

Lease Agreement

**THE REPUBLIC OF UGANDA
THE REGISTRATION OF TITLES ACT (CAP. 230)**

**PLOT NO.
BLOCK NO. ...
.....**

LEASE AGREEMENT

THIS LEASE AGREEMENT is made this.....day of.....2014

BETWEEN

..... **(Insert Lessor's Name and Address)** (Hereinafter referred to as "the **LESSOR**" which expression shall where the context so admits include his successors and assignees in title) on one part;

AND

..... **(Insert Lessee's Name and Address)** (Hereinafter referred to as "the **LESSEE**" which expression shall where the context so admits include its successors and assignees in title) of the other part;

NOW THEREFORE IT IS AGREED as follows:

IN CONSIDERATION for the sum of **UGX. UGX** /= **(Amount in words)** paid to the **LESSOR** by the **LESSEE** on or before the execution of these presents (the receipt whereof the **LESSOR** doth hereby acknowledge) and also in consideration of the rent hereby reserved and of the covenants and conditions hereinafter contained on the part of the **LESSEE** to be observed and performed, the **LESSOR HEREBY LEASES UNTO THE LESSEE** all that parcel of land comprised in the above mentioned Block and Plot being an area measuring approximately**acres/ hectares** and which, for the purposes of identification, are more particularly delineated and described in the plan annexed hereto and edged in red together with all the fixtures erected or to be erected thereon **TO HOLD** the same unto the **LESSEE** for a term of **years** (hereinafter referred to as the initial term) commencing the.....day of.....2014 **YIELDING AND PAYING** therefore during the said term a nominal yearly rent of **UGX.....** /= **(Amount in words)** payable in advance on the first day of January in every year.

Upon expiration of the term the lease shall be automatically renewed on the same terms stipulated herein.

THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:

- (a) To observe and perform all the conditions and covenants implied by law in this lease or otherwise herein contained or referred to,
- (b) To pay the **LESSOR** the rent herein reserved in the manner herein specified.
- (c) To use the demised premises for the purpose of running educational facilities such as schools, colleges, universities or any other use as the **LESSEE** shall deem fit.
- (d) The lessee will at its own expense, in all things and under the inspection and control of its qualified technical personnel develop the demised plot to suit its desired use(s) in compliance with all the relevant municipal, town planning and other relevant laws.
- (e) The **LESSEE** shall install any equipment, machinery or other facilities and make any changes to the premises as it shall deem fit without first having to obtain the **LESSOR's** consent.
- (f) To keep insured the demised premises to the full value thereof in a reasonable insurance office against loss or damage or fire.
- (g) Not at any time during the said term to use, exercise or carry on or permit or suffer to be used, exercised or carried on in or upon the said land or buildings or nay part thereof any noxious, noisome, or offensive art, trade, business, occupation or calling or to allow any matter or thing whatsoever to be done at any time during the said term in or upon the said land or building which shall or may be or grow to the annoyance, nuisance, grievance, damage, or disturbance of the occupiers or owners of the adjoining lands and properties.
- (h) To pay all future taxes such as ground rent, property rates and any other outgoings in respect of the land herein leased.
- (i) To bear all costs, charges, taxes and expenses for the registration of this lease and all legal costs for preparing the same.

THE LESSOR HEREBY COVENANTS WITH THE LESSEE as follows:

- (a) At all times during the continuance of the term hereby created to permit the **LESSEE** to make such alterations and additions to any of the buildings or other structures erected on the demised premises as per this Lease Agreement.
- (b) That the demised land is and shall be free of any encumbrances of whatever nature legal or equitable that may adversely affect the **LESSEE'S** interest.
- (c) Agrees that the Lessee may transfer, sell or sublet or part with possession of or suffer anyone to use or confer on anyone an equitable interest in or in any way mortgage the said land or buildings or any part thereof without having first obtained the consent of the **LESSOR**.
- (d) That the **LESSEE** paying the rent hereby reserved and performing the covenants and conditions herein-before contained and on the part of the **LESSEE** to be

observed and performed shall quietly possess and enjoy the demised premises during the term hereby granted (including an extension of the term in the said event as stipulated) without any interruption by the **LESSOR** or any person claiming under or in trust for him.

- (e) To register this Lease as an encumbrance on the certificate of title pertaining to the premises and to do everything necessary to enable the **LESSEE** obtain a valid leasehold title.
- (f) That the **LESSOR** shall not revise or demand for any more premium or consideration apart from what is provided herein.
- (g) To hand over vacant possession of the premises on execution hereof.
- (h) In the event that it shall become lawful and permissible under the laws of the Republic of Uganda for the **LESSEE** to hold the mailo estate in the demised land, the **LESSOR** or his legal representatives, assignees or successors in title shall execute a transfer of the mailo estate to the **LESSEE** for a nominal consideration of **UGX/= (Amount in words)** and for the avoidance of doubt it is agreed that the **LESSEE** or its successors in title, representatives, assigns or nominees shall have the exclusive right to purchase and transfer the mailo estate in the demised land from the **LESSOR** into their own name(s).
- (i) To pay all outstanding rates/ Ground rents due and owing to any authority in respect of the premises prior to execution hereof whereupon responsibility thereafter shall become the **LESSEE'S** while the lease subsists.
- (j) In the event that the **LESSOR** fails to hand over vacant possession of the demised land or in case the lease agreement is set aside for want of authority to lease on the part of the **LESSOR**, then the **LESSOR** shall refund the sums so far paid by the **LESSEE** with interest at the prevailing commercial bank rate as well as all other incidental expenses incurred by the **LESSEE**.
- (k) That the **LESSOR** shall not seek to terminate this lease for any reason whatsoever and undertakes that the **LESSEE** shall have the first option of renewal upon expiry of the term created herein.

IT IS FURTHER AGREED AND DECLARED as follows:

- (a) That during the subsistence of this Agreement, the **LESSOR** shall not engage in any activities prejudicial to the business or occupation of the **LESSEE** particularly not to part, transfer or lease the above parcel to any person or entity without the consent of the **LESSEE**.
- (b) At the completion of the lease term, the **LESSEE** shall have the first option to renew upon such further terms as the parties shall agree upon at the time.
- (c) If and whenever any difference shall arise between the **LESSOR** and the **LESSEE** relating to the construction of any of the articles herein contained or any act or anything made or done or omitted in regard to the rights and liabilities arising

hereunder or arising out of the relationship existing between the **LESSOR** and the **LESSEE** by reason of these presents, such difference shall forthwith be referred to arbitration in accordance with the Arbitration and Conciliation Act Cap 4 or such other law in force regarding arbitration in Uganda at the time before recourse can be made to court.

- (d) The terms of this agreement are intended by both **PARTIES** as a final expression of their agreement. This agreement supercedes any prior written or oral agreement between the **PARTIES** and shall not be contradicted by any evidence precedent to its execution **PROVIDED** that any **PARTY** wishing to amend this agreement shall do so with the consent of the other **PARTY** and any amendment agreed upon shall be in writing and deemed an integral part of this agreement.
- (e) The ineffectiveness, invalidity or unenforceability of any provision of this agreement shall not affect other valid provisions thereof which shall remain in full force and effect.
- (f) This agreement shall be governed by the Laws of the Republic of Uganda.

IN WITNESS WHEREOF the parties hereto set hereunder their respective hand(s) / seal(s) on the date and year first above written.

SIGNED & DELIVERED by the said

.....
“LESSOR”

Name

Signature

Certificate of Attesting Witness

This Lease agreement is signed by.....in my presence at.....in the District of Kampala this.....day of.....20.....and I certify that the above instrument was signed by him/her/them after having read the same.

Name

Signature

Designation

**SIGNED BY;
(LESSEE)**

.....

In the Presence of:

Name

Signature

Certificate of Attesting Witness

This Lease agreement is signed by.....in my presence
at.....in the District of Kampala this.....day
of.....20.....and I certify that the above instrument was signed by
him/her/them after having read the same.

Name

Signature

Designation