

**THE SCHEDULE
Form of the Lease**

Form LRA 64

(r. 77(1))

**REPUBLIC OF KENYA
THE LAND REGISTRATION ACT
THE LAND REGISTRATION (GENERAL) REGULATIONS, 2017**

Date Received

Presentation Book

Official Fees Paid

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No.....

K.Shs.....

CERTIFICATE OF TITLE NUMBER. I.R.....**LEASE****LEASE NUMBER I.R.....**

Date of Lease	
Lessor	ROSSLYN SUITES LIMITED (Company Number CPR/2010/19746), a private company incorporated with limited liability in the Republic of Kenya and having its registered office situate at Nairobi for the purposes hereof of Post Office Box Number 44502-00100, Nairobi Kenya (hereinafter referred to as the Lessor which expression shall where the context so admits include the Lessor's successors in title and assigns);
The Residential Management Company	[♦] (Company Number C. [♦]), a private limited liability company incorporated in the Republic of Kenya having its registered office situate at Nairobi, for the purposes hereof of Post Office Box Number [♦], Nairobi (hereinafter referred to as the Residential Management Company which expression shall where the context so admits include the Residential Management Company's successors in title and permitted assigns); and
Property Owners Company	[♦] (Company Number C. [♦]), a public company incorporated in the Republic of Kenya having its registered office situate at Nairobi, for the purposes hereof of Post Office Box Number [♦], Nairobi (hereinafter referred to as the Property Owners Company which expression shall where the context so admits include the Property Owners Company's successors in title and permitted assigns); and
Lessee	[♦] for the purposes hereof of Post Office Box Number [♦], Nairobi (hereinafter referred to as the Lessee which expression shall where the context so admits include the Lessee's personal representatives, heirs and permitted assigns or the successors in title and permitted assigns (as the case may be)).
Premises	Apartment Number [♦] on the [♦] Floor of Block [♦] for the purposes of identification marked Apartment No. [♦] upon the Premises Plan.
Term	The residue of the now unexpired term of [♦] years from [♦].

WHEREAS:

- (A) The Lessor is the registered proprietor as lessee from the Government of the Republic of Kenya of the Property (as hereinafter defined).
- (B) By an agreement for lease dated [♦] entered into between the Lessor and the Lessee (the **Agreement for Lease**) the Lessor agreed, inter alia, to lease to the Lessee the Premises (as defined below) and the Lessee agreed to accept such lease of the Premises on the terms and conditions stated in the Agreement for Lease.
- (C) The Lessor has granted or intends to grant Leases of the Apartments (other than the Premises hereby leased) and the Lessor in every such Lease has imposed and intends in every future Lease to impose materially and substantially the same rights and covenants as set forth in this Lease.
- (D) It is intended that the Residential Management Company (either directly or through some other person) shall undertake the management of the Retained Parts (as hereinafter defined) and the Residential Development in general in accordance with the provisions hereinafter set out.
- (E) It is intended that upon the completion of the grant and registration of the leases of all the Apartments comprised in the Residential Development, the Lessor shall transfer the reversionary interest in the Property to the Property Owners Company.
- (F) In consideration of the Lease Premium (as hereinafter defined) paid by the Lessee to the Lessor in accordance with the terms of the Agreement for Lease, the Lessor has agreed to grant with effect from the Lease Commencement Date to the Lessee this Lease in respect of the Premises on the terms, conditions, covenants and stipulations set out herein.
- (G) The Lessor has agreed to grant to the Lessee a licence in relation to the use of the Car Park Spaces (as hereinafter defined) solely for the purpose of parking private motor vehicles and subject to the terms and conditions contained herein.

NOW THIS LEASE WITNESSES AS FOLLOWS:

1 DEFINITIONS

- 1.1 Terms and expressions defined in the Agreement for Lease shall, unless otherwise expressly defined in this Lease, bear the same meanings when used in this Lease and in addition, in this Lease the following expressions shall unless the context otherwise requires have the following meanings:
 - 1.1.1 **Accountant** means any Certified Public Accountant or firm of certified public accountants of good repute and professional standing appointed by the Lessor or the Residential Management Company from time to time to perform from time to time any of the functions of the accountant under this Lease;
 - 1.1.2 **Agreement for Lease** shall have the meaning ascribed to it in the Recitals;
 - 1.1.3 **Alienation** means, whether legally or beneficially, any transfer, assignment or sub-letting of the Premises or any part thereof or the granting of a licence over the Premises or any part thereof or the creation of an Encumbrance over the Premises or any part thereof and includes any such dealing with the beneficial interest in the Premises or any thereof separate from the legal interest and **Alienate** shall be construed accordingly;

- 1.1.4 **Apartments** means residential apartments which have been or are in the process of being constructed by the Lessor on the Property;
- 1.1.5 **Block [♦]** means the building forming part of the Residential Development and known as Block [♦] which building for purposes of identification is delineated and marked as Block [♦] on the Residential Development Plan;
- 1.1.6 **Breach Notice** shall have the meaning ascribed to it in clause 12.1;
- 1.1.7 **Business Day** means any day (other than Saturday, Sunday, gazetted public holiday or national day in Kenya) on which banking institutions in Kenya are generally open for the conduct of banking business;
- 1.1.8 **Buildings** means the buildings, outbuildings, amenities, facilities and all other structures erected or to be erected by the Lessor on the Property and includes (without limitation) the Apartments and the Retained Parts;
- 1.1.9 **Car Park Spaces** means [♦] car parking spaces situate on a portion of the Property;
- 1.1.10 **Competent Authority** means the Government of the Republic of Kenya, the National Land Commission, the relevant local authority, agencies, state corporations and other bodies having statutory or regulatory competence to promulgate rules and regulations having the force of law touching and concerning the Premises and the transactions and matters contemplated and referred to in this Lease;
- 1.1.11 **Completion Date** shall have the meaning ascribed to it in the Agreement for Lease;
- 1.1.12 **Computing Date** means 31st December in every year of the Term after the Lease Commencement Date or such other date as the Lessor may from time to time nominate and **Computing Dates** shall be construed accordingly;
- 1.1.13 **Common Parts** means any pedestrian ways, concourses, entrance, halls, landings and circulation areas, staircases, high speed lifts, passages, ramps, service roads, parking areas (including the underground parking area), gardens and ponds (if any), the Recreation Areas and other amenities and facilities, forecourts, and other ways and areas in, on and round the Buildings and the Property (if the same do exist) (excluding the Apartments) which are from time to time during the Term provided by the Lessor for common use by the lessees of all the Apartments or other occupiers of the Buildings or persons expressly or by implication authorised by them;
- 1.1.14 **Encumbrance** includes any charge (whether formal or informal) or other interest in the nature of a security interest, trust arrangement, right of way, right of support, right of light, profit, easement or restrictive covenant;
- 1.1.15 **Estate** means the integrated mixed-use development comprising of the residential, commercial, retail and recreational developments together with related amenities and facilities to be known as Enaki Town and which estate is described and its features detailed in Annexure 1 and in the Master Plan;
- 1.1.16 **Estate Charge** means the service charge imposed by the Estate Management Company for the provision of the Estate Services and being the service charge that shall be computed in the manner set out in Annexure 1 and payable by

the Residential Management Company to the Estate Management Company in the manner specified in Annexure 1;

- 1.1.17 **Estate Easement** means the easement registered against the property known as [♦] granting certain rights and liberties for the benefit of the Lessor and the owners and occupiers of the Property over and upon the said property;
- 1.1.18 **Estate Infrastructure** means the infrastructure and facilities that shall be utilized for the common use of all the occupiers of the Estate details of which are more particularly set out in Annexure 1;
- 1.1.19 **Estate Management Structure** means the management structure in relation to the Residential Development and the Estate details of which are more particularly set out in Annexure 1;
- 1.1.20 **Estate Management Company** means [♦] and being the company that shall manage and maintain the Estate Infrastructure and provide the Estate Services;
- 1.1.21 **Estate Services** means the services that shall be provided by the Estate Management Company for the occupiers of the Estate details of which are more particularly set out in Annexure 1;
- 1.1.22 **Financial Period** means the period from the Lease Commencement Date up to and including the first Computing Date and subsequently the period between two consecutive Computing Dates or such other periods as the Lessor may in its sole discretion determine and **Financial Periods** shall be construed accordingly;
- 1.1.23 **Insured Risks** means fire, lightning, explosion, riot, civil commotion, earthquake, storm, tempest, flood, bursting and overflowing of water pipes, tanks and other apparatus and impact by road vehicles (to the extent insurance is available against risks) and such other risks as the Residential Management Company may from time to time in its absolute discretion think fit to insure the Retained Parts against;
- 1.1.24 **Initial Provisional Service Charge** means the sum of [♦] and payable pursuant to the provisions of clause 7;
- 1.1.25 **Initial Service Charge Deposit** means the sum of [♦] and payable pursuant to the provisions of clause 7;
- 1.1.26 **Insurers** means such reputable insurance company(ies) chosen from time to time by the Lessor and the Residential Management Company to insure the relevant Insured Risks;
- 1.1.27 **Land Act** means the Land Act (Act No. 6, 2012, Laws of Kenya);
- 1.1.28 **Land Registration Act** means the Land Registration Act (Act No. 3, 2012, Laws of Kenya);
- 1.1.29 **Law** means laws, rules, regulations, statutory instruments, treaties directives, by-laws, codes of practice, circulars, guidance notes, orders, notices, demands, injunctions or common law of any Governmental Authority and the term **Laws** shall be construed accordingly;

- 1.1.30 **Lease Commencement Date** means the date (being a date after the Completion Date) when the Lessor's Advocates or the Selling Agent notify the Lessee in writing that:
- (i) the Lessee has satisfied all her payment obligations under the Agreement for Lease; and
 - (ii) the Lease Premium has been unconditionally released to the Lessor;
- 1.1.31 **Lease Premium** means the sum of [♦];
- 1.1.32 **Lessor's Advocates** means O&M Law LLP Advocates, 5th Floor, The Promenade, General Mathenge Drive, Westlands of P.O Box 49393-00100, Nairobi;
- 1.1.33 **Master Plan** means the plan annexed hereto as Annexure 3 which sets out the development, concept and vision of the Estate (as the same may be supplemented, replaced, added to or revised from time to time);
- 1.1.34 **Periodical Expenditure** means during any Financial Period together:
- (i) all costs expenses and outgoings incurred or reserved by the Residential Management Company during the Financial Period in or incidentally to providing all or any of the Services and any taxes (including penalties) payable thereon; and
 - (ii) the Residential Management Costs.
- 1.1.35 **Permitted User** means the use of the Premises solely for residential purposes;
- 1.1.36 **Permissions** means all planning permissions and other permits and consents that may be required by the Residential Management Company under the Planning Acts or other Statutes to enable the Retained Parts or part thereof lawfully to be rebuilt and reinstated in the event of any destruction;
- 1.1.37 **Premises Apartment Number [♦]** on the [♦] Floor of Block [♦] for the purposes of identification marked Apartment No. [♦] upon the Premises Plan;
- 1.1.38 **Premises Plan** means the plan annexed hereto as Annexure 2 and registered in the Registry of Documents at Nairobi in Volume [♦], Folio [♦], File Number [♦] and on which the boundaries of the Premises are delineated in red;
- 1.1.39 **Property** means **ALL THAT** parcel of land situate in the City of Nairobi containing by measurement [♦]hectares or thereabouts and being the property known as Land Reference Number [♦] comprised in a Certificate of Title registered in the Land Registry Nairobi as [♦] which said piece of land with the dimensions abutments and boundaries thereof are delineated on the plan annexed to the aforesaid Certificate of Title and more particularly on Land Survey Plan Number [♦] deposited in the Survey Records Office at Nairobi aforesaid and thereon bordered red AND HELD by the Lessor for a term of [♦] SUBJECT to the Acts Special Conditions and other matters as are notified by the Memorandum endorsed thereon;
- 1.1.40 **Recreation Areas** means swimming pools, gymnasiums and spas, club house, entertainment deck areas and any other recreational areas within the Residential Development for the common use of the occupiers of the

Residential Development details of which are more particularly set out in the Residential Development Plan;

- 1.1.41 **Reinstatement Cost** means an amount sufficient to cover the full cost of rebuilding and reinstating the Retained Parts or a portion thereof as a result of loss or damage including architects', surveyors' and other professional fees payable upon any applications for the permissions from the relevant Competent Authority, the cost of debris removal, demolition site clearance, any works that may be required by Statute and incidental expenses;
- 1.1.42 **Residential Development** means the residential development together with related amenities and facilities to be constructed on the Property and to be known as [♦] which residential development and the construction thereof has been more particularly identified and detailed in the Residential Development Plan;
- 1.1.43 **Residential Development Plan** means the plan registered in the Registry of Documents at Nairobi in Volume [♦] Folio Number [♦] File Number [♦] and being the plan annexed hereto as Annexure 4;
- 1.1.44 **Residential Management Costs** shall have the meaning ascribed to it in clause 6.2;
- 1.1.45 **Retained Parts** means all parts of the Residential Development not let or constructed or adapted for letting as residential accommodation including (without prejudice to the generality of the foregoing) so far as the same may exist:
- 1.1.45.1 all Common Parts;
 - 1.1.45.2 the boreholes situate on the Property for the provision of water to the Residential Development;
 - 1.1.45.3 office and residential accommodation for staff employed at the Residential Development;
 - 1.1.45.4 a central control station for any security system operating throughout the Residential Development;
 - 1.1.45.5 a generator room which houses all or any standby generators used to supply power to the Residential Development;
 - 1.1.45.6 any staff rooms, storage areas and yards used in connection with the provisions of services at the Residential Development;
 - 1.1.45.7 all Service Installations, equipment and apparatus used in the Residential Development (except those Service Installations which are within and solely serve an Apartment (including the Premises));
 - 1.1.45.8 the plant room, transformer room, switch room, walkways, Service Installations;
 - 1.1.45.9 all walls, fences (including the boundary wall with electric fence and razor wire) and other such structures surrounding or on the Property (or any part of the Property);

- 1.1.45.10 the security guards' post at the main entrance into the Residential Development;
- 1.1.45.11 CCTV cameras; and
- 1.1.45.12 such parts of the Buildings that are not included in the Premises and that would not be included in the premises leased by virtue of the sub- leases of the Apartments (other than the Premises) if let on terms similar to this Lease;
- 1.1.46 **Selling Agent** shall have the meaning scribed to it in the Agreement for Lease;
- 1.1.47 **Services** shall have the meaning ascribed to it in clause 6.1;
- 1.1.48 **Service Charge** means the service charge that is payable by the Lessee in accordance with the terms of this Lease which is determined by multiplying the Periodical Expenditure by the Service Charge Percentage;
- 1.1.49 **Service Charge Percentage** means [♦];
- 1.1.50 **Service Installations** means all pipes, sewers, water pipes, drains, mains, ducts, conduits, gutters, wires, cables, channels, flues, aerials, tanks and soakways all other conducting media including any fixing louvers, cowls and other ancillary apparatuses and including all apparatus for the supply of water, electricity, gas, telecommunications, or television signals or for the disposal of foul or surface water;
- 1.1.51 **Signature Date** means the date of this Lease;
- 1.1.52 **Sinking Fund** means the funds established, operated and maintained by the Residential Management Company from contributions from the purchasers of Apartments in the Residential Development from time to time to fund the costs of replacement or renewal of the items comprised in the Retained Parts;
- 1.1.53 **Statute** means any act passed by the National Assembly of Kenya, bye-laws or other rules and regulations for the time being in force promulgated by any Competent Authority;
- 1.1.54 **Structure** means all the roofs, timbers and foundations of the Buildings, all floors and ceilings of the Buildings (but excluding the floor and ceiling finishes in the Premises and the Apartments) and all external walls of the Buildings and all load-bearing walls, pillars and other structures of the Buildings and all non-load-bearing walls not within the Premises or the Apartments and the doors and windows, the door frames and all additions and improvements from time to time within the Retained Parts;
- 1.1.55 **Surveyor** means any person or firm appointed by the Lessor from time to time to perform any of the functions of the surveyor under this Lease; and
- 1.1.56 **Term** means the unexpired residue of the term of [♦] {[♦]} years from [♦] less the last ten (10) days commencing on the Lease Commencement Date.

2 INTERPRETATION

- 2.1 In this Lease (including the recitals and Schedules hereto) unless the context otherwise requires:
- 2.1.1 words importing the masculine gender include the feminine and neuter gender and vice versa and words importing the singular include the plural and vice versa;
 - 2.1.2 if the Lessee shall consist of two or more parties such expression shall throughout mean and include such two or more parties and each of them and shall so far as the context admits be construed as well in the plural as in the singular and all covenants agreements and undertakings herein expressed or implied shall on the part of the Lessee be joint and several;
 - 2.1.3 the expression "**Lessor**" includes the person for the time being entitled to the reversion immediately expectant on the determination of the Term and the Lessor's successors in title and assigns respectively;
 - 2.1.4 references to any clause sub-clause or Schedule without further designation shall be construed as a reference to the clause or sub-clause of or Schedule to this Lease so numbered;
 - 2.1.5 any references in any Schedule to a sub-paragraph shall unless otherwise stated mean a paragraph or sub-paragraph of that Schedule; and
 - 2.1.6 the clause and Schedule and paragraph headings do not form part of this Lease and shall not be taken into account in its construction or interpretation.

3 DEMISE

- 3.1 In consideration of the payment of the Lease Premium on or prior to the Signature Date (the receipt whereof the Lessor hereby acknowledges) and of the terms, conditions, covenants and stipulations hereinafter contained, the Lessor **HEREBY LEASES** with effect from the Lease Commencement Date to the Lessee the Premises together with the rights and privileges specified in clause 3.2 but excepting and reserving to the Lessor and the lessees and other occupiers of the other parts of the Residential Development the rights and privileges specified in clause 3.4 to be held by the Lessee with effect from the Lease Commencement Date for the Term subject nevertheless to determination as hereinafter provided and subject also to the Lessee paying the Service Charge as provided herein.
- 3.2 The Lessor and the Lessee hereby acknowledge and agree that the Lessee shall lease the Premises and shall have the benefit of the following rights and privileges for the duration of the Term:
- 3.2.1 The full right, title and benefit of the Estate Easement and the rights granted under the Estate Easement;
 - 3.2.2 The right to subjacent and lateral support and to shelter and protection from the other parts of the Buildings and the site of roofs thereof;
 - 3.2.3 The full right and liberty for the Lessee and all persons authorised by the Lessee (in common with all other persons entitled to the like right) to use the Common Parts for the purpose of access to and egress from the Premises and the amenities and facilities on the Property for such usual and ordinary purposes associated with such amenities and facilities but subject always to the terms of

this Lease and the regulations promulgated by the Residential Management Company from time to time;

- 3.2.4 The right of the Lessee's visitors (in common with all other persons entitled to the like right) to park in the visitors parking area within the Common Parts nominated by the Residential Management Company on such terms and conditions as the Residential Management Company may from time to time impose; and
- 3.2.5 Subject to the terms of this Lease and the regulations promulgated by the Residential Management Company from time to time and unless interrupted by causes outside the control of the Lessor, the free and uninterrupted passage and running of water, air and electricity from and to the Premises through the Service Installations for such passage and running which now are or may at any time hereafter be in, under, over or passing through the Common Parts and/or the Property or any part thereof;
- 3.3 All the easements, rights and privileges contained in clause 3.2 are subject to and conditional upon the Lessee paying Service Charge from time to time in accordance with the terms of this Lease.
- 3.4 The Lessor and the Lessee hereby further acknowledge and agree that there are excepted and reserved to the Lessor and the lessees of the other parts of the Residential Development the following rights and privileges:
 - 3.4.1 The easements, rights and privileges over, along and through the Premises equivalent, mutatis mutandis, to those set forth in clause 3.2;
 - 3.4.2 The right of the Lessor and the Residential Management Company and their Surveyor or agents with or without workmen and others at all reasonable times on notice (except in cases of emergency) to enter the Premises for the purpose of carrying out its obligations contained in this Lease;
 - 3.4.3 The right for the Lessor and/or the Residential Management Company to temporarily construct and erect scaffolding for the purpose of inspecting, repairing, maintaining, renewing, altering or cleaning the Buildings (including for the avoidance of doubt the Premises) causing as little disturbance as possible; and
 - 3.4.4 The right to construct on the Common Parts such additional amenities and facilities from time to time as the Lessor or the Residential Management Company may in their reasonable discretion decide for the benefit of the Lessee and other lessees or occupiers of the Residential Development.
- 3.5 It is hereby acknowledged by the Parties that the construction of the Estate will be carried out in phases. The Lessor shall procure that the level of disturbance, noise, pollution or inconvenience as caused to any occupiers of the Premises by the continuing construction shall be reduced to as minimal a level as is reasonably practicable. Nevertheless, the Lessee hereby agrees and acknowledges the fact that there will be noise, pollution, disturbance and inconvenience when she takes possession of the Premises and hereby confirms and agrees that she shall make no claim whatsoever legal or otherwise against the Lessor and/or the Residential Management Company for the interference of her quiet enjoyment of the Premises during the construction of the Estate (or any part thereof).

- 3.6 The Lessor HEREBY GRANTS to the Lessee a licence for the use of the Car Park Spaces during the subsistence of this Lease in accordance with the terms of this Lease and more specifically as set out in clause 11.

4 LESSEE'S COVENANTS

- 4.1 The Lessee for the mutual protection of the Lessor, the Residential Management Company and of the lessees and other occupiers of the Residential Development HEREBY COVENANTS with the Lessor and the Residential Management Company that during the Term, the Lessee:

- 4.1.1 shall promptly pay Service Charge in accordance with the terms of this Lease and in such manner as the Lessor and/or the Residential Management Company (as the case may be) may direct from time to time. The obligation of the Lessee to pay Service Charge is personal to the Lessee and the Lessee shall not assign, or part with the obligation to pay Service Charge save in the case of a transfer of this Lease in which case the obligation to pay will be borne by the transferee;
- 4.1.2 shall, prior to the Lease Commencement Date, pay her Initial Sinking Fund Contribution in accordance to the terms of the Agreement for Lease and thereafter for each year of the duration of the Term, the Lessee will be required to pay a rateable proportionate amount determined by the Residential Management Company as being the Lessee's contribution towards the Sinking Fund in order to ensure that for the duration of the Term the Sinking Fund has accumulated sufficient funds necessary to adequately cover any costs of servicing, renewal or replacement of items in the Retained Parts from time to time;
- 4.1.3 will promptly pay to the relevant provider the costs of installing and connecting internet, telephones, facsimile, digital satellite television and other telecommunications equipment as the Lessee may require in the Premises and to punctually pay all charges payable in respect thereof;
- 4.1.4 will promptly pay all charges in respect of water supplied to the Premises and all conservancy expenses and costs thereof;
- 4.1.5 will promptly pay to the appropriate electricity authority all charges in respect of the electricity supplied to the Premises including the kilowatt charges periodic or unit charges and meter rents;
- 4.1.6 will at all times comply with all Laws applicable to the Property, this Lease, the Residential Development, the occupation by the Lessee of the Premises and all matters connected to such occupation and this Lease;
- 4.1.7 will comply with and will ensure that all persons living in or visiting the Premises comply with all such rules and regulations promulgated by the Lessor and/or the Residential Management Company from time to time which rules and regulations shall be made for the preservation of the amenities of the Residential Development in general or for the general convenience of the occupiers of the Residential Development. The Lessor and/or the Residential Management Company shall have the power to vary or add to such regulations from time to time as they think fit, provided that nothing in the regulations shall purport to amend the terms of this Lease and in the event of any inconsistency between the terms of this Lease and the said regulations the terms of this Lease shall prevail;

- 4.1.8 will repair and keep the Premises and every part thereof and all additions thereto clean in good and substantial repair order and condition at all times during the Term;
- 4.1.9 will not deposit or permit to be deposited any waste, rubbish or refuse on the Property otherwise than in such places designated by the Lessor and/or the Residential Management Company;
- 4.1.10 will not cause any land, roads or pavements abutting the Property to be untidy or in a dirty condition and in particular (but without prejudice to the generality of the foregoing) not to deposit on them refuse or other materials;
- 4.1.11 will not commit any waste or make any addition or alterations whatsoever to the Premises that will affect the external facade of the Premises or unite the Premises with any adjoining premises or make any alteration to the Premises save as permitted hereunder;
- 4.1.12 will not alter the external door to the Premises without obtaining the prior written consent of the Residential Management Company;
- 4.1.13 will not affix or exhibit outside the Premises any air conditioning unit, vents, piping or plumbing;
- 4.1.14 will not without the prior consent of the Resident Management Company change install or modify the exterior lighting and/or lighting fixtures at the Premises;
- 4.1.15 will not wash motor vehicles on the Property otherwise than at the designated areas;
- 4.1.16 will not make any additions or alterations whatsoever to the balcony balustrade;
- 4.1.17 will exclusively use the designated laundry areas within the Premises for washing and/or hanging of laundry and will not use any other spaces within the Premises or on the Property other than the designated laundry areas for washing and/or hanging of laundry;
- 4.1.18 (subject to clause 4.1.11) will not make any structural alterations or additions to the exterior or interior of the Premises without obtaining the prior written consent of the Residential Management Company which consent shall be granted subject to such conditions to be stipulated by the Residential Management Company;
- 4.1.19 will not make connection to the Service Installations that serve the Premises otherwise than in accordance with plans and specifications first approved by the Residential Management Company (such approval will not be unreasonably withheld or delayed) and subject to the consent to make such connection having previously been obtained from the appropriate Competent Authority;
- 4.1.20 will not without the prior consent of the Residential Management Company erect any pole, mast, wire, satellite dish or other apparatus whatsoever (whether in connection with telegraphic, telephonic radio or television communication or otherwise) outside the Premises and will not affix to or exhibit

outside the Premises or to or through any window of the Premises nor display anywhere on the exterior of the Premises any placard, sign, notice, fascia board or advertisement;

- 4.1.21 will not do in or near the Premises any act or thing by reason of which the Lessor or the Residential Management Company may under any Statute incur or have imposed upon it or become liable to pay any penalty, damages, compensation, costs, charges or expenses and without prejudice to the generality of the above to comply in all respects with the provisions of any Statute applicable to the Premises and/or to the user of the Premises;
- 4.1.22 will permit the Lessor and/or the Residential Management Company and their servants or employees or agents with or without workmen and others and with all necessary tools appliances and apparatus to enter the Premises during normal working hours upon giving at least forty eight (48) hours prior notice (except in cases of emergency) for the purpose of undertaking repairs, alterations, additions, improvements or renewals to the Service Installations in, under or over any part of the Premises or preventing or abating the consequences of an emergency and which serve other parts of the Buildings , the Lessor or the Residential Management Company causing as little inconvenience as possible provided always that Service Charge shall not in any way be abated while such repairs, alterations, additions, improvements and renewals or other things as aforesaid are being done nor shall the Lessor or the Residential Management Company be liable to the Lessee for any inconvenience or any loss from any nuisance arising therefrom or otherwise howsoever;
- 4.1.23 will not Alienate the Premises without the prior consent of the Lessor or the Residential Management Company and it is hereby expressly agreed and declared that upon any breach by the Lessee of this covenant and agreement it shall be lawful for the Lessor or the Residential Management Company to seek an appropriate remedy in accordance with the provisions of clause 12.1.1.2 of this Lease;
- 4.1.24 notwithstanding the provisions of clause 4.1.23 , the consent of the Lessor or the Residential Management Company will not be required if the Premises are Alienated pursuant to the exercise by a chargee or mortgagee of its statutory power of sale, although the chargee or mortgagee will be required to notify the Lessor not less than fourteen (14) days prior to the proposed date of the Alienation;
- 4.1.25 will not do nor allow to remain upon the Premises anything which may in the opinion of the Lessor or the Residential Management Company (which opinion shall be final and conclusive) be or become or cause a nuisance, annoyance, disturbance, inconvenience, injury or damage to the Lessor, the Residential Management Company or the lessees or visitors or other occupiers of the Residential Development;
- 4.1.26 will not use the Premises for any other purpose other than the Permitted User;
- 4.1.27 will perform and observe all covenants, agreements, conditions, restrictions, stipulations and provisions contained in the title to the Property and not at any time to do or permit or suffer to be done anything whereby the title to the Property may be avoided or forfeited and at all times to keep indemnified the Lessor and the Residential Management Company and their estates and effects from and against all actions, proceedings, costs, damages, claims and

liabilities incurred by them (or either of them) for or in respect of any breach which may be committed by the Lessee during the Term of any of the said covenants, agreements, conditions, restrictions, stipulations and provisions;

- 4.1.28 will be responsible for and will keep the Lessor and the Residential Management Company fully and effectively indemnified against all damages, losses, costs, expenses, actions, demands, proceedings, claims and liabilities made against or suffered or incurred by the Lessor or the Residential Management Company arising directly or indirectly out of any act, omission or negligence of the Lessee or any person at the Premises expressly or impliedly with the Lessee's authority or any breach or non-observance by the Lessee of the covenants, conditions or other provisions of this Lease or any of the matters to which this Lease is subject;
- 4.1.29 will give notice to the Lessor and the Residential Management Company of any defect in the Premises which might give rise to an obligation on the Lessor and/or the Residential Management Company to do or refrain from doing any act or thing in order to comply with the provisions of this Lease or a duty of care being imposed on the Lessor and/or the Residential Management Company in pursuance of the provisions of any Statute;
- 4.1.30 will permit the Lessor and the Residential Management Company at all times during the Term to exercise without interruption or interference any of the rights granted to them by virtue of the provisions of this Lease;
- 4.1.31 will pay the Lessor on an indemnity basis all costs fees charges disbursements and expenses (including without prejudice to the generality of the above all legal fees and surveyor's fees) incurred by the Lessor in relation to or incidental to :
- 4.1.31.1 every application made by the Lessor in relation to the Premises for a consent or licence required by the provisions of this Lease or by any statute enactment or condition on which the Property is held whether such consent is granted or refused or proffered subject to any qualification or condition or whether the application is withdrawn;
- 4.1.31.2 the preparation and service of any notice or demand under this Lease;
- 4.1.31.3 the recovery or attempted recovery of arrears of rents or other sums due from the Lessee;
- 4.1.31.4 any costs arising from the inspection of the Premises upon the expiry or determination of the Term leading to the preparation and service of a schedule of dilapidations during or after the expiration of the Term;
- 4.1.31.5 the negotiation preparation execution and grant of this Lease including the Lessor's Advocates fees in relation to this Lease as well as stamp duty payable hereon and any Counterpart of this Lease.
- 4.1.32 will not abandon any vehicle or any other thing on any part of the Property and in the event of any breach of this covenant it shall be lawful for the Lessor without prejudice to its rights hereunder to arrange for the removal of such abandoned vehicle and to recover from the Lessee the costs thereby incurred;

- 4.1.33 will not carry out any repairs or maintenance (including without limitation, changing oil) to vehicles on any part of the Property, unless in cases of emergency;
- 4.1.34 will pay all costs (including stamp duties and legal costs) in connection with any renewal of this Lease;
- 4.1.35 will maintain, repair, cleanse, empty, drain, amend and renew all Service Installations within and exclusively serving the Premises in a good and workmanlike manner provided always that the Lessee shall make good any resulting damage caused to the Premises, any adjoining and adjacent premises and any Service Installations serving other premises;
- 4.1.36 will use the Car Park Space(s) solely for the parking of private motor vehicles and/or cycles used by the Lessee or other lawful occupier from time to time of the Premises and in accordance with the terms of clause 11 of this Lease and will not use or suffer to be used the said parking spaces in any manner other than aforesaid and in particular not to carry on or permit to be carried on in or from the said parking spaces any trade, business or profession;
- 4.1.37 will take all necessary precautions against any damage to the Service Installations in, on, under or over the Premises and will avoid damage to the supply of electricity or water damage to any other Apartment by reason of bursting or overflowing of any Service Installation or water apparatus in the Premises;
- 4.1.38 will give prompt notice to the Lessor and the Residential Management Company of any defect in the Premises which might give rise to any obligation on the Lessor to do or refrain from doing any act or thing in order to comply with the provisions of this Lease or any duty of care imposed on the Lessor and/or the Residential Management Company by statute or otherwise and at all times to display and maintain all notices which the Lessor may from time to time reasonably require to be displayed at the Premises;
- 4.1.39 will comply with all the requirements and recommendations of the Insurers;
- 4.1.40 will not do or omit to do anything that could cause any policy of insurance in relation to the Retained Parts to become void or voidable wholly or in part nor (unless the Lessee shall have previously notified the Lessor or the Residential Management Company and have agreed to pay the increased premium) anything by which additional premiums may become payable;
- 4.1.41 will not store or bring onto the Residential Development any articles or substance of a specially combustible, inflammable or explosive nature and will comply with the requirements and recommendations of the fire authority and the requirements as to fire precautions relating to the Retained Parts;
- 4.1.42 will give notice to the Lessor and the Residential Management Company immediately upon the happening of any event which might affect any insurance policy on or relating to the Retained Parts or upon the happening of any event against which the Lessor and/or the Residential Management Company may have insured;
- 4.1.43 will, if and whenever during the Term, the Retained Parts or any part of it is damaged or destroyed by an Insured Risk and the insurance money under the policy of insurance effected by the Lessor and/or the Residential Management

Company pursuant to their obligations contained in this Lease is by reason of any act or default of the Lessee or anyone at the Premises expressly or by implication with the Lessee's authority wholly or partially irrecoverable immediately in every such case (at the option of the Lessor or the Residential Management Company) either:

- 4.1.43.1 to rebuild and reinstate at its own expense that part of the Retained Parts destroyed or damaged to the reasonable satisfaction and under the supervision of the Lessor or the Residential Management Company the Lessee being entitled to be paid any amount actually received in respect of such destruction or damage under any such insurance policy upon such rebuilding and reinstatement being completed; or
- 4.1.43.2 to pay to the Lessor on demand with interest calculated as provided in clause 12.2 the amount of such insurance money so irrecoverable;
- 4.1.44 subject to the provisions of clause 9.3, will yield up the Premises to the Lessor at the expiration or sooner determination of the Term (howsoever determined) together with the Lessor's fixtures and fittings thereto in such good and tenable repair and condition as shall be in accordance with the Lessee's covenants and agreements herein contained with all locks, keys and fastenings complete the Lessee's obligation to perform and observe such covenants and agreements surviving the expiration or sooner determination of the Term.

5 LESSOR'S COVENANTS

- 5.1 The Lessor subject to the due performance and observance of the covenants on the part of the Lessee herein contained **HEREBY COVENANTS** with effect from the Lease Commencement Date with the Lessee as follows:
 - 5.1.1 to comply with all the terms and conditions contained in Certificate of Title in respect of the Property;
 - 5.1.2 to ensure that the leases granted by the Lessor of all the Apartments comprised in the Residential Development contain like covenants, to be observed on the part of the various lessees in the Residential Development therein to the covenants contained in this Lease;
 - 5.1.3 that the Lessee paying Service Charge and performing and observing the several covenants conditions and agreements herein contained and on the Lessee's part to be performed and observed shall and may peaceably and quietly hold and enjoy the Premises during the Term without interruption or disturbance from or by the Lessor or any person or persons rightfully claiming under or in trust thereunder;
 - 5.1.4 to bear and discharge the rent and rates payable in respect of the Property to the relevant Competent Authority and all existing and future rents and rates imposed or charged upon the Property;
 - 5.1.5 to use its best endeavours to procure that the noise, disturbance and inconvenience occasioned as a result of the development of the Residential Development is kept at a minimum; and

- 5.1.6 that upon the registration of all the leases in respect of the residential homes comprised in the Residential Development, to transfer the revisionary interest in the Property at a nominal consideration to the Property Owners Company.

6 RESIDENTIAL MANAGEMENT COMPANY'S COVENANTS

- 6.1 The Residential Management Company subject to the due performance and observance of the covenants on the part of the Lessee herein contained **HEREBY COVENANTS** with effect from the Lease Commencement Date with the Lessor and as a separate covenant with the Lessee that it shall undertake the following services in relation to the Residential Development and the Retained Parts (the **Services**):
- 6.1.1 the provision of insurance in relation to the Retained Parts and keeping insured the Retained Parts against any damage or destruction;
- 6.1.2 paying all premiums necessary for the purpose of effecting the insurances taken out by the Residential Management Company in relation to the Retained Parts;
- 6.1.3 maintaining, repairing, amending, altering, rebuilding, renewing and reinstating the Retained Parts and keeping the Retained Parts in good and substantial repair order and condition and renewing and replacing all worn or damaged parts thereof;
- 6.1.4 maintaining and renewing any fire alarms, fire prevention and firefighting equipment and ancillary apparatus (if any) in the Retained Parts;
- 6.1.5 inspecting, servicing, maintaining, repairing, amending, overhauling, replacing and insuring all apparatus, plant, machinery and equipment within the Retained Parts from time to time including (without prejudice to the generality of the foregoing) telephone exchanges, internet and related equipment, satellite television systems and related equipment and apparatus, stand-by generators and electrical circuits and boilers and items relating to mechanical ventilation, heating or cooling, public address, intercom and close-circuit television (so far as the same do exist);
- 6.1.6 cleaning, treating, polishing and lighting the Common Parts (where appropriate) to such reasonable standard as the Residential Management Company may from time to time consider adequate;
- 6.1.7 supplying, providing, purchasing, hiring, maintaining, renewing, replacing, repairing, servicing, overhauling and keeping in good and serviceable order and condition all water meters, water pumps, water wells, boreholes, water tanks, electricity meters, electrical fittings (including light bulbs) and all fixtures and fittings, bins, receptacles, tools, appliances, materials, equipment and other things in the Retained Parts which the Residential Management Company may deem desirable or necessary for the enjoyment and use of the occupiers of the Buildings and/or the maintenance, appearance, upkeep or cleanliness of the Common Parts or any part thereof;
- 6.1.8 collecting and disposing of refuse from the Residential Development and the provision, repair, maintenance and renewal of plant and equipment for the collection, treatment, packaging or disposal of the same;

- 6.1.9 preparing and supplying to the Lessee and the lessees of the Residential Development copies of any regulations made by the Residential Management Company in accordance with the provisions of this Lease;
 - 6.1.10 such other services, facilities and amenities that the Residential Management Company may in its reasonable discretion decide to be in the interests of occupiers of the Residential Development; and
 - 6.1.11 such services, facilities and amenities as are ancillary to the provision of the aforesaid services, facilities and amenities.
- 6.2 The Residential Management Company shall establish, operate and maintain a fund to meet anticipated expenditure during the Term in respect of the servicing, replacement or renewal of the items comprised in the Retained Parts (the **Sinking Fund**) provided that:
- 6.2.1 For the duration of the Term, the Residential Management Company shall determine the amounts necessary to be contributed by the lessees towards the Sinking Fund provided that in making such determination the Residential Management Company shall take such professional advice if it reasonably determines such advice to be necessary and provided further that such determination shall be made on the assumption that the cost of replacement of such items comprised in the Retained Parts is calculated on such life expectancy as the Surveyor may reasonably determine;
 - 6.2.2 all sums received by the Residential Management Company towards the Sinking Fund shall be credited to a separate account from the Residential Management Company's own account and shall be held by the Residential Management Company upon trust during the Term for the persons who from time to time shall be lessees of the Residential Development to apply the same and any interest accruing thereon for the purposes of servicing, renewal and replacement of the items in the Retained Parts; and
 - 6.2.3 the Residential Management Company shall upon the taking of professional investment advice shall have the right to invest upto seventy percent (70%) of all sums maintained in the Sinking Fund in such a manner as it reasonably believes would be likely to benefit the Lessee and the lessees of the other residential homes comprised in the Residential Development or the Property.
- 6.3 The Residential Management Company shall be entitled (either directly or indirectly) to incur the following costs, fees and disbursements (and any taxes payable thereon) necessary for the proper operations and management of the Residential Development (the **Residential Management Costs**):
- 6.3.1 The Estate Charge payable to the Estate Management Company;
 - 6.3.2 The fees, salaries and/or costs payable to the Accountant and any other individual, firm or company employed or retained from time to time by the Residential Management Company for (or in connection with) such accounting functions in connection with the management of the Residential Development;
 - 6.3.3 The fees, salaries and/or costs payable to any third party or person appointed by the Residential Management Company or the Lessor for or in connection with the management of Residential Management Company or the collection of the Service Charge or for the performance of any of the Services including without limitation the general management, administration, security,

- maintenance, protection and cleanliness of the Residential Development or any other duties in and about the Residential Development;
- 6.3.4 (if applicable) The fees, salaries and/or costs payable to any person providing caretaking or security arrangements and services to the Residential Development;
- 6.3.5 The reasonable cost of employing (whether by the Residential Management Company or any of its appointed delegate or sub-contractors or managing agents) such staff as the Residential Management Company or any of its appointed delegate or sub-contractors or managing agents may reasonably deem necessary for the performance of the Services and all other incidental expenditure in relation to such employment including (without prejudice to the generality of the foregoing) insurance, pension and welfare contributions, transport facilities and benefits in kind, the provision of uniforms and working clothes, the provision of vehicles, tools, appliances, cleaning and other materials, fixtures, fittings and other equipment for the proper performance of their duties;
- 6.3.6 All land rent and rates payable in respect of the Property together with any other assessments, duties, charges, impositions and outgoings for the time being assessed or charged upon the Property or any new tax of whatever nature imposed by any Competent Authority on the Property;
- 6.3.7 The cost of supply of water and electricity to the Retained Parts;
- 6.3.8 The amount which the Residential Management Company shall be obligated as a result of the Estate Management Structure to contribute towards the Estate Management Costs;
- 6.3.9 The costs and expenses necessary for repairing, maintaining, rebuilding and cleaning any ways, roads, pavements or structures, Service Installations or anything which may belong to or be used by occupiers of the Residential Development or any part of it exclusively or in connection with other neighbouring or adjoining premises including any charges imposed by any Competent Authority that is payable by the Residential Management Company in relation to the Property;
- 6.3.10 The cost of taking all steps deemed desirable or expedient by the Residential Management Company for complying with, making representations against or otherwise contesting the incidence of the provisions of any Statute or notice concerning town planning, public health, highways, streets, drainage or other matters relating to or alleged to relate to the Property or any part of it for which any lessee or other occupier of any part of the Property is not directly and exclusively liable or relating to or alleged to relate to the Residential Development;
- 6.3.11 The cost (including all legal and other professional costs) of enforcing or attempting to enforce any covenants against any lessee (including the Lessee);
- 6.3.12 A reasonable provision of monies towards the Sinking Fund necessary Residential Management Company's anticipated expenditure during the Term in respect of periodically recurring items whether recurring at regular or irregular intervals and such of the Services as relate to the renewal or replacement of the items comprised in the Retained Parts (the **Sinking Fund**)

provided that in determining such reasonable provision the Residential Management Company shall take such professional advice if it reasonably determines such advice to be necessary and provided further that:

- 6.3.12.1 such reasonable provision in relation to the Services shall be determined on the assumption that the cost of replacement of such items comprised in the Retained Parts is calculated on such life expectancy as the Surveyor may reasonably determine and that nothing in this clause 6.3.12.1 shall oblige the Residential Management Company to establish and/or maintain any such fund sufficient in whole or in part to cover such cost of replacement or renewal of any such items;
- 6.3.12.2 subject to the provisions of clause 6.3.12.3 all sums received by the Residential Management Company pursuant to this clause 6.3.12 in relation to the Retained Parts shall be credited to a separate account from the Residential Management Company's own account and shall be held by the Residential Management Company upon trust during the Term for the persons who from time to time shall be lessees of the Residential Development to apply the same and any interest accruing thereon for the purposes set out in this clause 6.3.12 and at the expiry of such period any such sums unexpended shall be paid to the persons who shall then be the lessees of the Residential Development in shares equal to the percentage which the Service Charge payable by each such lessee respectively bears to the total Service Charge (payable by the lessees of all the residential homes comprised in the Residential Development and the Residential Management Company shall remit that proportion of such sums received to the Residential Management Company that shall be required by the Residential Management Company for purposes of the Retained Parts;
- 6.3.12.3 the Residential Management Company shall upon the taking of professional investment advice have the right to invest upto seventy percent (70%) of all sums received by it pursuant to this clause 6.3.12 in such a manner as it reasonably believes would be likely to benefit the Lessee and the lessees of the other residential homes comprised in the Residential Development or the Property; and
- 6.3.12.4 the Residential Management Company shall within three (3) months after each Financial Period prepare an account containing a fair summary of the earned on monies held in the Sinking Fund and all expenditure and/or investments of the monies held in the Sinking Fund for the relevant Financial Period and upon such account being certified by the Accountant it shall be conclusive evidence for the purposes of this Lease of all matters of fact referred to in the account in relation to the Sinking Fund and shall be binding on the Residential Management Company and the Lessee except in the case of material manifest error.
- 6.3.13 The costs and expenses of any person to whom the Residential Management Company may delegate the provision of all or any of the Services or the functions, duties and responsibilities of the Residential Management Company in this Lease.

7 SERVICE CHARGE

- 7.1 The Lessee shall, for the duration of the Term pay to the Residential Management Company the Service Charge computed in accordance with the provisions of this clause 7.
- 7.2 Subject to the Lessee paying to the Residential Management Company (or such other third party nominated by the Residential Management Company) the Service Charge and all other amounts required to be paid by the Lessee under this Lease and otherwise complying with the terms, conditions, covenants and stipulations of this Lease the Residential Management Company shall perform the Services throughout the Term.
- 7.3 It is hereby agreed by the Parties that:
- 7.3.1 Service Charge payments by the Lessee shall be made annually in advance;
- 7.3.2 the Residential Management Company shall within three (3) months after each Computing Date prepare an account showing the Periodical Expenditure (distinguishing between actual expenditure and reserve for future expenditure) for the Financial Period ending on that Computing Date and containing a fair summary of the expenditure referred to in it and upon such account being certified by the Accountant it shall be conclusive evidence for the purposes of this Lease of all matters of fact referred to in the account and shall be binding on the Residential Management Company and the Lessee except in the case of material manifest error;
- 7.3.3 the Lessee shall on or before the Completion Date, pay to the Residential Management Company the Initial Provisional Service Charge to cover the Service Charge payable by the Lessee for the period from the Lease Commencement Date to the Computing Date next following the Lease Commencement Date. The Lessee further agrees and confirms that in the event that the Initial Provisional Service Charge paid by the Lessee is not sufficient to cover the Service Charge in respect of the first year of the Lease, the Lessee shall upon demand by the Residential Management Company pay any additional Service Charge determined by the Residential Management Company to be payable for the initial year;
- 7.3.4 the Lessee shall pay to the Residential Management Company the Initial Service Charge Deposit on or before the Completion Date. The Residential Management Company shall be entitled at any time and from time to time to apply the Initial Service Charge Deposit in and towards the satisfaction and discharge of the covenants and agreements on the part of the Lessee in respect of the Initial Provisional Service Charge and/or the Service Charge and it is hereby further agreed and declared by the Lessee that the Residential Management Company shall have the discretion to determine how any unutilised Initial Service Charge Deposit will be dealt with and may make rules in respect of any increases (if any) to the Initial Service Charge Deposit or with regard to payment of any other deposits relating to the Service Charge;
- 7.3.5 the Lessee shall, unless otherwise determined by the Residential Management Company, pay for the next and each subsequent Financial Period a provisional sum calculated upon a reasonable and proper estimate by the Residential Management Company of what the Periodical Expenditure is likely to be for that Financial Period by annual payments in advance on the first day of January in each year as the Residential Management Company shall require;

7.3.6 if the Service Charge for any Financial Period shall exceed the provisional sum for that Financial Period the excess shall forthwith be due to the Residential Management Company on demand or if the Service Charge shall be less than such provisional sum the overpayment shall be credited to the Lessee against the next annual payment of the Service Charge.

7.4 The Lessee hereby acknowledges and confirms that the Residential Management Company may withhold, add to, extend, vary or make any alteration in the rendering of the Services from time to time provided that the same complies with the principles of good estate management and is reasonable in all circumstances.

7.5 The Lessee hereby acknowledges and agrees that if she does not pay the Service Charge in full in accordance with the terms of this Lease, the Residential Management Company may (in its sole discretion) withhold the provision of all or any of the Services.

8 RESIDENTIAL MANAGEMENT COMPANY'S RIGHTS

8.1 The Residential Management Company reserves the right:

8.1.1 to levy and collect the Service Charge;

8.1.2 to suspend the provision of the Services for any period during which any component of the Service Charge and /or any other assessments and consumption and other charges payable by the Lessee remain unpaid; and

8.1.3 to take any and all other actions and to enter into any and all other agreements as may be necessary or proper for the fulfilment of their obligations in relation to the Services.

9 PROPERTY OWNERS COMPANY

9.1 The Lessor hereby undertakes and confirms that upon completion of the grant and registration of this Lease and the leases for all the residential homes comprised in the Residential Development it shall allot or transfer to the Lessee one (1) ordinary share in the capital of the Property Owners Company.

9.2 The Lessee hereby undertakes and agrees that she will, following the grant of the leases in respect of all the residential homes erected on the Property become a shareholder of the Property Owners Company provided that if the Lessee transfers or assigns the Lessee's interest in the Premises in accordance with the terms of this Lease, the Lessee shall transfer the Lessee's share in the Property Owners Company to the transferee or assignee in accordance with the provisions of the Articles of Association of the Property Owners Company provided further that the agreement or instrument governing such transfer or assignment (and all agreement or instruments governing further transfers or assignments in accordance with the terms of this Lease) shall require the transferee or assignee to join the Property Owners Company and to transfer the share in the Property Owners Company aforesaid in the event of a further transfer or assignment by the said transferee or assignee in accordance with the terms hereof.

9.3 The Property Owners Company hereby undertakes and agrees that prior to expiry of the Certificate of Title in respect of the Property to apply for a renewal of the lease comprised in such Certificate of Title and, upon such renewal being granted, to renew or procure the renewal of this Lease on the terms contained in this Lease (save for this covenant for renewal, the premium payable hereunder and subject to the Lessee paying the costs of renewing this Lease) so as to give the Lessee the benefit of the renewed term.

10 ACKNOWLEDGMENTS AND UNDERTAKINGS BY THE LESSEE

- 10.1 It is hereby acknowledged and agreed by the Lessee that:
- 10.1.1 The Residential Management Company shall be entitled to impose fines for breach by the Lessee of the covenants imposed on the Lessee under this Lease.
 - 10.1.2 the Residential Management Company shall be entitled at any time to transfer or sub-contract its obligations and assign its rights (or such of them in any case as the Residential Management Company may stipulate) under this Lease to such person or persons as the Residential Management Company may determine;
 - 10.1.3 the Lessor and the Residential Management Company have negotiated a management contract with a third party (a copy of which has been provided to the Lessee) and simultaneously with and as a condition of the Lessor agreeing to grant this Lease, the Lessee undertakes to execute a deed of adherence to the said management contract in the form provided by the Lessor;
 - 10.1.4 notwithstanding any provision to the contrary, the failure by the Lessee to execute the deed of adherence pursuant to clause 10.1.3 shall not in any way prejudice or affect the validity of the management contract and the Lessee shall, upon entry into this Lease be bound by the terms of the said management contract. In addition, it shall be a condition precedent to the right of any Lessee to effect an Alienation that the transferee or assignee enters into a deed of adherence in the form provided by the Lessor or the Residential Management Company;
 - 10.1.5 the Residential Development forms part of the Estate which shall be operated and managed as an integrated mixed-use development with certain shared facilities and services as more particularly detailed in Annexure 1;
 - 10.1.6 there shall be an Estate Charge that shall be imposed on the Residential Management Company for the use by the occupiers of the Residential Development of the Estate Infrastructure and for the provision by the Estate Management Company of the Estate Services;
 - 10.1.7 for the better management of the Estate and the implementation of the Estate Management Structure, there shall be management agreements that shall be entered into between the Residential Management Company, the Estate Management Company and the management companies of the other developments to be comprised in the Estate; and
 - 10.1.8 The Lessor shall have the right to make such revisions, variations or modifications to the Residential Development Plan as the Lessor may require in the Lessor's sole discretion.

11 CAR PARK SPACES

- 11.1 The Lessor hereby grants to the Lessee a right to use the Car Park Spaces strictly as a licensee of the Car Park Spaces.
- 11.2 The Lessee is entitled to use the allotted Car Park Spaces solely for the purpose of parking [♦] private motor vehicle(s) used by the Lessee, her servants, agents or visitors.

- 11.3 The Lessee shall be entitled to the use of the Car Park Spaces from the Lease Commencement Date provided always that where the Lessee ceases to lease the Premises in accordance with this Lease she shall automatically cease to be entitled to the right to use the Car Park Spaces.
- 11.4 The Lessee hereby undertakes and agrees with the Lessor at all times during the subsistence of this Lease that the Lessee will:
- 11.4.1 keep the Car Park Spaces in good order and condition and upon termination of this Lease hand over the Car Park Spaces in such state of repair and condition as the same is at the commencement of this Lease;
 - 11.4.2 (notwithstanding that this Lease does not create a lease of the Car Park Spaces and that the Lessee is not a tenant) not part with the possession or otherwise howsoever dispose of the Car Park Spaces or any portion thereof and not create or permit to subsist or arise any security interest or other encumbrances over the Car Park Spaces (or any part thereof); and
 - 11.4.3 not use the Car Park Spaces in contravention of any laws, municipal/county or other by-laws, rules or regulations currently in force or which may be promulgated in future by any local authority or other Competent Authority.
- 11.5 The Lessee hereby acknowledges and agrees as follows:
- 11.5.1 the Lessee will at all times occupy the Car Park Spaces hereunder as a licensee only and nothing contained in this Lease will be construed to give rise to any right of tenancy to the Lessee;
 - 11.5.2 that the Lessee does not enjoy exclusive possession of the Car Park Spaces and that the Lessor its servants and agents shall be entitled at any time and from time to time to enter on the Car Park Spaces for whatsoever purpose the Lessor shall deem necessary or desirable; and
 - 11.5.3 that this licence for use of the Car Park Spaces is personal to the Lessee and the Lessee shall not assign or transfer any of her rights (which being personal shall not be capable of being assigned) under this Lease to any person.

12 RIGHTS OF RE-ENTRY AND GENERAL

- 12.1 Provided always and it is hereby agreed as follows:
- 12.1.1 If:
 - 12.1.1.1 the Lessee fails to pay Service Charge or any part thereof on the due date of payment of the same or fails to pay or discharge any other obligation and liability payable or to be discharged by the Lessee; or
 - 12.1.1.2 the Lessee breaches or fails to comply with, perform or observe any of the covenants, agreements, conditions and undertakings contained herein (whether such covenant, agreement, condition or undertaking is for the benefit of or in favour of the Lessor and the Residential Management Company and to be complied, performed and observed by the Lessee

then and in any of the said cases, the Lessor shall issue a notice in writing to the Lessee (the **Breach Notice**):

- (a) specifying the nature of the breach by the Lessee (the **Breach**); and
- (b) (In the case of a Breach capable of remedy) requiring the Lessee to remedy the Breach within ninety (90) days from the date of the Notice; and
- (c) (in any other case other than non-payment of Service Charge) requiring the Lessee to remedy the Breach by way of a monetary compensation and specifying the amount to be paid by the Lessee.

12.1.2 If upon the issuance of the Breach Notice in accordance with the terms of clause 12.1.1 the Lessee shall not have remedied the Breach in the manner stipulated in the Notice within ninety (90) days of the Notice then and in any of the said cases it shall be lawful for the Lessor (without prejudice to any other rights or remedies of the Lessor) at any time thereafter, but subject to getting an order from the appropriate court, to re-enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess and enjoy as in its former estate and thereupon the Term shall absolutely determine anything herein contained to the contrary anyway notwithstanding but without prejudice to any right of action or remedy of the Lessor or the Residential Management Company in respect of any antecedent breach of any of the covenants, undertakings and agreements by the Lessee herein contained, provided that in addition to the issuance of the Notice, if the Premises have been charged or mortgaged in compliance with clause 4.1.24, then the Lessor shall also give notice to the chargee or mortgagee and the chargee or mortgagee shall be entitled within a period of thirty (30) days from the date of such notice to remedy the matters in relation to which the notice has been served;

12.1.3 if the Lessee shall default in paying any sum (including Service Charge) required to be paid pursuant hereto such sum shall be recoverable (whether formally demanded or not) as if rent in arrears;

12.1.4 each and every one of the Lessee's covenants herein contained shall remain in full force both at law and in equity notwithstanding that the Lessor shall have waived or released in any way whatsoever a similar covenant or similar covenants affecting other lessees or occupiers of the Apartments (other than the Premises);

12.1.5 no provision of this Lease shall be waived or varied by either party hereto except by agreement in writing which agreement shall be prepared and if the case so requires be duly registered in the relevant land registry at the sole cost and expense of the Lessee;

12.1.6 all notices required under this Lease shall be in writing and shall in the case of notices to the Lessee be sufficiently served if addressed to the Lessee and delivered to the Premises or forwarded to the Lessee by registered post at the address stated herein and in the case of notices to the Lessor or the Residential Management Company be sufficiently served if forwarded to the Lessor or the Residential Management Company by registered post at the address stated herein and so that any notice so posted shall be deemed to have been served within five (5) days following the date of posting provided that proof is given that the notice was adequately stamped and put into the post and provided

further that any party may notify the other parties of a change in address by sending a notice in the manner aforesaid and if at any time the Lessee is more than one person a notice served on any one Lessee should be deemed service on all persons being the Lessee;

- 12.1.7 the Service Charge and other sums payable hereunder shall be deemed to be exclusive of any tax (including without limitation value added tax) charged or chargeable in respect thereof and in the event that any competent taxing authority shall require that a tax be levied on Service Charge and any other sums payable hereunder the Lessee shall in addition pay amounts equal to the tax so levied;
- 12.1.8 all payments by the Lessee hereunder (whether of Service Charge or otherwise) shall be made free and clear of all deductions and without any set-off or counterclaim and in such manner as the Residential Management Company and/or the Lessor may from time to time require;
- 12.1.9 no failure to exercise and no delay in exercising on the part of any party any right power or privilege hereunder or to insist on the strict performance of the covenants terms conditions and stipulations herein contained shall operate as a waiver thereof nor shall any single or partial exercise of any right power or privilege preclude any other or further exercise thereof or the exercise of any other right power or privilege;
- 12.1.10 if any provision of this Lease shall be inconsistent with any provision contained in the Agreement for Lease the relevant provision of this Lease will prevail and such inconsistent provision of the Agreement for Lease shall be construed and read as subject to the relevant provision of this Lease;
- 12.1.11 if any term or condition of this Lease shall to any extent be found or held to be invalid or unenforceable, the parties shall negotiate in good faith to amend such term or condition so as to be valid and enforceable and to be construed with the interests of the parties as contained herein;
- 12.1.12 each of the provisions of this Lease is severable and distinct from the others and, if at any time one or more of these provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired; and
- 12.1.13 any rights exercisable by either the Lessor or the Residential Management Company hereunder shall be exercisable by the other as if such rights were for the benefit of such other party.
- 12.2 If the Lessee shall fail to pay Service Charge or any other sum due under this Lease within fourteen (14) days of the due date (whether formally demanded or not) the Lessee shall, without prejudice to any other rights of the Lessor and/or the Residential Management Company, pay interest on Service Charge or such other sums from the date for payment to (but excluding) the date on which the outstanding amount is paid (together with all accrued interest) in full and such interest shall be deemed to form part of Service Charge. The rate of interest shall be the per annum rate which is five percent (5%) per month. Interest shall be calculated on daily balances and debited monthly by way of compound interest. The Lessee hereby acknowledges and agrees that the interest provided for in this clause 12.2 represents a reasonable pre-estimate of the loss to be suffered by the Residential Management Company and/or the Lessor due to the default of the Lessee.

- 12.3 Part VI (excluding sections 70(2), 75 and 76) of the Land Act shall not apply to this Lease.
- 12.4 It is hereby acknowledged and agreed by the Parties that if the Lease Commencement Date occurs after the Signature Date then prior to the Lease Commencement Date the Lessor shall not be deemed to have leased to the Lessee the Premises or granted to the Lessee possession of the Premises.
- 12.5 The Lessor shall not be liable to the Lessee in any manner for any delays in stamping and registering the Lease.

13 GOVERNING LAW

- 13.1 This Lease shall be governed by and construed in accordance with the laws from time to time of the Republic of Kenya.
- 13.2 Each party hereby agrees and confirms for the purposes of the Law of Contract Act (Cap. 23) and the Land Act that it has executed this Lease with the intention to bind itself to the contents hereof.

14 ENTIRE AGREEMENT AND REPRESENTATIONS

- 14.1 This Lease contains the entire agreement and understanding between the parties and supersedes all prior discussions and agreements concerning the subject matter hereof. The Lessee acknowledges that this Lease has not been entered into in reliance wholly or partly on any statement or representation made by or on behalf of the Lessor and/or the Residential Management Company except any such statement or representation that is expressly set out in this Lease.

IN WITNESS WHEREOF this Lease has been duly executed by the parties hereto as of the day and year first hereinbefore written.

[EXECUTION BLOCK]