

# POLICY: UNIFORM RENTAL FOR METRO-OWNED PROPERTIES

Item A-CL (47-2004)  
CM 27/01/2005

REVISION OF RENTAL AMOUNTS FOR METRO-OWNED PROPERTIES  
EXCLUDING SPORT FACILITIES AND HOUSING

## RESOLVED:

1. **That** the contents of the report regarding the escalation of rental for the leasing of Council-owned properties in terms of the uniform rental policy **BE NOTED**.
2. **That** the rental to lease Council-owned properties for the period 01 February 2005 to 30 June 2006 **BE DETERMINED** as follows:
  - (a) That all applications to lease/purchase Council-owned properties be done on the application form attached to the report as **Annexure "A"** with effect from 1 February 2005.
  - (b) The rental be approved as follows:

PROPERTY	RENTAL
(i) Agricultural land for farming purposes	10% of municipal valuation plus assessment rates per annum
(ii) Encroachments onto road reserves and parks by adjacent owners for gardening or erection of a fence	<b>R165,00</b> per 100 m <sup>2</sup> or portion thereof per annum, subject to the condition that only one exit/entrance be allowed to the property and a 1,5m distance between any kerb and fence be left open for pedestrians
(iii) Land for open storage	10% of municipal valuation plus assessment rates per annum
(iv) Land for parking	10% of municipal valuation plus assessment rates per annum
(v) Placing of postal boxes	<b>R165,00</b> per unit per annum
(vi) Sanitary lanes	<b>R165,00</b> per 100m <sup>2</sup> or portion thereof per annum
(vii) Land leased by schools for play- and sport-grounds	<b>R165,00</b> per annum
(viii) Land leased by organisations for community purposes (non-profit purposes)	<b>R165,00</b> per annum
(ix) Offices leased by community organisations (non-profit purposes)	<b>R165,00</b> per annum
(x) Kiosks	10% of municipal valuation plus assessment rates per annum
(xi) Properties leased to government institutions	Market-related rental
(xii) Business premises	10% of Municipal Valuations (Land plus improvements) plus assessment rates,

	payable monthly. If it is a complex with more than one business, the same formula mentioned in (i) above be applied but the rental be divided pro-rata based on square meterage of the building occupied by the Lessees
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3. That the rentals in (2) above **BE REVIEWED** annually, after 30 June 2006.

Item A-CL (44-2003)  
MC 27.11.2003

**UNIFORM RENTAL POLICY FOR METRO-OWNED PROPERTIES EXCLUDING  
SPORT FACILITIES AND HOUSING**

**RESOLVED:**

1. That the contents of the report regarding the determination of an Uniform Policy to lease Council properties, **BE NOTED**.
2. That the Policy for Lease of Council Property **BE DETERMINED** as follows:
  - (a) Applicants wishing to lease property(ies) from the Ekurhuleni Metropolitan Municipality complete the application form attached to the report as Annexure "D".
  - (b) The rental be approved as follows:

<b>PROPERTY</b>	<b>RENTAL</b>
(i) agricultural land for farming purposes	10% of municipal valuation plus assessment rates per annum
(ii) encroachments onto road reserves and parks by adjacent owners for gardening or erection of a fence.	<b>R150,00</b> per 100 m <sup>2</sup> or portion thereof per annum, subject to the condition that only one exit/entrance be allowed to the property and a 1,5 m distance between any kerb and fence be left open for pedestrians.
(iii) land for open storage	10% of municipal valuation plus assessment rates per annum
(iv) land for parking	10% of municipal valuation plus assessment rates per annum
(v) placing of postal boxes	<b>R150,00</b> per unit per annum
(vi) sanitary lanes	<b>R150,00</b> per 100 m <sup>2</sup> or portion thereof per annum
(vii) land leased by schools for play- and sports grounds	<b>R150,00</b> per annum
(viii) land leased by organisations for community purposes(non-profit purposes)	<b>R150,00</b> per annum
(ix) offices leased by community organisations (non-profit purposes)	<b>R150,00</b> per annum
(x) kiosks	10% of municipal valuation plus assessment rates per annum
(xi) properties leased to government institutions	market related rental
(xii) business premises	10% of Municipal Valuations (Land plus improvements) plus assessment rates, per month. If it is a complex with more than one business, the same formula mentioned in (i) above be applied but the rental be divided pro-

	rata based on square meterage of the building occupied by the Lessees.
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- (c) Lessees be liable for payment of municipal services used by it.
  - (d) Assessment rates be payable by the lessee, if applicable.
  - (e) Lessees be responsible for the daily cleaning of the leased property and surrounding premises to keep same in a neat and tidy state, as well as the maintenance of the interior of buildings/offices while the Metro be responsible for the maintenance of the structure and exterior of the building.
  - (f) Lessees of "old" buildings acknowledge that it leases such building "as is" and undertake not to expect the Ekurhuleni Metropolitan Municipality to upgrade the building.
  - (g) All existing lease agreements be honoured until date of expiry but on renewal thereof the new rental policy be applicable.
  - (h) All leases be for a period of five years subject to application for renewal, except where the Corporate Affairs Committee specifically resolved otherwise.
  - (i) The rental escalate with 10% per annum.
  - (j) Should the above-mentioned prospective lessee of the property referred to above fail to enter into the necessary lease agreement within a period of two months from the date on which the lease agreement was forwarded by the Council to the prospective lessee, the resolution of the Council relating to the proposed leasing of the said property shall be deemed as having been rescinded and any offer made in terms of such resolution on behalf of the Council shall lapse without further notice: Provided that the lessee shall be advised of this resolution when the draft lease agreement is submitted to the prospective lessee.
  - (k) The standard lease agreements attached to the report as Annexures "E", "G" and
  - (l) Applications to lease crèches and "old" buildings be submitted by means of a report for consideration.
  - (m) All lessees' attention be specifically drawn to the prohibition in respect of sub-leasing.
3. **That** the nominal rentals in (2) above **BE REVIEWED** annually.

**EKURHULENI METROPOLITAN MUNICIPALITY**  
**APPLICATION FORM TO PURCHASE/LEASE PROPERTY**

**Name of Applicant (s):** \_\_\_\_\_

(in case of legal person authority to act to be attached) / Details of all shareholders/Partners/Members/trustees to be given)

**Physical Address:** \_\_\_\_\_

**Postal Address:** \_\_\_\_\_

**Date of Application:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_ **Telephone Number:** \_\_\_\_\_

**Cellphone Number:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**RE: APPLICATION TO PURCHASE/LEASE:** \_\_\_\_\_

The above matter, refers.

An application is herein made to purchase/lease from Council the abovementioned property for \_\_\_\_\_ purposes.

A locality plan clearly indicating the property which is the subject of this application is attached hereto. The following offer of R \_\_\_\_\_

(amount in words) \_\_\_\_\_ is made in pursuance of this application to acquire the said property. An undertaking is further made to incur all cost that are incidental to the application herein lodged.

Kindly advise on the acceptability of this application.

Yours faithfully

\_\_\_\_\_  
**APPLICANT (S)**



**APPLICATION TO LEASE PROPERTY**

NAME OF CUSTOMER CARE CENTRE \_\_\_\_\_  
POSTAL ADDRESS \_\_\_\_\_  
TEL NO \_\_\_\_\_ FAX NO \_\_\_\_\_

**SECTION A  
PARTICULARS OF PROPERTY TO BE LEASED**

Description of property \_\_\_\_\_  
Street Address \_\_\_\_\_  
Suburb \_\_\_\_\_  
Proposed use \_\_\_\_\_  
Motivation for proposed use \_\_\_\_\_  
Extent needed \_\_\_\_\_  
Required lease period \_\_\_\_\_

**SECTION B**

To be completed by **“natural persons”** \_\_\_\_\_  
Full name and surname \_\_\_\_\_  
Identity number \_\_\_\_\_  
Residential address \_\_\_\_\_  
Postal address \_\_\_\_\_  
(Postal code) \_\_\_\_\_  
Telephone numbers \_\_\_\_\_

**SECTION C**

To be completed by **businesses/schools/organisations etc.**

Name

Registration number

Full name and surname of  
person authorised to sign  
documents

Street address

Postal address

(Postal code)

Telephone numbers

**SECTION D**

Please give details of any property(ies) already leased from the Ekurhuleni Metropolitan Municipality

**MASTER COPY !!! PLEASE CREATE OWN REFERENCE NUMBER**  
**BUILDINGS/OFFICES/ SHOPS/KIOSKS**

**DEED OF LEASE**

**MADE AND ENTERED INTO BY AND BETWEEN THE**

**EKURHULENI METROPOLITAN MUNICIPALITY**

Herein represented by Thomas Willem Peeters in his capacity as Executive Director: Legal and Corporate Services, duly authorised hereto by a resolution of the **COUNCIL** of the said Municipality dated **28 NOVEMBER 2002** and further delegated in terms of said resolution. (Hereinafter referred to as the **METRO**); and

.....  
.....  
I.D.....  
(hereinafter referred to as the **LESSEE**).

OR

If the **LESSEE** is not a natural person :

.....  
herein represented by .....  
in his/her/their capacity as .....  
duly authorised hereto by a resolution passed by the aforementioned  
..... dated ..... a copy of which is attached  
as Annexure "A".  
(hereinafter referred to as the **LESSEE**).

**1. PREMISES**

The **METRO** hereby lets to the **LESSEE** who hires from the **METRO** :

..... situated on ....., approximately ..... m<sup>2</sup> in  
extent, as indicated on the plan annexed as annexure "B"; (hereinafter referred to as the **PREMISES**)

**2. DURATION**

The lease commences on ..... and continues for a period of  
..... and terminates on .....

### 3. CANCELLATION CLAUSE

Both the **METRO** and the **LESSEE** shall have the right during the currency of this lease to terminate it by giving the other party to this lease at least one (1) calendar month's prior written notice of termination.

### 4. RENTAL

- 4.1 The rental payable in respect of the premises shall be R.....  
(.....) (Vat included) per month;
- 4.2 Payment of the rental provided for in 5.1 shall be made as follows :
- 4.2.1 The first payment will be made on date of signature of this agreement and thereupon as stipulated hereunder;
- 4.2.2 In cash free of exchange and without deduction;
- 4.2.3 On or before the first day of every calendar month commencing on.....;
- 4.2.4 To the **METRO** at the Chief Financial Officer at the ..... Service Delivery Centre or at such other place as the **METRO** may notify the **LESSEE** in writing from time to time.

### 5. USE OF PREMISES

- 5.1 The **PREMISES** shall be used for the purpose of ..... and purposes allied thereto and shall not be used for any other purpose save with the written consent of the **METRO**, which consent shall not be unreasonably withheld;
- 5.2 The **LESSEE** shall conduct its activities in the leased **PREMISES** in conformity with the existing municipal By-laws, regulations, government ordinances and statutes and with any other laws which may be promulgated at any time in the future relating to the **LESSEE'S** activities and the **LESSEE** shall be obliged to comply with the requirements of municipal and other authorities in connection with such activities from time to time;
- 5.3 The **LESSEE** shall not do or suffer or permit any act, matter or thing to be done in and about the **PREMISES** which might in any way constitute a nuisance, hindrance or disturbance or source of annoyance to the **METRO** or neighbouring occupiers;
- 5.4 This lease is furthermore subject to all the terms, conditions and restrictions set forth in the original and subsequent Deeds of Transfer of the property on which the leased **PREMISES** are situated;
- 5.5 The **LESSEE** :
- 5.5.1 shall not use any apparatus or carry on any trade or keep any combustibles or goods on the **PREMISES** which will vitiate or endanger the **METRO'S** fire policy covering the **PREMISES**, and
- 5.5.2 binds itself to pay and make good to the **METRO** any increase in its fire insurance premiums resulting from the carrying on of any trade or process or the keeping of any combustible or hazardous goods on the **PREMISES**.
- 5.5.3 shall provide/install all equipment, apparatus and signs required in terms of any directive, by-law, regulation, ordinance and/or statute in order to comply with fire safety principles.
- 5.5.4 Notwithstanding anything to the contrary in this agreement, the **LESSEE** shall have no permanent right, servitude or any other rights against the **METRO**.

### 6. SUITABILITY OF THE PREMISES

The **METRO** does not guarantee that the **PREMISES** is suitable for the purpose as referred to in clause (6.1) and will not be responsible for any reparation or alteration to the **PREMISES**.



## 7. MAINTENANCE

- 7.1 Within 7 (seven) days from the date of signing this lease the **LESSEE** shall be obliged to notify the **METRO** in writing of any deficiencies which may exist in the **PREMISES** and all appurtenances therein or thereon, and
- 7.1.1 failing such notice the **LESSEE** shall be deemed to have acknowledged that it has received all the same and the premises generally in good order and condition.
- 7.2 The **LESSEE** undertakes,
- 7.2.1 to care for and maintain the premises and appurtenances mentioned in 8.1 in the same good order and conditions in which it was received throughout the continuance of this lease and to return and redeliver the same to the **METRO** in like good order and condition, fair wear and tear excepted, and
- 7.2.2 to make good and repair, at the **LESSEE'S** own cost and charges any damage, breakage or alternatively to reimburse the **METRO** for the cost of replacing, repairing or making good same, and
- 7.2.3 to keep and maintain all sewerage pipes, water pipes, guttering and drains free from obstructions and blockage.
- 7.2.4 The **LESSEE** shall be responsible for and make good any damage to the **PREMISES** caused by burglars or other like unauthorised persons.
- 7.2.5 The **LESSEE** shall be responsible for the maintenance of the exterior including the roof of the **PREMISES**;
- 7.2.6 The **LESSEE** shall be responsible for the maintenance of the interior of the **PREMISES**;
- 7.2.7 The **LESSEE** shall not without the written consent of the **METRO** suspend any article from any part of the roof, including the beams and trusses of the **PREMISES**.
- 7.2.8 THE **LESSEE** undertakes to remedy any defect, damage or loss for which it is liable in terms of this agreement forthwith upon discovery thereof and the **METRO** shall be entitled to repair any damage or replace any article for which the **LESSEE** is liable in terms of this agreement, should the **LESSEE** fail to do so, and to recover from the **LESSEE** the costs thereof.
- 7.2.9 The **LESSEE** shall not interfere with, remove or damage any of the equipment, fixtures, fittings or articles belonging to the **METRO** in or on the **PREMISES** and shall take all reasonable precautions to prevent or negligent loss or damage to the said equipment, fixtures, fittings and articles.
- 7.2.10 All signboards, signs or neon signs shall, if so required by the **METRO**, be removed by the **LESSEE**, upon the expiration or earlier termination of this lease and any damage caused to the **PREMISES** or the building as a result of such removal shall be made good by the **LESSEE** at its expense;
- 7.2.11 The **METRO** or its agent/s shall be entitled at all times to enter upon the **PREMISES** to inspect the condition thereof and with its workmen, agents and others to execute such repairs and renovations to the premises, both external and internal, as shall be compatible with the proper repair and maintenance of the premises.
- 7.2.12 The **LESSEE** shall be liable for damages in respect of loss of rentals by the **METRO** during such period as may be required to repair or renovate the **PREMISES** due to damage or neglect on the part of the **LESSEE**; such damages to be equal to rentals payable by the **LESSEE**, immediately prior to the termination of this agreement, calculated monthly up to the end of the month during which the repairs or renovations are carried out.

## 8. IMPROVEMENTS

- 8.1 The **LESSEE** shall not make any structural alterations whatsoever in, or additions to, the leased **PREMISES** without the written consent of the **METRO** first being had and obtained;
- 8.2 The **METRO** shall not be under any obligation whatsoever to provide any fire fighting or fire prevention equipment on the **PREMISES** or undertake any repairs, maintenance or alterations of any nature to the **PREMISES** to comply with the requirements of any licensing authority, health official, factories inspector or any other official or authority, but the **METRO** shall not unreasonably withhold its consent to the carrying out by the **LESSEE** at its own costs and expense of any such work, maintenance, alterations or repairs.
- 8.3 The **METRO** shall be entitled to require that all alterations, repairs or maintenance carried out in terms of 8.1 and 8.2 shall be effected by a builder under the supervision of the **METRO**, and such alterations, repairs or maintenance shall in all cases be executed to the satisfaction of the **METRO**.
- 8.4 The **LESSEE** shall not be entitled to any compensation for any work or improvements effected by it in pursuance of 8.1 or 8.2;
- 8.5 In the event of the **METRO** electing to make any alterations or additions to the building wherein the leased **PREMISES** are situated during the currency of this lease it shall be entitled to do so without let or hindrance from the **LESSEE**; and
- 8.5.1. it shall be entitled to erect such scaffolding or pillars as may be considered necessary for the purpose of such rebuilding or alterations and additions, and
- 8.5.2. the **LESSEE** hereby expressly waives any claim which it may otherwise have enjoyed to restrain the **METRO** or to claim damages from it as a result of any damage or loss of trade that it may sustain as a result of such rebuilding operations, and
- 8.5.3. the **METRO** undertakes to minimise to the utmost extent any possible inconvenience to the **LESSEE** in the conduct of its business, and
- 8.5.4. the **LESSEE** shall be entitled to a remission of rental in respect of any period during which the **LESSEE** is deprived of the beneficial use of the premises on account of any alterations or rebuilding activities in terms of 8.5;
- 8.6 The **METRO** shall not be responsible for the installation of electrical tubing, wiring, lighting, switch gear or any other electrical installations or appurtenances in the **PREMISES**;
- 8.7 No installations or improvements of whatever nature by the **LESSEE** save only machinery and plant and other equipment of the nature of machinery and plant and no electrical wiring, tubing or switch gear shall without the prior written consent of the **METRO** be removed by the **LESSEE** at the termination of this lease, however terminated and shall become the property of the **METRO** who shall not be obliged to compensate the **LESSEE** therefore;
- 8.8 In so far as concerns the removal of any articles which the **LESSEE** is entitled to remove, the **LESSEE** shall be obliged to make good or alternatively pay to the **METRO** the cost of making good any damage or disfigurement to the **METRO'S** property occasioned by such removal.
- 8.9 All alterations and improvements made with the consent of the **METRO**, by the **LESSEE** will be :
- 8.9.1 for the cost of the **LESSEE**
- 8.9.2 if required by the **METRO**, under the supervision of a suitably qualified, registered professional person (approved by the **METRO**) whose fees must be paid by the **LESSEE**.

## 9. MUNICIPAL CHARGES

- 9.1 The **METRO** shall be responsible for and pay all municipal assessment rates charges levied by the municipal authorities in respect of the **PREMISES**;
- 9.2 The **LESSEE** shall be responsible for and pay promptly when due all other municipal charges levied in respect of the **PREMISES** for electricity, water, sewerage and refuse removals, and all other charges not provided for in 9.1. The **LESSEE** shall make this payment directly to the Local Authority.

## 10. INSURANCE

- 10.1 The **LESSEE** shall repay the **METRO** all cost by the **METRO** to ensure the **PREMISES** against destruction, loss of rent or public liability made during the duration of the agreement;
- 10.2 The **LESSEE** shall repay the cost to the **METRO** where and when called.

## 11. SUB-LEASE

The **LESSEE** shall not be entitled to sub-let the premises or any part thereof nor assign, cede or transfer its interest under this lease nor part with possession of the **PREMISES** to any other party or body, without the written consent of the **METRO** first being had and obtained, which consent shall not be unreasonably withheld, provided that,

- 11.1 in the event of the **METRO** consenting to the sub-letting of the **PREMISES**, the sub-tenant shall be bound to pay the rentals direct to the **METRO**, who for the purpose of this clause be deemed to be the duly authorised agent of the **LESSEE**, and
- 11.2 the **LESSEE** shall in no way be relieved of its obligations to the **METRO** under this lease by reason of any sub-lease.

## 12. DESTRUCTION BY FIRE

Should the **PREMISES** be destroyed by fire during the continuance of this lease in such manner as to render the same untenable,

- 12.1 this lease shall not thereby be terminated automatically, but
- 12.2 the **METRO** shall be obliged to notify the **LESSEE** in writing within 14 (fourteen) days of the date of such fire whether or not it intends to reinstate the **PREMISES**, and
- 12.2.1 only failing such notice within the time specified shall the **LESSEE** be entitled forthwith to terminate the lease, provided that
- 12.2.2 in the event of the **METRO** giving notice in terms of 12.2 this lease shall continue for the unexpired period thereof, if any, and provided further that
- 12.2.3 the **LESSEE** shall be entitled to a remission of rental for the period of non-beneficial occupation, and
- 12.2.4 in the event, that rebuilding of the premises is not completed within 30 (thirty) days from the date of the fire, the **LESSEE** at its option shall be entitled to declare this lease terminated and neither party shall then have any claim of whatever nature against the other save for claims accruing to the date of the fire.

## 13. NON-LIABILITY

- 14.1 Neither the **METRO** nor any persons acting with its authority shall be liable in any way to any persons whatsoever
- 14.1.1 on account of personal injury to or the death of the **LESSEE** or any of the **LESSEE'S** employees or any other persons occupying the leased **PREMISES** with the leave and

licence of the **LESSEE** arising out of any defect in the leased **PREMISES** or equipment in the **PREMISES** contained, or

14.1.2 for any damage or loss caused to the goods and property of the **LESSEE** or its employees or to the goods and property of any other persons occupying the leased **PREMISES** or owing to leakages or to the elements such as rain, wind, hail or lightning, or due to the leased premises falling into disrepair or particulars repairs thereto not having been effected, or

14.1.3 for any damage whatsoever which the **LESSEE** or any of its employees or any other persons occupying the premises with the leave and licence of the **LESSEE** may sustain arising out of flood, fire, riots, strikes, civil commotion, burglars, the enemies of the state and the like.

14.2 The **LESSEE** hereby indemnifies and holds the **METRO** harmless against all claims made against the **METRO** or any persons acting by and with its authority as aforesaid arising from any of the causes mentioned in 14.1;

14.3 The **METRO** shall further not be responsible for any damage or inconvenience which the **LESSEE** may suffer owing to any difficulties experienced from time to time in the supply of electric current, water or other amenities, or the complete cessation of such amenities nor shall the **LESSEE** be entitled to an abatement of rent in respect of such an occurrence.

## 15. RETURN OF THE PREMISES

On termination of this lease, for whatever reason, the **LESSEE** shall immediately :

15.1 remove all fittings, equipment and fixtures belonging to the **LESSEE**, and will repair all damages caused to the property of the **METRO** in doing so;

15.2 return the **PREMISES** to the **METRO** in the same good order and condition as he received it in when the lease commenced, excluding normal wear and tear.

## 15. DEFAULT

15.1 In the event of the **LESSEE** failing to pay the rental or any other monies as herein provided on the due date thereof, or in the event of the **LESSEE** failing to carry out each and every one of the terms and conditions of this Lease Agreement, the **METRO** or his duly authorised agent, shall be entitled 15.1.1 at its option and notwithstanding anything to the contrary herein contained or previous waiver or latitude, and

15.1.2 without prejudice to any action or remedy which it may have against the **LESSEE** for damages, for breach of contract and recovery of any monies which may be due to it hereunder or otherwise,

15.2 to declare the **LESSEE'S** rights under this Lease Agreement and tenancy of the **PREMISES** as terminated, and

15.3 to eject the **LESSEE** and all other occupants from the **PREMISES**, and

15.4 to recover from the **LESSEE** all costs and expenses incurred by the **METRO** in the enforcement of its rights in terms hereof, including all legal costs on attorney-and-client scale, collection charges and tracing fees, and

15.5 but not obliged to re-let the **PREMISES** to another tenant and thereby minimise its damages, provided that the **METRO** shall not thereby prejudice its right to claim from the **LESSEE** by way of damages any loss of rentals in terms of 15.4 that it may still have suffered so that it may claim from the **LESSEE** any amount payable in terms of 15.4 and not recovered from that other tenant.

**16. HOLDING OVER**

- 16.1 In the event of the **METRO** cancelling this lease and the **LESSEE** disputing its right to cancel and remaining in occupation of the premises, the **LESSEE**, shall pending a decision in such dispute, continue to pay on the due dates and at the appointed place, amounts equivalent to the monthly rentals and all other payments payable in terms hereof and the **METRO** shall be entitled to accept and recover such payments, either before or after legal proceedings have been instituted and the acceptance thereof shall be without prejudice to and shall not in any way whatsoever affect the **METRO'S** claim for cancellation then in dispute.
- 16.2 Should the dispute be determined in favour of the **METRO** the payments made and received in terms of 16.1, shall be deemed to be amounts paid by the **LESSEE** on account of damages suffered by the **METRO** by reason of the cancellation of the lease and/or unlawful holding over by the **LESSEE**.

**17. COSTS**

- 17.1 The **LESSEE** shall pay an amount of R100.00 to the **METRO** as an administrative fee;
- 17.2 In the event of any legal action being taken on this agreement, any award of cost will be deemed to be cost on an attorney and client basis.

**18. NOTICES**

All notices required to be given in terms of this agreement shall be in writing and shall either

- 18.1 be delivered to the party for which it is intended and an acknowledgement of receipt obtained therefore or alternatively
- 18.2 be posted by prepaid registered mail and
- 18.2.1 if sent by prepaid registered mail the notice shall be deemed (unless the contrary is proved) to have been received within 5 (five) business days after the date on which it is so posted.

**19. JURISDICTION**

The parties hereby consent in terms of section 45 of the Magistrates Court No. 32 of 1994 of the jurisdiction of any Magistrate's Court having jurisdiction over their respective persons under section 28 of that Act, notwithstanding that any action or proceeding arising out of this agreement would otherwise be beyond the jurisdiction of such court;

- 19.1 provided that the **METRO** shall have the right to institute action in any other competent court.

**20. DEPOSIT AS SECURITY**

The **LESSEE** shall upon the signing of this agreement, deposit with the **METRO**, an amount of R..... (.....rand) as security for monies that may be due to the **METRO** in terms thereof, which amount

- 20.1 the **METRO** may appropriate towards any unpaid rentals or other monies for which the **LESSEE** may be liable in terms hereof; and
- 20.2 shall be augmented by the **LESSEE** from time to time as and when it, or any portion thereof has been appropriated in terms of 19.1; and
- 20.3 shall be refunded to **LESSEE**, save for any portion thereof appropriated by the **METRO** in terms of 19.1, upon the termination of this agreement.

**21. DOMICILIA**

21.1 The Parties to this agreement choose the following addresses, telephone numbers and facsimile numbers for the purposes of this agreement :

**LESSOR** chooses as its **domicilium citandi et executandi**:

Office of the City Manager  
Ekurhuleni Metropolitan Municipality  
Head Office Building  
Cr Cross & Rose Street  
Germiston

and its postal address as Private Bag X 1069, Germiston, 1401.

The **LESSEE** chooses as its **domicilium citandi et executandi**

.....  
.....  
.....  
.....

- 21.2 Any legal process to be served on either party may be served on it at the address specified, and it chooses that address as its **DOMICILIUM CITANDI ET EXECUTANDI** for all purposes under this agreement.
- 21.3 A notice which is sent by registered post in a correctly addressed envelope to the address specified above will be deemed to have been received (unless the contrary is proved) within 5 (five) days from the date it was posted. A notice which is delivered by hand to a responsible person during ordinary business hours at the above address, will be deemed to have been received on the day of delivery.
- 21.4 A facsimile sent to the number specified above will be deemed, unless the contrary is proven, to have been received
  - 21.4.1 within 4 (four) hours of transmission if it is transmitted during normal business hours; or
  - 21.4.2 within 12 (twelve) hours of the first business day after it is transmitted if it is transmitted outside normal business hours.

**22. AGREEMENT BINDING**

- 22.1 This document constitutes the entire agreement between the parties, and
  - 22.1.1 no representations, warranties or undertakings of any nature whatsoever shall be of any force or effect, save as recorded herein, and
  - 22.1.2 no variation of or addition to this agreement shall be of any force or effect unless reduced to writing and signed by the parties or their duly authorised agents;
- 22.2 no latitude or extension of time which may be allowed by the **METRO** to the **LESSEE** in respect of any payment provided for herein, or in respect of any matter or thing which the **LESSEE** is bound to perform or observe in terms hereof, shall in any circumstances be deemed to be a waiver of the **METRO'S** right at any time to require strict and punctual compliance with each and every provision or term hereof.

**24. HEADINGS**

The headings to the clauses in this agreement are for convenience only and are not to be taken into account in the interpretation thereof.

THUS DONE AND SIGNED AT ..... ON THIS ..... DAY OF .....

**AS WITNESSES :**

1. ....

2. ....

.....

**METRO**

THUS DONE AND SIGNED AT ..... ON THIS ..... DAY OF .....

**AS WITNESSES :**

1. ....

2. ....

.....

**LESSEE**

**ANNEXURE "A"**

I, .....  
in my capacity of .....  
of the firm/company .....  
hereby certify that .....  
in his/her/their capacity of .....  
has been duly authorised by a resolution of the .....this said firm/company  
to represent and sign all documents relating to the lease of erf ..... on behalf of the  
firm/company.

SIGNED : .....

DATE : .....



**MASTER COPY !!! PLEASE CREATE OWN REFERENCE NUMBER**  
**SANITARY LANE**

**DEED OF LEASE**

**MADE AND ENTERED INTO BY AND BETWEEN THE**

**EKURHULENI METROPOLITAN MUNICIPALITY**

Herein represented by Thomas Willem Peeters in his capacity as Executive Director:  
Legal and Corporate Services, duly authorised hereto by a resolution of the  
**COUNCIL** of the said Municipality dated **28 NOVEMBER 2002** and further delegated  
in terms of said resolution. (Hereinafter referred to as the **METRO**);

**AND**

.....  
I.D.....  
herein represented by .....  
in his/her/their capacity as .....  
duly authorised hereto by a resolution of the .....  
dated .....  
(hereinafter referred to as the **LESSEE**).

**WITNESSETH:**

**THAT WHEREAS** the **LESSEE** is the occupier of ..... situated in the township of .....; and

**WHEREAS** a ..... adjacent to the said is vested in the **METRO**; and

**WHEREAS** the **LESSEE** has applied to the **METRO** to occupy .....  
(in extent approximately .....m<sup>2</sup>), as shown on the sketch-plan annexed hereto as Annexure B  
(hereinafter referred to as the **SAID AREA**) to which application the **METRO** has acceded on the terms  
and conditions hereinafter mentioned.

**NOW THEREFORE THESE PRESENT WITNESS:**

It is hereby agreed between the parties that the **LESSEE** shall occupy the **SAID AREA** from  
..... (Commencement date) upon the following terms and conditions:

1.

The **LESSEE** shall occupy the **SAID AREA** for a period of ..... years from the date of  
commencement and any Party shall have the right at any time to cancel this agreement upon giving one  
(1) calendar month's written notice to the other Party to that effect, whereupon the **LESSEE** shall cease  
to occupy the **SAID AREA** and shall, at his/her/their own expense, clear the surface of the **SAID AREA**  
and leave same free from all obstruction and in a condition to the satisfaction of the **METRO**;

2.

Nothing herein contained shall be construed as giving the **LESSEE** any permanent right whatsoever, nor as granting to the **LESSEE** any servitude or other right as against the **METRO**, it being clearly understood that the **LESSEE** is permitted to exercise the rights hereby granted only for the duration of the validity of this agreement.

3.

The **LESSEE** shall use the **SAID AREA** for gardening purposes only and shall not erect or cause or permit to be erected any permanent buildings or other structures on or over the **SAID AREA** or any portion thereof. The erection of any temporary building or structure shall only be allowed after the written approval of the **METRO** has first been obtained.

4.

The **LESSEE** shall, in consideration of the rights granted herein, pay the **METRO** R .....(Vat included) per year, escalating at 10% per annum which amount shall be payable yearly in advance. The first payment shall be made on the signing hereof and subsequent payments shall be made as set out above.

5.

The **METRO** retains the right to lay or erect water, sewer, storm water and lighting mains and/or any other works or services which may be deemed necessary or desirable by the **METRO** at any future date in, on or under the **SAID AREA**.

6.

The **LESSEE** acknowledge that municipal works/ services may be installed underground in the **SAID AREA** and shall not cause or permit any action, obstruction to or interference with any existing or future works of the **METRO** in, on or under the **SAID AREA**, nor shall he/she/they obstruct or in any way interfere with the officials, agents or workmen of the **METRO**, who shall at all times have unrestricted access to the **SAID AREA** for any purposes which the **METRO** may deem necessary or desirable, nor shall he/she/they cause or permit such officials or workmen to be obstructed or interfered with. No trees that may cause damage or prevent access to any of the municipal works may be planted in the **SAID AREA**.

7.

The **LESSEE** shall compensate the **METRO** for any damage which the **METRO** may suffer as a result of the use of the **SAID AREA** and indemnifies and exempts the **METRO** from any damage in regard to any legal action or claim which may be instituted by any person for damage or loss which may be caused or which may result from the exercise by the **LESSEE** of his rights or fulfilment of his obligations in terms of the agreement. The **LESSEE** shall compensate the **METRO** for any costs which the **METRO** may incur to institute, to defend or to discard any claim on the scale as between an attorney and own client.;

8.

Should the **METRO** resume occupation of the **SAID AREA** the **METRO** shall in no circumstances be liable to reimburse the **LESSEE** for any outlay which may have been expended or in respect of any works which have been done by the **LESSEE** in connection with the said occupation, or for any loss

which the **LESSEE** may sustain by reason of the removal of any encroachment or structures from the **SAID AREA**.

9.

Should the **LESSEE** or his/her/their successors in title or assigns commit any breach of this agreement, and fail to correct such breach within 14 days after being informed thereof in writing, the **METRO** shall be entitled, without prejudice to the rights of the **METRO** to recover any sum or sums of money which may be due under this agreement or any damages arising out of a breach hereof, forthwith to cancel this agreement and to enter upon and occupy the **SAID AREA** and clear same of all obstructions, and all costs incurred by the **METRO** in so doing shall be payable by the **LESSEE** or his/her/their successors in title or assigns.

10.

The **LESSEE** shall be entitled, subject to the other terms of this agreement, to erect such fencing as may be necessary to include and utilise the **SAID AREA** as part of the adjacent property occupied by the **LESSEE** and exercise such gardening activities on the **SAID AREA** as is not prohibited in terms of this agreement.

11.

The **Parties** choose their respective *domicilium citandi et executandi* at:

The **LESSEE**:

.....,  
.....,  
.....,

The **METRO**:

Office of the City Manager  
Ekurhuleni Metropolitan Municipality  
Head Office Building  
Cr Cross & Rose Street  
Germiston

and its postal address as Private Bag X 1069, Germiston, 1401.

Any notice which the **METRO** may be entitled to give the **LESSEE** in terms hereof shall be deemed to have been properly given if sent by registered post to or delivered at such address.

12.

Any indulgence, or failure by the **METRO** to enforce or act against the **LESSEE** for any breach of the terms of this agreement at any stage of the currency of the agreement shall not be construed as a waiver by the **METRO** to enforce a similar breach at any later stage.

13.

The **LESSEE** shall pay an amount of R100.00 to the **METRO** as an administrative fee;

14.

In the event of any legal action being taken on this agreement, any award of cost will be deemed to be cost on an attorney and client basis.

15.

The LESSOR and the LESSEE both agree to the jurisdiction of the Magistrate's Court of the district ..... with regard to any matter whatsoever resulting from this agreement, notwithstanding the amount concerned.

16.

The terms and conditions contained in this agreement constitute the entire agreement and no other condition, whether implied or expressly, are valid. No amendment to this agreement, including this condition, shall be valid unless such an amendment is put into writing and signed by all parties.

**THUS DONE AND SIGNED** by the **METRO** at ..... on..... in the presence of the undersigned witnesses :

**AS WITNESSES:**

1. ....

2. ....

.....

**METRO**

**THUS DONE AND SIGNED** by the **LESSEE** at ..... on..... in the presence of the undersigned witnesses:

**AS WITNESSES:**

1. ....

2. ....

.....

**LESSEE**

**ANNEXURE "A"**

I, .....  
in my capacity of .....  
of the firm/company .....  
hereby certify that .....  
in his/her/their capacity of .....  
has been duly authorised by a resolution of the ..... of this said  
firm/company to represent and sign all documents relating to the lease of erf .....  
on behalf of the firm/company.

SIGNED : .....

DATE : .....

**MASTER COPY !!! PLEASE CREATE OWN REFERENCE NUMBER**  
**FARMLAND**

**DEED OF LEASE**

**MADE AND ENTERED INTO BY AND BETWEEN THE**  
**EKURHULENI METROPOLITAN MUNICIPALITY**

Herein represented by Thomas Willem Peeters in his capacity as Executive Director:  
Legal and Corporate Services, duly authorised hereto by a resolution of the  
**COUNCIL** of the said Municipality dated **28 NOVEMBER 2002** and further delegated  
in terms of said resolution. (Hereinafter referred to as the **METRO**);

**AND**

.....  
I.D.....  
herein represented by .....  
in his/her/their capacity as .....  
(hereinafter referred to as the **LESSEE**).

It is witnessed that the **LESSOR** leases in extent approximately .....ha, as indicated on the plan attached hereto (hereinafter referred to as the **LEASED PROPERTY**) to the **LESSEE** for agricultural purposes subject to the following terms and conditions:-

1.

The **LESSOR** leases the **LEASED PROPERTY** to the **LESSEE** for a period of .....  
from .....to ..... and further subject to the right of both parties to terminate  
this agreement by written notice to be served on the other party to the agreement whereby at least one  
(1) calendar month's notice of termination be given.

2.

SHOULD such a notice be given to the **LESSEE** by the **LESSOR**, the **LESSEE** shall be obliged to vacate the **LEASED PROPERTY** within such period of one (1) months provided that the **LESSOR** in his discretion and on such conditions as he may determine, may allow the **LESSEE** to remain in occupation of the **LEASED PROPERTY** for such reasonable period after the one(1) month's notice of termination of the lease agreement to allow the **LESSEE** to reap any harvest which he had planted prior to the date of the said notice. Furthermore provided that no extended period will be allowed unless all payments in terms of this agreement of lease have been paid up to date at the time of termination of the period of lease. Should the **LESSOR** fail to set any terms and conditions in respect of the lease for the extended period, in that instance the conditions of this agreement will apply **mutatis mutandis** for the extended period, except for the fact that the **LESSEE** shall be obliged to vacate the **LEASED PROPERTY** on or before the last day of such extended period.

3.

The rental payable by the **LESSEE** shall be R..... (Vat included) per annum payable in advance on signing of this agreement and thereafter yearly in advance for the period of the agreement of lease, payable to the Chief: Financial, Officer, and such rental shall escalate yearly with 10%.

#### **RESTRICTION ON THE USE OF THE LEASED PROPERTY BY THE LESSEE**

4.

The **LESSEE** will be liable for payment of rates and taxes, over and above the rental referred to in clause 3 of this agreement, in respect of the **LEASED PROPERTY** as determined by the **LESSOR** in terms of Section 26 of the Local Rating Ordinance of 1977.

5.

The **LEASED PROPERTY** is leased exclusively for agricultural purposes.

6.

The **LESSEE** shall not be entitled to sublet the **LEASED PROPERTY** or any portion thereof or shall not cede or pledge or assign any of his rights emanating from this agreement, without the **LESSOR'S** prior written consent, which consent may be denied by the **LESSOR** without stating reasons.

7.

The **LESSEE** may not exercise his rights and activities in such a manner to cause soil erosion or any other damage to the **LEASED PROPERTY** or to cause the **LEASED PROPERTY** to be less suitable for agricultural purposes. The **LESSEE** shall take all reasonable steps to prevent soil erosion.

8.

The **LESSEE** shall not have the right to carry on any trading on the **LEASED PROPERTY**.

9.

The **LESSEE** may not hunt any game on the **LEASED PROPERTY** and shall take all reasonable steps to prevent the hunting of game by other persons on the **LEASED PROPERTY**.

10.

The **LESSEE** may not brew and/or distill any liquor (liquor as described in the Liquor Act) on the **LEASED PROPERTY** or sell such liquor to any person.

11.

The **LESSEE** may not do or permit to be done any deed, matter or thing on the **LEASED PROPERTY** which in any way shall be a nuisance or disturbance or a hindrance or a source of annoyance for the **LESSOR** or the owners or occupants of adjacent properties.

12.

The **LESSEE** may not permit any informal settler to settle on the **LEASED PROPERTY** or permit that any person stay on or occupy the **LEASED PROPERTY** or any portion thereof or permit that any cottages or kraals be erected. The **LESSEE** shall not employ informal settlers on the **LEASED PROPERTY** or permit any third party to cultivate any portion of the **LEASED PROPERTY** on behalf of such third party as compensation for services rendered by such third party to the **LESSEE**.

13.

The cottages or kraals erected by the **LESSEE** on the **LEASED PROPERTY** shall be demolished by the **LESSEE** after termination of this **AGREEMENT**.

14.

The **LESSEE** shall not remove any manure or permit it to be removed from the **LEASED PROPERTY**.

15.

The **LESSEE** may not sublet his rights or permit that any cattle or animals which do not belong to him, graze on the **LEASED PROPERTY**.

16.

The **LESSEE** shall not cut, remove or destroy growing trees on the **LEASED PROPERTY** without the **LESSOR'S** prior written consent.

#### **OBLIGATIONS OF THE LESSEE TO KEEP THE LEASED PROPERTY IN GOOD CONDITION**

17.

The **LESSEE** shall consider and respect all rights of way, roads and servitudes existing or which may be created over the **LEASED PROPERTY** or which may from time to time reasonably be needed for use by the **LESSOR** or persons authorised by the **LESSOR**.

18.

The **LESSEE** shall take all necessary and reasonable precaution to prevent bush, veld and other fires on the **LEASED PROPERTY**.

19.

The **LESSEE** shall keep the **LEASED PROPERTY** clear from all harmful weeds. Should he neglect to do this, the **LESSOR** shall be entitled to root out the harmful weeds at the **LESSEE'S** costs without prejudicing its rights to cancel in accordance with clause 29 hereof.

20.

The **LESSEE** shall at his own cost execute the stipulations of the acts and regulations which are from time to time in force with regard to the protection of wild animals and plants, the prevention of animal illnesses, the extermination of locusts, ticks and other insect pest and any other acts or regulations which pertain to the execution of agricultural activities and in particular any soil conservations which may be in force.

21.

The **LESSEE** shall at his own cost maintain in good condition and repair all existing buildings, dams, furrows, beacons, fences (including boundary fences), boreholes and other improvements on the **LEASED PROPERTY**, irrespective of it being erected or installed afterwards, whether by the **LESSEE** or **LESSOR**.



22.

The **LESSEE** shall be obliged to forthwith dismiss any employee and to evict such employee or any other person on the **LEASED PROPERTY** which has been found guilty of any transgression of the Liquor Acts or Regulations pertaining to the possession and trading in precious metals and shall under no circumstances during the continuation of this Agreement re-employ such employee or permit that such employee or other person tread upon the **LEASED PROPERTY**.

## **IMPROVEMENTS**

23.

The **LESSEE** may purchase, do and erect improvements or bring whatever may be necessary for his agricultural purposes upon the **LEASED PROPERTY**: Provided that the consent of any public authority which may be needed for this purpose, be obtained by the **LESSEE** beforehand. With the termination of this Lease Agreement, whether by expiry of time or otherwise, the **LESSEE** may within one month thereof remove any such improvements which are moveable and can be removed without damaging the soil. The **LESSEE** shall not be entitled to any compensation of any nature whatsoever pertaining to any immovable improvements which shall be and stay the property of the **LESSOR**.

## **WATER RIGHTS**

24.

Subject to Common Law or the stipulations of any statute the **LESSOR** reserves itself the right to, for any purpose whatsoever, use the water which flows in any public stream or adjacent to the boundary of the **LEASED PROPERTY**: Provided that the **LESSEE** may be entitled to, subject to the rights of lowerlying bankowners, use all water not needed by the **LESSOR**, for his agricultural purposes.

25.

The **LESSEE** shall not do anything on the **LEASED PROPERTY** which cause or may cause the pollution of any public stream.

26.

The **LESSEE** is entitled to use any surface water or water springing from any fountain on the **LEASED PROPERTY** and subject to the stipulations of Clause 23 hereof, the **LESSEE** has the right to make or lay on any dam or reservoir for purposes of reserving such water. The **LESSEE** hereby accepts responsibility for any damage or injuries caused by water breaking from such dam or reservoir.

The **LESSEE** hereby also waives any right which he may have or obtain and indemnifies the **LESSOR** against any claim whatsoever which any person may have or acquire against the **LESSOR** for damage or injury caused by or resulting from or in any way pertaining to the breaking of water from such dam or reservoir.

27.

The **LESSEE** may sink a borehole or well or bore for water on the **LEASED PROPERTY** and may take or pump water therefrom for his own use. The **LESSOR** shall, however, not be responsible for the drying up of the supply of water in such borehole or well due to prospecting, sinking of a shaft or mining activities. With the termination of this Lease Agreement any such borehole or well shall be sealed or made safe by the **LESSEE** in such a way that it shall stay suitable for further use.

28.

The LESSOR shall not be liable to the LESSEE for any damage or loss which the LESSEE suffered or which have been caused by the pollution of any water on or under the LEASED PROPERTY due to any mining activities or activities pertaining thereto or any reason whatsoever.

**CANCELLATION**

29.

Should the LESSEE fail to pay the rental within seven days in terms of Clause 3 of this agreement, or should he fail to fulfil his duties and undertakings under this agreement or should he be found guilty of any transgression of the Liquor Act or the Acts pertaining to the possession or trade in precious metals, the LESSOR shall be entitled to immediately cancel and terminate this agreement without prejudicing any of its rights to claim arrears rental and/or damage. The LESSEE shall thereupon vacate the LEASED PROPERTY and give occupation thereof to the LESSOR without any compensation whatsoever, whether for improvements, whether for loss of possession in respect of which he shall have no claim whatsoever against the LESSOR.

**NOTICES**

30.

The LESSEE chooses as his **domicilium citandi et executandi**:

\* .....  
.....  
.....  
.....

and his postal address as.....

and the LESSOR chooses as its **domicilium citandi et executandi**:

Office of the City Manager  
Ekurhuleni Metropolitan Municipality  
Head Office Building  
Cr Cross & Rose Street  
Germiston

and its postal address as Private Bag X 1069, Germiston, 1401.

All notices which shall be served in terms of this agreement, shall be:

- (a) in writing;
- (b) (i) delivered by hand to the *domicilium* of the other party, or  
(ii) sent by prepaid post to the postal address of the other party, in which case such notice shall be deemed to have been received within 5 days from the date on which it has been posted.

**JURISDICTION**

31.

The **LESSOR** and the **LESSEE** both agree to the jurisdiction of the Magistrate's Court of the district ..... with regard to any matter whatsoever resulting from this agreement, notwithstanding the amount concerned.

32.

The terms and conditions contained in this agreement constitute the entire agreement and no other condition, whether implied or expressly, are valid. No amendment to this agreement, including this condition, shall be valid unless such an amendment is put into writing and signed by all parties.

THUS done and signed by the **LESSEE** at ..... on .....

**WITNESSES:**

1. ....

2. ....

**LESSEE**

THUS done and signed by the **LESSOR** at ..... on .....

**WITNESSES:**

1. ....

2. ....

**LESSOR**

**ANNEXURE "B"**

I, .....  
in my capacity of ..... of the  
Trust/Close Corporation/Company.....  
hereby certify that ..... in his capacity of .....  
has been duly authorised by a resolution of the Trust/Close Corporation/Company to represent and sign  
all documents relating to the sale of erf.....  
on behalf of the Trust/Close Corporation/Company

**SIGNED:** .....

**DATE:** .....