



MEMORANDUM OF AGREEMENT OF LEASE

between

_____.
 (hereafter referred to as “Landlord”)
 and

_____.
 (hereafter referred to as the “Tenant”)
 and

_____.
 (hereafter referred to as “**The property**”) as let by the Landlord to the Tenant.
 And

Parking Bay / Garage _____.

1. LEASE

The Landlord lets to the Tenant 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 Option to continue the lease after it ends. If the lease is not cancelled by either the Landlord or the Tenant before the lease ends, the lease will automatically continue on a month to month basis and will need at least 20 (twenty) business days from the Tenant or the Landlord to end the lease.

The Landlord or his Agent will notify the Tenant not more than 80 (eighty) and not less than 40 (forty) business days before the lease period ends and inform the Tenant of the following by way of a letter stating the following:

- 2.2.1 The date the lease period ends;
- 2.2.2 The changes that will apply if the lease period is renewed or which continues on a month to month basis and attach those changes to the letter;
- 2.2.3 Any material changes to the lease that will apply to such an automatic renewal;

2.3 The Landlord shall pay all rates and taxes payable, and/or the monthly levies, in respect, they are increased in excess of the normal yearly interest, at any time(s) during the period of this lease or any renewal thereof, the Tenant shall pay a proportion of such increased amount or pro rata, on a monthly basis. This amount is payable by the Tenant on demand, effective from the date of such increase. This does not apply to special levies.

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 Accommodation or to such place as the Landlord may in writing from time to time direct. If the full rental amount is not paid by the 01 (first) day of each month a late payment charge will be levied to cover collection or additional administration costs. If the Tenant pays in cash, he or she shall be liable for cash handling fees of 2%. This fee is payable to the agent on demand.

4. DEPOSIT

The Tenant shall pay to the Landlord's Agent, Channel Accommodation ("Channel") a deposit of R _____ (_____) which deposit shall be held in a trust account. The said deposit shall be refunded to him in no less than 14 (fourteen) days of the return of all the keys to the Landlord 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 Tenant, who for this purpose hereby authorises the Landlord 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 Landlord will be entitled to restore the property to the same good order and condition, including the garden and the pool at the commencement date, fair wear and tear excepted. The amount for any keys signed for and not returned to the Landlord 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 or commissions. The Landlord, shall however be entitled in addition thereto to retain so much thereof as may be necessary to liquidate any other indebtedness of the Tenant to the Landlord and or his Agent.

The Tenant shall not under any circumstances be entitled in the final month of the tenancy to withhold payment of the rent or any portion of the rent for the final month and set off such payment against any deposit which the Tenant may have paid in terms of this lease.

5. TENANT'S DUTIES

The Tenant shall:-

- 5.1 pay all rentals by the 01 (first) of the month and all charges for electricity, sewerage, refuse, water plus any services due for the use of the property or 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 Landlord;
- 5.4 use the property for residential purposes only unless the Landlord'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 Landlord;
- 5.7 permit the Landlord 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 Landlord 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 Landlord's prior written consent.
- 5.13 On termination of this lease return and deliver to the Landlord 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 lease fee, all costs and charges in respect of this agreement shall be borne by the Tenant and payable on demand.
- 5.14 The Rental Housing Act requires the Landlord and the Tenant:-
- 5.14.1 prior to occupation of the premises by the Tenant, 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 Tenant 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 Landlord, or his appointed agent, and Tenant 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 Tenant fail so to meet and inspect, the Landlord may determine the damage without recourse to the Tenant.
- 5.14.3 The Tenant and Landlord shall pay Channel Accommodation 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. LANDLORD'S RIGHTS AND DUTIES

The Landlord 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 tenant to re-instate the property at the Tenant'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 Tenant by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever nor shall the Landlord be responsible for any loss or damage which the Tenant may sustain by reason of any act whatsoever or neglect on the part of the Landlord or any of this servants nor shall the Landlord be responsible for any loss or damage which the Tenant may sustain by reason of the premises at any time falling into a defective state of repair or by reason of any repairs to be effected by the Landlord not being effected timeously or at all and the Tenant shall not be entitled for any of the foregoing reasons or any other reason whatsoever to withhold any monies payable by him to the Landlord in terms of this lease.

7. COMMISSION

The Landlord shall pay Channel Accommodation the commission due per month and the Landlord hereby authorises Channel to deduct such an amount from the monthly rental paid by the Tenant. At the end of the lease, if a renewal is agreed upon, the commission will be due to Channel by the Landlord. The Landlord is not entitled to enter into a lease with this tenancy or any other party relating to this tenancy without an agreement with Channel. In addition the Landlord 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 and ensure the continuation of this lease. This fee will be deducted from the amount of the monthly rental paid by the lessee.

Cause and effect: Should the Tenant and the Landlord conclude a sale agreement then Channel Accommodation will be deemed the effective cause of the sale and commission at the recommended tariff rate to Channel will be applicable.

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 Landlord shall be entitled to terminate the lease failing which it shall continue; and

8.2 the Tenant 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 Landlord and the Tenant shall have no claim for compensation one against the other unless the destruction be due to the default or negligence of the Tenant, 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 Tenant's insolvency;

the Landlord 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 Landlord cancels this lease and the Tenant disputes the right to cancel and remains in occupation of the property then:-

9.2.1 the Tenant 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 Landlord 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 Landlord's claim to cancellation then in dispute; and

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

10. WAIVERS AND VARIATIONS

10.1 Any relaxation, indulgence or waiver which the Landlord or his agent may grant to the Tenant or any condonation by the Landlord of any breach of the terms of this lease shall not become binding on the Landlord who shall at all times be entitled to claim due and prompt performance by the Tenant of all the Tenant'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 Landlord and Tenant 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 11.2.

11.2 Domicilium citandi et executandi is chosen :-

11.2.1 by the Landlord at

11.2.2 by the Tenant at the property.

12. IMPROVEMENTS

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

13. THE TENANTS RIGHT TO CANCEL THE LEASE AND REASONABLE CANCELLATION PENALTIES DUE TO LANDLORDS AND AGENT

13.1 The Tenant retains the right to cancel the lease as stated in 2 unless the Tenant tells the Landlord that the Tenant does not want the lease to continue or agrees to the lease being renewed for a further lease period and which the Tenant must let the Landlord know, not less than 20 (twenty) business days before the lease period ends.

13.2 If the Tenant cancels the lease with the Landlord at any time during the lease, by giving the Landlord 20 (twenty) business days notice, the Landlord will be entitled to charge the Tenant a maximum charge of 2 (two) months of the rent, that is payable at the time of the Tenant cancelling the lease and which the Tenant agrees is a fair and reasonable cancellation penalty.

13.3 In the event that the agent or Landlord by acting diligently, is able to find another suitable Tenant or to enter into a new lease, which is equal to or longer than the remaining period of the cancelled lease and does so within a period of time before the next months rental would be due and payable the Tenant will only have to pay the sum of R1000 to cover administration and advertising costs incurred and agent commission due (if any) to the agent.

NOTE: the advertising costs and commission cannot be more than the reasonable cancellation penalty agreed to in 13.2

SIGNED BY THE LANDLORD OR THE DULY AUTHORISED AGENT IN CAPE TOWN, ON THE _____ DAY OF _____ 201____ .

AS WITNESSES :

1. _____.

**CHANNEL ESTATE AGENCY AS AGENTS
FOR THE LANDLORD**

2. _____.

**SIGNED AND WITNESSED AT _____ ON THIS _____ DAY
OF _____ 201____ .**

AS WITNESSES:

1. _____.

TENANT

2. _____.