



MEMORANDUM OF AGREEMENT OF LEASE

between

_____.

(hereafter referred to as “**Lessor**”)

and

_____.

(hereafter referred to as the “**Lessee**”)

and

_____.

(hereafter referred to as “**The property**”) as let by the Lessor to the Lessee.

1. LEASE

The Lessor lets the Lessee who hires the property on the terms and conditions of this lease for the sole purpose of a residential dwelling.

2. LEASE PERIOD AND RENEWAL

2.1 This lease shall commence on and from _____ and shall terminate on _____.

2.2 If the Lessee wishes to renew the lease the renewal addendum must be agreed upon and signed by both the Lessor and the Lessee. There will be an increase of at least six (6%) percent of the rent. Written notice is required two months prior to the expiry of this lease. This notice must be handed to Channel Estate Agency before the _____.

2.3 Should the rates and/or taxes payable, or the monthly levy, be increased in excess of the normal yearly interest, at any time(s) during the period of this lease or any renewal thereof, the Lessee shall pay a proportion of such increased amount or pro rata, on a monthly basis. This amount is payable by the Lessee on demand, effective from the date of such increase.

3. RENT

The rent is the sum of R _____ (_____) or pro rata thereof, per month payable monthly in advance without any deduction whatever on the first day of each month to Channel or to such place as the Lessor may in writing from time to time direct. If the full rental amount is not paid by the 05 (fifth) day of each month a late payment charge will be levied to cover collection or additional administration costs. This charge is R120.00 or 10% (ten percent) of the rental amount, whichever is the greater amount. This levy is payable to the agent on demand.

4. DEPOSIT

The Lessee shall pay to the Lessor's Agent, Channel Estate Agency ("Channel") a deposit of R _____ (_____) which deposit shall be held in a trust account. The said deposit shall be refunded to him by no less than the 14th (fourteenth) day of the return of all the keys to the Lessor or his agent, unless there are any deductions and or repairs to be carried out. This deposit will be refunded less any damages which may have been caused to the property by the Lessee, who for this purpose hereby authorises the Lessor to utilise such fund as may be necessary for the aforesaid damages, general cleaning, carpet cleaning, upholstery cleaning, painting, door and hinge repairs and for any loss, breakage recovery or other damage to the items listed in the inventory as attached to this lease. The amount for any keys, signed for and not returned to the Lessor on termination of this Lease, will be deducted from the deposit. The deposit will also be used to recover any expenses incurred by the tenant for telephone, electricity and loss of future rental. The Lessor, shall however be entitled in addition thereto to retain so much thereof as may be necessary to liquidate any other indebtedness of the Lessee to the Lessor.

5. LESSEE'S DUTIES

The Lessee shall:-

- 5.1 pay all rentals by the 01 (first) of the month and all charges for telephone services, electricity and water supplied to the property;
- 5.2 not cede or assign the lease;
- 5.3 not sub-let the whole or any part of the property without the prior written consent of the Lessor;
- 5.4 use the property for residential purposes only unless the Lessor's prior written consent to use for other purposes is obtained; and abide to all house and Body Corporate rules;
- 5.5 keep the property and garden in a clean, habitable and tidy condition;
- 5.6 not make structural or other alterations, additions to, or improvements in the property or allow nails, screws or other objects to be driven into the walls or railings without prior written consent of the Lessor;
- 5.7 permit the Lessor or his duly authorised agent to inspect the property at all reasonable times; as well as in the event that the landlord wishes to sell the property during the lease period, or wishes to re-lease the property on expiration of this lease;
- 5.8 not do or allow to be done or fail to do anything which would increase the premia of or vitiate the policies of insurance on the property;
- 5.9 be responsible for all fixtures and fittings, locks, keys, lamp shades, globes and window panes and restore these to the Lessor on termination in good order and repair, fair wear and tear excepted;
- 5.10 be responsible for the maintenance, upkeep, decoration and repair of the interior of the property, including inter alia the windows, carpets and the fittings and fixtures and the inventory attached with the property;
- 5.11 keep and maintain all sewerage pipes, water pipes, guttering and drains free from obstruction and blockage and to remove at his cost any blockage or obstruction therein;

5.12 not allow more than _____ (_____) persons to occupy the property, on a permanent basis, without the Lessor's prior written consent.

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5.13 On termination of this lease return and deliver to the Lessor the property together with all fixtures and fittings and inventory contained therein in proper condition and in the same good order and repair, received by him at the commencement of this lease, except for such fair wear and tear as may have occurred despite the due discharge of his obligations in terms hereof.

5.13.1 The stamp duty, lease fee, all costs and charges in respect of this Agreement shall be born by the Lessee and payable on demand. In the event of the lease being cancelled for any reason whatsoever during the fixed period of the lease, the Lessee shall be liable for all rental owed to the owner and a cancellation fee. The Lessee agrees that this cancellation fee shall be R750.00. The Lessee agrees that this amount is a fair and reasonable charge.

7.13.2 Channel estate agency will post/fax monthly invoices at a cost of R_____ per month, payable by the Lessee.

5.14 The Rental Housing Act requires the Lessor and the Lessee:-

5.14.1 prior to occupation of the premises by the Lessee, to inspect the premises with a view to ascertaining any defects, damage and inventory to the premises. A list of such defects, damage and inventory is attached hereto. Should the Lessee fail to attend the inspection, the premises will be considered to be without defect and in fine condition.

5.14.2 Upon the expiration of the Lease, the Lessor, or his appointed agent, and Lessee must again inspect the premises, within 3 days prior to such expiration, to ascertain any damage to the premises during the period of the Lease. Should the Lessee fail so to meet and inspect, the Lessor may determine the damage without recourse to the Lessee.

5.14.3 The Lessee shall pay Channel Estate Agency the costs of any time spent in respect of carrying out any such obligations or repairs that are necessary to comply with clause 4 of the lease, this rate is: _____ (_____) per hour.

6 LESSOR'S RIGHTS AND DUTIES

The Lessor shall:-

6.1 be entitled personally or by his agent at all reasonable times to inspect the property;

6.2 be entitled at any time during the currency of the lease to require the Lessee to re-instate the property at the Lessee's expense to the same condition as it was at date hereof;

6.3 be responsible for the maintenance and upkeep of the exterior of the property including the walls and the roof;

6.4 forthwith repair any structural defects which appear in the property;

6.5 not be responsible for any damage caused to the Lessee by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever nor shall the Lessor be responsible for any loss or damage which the Lessee may sustain by reason of any act whatsoever or neglect on the part of the Lessor or any of his servants nor shall the Lessor be responsible for any loss or damage which the Lessee may sustain by reason of the premises at any time failing into a defective state of repair or by reason of any repairs to be effected by the Lessor not being effected timeously or at all and the Lessee shall not be entitled for any of the foregoing reasons or any other reason whatsoever to withhold any monies payable by him to the Lessor in terms of this lease.

7 COMMISSION

The Lessor shall pay Channel the commission due per month and the Lessor hereby authorises Channel to deduct such an amount from the monthly rental paid by the Lessee. At the end of the lease, if a renewal is agreed upon, the commission will be due to Channel by the Lessor. In addition the Lessor shall pay Channel a fee for carrying out any tasks necessary, i.e. cleaning, administration and or any other expense required to ensure the forthwith commencement of this Lease. This fee will be deducted from the amount of the monthly rental paid by the Lessee.

8 DESTRUCTION OF THE PROPERTY

In the event of the partial or total destruction of the property or any portion by any cause:-

- 8.1 the Lessor shall be entitled to terminate the lease failing which it shall continue; and
- 8.2 the Lessee shall during the period during which the property or part thereof is unfit for occupation be entitled to a proportionate abatement of rent; and
- 8.3 the Lessor and the Lessee shall have no claim for compensation one against the other unless the destruction be due to the default or negligence of the Lessee, his family, servants or persons occupying the property under him.

9 BREACH

9.1 In the event of:-

- 9.1.1 non-payment of the rent or any portion thereof on its due date; or
- 9.1.2 breach of any other condition of this lease; or
- 9.1.3 the Lessee's insolvency;

the Lessor shall have the right :-

- 9.1.4 to cancel the lease; and
- 9.1.5 to re-enter upon and take possession of the property; and
- 9.1.6 to claim any rent already due; and
- 9.1.7 to claim damages for breach of contract or otherwise

the owner will issue an eviction notice in writing, there will be a seven (7) day notice period.

9.2 If the Lessor cancels this lease and the Lessee disputes the right to cancel and remains in occupation of the property then:-

- 9.2.1 the Lessee shall pending settlement or resolution of any dispute either by negotiation or litigation continue to pay an amount equivalent to the monthly rent provided for in this lease monthly in advance on the first day of each month; and

9.2.2 the Lessor shall be entitled to accept and recover such payment the acceptance of which shall be without prejudice to and shall not in any way affect the Lessor's claim to cancellation then in dispute; and

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9.2.3 if the dispute is resolved in favour of the Lessor the payments made and received in terms of this clause shall be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the cancellation of this lease and / or the unlawful holding over the Lessee.

10 WAIVERS AND VARIATIONS

10.1 Any relaxation, indulgence or waiver which the Lessor or his agent may grant to the Lessee or any condonation by the Lessor of any breach of the terms of this lease shall not become binding on the Lessor who shall at all times be entitled to claim due and prompt performance by the Lessee of all the Lessee's obligations.

10.2 No variation of the terms of this lease shall be of any effect unless reduced to writing and signed by the Lessor and Lessee or their agents.

11 NOTICES AND DOMICILIUM

11.1 Any notice required to be given in terms of this memorandum shall be deemed to have been validly given if sent by pre-paid registered letter to or left at the address chosen for domicilium citandi et executandi in terms of paragraph 12.2.

11.2 Domicilium citandi et executandi is chosen :-

11.2.1 by the Lessor at _____

11.2.2 by the Lessee at the property.

12 IMPROVEMENTS

On termination of this agreement of lease for whatsoever reasons, all improvements made by the Lessee shall become the property of the Lessor, who need not pay any compensation for such improvements. Only improvements effected by the Lessee which are moveable and which are not attachments may be removed by him.

13 LESSOR'S RIGHTS OF SALE OR REFURBISHMENT

Notwithstanding anything to the contrary contained in this lease the Lessor will have the right to terminate this lease on sixty (60) calendar days written notice to the Lessee in the event of:

13.1 The Lessor selling the property

13.2 The Lessor wishing to refurbish or make alterations to the property.

SIGNED BY THE LESSOR OR THE DULY AUTHORISED AGENT IN CAPE TOWN, ON THE _____ DAY OF _____ 200____ .

AS WITNESSES :

1. _____.

CHANNEL ESTATE AGENCY AS AGENTS
FOR THE LESSOR

2. _____.

SIGNED AND WITNESSED AT _____ ON THIS _____ DAY
OF _____ 200____ .

AS WITNESSES:

1. _____.

LESSEE

2. _____.