) To keep in tenantable repair the Demised Premises and to reimburse the landlord the cost of any special cleaning necessitated by reason of having allowed the demised premises to become dirty and verminous.
- c) To keep the Demised Premises well and sufficiently cleaned.
- d) Not to store, bring upon the demised premises or building any articles of combustible inflammable or dangerous nature and to comply with all recommendation of fire authorities as to fire precautions relating to the demised premises or building.
- e) Not to commit any waste and in particular to make every effort to reduced consumption of water and electricity wherever possible.
- f) Keep all sewerage pipes, water taps and drains within or serving the premises free from obstruction or blockage;

4.3 UTILITY:

The Tenant shall be responsible for all utility charges including but not limited to *electricity, water, trash disposal, and any other service used in the premises.*

4.4. SUBLEASE AND ASSIGNMENT:

The tenant shall not sublet whole or any part of the demised premises or assign this agreement or part with the possession of the demised premises or any part thereof without the landlord's prior written consent which the landlord has an option of either accept on the same terms and conditions or on different terms and conditions or to refuse in total.

4.5: ACCESS:

To permit the Landlord and his respective agents, workmen with all necessary appliances, at all reasonable times upon the Landlord giving reasonable notice to the Tenant (except in case of emergency) enter into the Demised Premises for the purposes of examining the condition of the Demised Premises or do some repairs, alterations, valuation or the like for the purpose of making the Demised Premises tenantable.

4.6: ALTERATIONS AND IMPROVEMENTS

- a) Tenant is allowed to make structural alterations. However, prior consent must be sought without prior. Any improvements made shall become the property of the Landlord unless otherwise agreed.
- b) Not to make internal or structural alteration, repair, change or to remodel or to make additional improvements shall be conducted in the Demised Premises without the prior written consent of the Landlord, the landlord shall not withheld consent unreasonable. However, if the Tenant cause any damage to demised premises, shall be liable to reimburse the landlord for a damaged done to demised premises, or to the fixtures and fittings. (except for tear and wear)
- c) The tenant shall do routine maintenance, cleaning, and interior repairs.

4.7: NOTICE OF DEFECTS

Upon becoming aware of the same to give notice to the Landlord of any defect in the demised premises which might give rise to an obligation on the Landlord to do or refrain doing any act or thing in order to comply with the provisions of this lease or duty of care imposed on the Landlord pursuant to any law.

4.8 HOLDING OVER

While for any reason the tenant occupies the leased premises and the Landlord disputes its right to do so, then until the dispute is resolved whether by settlement or litigation, the Tenant shall continue to pay an amount equivalent to the total rent provided for in this lease. If the dispute is resolved in favour of the landlord the payments made and received in terms of this lease shall be deemed to be amounts paid by the Tenant on account of damages suffered by the landlord by reason of the unlawful occupation or holding over by the Tenant.

5. THE LANDLORD'S OBLIGATIONS, FORFEITURE AND RIGHT OF ATTACHMENT:

5.1: QUIET ENJOYMENT:

The Tenant paying all the rents hereby reserved in the manner and within the times stipulated, then the Landlord shall not subject the tenant or its servants, officers or employees to any annoyance or nuisances and the tenant shall be entitled to enjoy quiet possession of the Demised Premises.

5.2: INSURANCE:

The Landlord agrees with Tenant (subject to a fair and proportional Contribution.) The Landlord is to keep the Demises Premises insured against fire except for the Tenant's personal property.

5.3: TAX:

To pay all outgoing, taxes, service charges and other charges payable in respect of the demised premises, during subsistence of this lease.

5.4: SERVICE:

- (i) To keep the Demised Premises in good and tenantable repair and condition and remedy any major or structural fault or faults of construction affecting the convenient and proper use of the Demised Premises.
- (ii) The landlord shall take all precautions that shall include installation of the fire extinguisher equipment and the Tenant shall be responsible for maintaining those fire extinguishers equipment's.

5.5. EXCLUSION OF CLAIMS

The Tenant shall have no remedy against the landlord and for any interruption in the supply of water, electricity, or any other service howsoever caused, including but without limiting the generality of the foregoing, any interruption due to any act which is beyond the landlord/ control or omission on the part of the landlord/ if in such case the landlord/ considers it necessary to enable it to exercise its rights under the Lease Agreement

6. DEFAULT AND TERMINATION

6.1 EVENTS OF DEFAULT

The following shall constitute events of default under this Lease Agreement:

a) Failure to Pay Rent:

If the Tenant fails to pay the rent or any other sum due under this Lease within **NINETY (90) days** after it becomes due, and such failure continues for an additional **NINETY (90)days** following written notice from the Landlord.

b) Unauthorized Use of Premises:

If the Tenant uses or permits the use of the Premises for any purpose other than those specifically permitted under this Lease, including but not limited to:

- (i) Operating an unapproved business
- (ii) Conducting illegal or hazardous activities
- (iii) Storage or handling of prohibited materials

c) Breach of Lease Terms:

If the Tenant violates any material term, condition, or obligation under this Lease, including but not limited to:

- (i) Unauthorized structural modifications
- (ii) Non-compliance with local regulations or health codes
- (iii) Subletting or assigning the premises without consent

d) Abandonment of Premises:

If the Tenant vacates or abandons the Premises for a continuous period of **fifteen consecutive days** without prior written notice or continued payment of rent.

e) Insolvency or Bankruptcy:

If the Tenant files for bankruptcy or is declared insolvent, or if a receiver or trustee is appointed to take control of the Tenant's assets or business operations.

6.2 NOTICE OF DEFAULT AND OPPORTUNITY TO CURE

a) Except in cases of emergency, the Landlord shall provide written notice to the Tenant specifying the nature of the default. The Tenant shall have the following timeframes to cure the default:

- i) **Non-payment of Rent: NINETY (90) days** from receipt of notice
- ii) **Other Defaults: Ninety (90) days** from receipt of notice, or a reasonable time if longer is needed and Tenant is making good faith efforts to cure

b) Failure to cure the default within the applicable time period shall entitle the Landlord to pursue remedies.

6.3 Remedies Upon Default

a) If the Tenant fails to cure the default, the Landlord may, at its option:

- (i) **Terminate the Lease** by giving thirty days written notice to the Tenant;
- (ii) **Recover Possession** of the Premises through legal eviction proceedings;
- (iii) **Claim Damages** for:
 - Unpaid rent
 - Costs of repairs and cleanup
 - Legal and collection fees
 - Loss of future rent (subject to laws regarding mitigation of damages)
- (iv) **Apply the Security Deposit** toward any unpaid amounts or damage repair.

6.4 Tenant's Right to Terminate

The Tenant may terminate the lease with prior **[90 days']** written notice if:

- a) The Premises becomes uninhabitable through no fault of the Tenant because of fire or natural disaster.
- b) The Landlord materially breaches any obligation and fails to remedy within **[90 days]** of written notice.

6.5 Survival of Obligations

Termination of this Lease does not release the Tenant from liability for obligations incurred prior to termination, including:

- a) Rent due until the end of the notice period

- b) Costs of damages or cleanup
- c) Any legal fees incurred in enforcing the lease

7. PROVIDED ALWAYS AND IT IS HEREBY DECLARED by the parties to these presents as follows:-

- 7.1. The tenant shall in addition have the right in common with the other tenant in the demised premises having a similar right of using the entrances, landing, courtyard, terraces, passages and corridors.
- 7.2. The provision of this lease may be amended from time to time by the parties and such modifications as the Landlord and Tenant agreement shall be in writing and supplemental to this lease.
- 7.3. This lease may by the consent of both parties be renewed for a similar or other period. The intention to renew may be communicated by either party six months before the expiry of the term
- 7.4. This lease shall be terminated on the expiry of the lease term or If any covenant on the tenant's part herein contained shall not be performed or observed, and the Tenant fails or neglects to rectify such breach within one month, after receiving a written notice from the Landlord specifying the same, then it shall be lawful for the Landlord at any time thereafter to reenter upon the said Demises Premises or any part thereof in the name of the whole and this tenancy agreement shall absolutely determined, but without prejudice to any rights or remedies which may have accrued to either party against the other in respect of antecedent breach of any of the covenants herein contained.
- 7.5. The Tenant shall be responsible to pay for any eviction done, due to his failure to deliver vacant possession after expiration or termination of this lease, including the costs of hiring of Debt Collectors or Court broker and any other related costs.
- 7.6. The monthly rent hereby reserved is liable to be increase or decrease as the case maybe by the Landlord by giving to a Tenant one months' notice.
- 7.7. Any notice to be given under this lease term may be given by sending the same by post, by the quickest mail available, by hand addressed to the party concerned and its last official address as provided in this agreement.
- 7.8. Stamp duty, registration charges and other expenses in connection with the preparation of this lease shall be borne by the tenant.

8 . DISPUTE RESOLUTION

Any dispute arising out of or in connection with this Agreement shall be settled amicably by the Parties failing which the aggrieved Party may take legal action at the Court having jurisdiction to entertain the dispute.

9. GOVERNING LAW

This Lease shall be governed by and construed in accordance with the laws of the United Republic.

IN WITNESS WHERE OF the parties here to have executed these presents in the manner and the date and year herein below appearing.

SEALED and DELIVERED on behalf of the said Mr. THANGAVELLU NALLAVAN VALLI) who is known to me personally/identified to me by _____ the later being known to me personally this ..23'.....day of the month of ...January... the year 2026

[Signature]
LANDLORD

WITNESSED BY:-

Full Name: MWAJUMA CHOGGY

Signature: [Signature]

Postal Address: 78013- DAR ES SALAAM

Designation: ADVOCATE



SIGNED and DELIVERED on behalf of UNION PROSPER STEEL TANZANIA LIMITED who is known to me personally/identified to me by _____ the later being known to me personally this ..23'.....day of the month.. January of the year 2026

[Signature]
TENANT

WITNESSED BY:-

Full Name: MWAJUMA CHOGGY

Signature: [Signature]

Postal Address: 78013- DAR ES SALAAM

Designation: ADVOCATE



Certified as True Copy of the Original
Mwajuma Choggy
Advocate, Notary Public & Commissioner
for Oaths
Sign: [Signature]
Date: 21/1/20