

CONTRACT OF LEASE

BETWEEN

The William Hofmeyr Family Trust represented by William Andrew Hofmeyr

ID No 5502125101089

Address: 17 Plane Street , Wavecrest , Jeffreys Bay

Cell No: 082 577 6666

(LESSOR)

AND

Dewald Potgieter.....

.....

(LESSEE)

I.D. NO. ...900508 5114080

.....

Present address:.....54 Norfolk Rd , Sherwood 6025

.....

Cell No (s) : ...072 418 6867.....

IN RESPECT OF THE PROPERTY:

3 Ellesmere

Montmedy Road , Lorraine

Port Elizabeth

1. The Lessor hereby lets and the Lessee hires above Premises
2. The tenancy shall be for a period of 12 months, commencing on the 1 st day of September 2024 and terminating at 12 noon on the 31 st day of August 2025

The rent shall be the sum of **R 7 300.00/m** payable monthly in advance **WITHOUT DEDUCTION**, first payment together with the cost in terms of clause 15 on signing of the lease and thereafter on the **FIRST** day of each and every month, failing which the lessor shall have the right to cancel this contract forthwith at his discretion and enter into possession of the property hereby let. **If the rental is received by the Lessor after the first of the month, he reserves the right to charge R150-00 for the additional effort and costs involved, which amount will be deducted off the deposit on termination of the contract.**

Without prejudice to and notwithstanding any other rights the Lessor might have in terms of this Contract, interest shall accrue on any outstanding payments due by the Lessee to the Lessor in terms of this Contract at the rate of **24% (twenty four percent)** compounded monthly in advance from the date that the amount was due to the date of actual payment.

The Lessee may apply to the Lessor for a renewal of this Contract two months before the end of the tenancy. The terms will be renegotiated between the Lessor and the Lessee.

Should the Lessee not enter into a new Contract for a further period and remains on a month-to-month basis, the Lessor and the Lessee agree that the monthly rent will escalate by 7.5% and that all the conditions of this contract will be applicable for the extended period.

3. **TERMINATION OF LEASE.** Should either party to this agreement wish to terminate it at the expiration of this Lease, he shall give two clear calendar months notice to do so, otherwise the tenancy shall be continued on a two monthly basis on the same terms and conditions. Such notice shall be served by the Lessee by registered post not later than 12 noon on the last day of the second last month prior to that during which the property is to be vacated. In the event of the Lessee being permitted by the Lessor or his agents to terminate this Lease before the expiration hereof, the Lessor shall charge a fee for arranging a new tenancy, minimum R100-00, which amount may be deducted from the initial deposit. The Lessee shall vacate the premises before 12 noon on the last day of the notice period. Any notice not given by registered post shall at the discretion of the Lessor be invalid. Any notice required by the Lessor in terms of this lease shall be deemed to have been served if forwarded to the Leased premises by prepaid post. The Lessee chooses as his domicilium citandi et executandi the Leased premises for all purposes in connection with this Lease. If the Lessee cancels the contract any time during the tenancy, the Lessor agrees that the Lessor will be entitled to charge the Lessee a charge of 1 month's rent as a cancellation penalty which amount can be subtracted from the deposit paid by the Lessee to the Lessor.
4. **PAYMENT. All payments will be made by EFT. Should the Lessee deposit the rental into *the Lessor's* banking account, then proof of the deposit slip must be forwarded to the Lessor.**
5. **MAINTENANCE.** The Lessee shall inspect the premises and within seven days of the commencement of this lease, make a written report to the Lessor of the nature of any defects, failing which he shall be deemed to have acknowledged that the premises and its contents and appurtenances are in good repair and condition. The Lessee shall maintain and keep in good repair and condition the inside of the premises and its appurtenance, which shall include all electrical installations, wall plugs, light points, light shades, chandeliers, windows, window catches, water taps, pipes, door handles, door locks, floor or fitted carpets and sanitary appliances, etc. He shall keep the drain free of obstruction. At the expiration of his tenancy, the Lessee shall re-deliver the premises, its contents and appurtenance to the Lessor in a good clean order and condition and shall at his own cost and charge replace any of the aforementioned articles which may be missing, damaged or broken. If, during the currency of the tenancy any repairs or re-painting have to be affected to any portion of the inside of the said premises or to any appurtenance contained therein or any replacements have to be made, it shall be obligatory for the Lessee to bear the cost thereof, **unless the item came to the end of it's normal lifespan**. The Lessor reserves the right to affect such repairs or re-painting at the expense of the Lessee and to reclaim the cost thereof. The Lessee shall be liable for all damage caused by neglect or omission of himself, his family, servants and visitors. No alterations to color scheme from cream or white, or additions or improvements to the leased premises whether structural or otherwise shall be affected by the Lessee without consent in writing of the Lessor. No carpets shall be fitted. Under no circumstances shall the Lessor be liable to compensate the Lessee for any alterations, repairs, improvements or additions to the leased premises. The Lessor shall keep the outside of the property

in good repair. The Lessee shall be responsible for the care and maintenance of the garden and grounds including swimming pools, filter equipment (if applicable), of the property hereby let and shall be obliged to keep all lawns properly cut, hedges trimmed, and bushes and shrubs duly pruned and sprayed at the appropriate season, **excluding the normal functions of the applicable Body Corporate**. Should the Lessee fail to comply with this condition the Lessor shall have the right from time to time to employ a gardening or pool contractor to give effect to have these provisions at the expense of the Lessee.

6. **ACCESS TO PREMISES.** The Lessor, his Agents, intending purchasers or prospective tenants shall have the right of inspection at all times and the Lessor shall have the right without compensation to the Lessee to suspend the operation of any services upon which repairs are being affected, and the Lessor's workmen the right of access during working hours for the purpose of effecting repairs. The Lessee shall at all times during the last three months of his tenancy allow prospective tenants to view the premises and shall also permit "To let" or "For Sale" notices to be affixed and to remain affixed thereto.
7. **DESTRUCTION OF PREMISES.** If the premises or any building of which they form part are destroyed by fire, or the elements, or by any means whatever, with the result that the premises or such building is rendered unfit for occupation, then the tenancy shall terminate upon the happening of that event, and rent shall be payable up to the date. Neither party shall have any claim against the other in respect of such premature termination of the tenancy unless such destruction is due to some act of negligence on the part of the Lessee or any person under his authority, in which case the Lessor shall, notwithstanding anything to the contrary aforesaid, be entitled to all his rights under this Lease and at common law. If the destruction is not sufficiently serious to prevent beneficial occupation of the premises, or any building of which they may form a part, the necessary repairs shall be expeditiously effected and the Lessee shall not have claim against the Lessor for any loss or inconvenience suffered by the Lessee in consequence thereof. The Lessor shall not be responsible for any loss or damage caused to any goods used or stored in the premises hereby let howsoever any such damage or loss shall have been caused. The Lessor shall not be liable for injury to the Lessee or his servants, clients or visitors whilst on the premises irrespective of the cause of such injury.
8. **INSURANCE.** The Lessee of uncontrolled premises shall be required to insure his furniture and other movables contained in the premises hereby let through his own insurance.
9. **RESTRICTIONS ON USE OF PREMISES.** No external T.V. radio or other aerials may be fixed to the building without the owner's written permission. The Lessee shall not use or permit the premises hereby leased to be used for any illegal or improper purposes, nor shall the Lessee or his servants and/ or employees do or permit any act or anything which may be or become any annoyance or cause damage or disturbance to the Lessor or the occupiers of adjoining premises, nor shall the Lessee do any act or anything that may endanger or damage the building of the Lessor or any part thereof, or prejudice the fire insurance thereof. The Lessee shall duly observe al

Municipal and Government laws, rules and regulations and all third-party rights in respect of the premises. The Lessee shall not permit anything to be done to the building nor bring, or keep anything therein which will increase the rate of or affect fire insurance on the building or property kept therein. No sign, advertisement or notice shall be painted, affixed or hung upon any part of the premises without the written approval of the Lessor. No auction sales shall be held on the premises without the written consent of the Lessor or his Agents. No musical instruments, TV or radio shall be played after 11 p.m. except at the discretion of the Lessor. **The premises shall be used as a private residence only and no other activity may be conducted therein without written consent of the Lessor.** No dogs or cats shall be allowed on the premises (unless permitted by the relevant Body Corporate). No more than 4 (four) persons may be residing on the property at any specific time.

10. **SERVICES.** The Lessee agrees to pay for all water, refuse removal, sewerage and service charges where applicable as reckoned by the authorities, and to pay all electricity and telephone accounts, including rental charges, during the period of his tenancy, unless agreed otherwise. The Lessee shall supply and maintain in good order at all times at his own expense a refuse bin as approved by the City Council/ local municipality / Body Corporate. It must be noted that electricity is to be paid for by the Lessee according to the prepaid electricity system. **Water up to 10 KI/Month is included in the monthly rent. Should the consumption be exceeded the Lessee will be required to pay all the additional costs (water and sewage) applicable to exceeding the 10 KL/Month. The additional costs will be informed to the Lessee by the Lessor and payment must be included in the following Month's rental. In addition to the above, the requirements, restrictions and penalties published by the Metro / Municipality during periods of drought etc will be applicable to this property and any penalties payable due to the above will be for the Lessee's account, payment will be required in the month after the demand has been forwarded to the Lessee. The Lessee indemnifies the Lessor against any damages experienced by him as a result of ant failure or interruption of any services to the property.**
In this case it is recorded that the tenant will not be responsible for municipal rates and charges, the condition regarding the exceeding of the 10 KI/m however will be applicable.

11. **INCREASE OF STANDING CHARGES.** If at any time during the course of this lease or any renewal or extension thereof or at any time during which the Lessee remains in occupation of the leased premises the rates and/ or taxes and/ or water and/ or electricity charged and/ or bond interest and/ or levy payable by the Lessor in respect of the property of which the leased premises forms the whole or portion shall be increased, the monthly rental of the leased premises shall be increased proportionally. The proportionate share to be borne by the Lessee shall be that proportion to which the rental of the leased premises bears to the rental of the building as a whole (if applicable), such latter rental to include an amount equivalent to a reasonable rental for any portion and/ or proportion of the building unlet in respect of which rent is not being paid,

12. **BREACH OF CONTRACT.** The Lessor shall not be responsible to the Lessee for the non- observance of the provisions of this Lease by any other tenant. **Any breach by the Lessee of any of the terms or conditions of this Lease shall entitle the Lessor to terminate the Lease forthwith at his discretion.** In the event of such termination, the Lessee shall give up possession immediately as and when required without prejudice to any claim the Lessor may have against the Lessee for rent, damage or otherwise. No concession or any other indulgence that may be granted by the Lessor to the Lessee whether in respect of time for payment of rental or otherwise in regard to the terms and conditions of this Lease, shall be deemed to be a waiver or estoppel of or effect, prejudice or derogate from the rights of the Lessor under this Lease. In the event of the Lessor deeming it necessary to cancel the Lease in terms of this clause the Lessee shall be responsible for the rent of the premises hereby let until such premises shall have been relet to another tenant approved by the Lessor.
13. **SUBLETTING.** Without the consent in writing of the Lessor first had and obtained, the Lessee shall not cede or assign this Lease nor sublet the whole or part of the leased premises nor may any person reside or occupy the whole or part of the leased premises other than the Lessee.
14. **RATES & TAXES.** The Lessor shall pay all Rates and Taxes which may become due and payable on the said property during the term of this lease, with the exception of any rates specially levied upon tenants.
15. **DEPOSIT.** A deposit in the sum of R 7 300.00 shall be paid at the signing of this Lease in respect of damage of the premises, loss of keys and outstanding rental and accounts. Such deposit at the discretion of the Lessor becomes forfeit in the case of breach of contract by the Lessee. The deposit shall be returned at the end of the occupancy of the premises subject to all outstanding accounts related to the premises let, having been paid, and after inspection of the premises by the Lessor, his Agent or the new Lessee. In the event of damage, destruction or loss to the said property, such monies as are deemed necessary to restore the property to a condition acceptable to the Lessor may be withheld. **The Lessee is not permitted to deduct the deposit from the rental due for the final, or any other month.** The Lessor reserves the right to call for an additional deposit to bring the total deposit into line with the monthly rental at any time.
16. **LEGAL COSTS.** In the event of the Lessor instituting action against the Lessee due to the Lessee's default in any of his obligations in terms of this Lease, the Lessee shall be responsible for all legal costs on an Attorney/ Client basis including, but not limited to, the cost of issuing summons, taking judgement, collection commission, correspondence and attendance. The cost of preparing this lease and the stamps thereon shall be paid for by the Lessee.
17. Should the property hereby let be sold to the Lessee, any company in which the Lessee has a beneficial interest, the Lessee's spouse, child or any other member of the Lessee's family during the currency of this lease, any continuation thereof or

renewal thereof or within 6 months of the vacation of the property by the tenant, "..... Estate Agency" shall be entitled to commission calculated on the purchase price according to the tariff of The Institute of Estate Agents of South Africa. Such commission shall be payable by the Lessee. **This clause is not applicable**

18 Should the leased premises not be ready for occupation by the Lessee upon commencement date by reason of:

(a) building operations not having been completed; or

(b) the failure of the previous tenant to vacate; or

(c) any other clause whatsoever; then the Lessee shall have no claim for cancellation of this Lease or damages or other right of action against the Landlord and will take occupation of the Leased premises upon the date upon which it is ready (and which date shall in the event of a dispute be determined by the Landlord's architects whose determination in regard thereto shall be final and binding), subject to a pro rata reduction in rent for the period from the commencement date to the date upon which the premises are ready for occupation. Should the Lessee take occupation of the Leased premises before the commencement date the Lessee shall pay the Landlord a pro rata rental for such period.

THIS WRITTEN LEASE CONSITUTES THE ONLY CONTRACT BETWEEN LESSOR AND LESSEE IN RESPECT OF THE TENANCY OF THE ABOVE PREMISES. NO VARIATION MAY BE MADE UNLESS REDUCED TO WRITING AND SIGNED BY BOTH PARTIES. THE LESSOR SHALL NOT BE BOUND TO THIS LEASE UNTIL AND UNLESS IT SHALL HAVE BEEN SIGNED BY HIM OR HIS AGENTS.

Dated at Port Elizabeth this 15 day of August 2024

Witnesses:

1.

Lessee

Dared at this day of 2024

Witness:

1.

Lessor

ADDITIONAL CLAUSES (if required)

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