
LEASE AGREEMENT - 2022

I, the undersigned, _____

Identity Number: _____

Student Number: _____

With address number: _____

(hereinafter referred to as "the Lessee")

Hereby offer to let from: _____

Identity Number: _____

With address number: _____

(hereinafter referred to as "the Lessor")

the following premises, namely: _____

(hereinafter referred to as "the premises")

1. **ACCEPTANCE**

This offer shall become a final and binding agreement of lease upon acceptance hereof by the Lessor within thirty (30) days of signature hereof by the Lessee, without the Lessee having to be notified of same, and is irrevocable until then.

2. **COMMENCEMENT AND DURATION**

2.1 This lease shall commence on _____ ("the commencement date") and shall endure until _____ ("the initial period").

2.2 *Notwithstanding 2.1, this lease shall not terminate after the initial period but shall continue to endure thereafter on a month to month basis, subject to the right of

either party to terminate the lease on one calendar month's notice in writing to the other party.

***Delete this clause if not applicable**

- 2.3 *Notwithstanding 2.1, the Lessee shall have the option to renew this lease for a further period of 12 months, provided that it gives the Landlord notice in writing of its intention to so exercise its option, at least two calendar months prior to the expiry of the initial period. Should the Lessee exercise its option as provided for herein, then this lease shall be renewed on the same terms and conditions, save that the monthly rental payable by the Lessee to the Lessor shall be an amount equivalent to that payable in the final month of the initial period, escalated by ___%, and save that such monthly rental shall thereafter escalate on the anniversary date by ___% per annum, and save further that the Lessee shall have no further option to renew. Should the escalation not have been specified in this clause, same shall be reckoned at 10%.

3. **RENT**

- 3.1 The monthly rental payable by the Lessee to the Lessor shall be an amount of R _____ (_____) per month.
- 3.2 The monthly rental referred to in 3.1 is exclusive of Value Added Tax (if applicable).
- 3.3 The monthly rental shall escalate on the anniversary date of this lease by _____% per annum.
- 3.4 Should the escalation not have been specified in 3.3 above, same shall be reckoned at 10%.

4. **ADDITIONAL CHARGES**

- 4.1 The Lessor shall pay all additional amounts, including but not limited to electricity, water, refuse removal, sewerage or other such services supplied to, or consumed on, the premises (if any); any increase in the rates and taxes levied in respect of the premises, or any increase in the levies levied in respect of the premises (if any).

5. **DEPOSIT**

- 5.1 The Lessee shall, on date of its signature hereof, pay to the Lessor an amount of R _____ (_____)

by way of a deposit.

- 5.2 The deposit shall be retained by the Lessor in an interest bearing account as security for the due fulfillment of the Lessee's obligations to the Landlord in terms of this lease.
- 5.3 The Lessor shall be entitled without prejudice to its rights, to appropriate the deposit, and any interest thereon, in whole or in part, towards payment of any amount that may be or become payable by the Lessee to the Lessor in terms of this lease or at law. In such event, the Lessee shall be obliged to reinstate the deposit to its original amount, on demand.
- 5.4 The deposit shall be refunded to the Lessee, together with any interest thereon, less so much thereof as may be appropriated by the Lessor in accordance with the provisions of 5.3, upon the expiry or other termination of this lease, within fourteen (14) days of the Lessee delivering possession of the premises to the Lessor.

6. **LESSEE'S OBLIGATIONS**

- 6.1 The Lessee shall utilize the premises only for residential purposes.
- 6.2 The Lessee shall not utilize the premises improperly not in a manner calculated or likely to cause damage to the premises or to constitute a nuisance to, or an interference with, the use and enjoyment of neighbouring premises or properties.
- 6.3 The Lessee shall comply strictly with, and shall not permit the contravention of:
- 6.3.1 the provisions of any statute, law, ordinance by-law or regulation;
- 6.3.2 the provisions of any conduct rule, house rule or the constitution of any homeowner's association as may be applicable to the premises, or to the use or occupation thereof.
- 6.4 The Lessee shall be obliged to maintain both the interior and exterior of the premises in good order and condition and to return the premises to the Landlord on the expiry or other termination of the lease, in good order and condition, fair wear and tear excepted.
- 6.5 The Lessee shall be obliged to:
- 6.5.1 inspect the premises jointly with the Lessor prior to taking occupation thereof;

6.5.2 notify the Lessor of any defects in the premises within fourteen (14) days of the commencement date, failing which the premises shall be deemed to have been in good order and condition as at the commencement date.

6.6 The Lessee shall not, without the Landlord's prior written consent, make any alterations, improvements or additions to the premises. Any alterations, improvements or additions made to the premises shall become the property of the Landlord and may not be removed from the premises upon the expiry or termination of the lease or at any other time, unless the Lessor so directs in writing, in which event the Lessee shall attend thereto at its cost. The Lessor shall not be obliged to pay any compensation to the Lessee for any alterations, improvements or additions made by the Lessee to the premises.

6.7 The Lessee shall not do or permit to be done, any act or thing which might result in, or constitute a breach of, any insurance policy over the premises, or in the increase of the insurance premiums payable in respect thereof.

6.8 The Lessee shall, for the duration of this lease, insure the contents of the premises, with a reputable insurer, for their full replacement value.

6.9 The Lessee shall not affix, nor permit to be affixed, any sign, advertisement or notice to the premises without the Lessor prior written consent.

6.10 The Lessee shall be obliged to inspect the premises jointly with the Lessor within a period of three (3) days prior to the expiry of the lease.

7. **LESSOR'S RIGHTS**

7.1 The Lessor, and/or any person authorized by him to do so, shall be entitled to enter and to inspect the premises at any reasonable time, on reasonable notice to the Lessee.

7.2 The Lessor shall be entitled to display a "To Let" sign on the premises from two months before the expiry of the initial period.

7.3 The Lessor shall be entitled to display a "For Sale" sign on the premises at any time.

7.4 The Lessee shall be entitled to terminate this lease in the event of the premises being sold.

8. **INDEMNITY**

The Lessee shall not be responsible for, and the Lessee indemnifies the Landlord against all claims arising out of:

- 8.1 Any interruption in any service supplied to the premises;
- 8.2 Any loss or damage to person or property on the premises;
- 8.3 Any unsuitability of the premises for the purposes for which they are let;
- 8.4 Any disrepair of the premises, or a portion thereof, from time to time.

9. **SUBLETTING**

The Lessee shall not cede, nor transfer, nor assign, the lease, nor sublet the premises or any part thereof, nor part with possession of nor permit any other person to occupy the premises, without the Lessor's prior written consent.

10. **BREACH**

10.1 The Lessor shall be entitled, without prejudice to its other or accrued rights, to cancel this lease forthwith in the event that:

10.1.1 The Lessee fails to pay the rental or any other amount due in terms of this lease on due date;

10.1.2 The Lessee breaches any of the other terms or conditions hereof, all of which are material, and fails to remedy same within seven (7) days from date of receipt of written notice calling upon it to rectify such breach;

10.1.3 The Lessee commits an act of insolvency.

10.1.4 There is a transfer of the shareholding or members' interest in the Tenant (if applicable) without the Lessor's prior written consent thereto.

10.1.5 The Lessee being an individual, dies.

10.1.6 The Lessee, being a partnership, dissolves.

10.2 In the event of this lease expiring or otherwise terminating and in the event of the Lessee failing to vacate the premises and to redeliver possession thereof to the Lessor thereupon, the Lessee shall be obliged, for so long as it remains in occupation, to continue to pay to the Landlord an amount equivalent to the rentals and other charges as would have been payable by the Lessee to the Lessor had the lease remained in existence, which amount shall be regarded as damages for holding over.

10.3 Should the Lessee fail to make payment of any rental or other amount payable to the Lessor in terms of this lease on due date, the Landlord shall be entitled,

without prejudice to its rights, to charge interest on such amounts at a rate of 1% above the prime lending rate from time to time of the Standard Bank of South Africa Limited.

11. **CAPACITY OF PARTIES**

Should:

11.1 the Lessee be a company, close corporation, trust or a principal represented herein by an agent, the person/s signing this offer on behalf of the Lessee hereby binds himself/themselves in favour of the Lessor as surety for, and co-principal debtor with, the Lessee for the due and proper discharge of all of the Lessee obligations arising from this agreement.

11.2 this agreement be signed by a person acting in his capacity as a trustee for a company or close corporation to be formed, such person in his personal capacity shall be personally liable as Lessee under this agreement unless the company or close corporation is formed and fully adopts and ratifies the terms of this agreement within thirty (30) days of acceptance hereof by the Lessor and :-

11.2.1 shall until the proposed company or close corporation is formed and fully adopts and verifies this agreement, be and have the rights and obligations of the Lessee hereunder; and

11.2.2 never the less binds himself by his signature hereto as surety and co-principal debtor in solidum, jointly and severally with such company or close corporation in favour of the Lessee, for the due fulfillment of all the obligations of such company or close corporation arising herefrom.

12. **DOMICILIUM CITANDI ET EXECUTANDI**

12.1 The parties hereto respectively choose *domicilia citandi et executandi* at their respective addresses as set out in the preamble hereto for the delivery of all notices and the service of all process arising out of this agreement.

12.2 Any notice delivered by one party to the other at the addressee's *domicilium citandi et executandi*, shall be deemed to have been received by the addressee on the date of delivery.

13. **GENERAL**

- 13.1 This agreement constitutes the entire agreement between the parties and no variation, amendment or cancellation hereof shall be of any force or effect unless reduced to writing and signed by all parties.
- 13.2 In this agreement, words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing business shall include corporate bodies.
- 13.3 The Lessee acknowledges that this offer to let and its consequences have been explained and that it is fully aware of all of the implications hereof.
- 13.4 The Lessor gives no warranty and makes no representations in regard to the premises nor does the Lessor warrant that the premises will be fit for any purpose and the Lessee acknowledges having inspected the premises prior to taking occupation thereof.
- 13.5 A certificate under the hand of the Lessor as to the indebtedness of the Lessee to the Lessor, shall be *prima facie* proof of the Lessee indebtedness to the Lessor.
- 13.6 In the event of any dispute or difference arising between the Parties relating to or arising out this Agreement, including the implementation, execution, interpretation, rectification, termination or cancellation of this Agreement the dispute shall in the first instance be referred for Arbitration to the Arbitration Foundation of Southern Africa (AFSA) in terms of AFSA's Arbitration Rules for the time being force.

14. **SPECIAL CONDITIONS**

THUS DONE AND SIGNED BY THE **LESSEE** ON _____ DAY OF _____ 2022.

AS WITNESSES:

1. _____
_____ FOR AND ON BEHALF OF **LESSEE**

2. _____
_____ FULL NAMES
_____ CAPACITY

THUS DONE AND ACCEPTED BY THE **LESSOR** ON _____ DAY OF _____ 2022.

AS WITNESSES:

1. _____
_____ FOR AND ON BEHALF OF **LESSOR**

2. _____
_____ FULL NAMES
_____ CAPACITY