

DATED THE 27TH DAY OF JULY 2021

LEASE

KARANGI COFTEA LIMITED

- to -

HEALTHCARE SOLUTIONS INTERNATIONAL LIMITED

L.R NO. 209/777, NAIROBI

SHOP NO. 1 AND 1ST FLOOR OF SHOP NO. 1

REGISTRATION OF TITLES ACT
(CHAPTER 281) GRANT NUMBER 1.R. 6578

LEASE AGREEMENT

THIS LEASE is made on the **27th** day of **July** in the year **Two Thousand Twenty One** BETWEEN **KARANGI COFTEA LIMITED** a limited liability company incorporated in the Republic of Kenya of Post Office Box Number 53104 - 00200 Nairobi in the aforesaid Republic (hereinafter called "the Landlord" which expression shall where the context so admits include its successors and assigns) of the one part AND **HEALTHCARE SOLUTIONS INTERNATIONAL LIMITED** a limited liability company incorporated in the Republic of Kenya of Post Office Box Number 53665 – 00200 Nairobi in the aforesaid Republic (hereinafter called "the Tenant" which expression shall where the context so admits include its successors and assigns) of the other part.

WHEREAS:-

1. The Landlord is registered as the proprietor and Lessee from the Government of the Republic of Kenya of **ALL THAT** piece of land situated in the city of Nairobi in the Nairobi Area within the Republic of Kenya containing by measurement Nought Six Eight Nine (0.0689) of an acre or thereabouts known as Land Reference No. 209/777 being the premises comprised in a Grant dated the Twenty Eighth day of February, Nine Hundred & Ninety registered in the Land Titles Registry at Nairobi as Number L.R 6578/28 which said piece of land with the dimensions abuttals and boundaries thereof is delineated and described on the plan annexed to the said Grant and more particularly on Land Survey Plan Number 40827 deposited in the Survey Records Office at Nairobi and thereon bordered red hereinafter referred to as the said premise which expression shall include all buildings and improvements on the said piece of land.
2. The Landlord has caused to be erected on the piece of land a building commonly known as Parkside Hotel Building (hereinafter called "**the said building**") intended for use (*inter alia*) as commercial premises and all other uses connected therewith.
3. The Landlord has agreed with the Tenant to grant to the Tenant a lease of Shop No.1 (One) in the building erected on the said piece of land for the term and at the rent and subject to the covenants, agreements conditions restriction stipulated and provisions hereinafter contained. The total area leased out hereof is **2,288 ft² (Two Thousand Two Hundred Eighty**

Eight) and the 1st floor on shop 1 (One) with an area of **723 ft² (Seven Hundred and Twenty Three).**

4. The tenant has accepted this lease subject to the covenants agreements conditions stipulations, restrictions and provisions hereinafter contained.

NOW THIS LEASE WITNESSETH AS FOLLOWS:

In this lease where the context so admits:-

- i. The expression "the landlord" includes its successors in title and assigns;
- ii. The expression "the tenant" includes their respective personal representatives heirs successors in tile and assigns;
- iii. Words importing the masculine gender only, include the feminine gender, or (as the case may be) the neutral gender;
- iv. Words importing the singular number only, include the plural number and vice-versa and where there are two or more persons included in the expression "the tenant" covenants and agreement expressed to be made by the tenant shall be deemed to be made by such persons jointly and severally'
- v. Where there are two or more persons included in the expression "the tenant" any act default of omission by the tenant shall be deemed to be an act or omission by anyone or more of such persons.

IN CONSIDERATON of the hereinafter reserved and of the covenants, conditions, agreements, restrictions, stipulations and provisions hereinafter contained or implied and on the part of the tenant to be performed and observed the Landlord **DOTH HEREBY LEASE** unto the Tenant **SHOP NO. 1 (ONE)** and **1ST FLOOR** of the said erected building and being on the piece of land known as **L.R. No 209/777** (hereinafter called "the demised premises") **TO BE HELD** by the tenant for a term of five (5) years and three (3) months from the **1st Day of October Two Thousand and Twenty One** hereinafter referred to as "the said term" **SUBJECT** nevertheless to determination as hereinafter provided **YIELDING AND PAYING** therefore during the said term the monthly rent of Kshs. 300,000.00 (Three Hundred Thousand Kenya Shillings) payable on or before the 5th day of every month for the term hereby created clear of all deductions payable in the following manner:

- i) To pay a deposit of Kshs. 900,000 (Nine Hundred Thousand) equivalent to three **(3)** month's rent as security deposit which sum shall be refunded subject to the Landlord's right to offset it against any amounts owed by the Tenant.
- ii) On the execution of this agreement to pay Kshs.900,000 (Nine Hundred Thousand) being rent for three (3) months in advance starting 1st October, 2021
- iii) To pay water deposit of Kshs. 10,000.00 (Ten Thousand Shillings) and an equal amount i.e. Kshs. 10,000.00 (Ten Thousand Shillings) for electricity.

- iv) Tenant to pay 5% rental increment on annual basis.
- v) However, the payment of the deposit hereof shall be made on or before the execution of this Lease agreement to:

ACCOUNT NAME: PARKSIDE HOTEL
ACCOUNT NO: 9590020000027
BANK NAME: BARODA
BRANCH NAME: KOINANGE STREET

SUBJECT to the following terms and conditions:

1. The Tenant to the intent that the obligations hereinafter set out may continue throughout the continuance of the said term covenants and agrees with the Landlord as follows:
 - a. To pay the rent hereby reserved to the Landlord or its agent(s) at the times and in manner aforesaid;
 - b. To pay during the said term all charges for dustbin and waste disposal, conservancy water, electricity and telephone (if any) in respect of the said premises;
 - c. During the said term to keep the interior of all buildings forming part of the said premises including all doors floors ceiling and windows and all pipes and sanitary and water apparatus and internal pipes and the landlord's fixtures and fittings therein in the same good and tenantable repair and condition as at the commencement of the said term (repaid rendered necessary by wear and tear and loss or damage by fire, earthquake, burglary, explosion, storm, tempest, riot, civil commotion, falling aircraft or articles dropped therefrom or other causes outside the control of the tenant only expected) **PROVIDED FURTHER** that during the said tem the tenant shall not be liable for any such repairs the necessity for which may arise from structural causes or faults inherent in the design or construction of the building forming part of the said premises or defect in any material used therein or any failure by the landlord to perform its obligations under the provisions of clause 2 hereof.
 - d. Not to remove or (except in the proper course of cultivation and management) cut top or prune any trees shrubs or bushes on the said premises and to keep the same in clean and tidy conditions.
 - e. Not in any way to obstruct or permit to be obstructed the passages, stairways, entrances, exits or public areas in the premises.
 - f. To permit the Landlord its agent(s) and surveyors with or without workmen at all reasonable times upon the expiration of at least Twenty Four hours prior notice in writing to enter upon the said premises or any part thereof and execute structural or other repairs to the said premises or to the electrical circuits water pipes and drains in or under the same or any other repairs which the Landlord may be liable to carry out under its covenant and agreement in that behalf hereinafter contained.

- g. Not to make any alterations in or additions to the said premises or any part or parts thereof without the consent in writing of the Landlord first had and obtained.
- h. Not to drive any nails, screw bolts or wedges in the floors, walls or ceilings of any building forming part of the said premises nor cut maim or injure any of the walls or timbers thereof not to suffer or permit the same to be done without the consent of the Landlord in writing first had and obtained.
- i. To make periodical inspections of the buildings forming part of the said premises and immediately to report to the Landlord the presence of white ants, bees and other destructive insects and the presence of any one or more of the same it observed or discovered.
- j. Not to do or suffer to be done anything whereby any insurance of the building forming part of the premises against loss or damage by fire and other normal comprehensive risk may become void or voidable.
- k. Not to do, permit or suffer to be done on the said premises anything which shall be a nuisance to the persons for the time being owning or occupying any adjoining or neighbouring property.
- l. To indemnify the Landlord against any actions claims or demands arising out of leakage or overflow or water from the demised premises other than as a result of any breach by the Landlord of its covenants hereinafter contained.
- m. To take all normal precautions to secure abatement of noise, smoke or other nuisances and to ensure that no noxious or corrosive effluent escapes into the drains and/or sewers which serve the demised premises.
- n. Not to, without consent in writing of the Lessor, suspend any weight from the ceiling, roof or roof trusses or use the roof trusses of any building forming part of the demised premises for the storage of goods or to place or permit or suffer to be placed any weight thereon or to permit any persons to enter thereon save with a view to execution of necessary repairs and then only in such a manner as to subject the ceiling, roof and roof trusses to the least possible strain.
- o. Not to load or unload goods or other things from any vehicle or otherwise conveyed into or from the demised premises except in the area of the premises specifically designed or designated and provided for such loading and unloading.
- p. To use the premises for healthcare purposes only and specifically for the purpose of a medical centre unless otherwise consented to by the Landlord in writing.
- q. Not without the prior written consent of the Landlord (but without prejudice to the existing signs writings or signboards of the Tenant) to paint affix or exhibit any name or writing or any signboards placards or advertisement in the landings or passages upon or outside any entrance, hall, window, roof or outside wall of the building or on any private entrance door to the premises, the landings or passages giving access thereto save in conformity with the Landlord's consent first had and obtained.

- r. Not to permit any open or internal combustion fire to be burned within the premises.
- s. At the Tenant's expense to install in the premises such additional fire fighting equipment and appliances as are required by the Landlord (whose opinion shall be final and conclusive) if the trade business or occupation of the tenant is such to necessitate such additional equipment over and above that supplied by the Landlord.
- t. To perform and observe so far as the same is capable of being performed and observed by the Tenant but not further or otherwise all the covenants, agreements, conditions, restrictions, stipulations and provisions affecting the said premises and under which the same are held **AND NOT** at any time do, omit to do, or suffer anything to be done whereby the superior titles of the land hereby leased may be avoided or forfeited **AND** at all times to keep indemnified the landlord from and against all actions, proceedings, costs, damages, claims, demands and liability for or in respect of any breach which may be committed during the said term of any of the said covenants agreements conditions restrictions stipulations and provisions.
- u. At all times during the continuance of the term to comply with all Laws, Acts, Rules, Regulations or By-laws enacted passed or issued by the Government or any Local Authority in relation to the premises **AND** to obtain all such licenses and do and execute or cause to be done or executed all such works and things as under or by virtue of any Act, Rule, Regulation or By-law as foresaid or under any notice order or direction given or made pursuant thereto for the time being in force or shall be directed or necessary to be obtained done or executed in respect of or upon the premises or any part thereof whether by owner or occupier in consequence of the user of the premises for the purpose authorised by this Lease and at all times to keep the Landlord indemnified against all claims demands and liability in respect thereof.
- v. To permit the Landlord its agent(s) at any time one calendar month before the expiration of the said term during the currency of the lease to enter the said premises and to affix upon any suitable part thereof a notice board for letting or selling the same and not to remove or obscure any person by order in writing of the landlord or its agent(s) to view the said premises at reasonable hours in the day time without interruption.
- w. Not to sublet and further not to assign or transfer or part with possession of the premises or any part thereof without the prior consent in writing of the landlord.
- x. Not to permit the premises or any part thereof to be used by any other person or persons or bodies corporate without prior written consent of the landlord.
- y. To insure all its assets against fire, theft etc. and it is hereby clearly agreed that the Landlord shall not be liable for any loss occasioned as a result of the Lessee's failure to insure its assets.

- z. On the expiration or sooner determination of the said term to deliver up the said premises together with Landlord's fixtures and fittings therein with all locks keys and fastenings complete in such state of repair conditions order and preservation (normal wear and tear excepted) as shall be in strict compliance with the covenants and agreements in that behalf of the Tenant herein contained.
 - aa. To pay all costs incurred in connection with the preparation and completion of this lease.
2. The Landlord to the intent that the obligations hereinafter set out may continue throughout the continuance of the said term covenants and agrees with the Tenant as follows:
- a. To keep the main walls, timbers, roofs, main structure, gutters downpipes and exterior of the buildings forming part of the said premises and the drains (including pipes serving the same) in substantial repair and good condition and whenever necessary at any time during the continuance of this lease by reason of any failure by the Landlord to perform its obligations under this sub-clause and shall only extend to repairs and re-decorations which may become necessary other than by reason of wilful damage by the occupiers of the said premises.
 - b. To insure and keep insured the said premises against loss or damage by fire, earthquake, burglary, explosion, storm, tempest, civil commotion, falling aircraft or articles dropped therefrom in some insurance office of repute or with underwriters of good standing in the full insurable value thereof and if the premises are damaged or destroyed by fire or any other cause hereinbefore mentioned the Landlord shall (unless payment of any moneys payable under any such policy of insurance shall be refused by reason of any act or default of the tenant) forthwith rebuild, reinstate, repair or replace the said buildings as the case may be to a like standard as the same were immediately prior to such damage or destruction.
 - c. To maintain and keep the carriage ways car parking areas and paths forming part of the said premises in good repair and free from pot holes and also keep (save in respect of damage arising from negligence or wilful damage on the part of the occupiers) the said premises in good repair.
 - d. To allow the Tenant to have access and use of the backyard in the said premises PROVIDED THAT the Landlord may agree to lease the said backyard to the Tenant hereof upon such terms and conditions as may be agreed between the Landlord and the Tenant.
 - e. Subject to the provisions of sub-Clause (b) of Clause 1 hereof to pay all rates, taxes, charges, outgoings, imposition and assessments which now are or may hereafter during this lease be imposed or assessed on the said premises or any part thereof by the Government or any Municipal Township Local or other authority.

- f. To permit the tenant paying the rent hereby reserved and performing and observing the covenants, agreements, conditions, restrictions, stipulations and provisions herein contained or implied and on their part to be performed and observed peacefully and quietly to possess and enjoy the said premises during the said term without any interruption from or by the Landlord or any person rightfully claiming from or under it.

3. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED THAT

- a. If the said rent of any part thereof shall be in arrears for a period of Twenty one (21) days next after any of the days whereon the same ought to be paid as aforesaid whether formally demanded or not or if there shall be any breach or non-performance by the tenant of any of the covenants agreements conditions restrictions stipulations or provisions herein contained and on their part to be performed and observed then and in any case it shall be lawful for the Landlord although it may not have taken advantage of some previous default of a like nature to re-enter into and upon the said premises repossess and enjoy as in its former state anything herein contained to the contrary in anywise notwithstanding without prejudice to any right of action or remedy of the Landlord in respect of any antecedent breach of any of the covenants agreements conditions restrictions stipulations or provisions herein contained or implied and on the part of the Tenant to be performed and observed.
- b. That in case the buildings forming part of the said premises or any part thereof shall at any time during the said term be destroyed or damaged by fire, earthquake, burglary, explosion, storm, tempest, riot, civil commotion, falling aircraft or articles dropped therefrom or other causes outside the control of the Tenant so as to render them unfit for occupation or use and the policy or policies of insurance effected by the Landlord shall have been vitiated or payment of the policy moneys refuse in whole or in part in consequence of some act or default of the tenant or the occupiers of the said premises the rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the said buildings as the case may be shall again be rendered fit for occupation **PROVIDED ALWAYS** that in the event of the said buildings being totally destroyed the tenant shall be entitled on giving the landlord one calendar months' notice in that behalf expiring at any time to determine the lease hereby created and on the expiration of such notice the said term shall cease and determine accordingly.
- c. In the event that the Landlord shall accept an offer from a third party for the purchase of the said premises then the Landlord shall sell the said premises subject to this lease.

4. That any dispute with reference to the provisions of this Lease Agreement shall be determined by a single Arbitrator in accordance with the provisions of the Arbitration Act, Cap.49 of the Laws of Kenya or any statutory enactment in that behalf for the time being in force such Arbitrator to be appointed in absence of agreement between the parties by the Chairman for the time being of the Law Society of Kenya.
5. The Landlord having made no representations or promises with respect to the said premises except as herein expressly set forth the taking possession of the said premises by the Tenant shall be conclusive evidence as against the Tenant that the Tenant accepts the same as it is and that the said premises were in good and satisfactory condition at the time such possession was so taken.
6. If the tenant shall be desirous of renewing the Lease hereby created for a further term of Five years and three months at the expiration of the term hereby created and shall not more than twelve months before the expiration of the said term give to the Landlord six months' previous notice in writing thereof and shall both at the date of the giving of such notice and at the date of termination of the term hereby granted have paid the rent hereby reserved and performed and observed the several covenants conditions and provisions herein contained and on the part of the tenant to be performed and observed then the Landlord shall grant a new lease of the demised premises to the tenant for a further term of five years and three months from the date of the termination of the term hereby created at a rent to be agreed between the tenant and the Landlord.
7. Any notice under this lease shall be in writing and any notice to the Tenant shall be sufficiently served if addressed to tenant and delivered to the said premises or sent by registered post to its last known address in Kenya and any notice to the Landlord shall be sufficiently served if sent to it by registered post to its last known address in Kenya or served on any agent authorised by the Landlord to receive or who has in fact on its behalf collected the rent of the said premises and any notice sent by registered post shall be deemed to have been served within two days following the date on which it posted **AND** shall for the purpose of this lease be deemed to be good and sufficient on the tenant and the tenant hereby accept this lease subject to the covenants conditions herein.

IN WITNESS whereof this Lease has been duly executed by the parties hereto the day and year first hereinabove written.

SEALED with the Common Seal of the Landlord)

KARANGI COFTEA LIMITED)

in the presence of :-)

DIRECTOR)

DIRECTOR/SECRETARY)

SEALED with the Common Seal of the Tenant)

HEALTHCARE SOLUTIONS INTERNATIONAL LTD)

in the presence of:-)

DIRECTOR)

DIRECTOR/SECRETARY)

SCHEDULE 1

KARANGI COFTEA LTD – TO – HEALTHCARE SOLUTIONS INTERNATIONAL LTD

LETTABLE AREA (*IN SQUARE FEET*)

▪ Shop One (1)	=	2288
▪ First (1 ST) Floor	=	<u>723</u>
▪ TOTAL AREA	=	<u>3011</u>