

— L I P C O —
LAW
FOR
ALL

LEASE AGREEMENT - RESIDENTIAL

This is a written contract that sets out the terms and conditions between the Landlord and Tenant of a residential property.

THE LANDLORD

Name & Surname:

ID Number:

Address:

(the address acts as the domicilium citandi et executandi)

Email:

Cellphone Number:

THE TENANT

Name & Surname:

ID Number:

Address:

(the address acts as the domicilium citandi et executandi)

Email:

Cellphone Number:

2. THE RESIDENTIAL PREMISES

2.1. The Landlord lets to the Tenant, who hires the following Premises:

Address:

Insert address

Garage/Parking:

2.2. The Premises does not only refer to the dwelling or grounds let in terms of this agreement, but also to any of the Landlord's fixtures and fittings in/on the dwelling. This includes, but is not limited to keys, locks, windows, electrical appliances, sanitary ware, sewage pipes, stoves, geysers, taps and other fixtures of fittings specifically specified in this agreement.

2.3. The Premises will only be used for private residential purposes, and the Tenant will not allow more than people to stay on the Premises at any time, without obtaining written permission from the Landlord first.

2.4. No animals, birds or pets may be kept on the Premises, without written permission of the Landlord.

3. RENTAL

3.1 The Tenant agrees to pay the following monthly rental amount:

R

Amount

Insert amount in words

3.2. The rental amount must be paid in advance, free of bank charges, on or before the the first working day of every month.

3.3. Rental payments received after the 7th day of the month, will incur a surcharge of R250.00 to cover additional administration costs.

3.4. Rental must be paid without deduction or set off, directly into the following bank account:

Bank:

Branch Code:

Account Holder:

Account Type:

Account Number:

3.5. The rental amount will be increased every year on the anniversary of the start of this agreement, in the amount

of R

Amount

Insert amount in words

3.6. A dated receipt will be issued by the Landlord upon receipt of the rental amount. The receipt will indicate the amount received, any arrears due, deposit kept, repair costs and any other charges incurred during the period for which the rental amount was paid.

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4. COMMENCEMENT & RENTAL PERIOD

- 4.1. The rental agreement will be valid from the of 20 until of 20 .
- 4.2. The lease agreement will automatically be renewed, unless cancelled in writing by either the Landlord or Tenant. Notice of cancellation must be given at least **2 (two) months** before the lease expires.
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5. DEPOSIT

- 5.1. The Tenant must as security for fulfillment of all its obligations under this agreement, pay a deposit of R , upon signing this agreement.
- 5.2. The Landlord will keep the deposit in an interest bearing account, for the benefit of the Tenant.
- 5.3. The Tenant cannot apply the deposit as payment of the last month's rental or any other rental due to the Landlord.
- 5.4. The Landlord may deduct amounts payable under this agreement, which remain unpaid after the due date, from the deposit. Should such a deduction be made, the Landlord may request the Tenant to immediately pay an amount to reinstate the deposit to its full amount. The Landlord is further entitled to deduct reasonable costs associated with repair of damages caused to the Premises during the lease period, or the cost for replacing lost keys.
- 5.5. The balance of the deposit and interest earned, must be refunded to the Tenant within **14 (fourteen) business days** after the end of the lease agreement.
- 5.6. If no amounts are due and owing at the end of this lease agreement, the deposit and interest must be refunded to the Tenant, in full, within **7 (seven) business days** after the end of the lease agreement.
- 5.7. If the lease agreement is automatically renewed, the lease will continue on the same conditions contained in this document, but rental will be negotiated. The Landlord may also increase the deposit amount to be equal to the newly negotiated rental.
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6. INCOMING/OUTGOING INSPECTIONS

- 6.1. The Landlord and Tenant must jointly inspect the Premises before the Tenant moves in. Should the Tenant fail to meet the Landlord on the mutually agreed date and time to inspect the the Premises, the Premises will be regarded to be free of any defects and damages. A list of defects or damage present must be attached to this agreement. The Tenant must inform the Landlord of any additional defects or damages noted within 7 (Seven) days of moving into the Premises.
- 6.2. The Premises is let as is, VOETSTOOTS, and the Tenant acknowledges that the Premises is in a good state/condition, suitable for the purposes of letting in terms of this agreement.
- 6.3. The Landlord and Tenant must jointly inspect the Premises within **5 (five) days** of this agreement expiring, to determine if there are any defects or damages causes to the Premises during the lease period.

- 6.4. The Tenant will be liable for any damages or defects in the Premises, whether visible or concealed during the inspection. Upon termination of the lease agreement, the Tenant must restore the Premises to the Landlord in the same condition it was received at the start of the lease (fair wear and tear excluded).
 - 6.5. Should the Landlord fail to inspect the Premises with the Tenant, the Landlord will be regarded to have acknowledged that the Premises is in a good and proper state of repair, and will have no claim against the Tenant.
 - 6.6. Should the Tenant fail to respond to the Landlord's request to conduct a joint inspection, the Landlord must at the end of the lease, inspect the Premises, within **7 (seven) business days** from the date that the Tenant moved out of the Premises.
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7. LANDLORD'S OTHER RESPONSIBILITIES

- 7.1. The Landlord must provide the Tenant with vacant occupation of the Premises at the start of this lease, and allow the Tenant undisturbed enjoyment of the Premises for the duration of the lease.
 - 7.2. It is the Landlord's responsibility to maintain the exterior, roof, gutters, downpipes of the Premises, in good order and condition (fair wear and tear to be expected).
 - 7.3. The Landlord will further be responsible for maintenance to and repairs of the installations in the Premises including the locks, windows, geysers or other fixtures, fitting and installations. If repairs are required due to fault on the part of the Tenant, the Tenant will be responsible for the necessary repairs or replacements.
 - 7.4. The Landlord is responsible for payment of the municipal rates and taxes on the Premises.
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8. TENANT'S OTHER RESPONSIBILITIES

- 8.1. For the duration of the lease, the Tenant must inform the Landlord of any defects or damages that require repair and are the Landlord's responsibility.
- 8.2. The Tenant is responsible for payment of ordinary consumption charges levied on the Premises, such as water and electricity, sanitary, sewerage and refuse removal services that are not included in the annual rates and taxes.
- 8.3. The interior must be maintained at the Tenant's own cost, in the same good, defect-free condition as it was when the lease started (fair wear and tear excluded). If the Tenant fails to fulfill this responsibility, the Landlord may make the necessary repairs or maintenance and recover the costs from the Tenant. Proof of cost will be provided to the Tenant.
- 8.4. Any broken window glass or mirrors must be replaced by the Tenant at its own cost.
- 8.5. The Tenant may not drive any nails or object into the walls or ceilings of the Premises, unless the Landlord has provided prior written permission.
- 8.6. All lightbulbs, switches, sockets, locks and keys must be replaced at the Tenant's own cost. The Tenant may not interfere with or overload the electrical, lighting or heating installations of the Premises.
- 8.7. No additional fixtures or fittings may be installed on the Premises without the prior written permission of the Landlord. Consent will not be unreasonably refused. Approved fixtures and fittings may be removed by the Tenant before the end of the lease period. After the lease has expired, all fixtures and fittings which were not removed, become the Landlord's property, and it will not provide any compensation.

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- 8.8. The Tenant will repair any damages or blemishes caused to the Premises upon removal of the Tenant's fixtures and fittings.
- 8.9. No structural changes or additions may be made, unless the Landlord's prior written permission has been obtained. All alterations, additions and improvements to the Premises become the property of the Landlord and no compensation will be paid.
- 8.10. The Tenant will not take any action or allow anything that may cause damage to the Premises. Reasonable care will be taken to avoid blockages (gutter, downpipes, sewerage pipes, water pipes, drains). Removal of any blockages will be for the Tenants own pocket.
- 8.11. The gardens must be kept clean and tidy and in good appearance. Plants must be watered and replaced regularly. All rubbish and litter must be removed and the refuse area kept tidy and sanitary at all times.
- 8.12. No part of the Premises may be sub-let to or occupied by another person. The Tenant may not assign this lease, nor ceded any of its rights herein, nor part with possession without prior written permission from the Landlord.
- 8.13. The Tenant may not refuse the Landlord or any of its agents reasonable access to inspect or attend to repairs on the Premises.
- 8.14. **1 (one) month** prior to the lease expiring, the Tenant must allow the Landlord to display a "To Let" notice and at all reasonable times allow the Landlord or its agent to show prospective tenants the interior of the Premises.
- 8.15. The Tenant must allow the Landlord to display a "For Sale" notice at any point during the lease, and at all reasonable times allow the Landlord or its agent to show prospective buyers the interior of the Premises.
- 8.16. All sectional title and body corporate rules must be complied with. The Tenant must also comply with the Landlord's house rules, which may be amended in writing from time to time. A copy will be provided to the Tenant.
- 8.17. The Tenant must not cause any nuisance to others in the neighborhood.
- 8.18. The Tenant may not keep any illegal substances or weapons on the Premises, nor omit to do anything or keep or do anything on the Premises that may be contrary the terms and conditions of any insurance policy held by the Landlord in respect of the building or Premises.
- 8.19. No pets or animals may be kept on the Premises, without prior written permission from the Landlord.
- 8.20. Prior to vacating the Premises, all fitted carpets must be cleaned by a professional carpet cleaner at the Tenant's own cost.
- 8.21. The Tenant must return to the Landlord all keys, remote controls and other security items that allow access to the Premises.
- 8.22. Any repairs or replacements that are the Tenant's responsibility, must be carried out to the satisfaction of the Landlord, by competent and experienced workmen. No inferior or bad quality products may be used at any stage.

9. INSURANCE & DAMAGES

- 9.1. The Tenant must at all times comply with the terms of any insurance policies that the Landlord has for the Premises (building/property). Should the premium increase due to the Tenant's failure to comply, it will be responsible for payment of any additional premium.
- 9.2. The Tenant is responsible for its own household, car or other insurance, protecting its goods while residing on the Premises.

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- 9.3. The Landlord has no responsibility or liability towards the Tenant for any loss, theft or damage to the Tenant's household articles kept on the Premises.
- 9.4. Any temporary interruption in water or electricity supply that may cause the Tenant loss of beneficial occupation does not entitle the Tenant to cancel the lease agreement. The Landlord will also not be held liable for any loss, damage or inconvenience caused.
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10. LIABILITY & INDEMNITY

- 10.1. The Tenant indemnifies the Landlord for any loss or damage to property or injury to persons suffered on the Premises as a result of any act or omission by the Tenant or its occupants, guests, servants or agents.
- 10.2. The Tenant is liable for its own act and omissions, as well as that of its guests, servants or agents while they are on or in the Premises.
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11. CONSENT TO JURISDICTION OF THE MAGISTRATE'S COURT

- 11.1. The Landlord and Tenant agree to the jurisdiction of the Magistrate's Court, should any legal actions or proceedings relating to this agreement or breach thereof be instituted.
- 11.2. The Tenant will be liable for all costs incurred by the Landlord on an Attorney and Client scale, including collection commission.
- 11.3. A certificate signed by a director, secretary or agent of the Landlord, indicating the amount due and owing to the Landlord, will be sufficient and *prima facie* proof of the amount reflected thereon, for purposes of summary judgement or any other legal proceedings.
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12. DAMAGE/DESTRUCTION OF THE PREMISES

- 12.1. Should the Premises at any time during the lease be so damaged or destroyed that it deprives the Tenant of beneficial use and occupation of the Premises, this agreement will end, and both the Tenant and Landlord will only be liable for its obligations up to such date. Neither Party will have any further claim against each other.
- 12.2. Should the Premises at any time during the lease only be partially damaged, this agreement will remain in force and effect, and the Landlord will as soon as reasonably possible, repair the damage. The Tenant will be entitled to a reduction in the rental amount during such a period. Should a dispute arise about the reduction amount, an independent third party will be consulted to decide an appropriate and fair reduction. The Tenant must continue to pay the full rental amount until a reduction has been determined by the Landlord. After the reduction has been determined, the Landlord will credit the Tenant with such an amount as the Tenant has paid in excess of the reduced rent.
- 12.3. The Tenant will remain responsible for any damage or destruction caused to the Premises as a result of an act or negligence on part of the Tenant or any person who it's responsible for.

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13. ONUS & AGENCY

- 13.1. Where the Tenant must obtain the written permission of the Landlord in terms of this lease agreement, and it is believed that permission is unreasonably refused, the onus of proof lies with the Tenant.
 - 13.2. The Landlord is entitled to appoint a managing agent to manage this lease on its behalf, and will inform the Tenant of such decision or resulting changes to the lease, in writing.
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14. CANCELLATION

- 14.1. The Tenant may choose to cancel the lease at any time, but must give the Landlord at least **20 (twenty) business days'** written notice.
- 14.2. Should the Tenant cancel the lease before the lease period expires, it will be liable to pay a reasonable cancellation penalty, calculated as follow:

% LEASE PERIOD REMAINING	NOTICE GIVEN	CANCELLATION FEE TO BE PAID BY TENANT
> 50%	Between 20 and 40 business days	3 x monthly rent + all rent and services up to termination + any damages to the premises.
> 50%	More than 40 business days	2,5 x monthly rent + all rent and services up to termination + any damages to the premises.
< 50%	Between 20 and 40 business days	2 x monthly rent + all rent and services up to termination + any damages to the premises.
< 50%	More than 40 business days	1,5 x monthly rent + all rent and services up to termination + any damages to the premises.

15. BREACH OF AGREEMENT

- 15.1. Should either the Landlord or Tenant breach any term of this agreement, the other must advise the defaulting party of the breach and give a minimum of **7 (seven) days** to rectify the breach.
- 15.2. If the Tenant fails to pay any amount due and payable in terms of this agreement on the due date or should the Tenant breach any other term of this agreement and remain in default after notice has been provided to rectify the breach, the Landlord may choose to cancel this agreement by providing notice. If the Landlord chooses to cancel the agreement, any claim it may have of arrear rental or damage or cost due to breach or cancellation, will not be prejudiced.
- 15.3. If the Landlord cancels this lease agreement, and the Tenant disputes the cancellation and remains in occupation of the Premises, the Tenant will continue to pay the agreed rental amount, and other agreed costs on the due date until the matter has been resolved through mediation, litigation or the Rental Housing Tribunal.
- 15.4. If the dispute is found in the Landlord's favour, all payments made will be regarded as amounts paid by the Tenant on account of damages suffered by the Landlord. If the dispute is found in favour of the Tenant, all payments made by the Tenant will be regarded as amount paid on account of the rent payable by the Tenant.

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16. LANDLORD'S TACIT HYPOTHEC

- 16.1. The Landlord has the right to use furniture and other goods brought onto the premises for use by the Tenant, as security for rental payments due. The Landlord can have these goods sold by the Sheriff of the Court to recover the unpaid rental.
 - 16.2. The Landlord and Tenant agree that the Landlord's hypothec over the goods brought onto the premises extends to secure all claims that the Landlord may have against the Tenant due to breach of any of the terms and conditions of this agreement.
 - 16.3. If the Tenant has vacated the premises following breach, the movable goods that are subject to the Landlord's hypothec and remain on the premises, may be moved and placed in storage by the Landlord, to allow a new tenant to move in.
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17. NOTICES

- 17.1. All notices to be given by either the Tenant or Landlord, must be hand delivered or sent by way of prepaid registered mail at the addresses reflected on the first page and which have been chosen as their *domicilium citandi et executandi*. to the Tenant at the Premises, and will be regarded to have been received after 4 (Four) days after posting by registered mail.
 - 17.2. A notice that was sent by registered mail, will be regarded to have been received within **7 (seven) business days** from the date that it was posted. Hand delivered notices must be given to a responsible person during ordinary business hours at the addresses reflected on the first page, and will be regarded to have been received.
 - 17.3. The Tenant or Landlord must notify the other of any change to its *domicilium citandi et executandi*.
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18. GENERAL TERMS

- 18.1. No changes to this agreement will have any effect or be of force, unless it is agreed to in writing by both the Tenant and the Landlord.
- 18.2. This document represents all the agreed terms and conditions between the Landlord and Tenant, and neither has any right or remedy arising from an undertaking, warranty or representation that is not contained in this document.
- 18.3. Any relaxation or indulgence by either party in exercising any of its rights in terms of this agreement, does not mean that the right is waived or altered. Any single or partial exercise of any right doesn't preclude any other or future exercise thereof or the exercise of any other right under this agreement.
- 18.4. Headings have been inserted to the various clauses for ease of reference only, and are not to be taken into account when interpreting the terms of this agreement.
- 18.5. Words importing the singular also include the plural and the other way around. Words importing any one gender also include the other, and words importing persons also includes corporate entities.
- 18.6. This agreement may be signed in one or more counterparts and the signature of one copy by any other party, has the same effect as if that party signed the same document as the other party.

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19. SIGNATURES

Signed at on of 20 .

The Tenant:

Witnesses: Witness 1

Witness 2

Signed at on of 20 .

The Landlord:

Witnesses: Witness 1

Witness 2

DISCLAIMER

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