

GIONI HOMES

DEED OF SUBLEASE

THIS SUBLEASE is made and entered into the day of.....20..... **BETWEEN**(NIGERIA) LIMITED, a Nigerian Limited Liability Company whose registered address is at....., **Lagos** (hereinafter “**Sublessor**” which expression shall where the context so admits include its successors-in-title and assigns) of the one part **AND** of (hereafter “**Sublessee**”) which expression shall where the context so admits include its representatives, successors-in-title, heirs and assigns) of the other part.

BACKGROUND

- (i) By a Certificate of Occupancy No. dated and registered as No.at pageVolumeof the Lagos State Land Registry Office at Ikeja, the Government of Lagos State granted to the Sublessor a Statutory Right of Occupancy commencing fromfor a term ofyears in and over all that parcel of land measuring 50 Hectares and incorporated herein by reference (the “Master Lease”).
- (ii) The Sublessor has agreed to grant to the Sublessee a sublease of the residue term of its right of Occupancy in respect of the piece of land or premises known as Plot ----- measuring approximately ----- Square Metres (the “Premises”) located within the larger piece of land covered by the certificate of Occupancy on the terms and conditions herein set out.

THEREFORE, in consideration of the of the mutual agreements set forth herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below:

1. PREMISES

- (i) Sublessor hereby leases to Sublessee and Sublessee hereby takes from Sublessor, on and subject to the terms, conditions and covenants hereinafter set forth, the premises known and called Plot ----- consisting of approximately ----- square metres more particularly described in the Schedule and hereafter referred to as (“Premises).
- (ii) Sublessee shall develop/use the land solely for ----- uses and purposes consistent with the Master Lease, the Estate Development rules/regulations and all relevant Town/Country Planning laws and Regulations.

2. TERM

The term of this Sublease shall be for all the unexpired residue of the said Ninety Nine (99) years less three (3) months commencing on ----- day of ----- 20-----. Notwithstanding the foregoing, the Sublease shall sooner determine upon the termination of the Master Lease for any cause whatsoever.

3. INSTALMENTS

- (i) Sublessee shall pay to Sublessor annual instalments for the land, in advance over a period of Ten (10) years without deduction, in the total amount of -----
- (ii) Payments shall be paid to Sublessor at the address to which notices to Sublessor are to be delivered pursuant to paragraph 16 below or as may otherwise be indicated by Sublessor.
- (iii) Sublessee shall pay a proportion of the ground rent or land charges payable under the Certificate of Occupancy (Master Lease) by the Sub-lessor to the Government of Lagos State, such proportion calculated on a direct ratio between the area of land belonging to the Sublessee and the total area of the entire GioniHomes.

4 OBLIGATIONS UNDER MASTER LEASE

- (i) This Sublessee is subject and subordinate to all of the terms and conditions of the Master Lease and all covenants and Conditions (the "Declaration) applicable to the scheme of development at Gioni Homes. Sublessee hereby agree to assume and perform the obligations of Sublessor and Lessee in said master Lease to the extent that said terms and conditions are applicable to the land, all of which are incorporated herein (with each reference to "Lease", "Lessor" or "lessee to be deemed to refer to this Sublease, Sublessor and Sublessee respectively).
- (ii) Sublessee shall not commit or permit to be committed on the premises any act or omission which shall violate any term or condition of the Master Lease, Sublessee shall indemnify, defend, protect and hold Sublessor harmless from any and all damages, claims, losses, liability, cost of expense (including, without limitation, court cost and reasonable attorney's fees) incurred in connection with or arising from Sublessee's breach of any of its obligations under the Master Lease assumed hereby.
- (iii) Subject to the provisions set forth hereinbelow, in the event of the termination of the Sublessor's interest as Lessee under the Master Lease for any reason, then this Sublease shall terminate simultaneously therewith without any liability of Sublessor to Sublessee.

5. COMMON AREAS

1. MAINTENANCE AND USE OF COMMON AREAS

- (i) The Sublessor shall keep, or cause to be kept, the Common Areas in a neat, clean and orderly condition, properly lighted and landscaped. The use and occupancy by Sublessee of the Premises shall include the non-exclusive use of the Common Area, in common with the Sublessor and other Sublessees of the land and their invitees to the extent provided in the Declarations.
- (ii) Any such use shall be subject to the Declarations and those provisions contained in the Rules and Regulations concerning the use of Common Areas, to be established by Sublessor from time to time.

2. CONTROL OF AND CHANGES TO COMMON AREAS

- (i) Subject to the terms below, Sublessor shall have the sole and exclusive control of the Common Areas, as well as the right to make changes to the Common Areas. The Sublessor's rights shall include, but not limited to, the right to (a) restrain the use of the Common Areas by unauthorized persons; (b) utilize from time to time any portion of the Common Areas for promotional, entertainment and related matters; (c) temporarily close any portion of Common Areas for repairs, improvements or alterations, to discourage third party use, to prevent dedication or an easement by prescription, or for any other reason deemed sufficient in Sublessor's judgement and; (d) change the shape and size of the Common Areas, add, eliminate or change location of improvements to the Common Areas, including, without limitation, buildings, parking areas, roadways and curb cuts, and construct buildings on the Common Areas.
- (ii) Subject to the terms below, the Sublessor may determine the nature, size and extent of the Common Areas and make changes to the Common Areas from time to time which in its option are deemed desirable.

3. PRORATION AND PAYMENT OF COMMON AREA EXPENSES

- (i) From and after the Sublease Commencement Date, Sublessee shall pay to the designated Estate Managers, annually, an amount estimated by them from time to time to be the annual charge of Sublessee's Proportionate Share of Common Area Expenses.
- (ii) The Estate Manager's estimate of Common Area Expenses shall be for the first calendar year of the term of the sublease. Thereafter, prior to commencement of each subsequent calendar year, the Estate Manager shall deliver to Sublessee and estimate of Common Area Expenses for such calendar year, provided that their failure, for any reason, to so deliver such estimates should not in any way affect their right to collect Sublessee's Proportionate Share of Common Area Expenses.
- (iii) If, for any reason, Estate Manager does not provide to the Sublessee the estimate of or any such charges at least one (1) month prior to commencement of into the calendar year, then Sublessee shall continue to pay the same amount of such charges applicable for the previous year until receipt of such estimate.
- (iv) On the receipt of the new estimate, the Sublessee shall forthwith pay the amount stated in the new estimate and the difference (if any) between the previous charges and the new estimated amounts.
- (v) As soon as possible after the end of each calendar year, the Estate Manage shall furnish the Sublessee with a statement showing the actual Common Area Expenses

for the previous year and the amount of Sublessee's proportionate Share of Common Area Expenses for said calendar year. If Sublessee's Proportionate Share of the Common Area Expenses exceeds Sublessee's previous payments, Sublessee shall pay Estate Manager the deficiency with the next due instalment of Common Area Expenses after receipt of the annual statement.

- (vi) If Sublessee's payment for the calendar year exceeds his actual Proportionate Share of Common Area Expenses, the Estate Manager shall refund the difference to Sublessee or retain it as a credit to the account of the Sublessee after Estate Manager's delivery of such statement showing actual Common Area Expenses, and if Estate Manager fails to refund such difference to the Sublessee, Sublessee may withhold the amount of such difference from the payment of the next due instalment of Common Area Expenses until Sublessee has recovered the amount of such difference in full.
- (vii) The Estate Manager shall keep books and records which shall, for the purpose of verifying the Common Area Expenses, be subject to examination by Sublessor, its authorized representatives or accountants at reasonable times during business hours in a manner which does not unreasonably interfere with the conduct of Estate Manager's business.
- (viii) The Estate Manager may after a reasonable time, dispose of its books and records relating to the Common Area Expenses for such calendar year unless Sublessee shall have theretofore asserted a claim against the Estate Manager with respect to the propriety of such statement, in which event, such books and records shall be preserved by the Estate Manager until resolution of the dispute.

6. UTILITY SERVICES AND CHARGES

PAYMENT BY SUBLESSEE

- (i) The Sublessee agrees to make all arrangements for and to pay, directly to the appropriate utility company or as may be determined by the Estate Manager and/or Sublessor in or about the Premises all utility charges including, but not limited to, gas, electricity, water, telephone, trash collection, and for all connection charges, fees or taxes.

WAIVER OF LIABILITY

- (ii) The failure or interruption of any utility or service (except to the extent caused by the gross negligence of Sublessor, Estate Manager, their contractors, agents, employees or invitees) shall neither render Sublessor and/or the Estate Manager liable in damages or otherwise entitle the Sublessee to terminate this sublease or discontinue making payments of Utility Service Expenses and Common Area Expenses.

SUBLESSEE'S NON-PAYMENT

- (iii) If Sublessee fails to pay any charges referred to in this sublease when due, the Estate Manager may notify Sublessee thereof, in writing and he shall pay such charges within fourteen (14) days after his receipt of the said notice. If Sublessee fails to pay such charges within the aforementioned period of days, the Estate Manager may pay such charges and Sublessee agrees to reimburse Estate Manager, within twenty-one (21) days after their request therefore (together with evidence of Estate Manager's payment thereof and any other supporting documentation reasonably requested by Sublessee).

NUISANCE

- (iv) The Sublessee shall not use the Premises in any manner that will constitute nuisance, annoyance or disturbance generally within the Gioni Homes.

7. CONDUCT OF BUSINESS

USE, PROHIBITIONS ON USE AND COMPLIANCE WITH LAWS

The Sublessor and the Sublessee shall comply with all applicable laws, rules and regulations concerning the entire comply with all applicable laws, rules and regulations concerning the entire City and the demised Premises including without limitation, the obligation of each party at its cost to alter, maintain or restore the City/premises in compliance and conformity with all laws, rules and regulations relating to the condition, use, or occupancy of land within the City and the demised premises during the term of the lease.

8. HAZARDOUS MATERIALS

1. COMPLIANCE

- (i) Neither the Sublessor nor Sublessee shall engage in any activity on or about the City/premises that violates any environmental law, rules and regulations (as hereinafter defined) and either party shall promptly at its sole cost and expense, take all investigatory and/or remedial action ordered or required by any governmental agency or environmental law for clean-up and removal of any contamination involving any Hazardous Material to the extent arising from the acts or omissions of the parties or any of their Agents.
- (ii) The Sublessor, Sublessee, their contractors, agents, employees or invitees shall not engage in any activity on or about the City/premises that violates any environmental law, rules and regulations and either party shall promptly at its sole cost and expense, take all investigatory and/or remedial action ordered or required by any governmental agency or environmental law for clean-up and removal of any contamination involving any Hazardous Material to the extent caused by that

party, its contractors, agents, employees or invitees. The term “Environmental law” shall mean any applicable federal, state or local law, statute, ordinance, rule or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Gioni Homes in general.

2. INDEMNIFICATION

- (i) The Sublessee shall indemnify, protect, defend and hold the Sublessor and each of its officers, directors, affiliates, partners, employees, agents, attorneys, successors and assigns (collectively, the “Indemnitees”) free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorneys’ fees and cost) for death or injury to any person or damage to any property whatsoever (including water table and atmosphere) against claims arising or resulting in whole or in part, directly or indirectly, from the presence or discharge of Hazardous Materials, in, on, under, upon or from his premises or the improvements located thereon, occurring after the Delivery Date but prior to the expiration of the term of sublease, to the extent caused by Sublessee or any agent of his; or from the transportation or disposal of Hazardous Materials to or from his Premises to the extent caused by him or any agent of his. Notwithstanding anything in this Section which may be construed to the contrary, in no event shall Sublessee indemnify Sublessor to the extent of any act or omission of Sublessor, its employees, contractors, agents or invitees.
- (ii) The Sublessor shall indemnify, protect, defend and hold Sublessee and each of his officers, directors, affiliates, partners, employees, agents, attorneys, successors and assigns (collectively, the “Indemnitees”) free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorneys’ fees and cost) for death or injury to any person or damage to any property whatsoever (including water table and atmosphere) against claims arising or resulting in whole or in part, directly or indirectly, from the presence or discharge of Hazardous Materials, in, on, under, upon or from his premises or the improvements located thereon, occurring after the Delivery Date but prior to the expiration of the term of sublease, to the extent caused by Sublessee or any agent of his; or from the transportation or disposal of Hazardous Materials to or from his Premises to the extent caused by him or any agent of his. Notwithstanding anything in this Section which may be construed to the contrary, in no event shall Sublessee indemnify Sublessor to the extent of any act or omission of Sublessor, its employees, contractors, agents or invitees.
- (iii) This Section shall survive the termination or expiration of this Sublease.

9. COVENANTS REGARDING OPERATIONS

From and after the Commencement Date, Sublease shall: (a) comply with the Rules and Regulations as may be established by the Sublessor in place for the Gioni Homes and as amended

from time to time (provided, that in the event of any direct conflict between such rules and regulations and the terms of Sublease, this Sublease shall take precedence; (b) secure, procure and maintain all applicable governmental approvals relating to operations from his Premises;

10. **ADVERTISING MEDIA**

- (i) Except as set forth herein, Sublessee shall not affix upon the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item unless such items are professionally prepared in a neat manner. No advertising medium shall be utilized by Sublessee which can be heard or seen outside his Premises including without limitation flashing lights, searchlights, loudspeakers, phonographs, radios or televisions. Sublessee shall not display, paint or place any handbill, bumper sticker or other advertising devices on any part of the Common Areas.
- (ii) Nothing in this Section shall be construed to impair Sublessee's right to operate its business on its Premises in a manner consistent with Sublessee's activities and other businesses and terms of this sublease, including, without limitation, the right to install signs, advertising placards, name, insignia, trademark, descriptive material or other like items in connection with Sublessee's business operations at its Premises or around the city and to emit sounds and noises from its Premises in connection with its business thereon which are not unreasonably loud or disruptive.

11. **QUIET ENVIRONMENT**

- (i) The Sublessee, upon paying the instalments and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements and conditions of this sublease on its part to be kept, shall peaceably and quietly have, hold and enjoy the Premises during the term of this sublease, without let, hindrance or molestation by Sublessor or any persons lawfully claiming by or through Sublessor.
- (ii) The Sublessor shall indemnify the Sublessee from and against all proceedings, costs, expenses and liabilities whatsoever arising from any defect in title to the demised premises.

12. **MAINTENANCE OF SUBLESSEE'S PREMISES**

Except for the Estate Manager's obligations to maintain portions of the Common Areas and to incur Common Area Expenses as provided herein, he shall not be required to furnish any services or facilities or to make any repairs or alterations in, about or to the Sublessee's Premises. The Sublessee hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, and maintenance of its entire Premises and Improvements thereon (including Sublessee's driveway, loading dock and trash enclosure area serving the Premises).

13. **CONSENT FEE**

If Sublessee assigns this Sublease or sublets the Premises or requests the consent of Sublessor to any transaction for assignment or subletting or if Sublessee requests the consent of Sublessor for any act that Sublessee proposes to do, then Sublessee shall, upon demand, pay Sublessor's attorneys' fees reasonably incurred by Sublessee in connection with such act or request. Such fee is a processing fee only and the acceptance of such fee shall in no way obligate Sublessor to consent to the requested transaction.

14. **DEFAULT**

1. **EVENTS OF DEFAULT**

The occurrence of one or more of the following events shall constitute a default by Sublessee under this Sublease:

- (i) Failure to pay Common Area Expenses; or any other monetary obligation owing by Sublessee hereunder, which failure is not cured within a stipulated time after written notice from Estate Manager and/or Sublessor that such amount is due.
- (ii) The failure of Sublessee to observe or perform any other express or implied covenants, obligations or conditions of this sublease to be observed or performed by Sublessee, where such failure shall continue beyond the stipulated time within which to remedy such default after notice thereof has been served on the Sublessee to remedy the default.

2. **REMEDIES UPON DEFAULT**

Upon the occurrence of one or more of the foregoing events of default, and in addition to any other rights or remedies of Sublessor provided by law or otherwise, without further notice or demand of any kind to Sublessee or any other person, the Sublessor may take all steps it considers necessary to remedy the default and enforce payment for same, without prejudice to the rights and interests of the Sublessee in the Premises.

3. **WAIVER**

No delay or omission in the exercise of any right or remedy of Sublessor on any default by Sublessee shall impair such a right or remedy or be construed as a waiver. The receipt and acceptance by Estate Manager of default payment shall not constitute a waiver of any default. No act or conduct of Sublessor, its officers, directors, affiliates, partners, employees, agents, attorneys, successors and assigns, including, without limitation. Sublessor's consent to or approval of any act by Sublessee requiring Sublessor's consent or approval shall be deemed to waive or render unnecessary Sublessor's consent to, or approval, any subsequent act by Sublessee. Any waiver by Sublessor of any default must be writing and shall not be a waiver of any other default concerning the same or any other provision of the sublease.

4. RENEWAL

At the expiration of the term demised, the Sublessor shall, subject to the grant of a new lease or an extension thereof by the Lagos State Government (its successor-in-title or assigns) to the Sublessor, grant to the Sublessee a renewal or extension of the term herein granted for such maximum term as would permit a reversion of not more than three months of the said new lease or extension thereof to the Sublessor for such consideration as may be determined by the Sublessor, taking into account among others, the cost of new lease or extension thereof on terms and conditions as contained in these presents or that may be determined by the Sublessor.

15. SUBLESSEE'S COVENANTS

- i. Sublessee agrees that: (a) Sublessee, and all persons in possession or holding under Sublessee, will not violate the terms of the Declarations as given by the Sublessor and (b) this sublease is and shall be subordinate to the Declarations and any amendments or modifications thereto now existing, provided such amendment or modification does not alter or diminish material rights granted to Sublessee hereunder, and (c) Sublessee shall execute and return to Sublessor an agreement in writing subordinating this Sublease to said Declarations.
- ii. Sublessee agrees that Sublessee will conform to and will not violate the terms of the Declarations and will perform all obligations of the Sublessor (as defined in the Declarations) including, without limitation, the obligation to pay all charges and assessments levied against the Sublessor and as it applied to the premises of the Sublessee for maintenance or otherwise, to comply with all use, insurance maintenance and other restrictions and to perform all indemnity obligations under the Declaration.
- iii. In the event there is any conflict between the provisions of this Section and other provisions of this Sublease, the provisions of this Section shall prevail. In the event there is any conflict between this Sublease and any of the provisions of the Declarations, the more restrictive provisions or the provisions imposing the greater obligation shall prevail. Sublessee agrees that, in addition to its indemnity obligations under this Sublease, Sublessee shall indemnify, protect, defend and hold Sublessor harmless as a result of any breach by Sublessee of its covenants under this Section.

16. NOTICES

- (i) All notices or demands of any kind required or desired to be given by Sublessor or Sublessee hereunder shall be in writing and shall be deemed delivered 48 hours after depositing the notice or demand respectively, at the addresses set forth below, or to such other address as Sublessor and Sublessee may, from time to time, designate to the other in writing.
- (ii) All payments/charges due under this Sublease or the Master Sublease (as apportioned to the Sublessee) shall be made by Sublessee to Sublessor at the same address.

17. MISCELLANEOUS

i. WAIVER

Any waiver by Sublessor or Sublessee of a breach of a covenant of this Sublease by the other party shall not be construed as a waiver of a subsequent breach of the same covenant. The consent or approval by either Sublessor or Sublessee, as the case may be, to anything requiring such party's consent or approval shall not be deemed a waiver of such party's right to withhold consent or approval of any subsequent similar act by the other party. No breach by either Sublessor or Sublessee, as the case may be, of a covenant of this sublease shall be deemed to have been waived by other party unless the waiver is in writing and signed by the non-defaulting party.

ii. RIGHTS CUMMULATIVE

Except as provided herein to the contrary, the rights and remedies of Sublessor and Sublessee specified in this Sublease shall be cumulative and in addition to any other rights and/or remedies otherwise available, whether or not specified in this Sublease.

18. ENTIRE AGREEMENT

It is understood that there are no oral or written agreements or representations between the parties hereto affecting this Sublease, and this Sublease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Sublessor and Sublessee or displayed by Sublessor to Sublessee.

i. AMENDMENTS IN WRITING

No provision of this Sublease may be amended except by an agreement in writing signed by Sublessor and Sublessee.

ii. NO OTHER RELATIONSHIP

Nothing contained in this Sublease shall be construed as creating any other relationship including that of principal and agent, partnership or joint venture between Sublessor and Sublessee except the relationship of Sublessor and Sublessee herein created.

iii. COUNTERPARTS

This Sublease may be executed in counterparts , all of which, when taken together, shall constitute a duly executed original.

19. SUCCESSORS

All rights and obligations of Sublessor and Sublessee under this Sublease shall extend to and bind the respective heirs, executors, administration, successors, subtenants and assignees of the parties.

If there is more than one Sublessee or if Sublessee is a partnership or other entity and the members of which are subject to personal liability, each shall be bound jointly and severally by the terms, covenants and agreements contained in this Sublease.

20. WARRANTY OF AUTHORITY

Each individual executing this Sublease on behalf of Sublessor and Sublessee represents and warrants that he or she is duly authorized to execute and deliver this Sublease on behalf of Sublessor or Sublessee and that this Sublease is building upon Sublessor or Sublessee, as the case may be. Each person executing this Sublease on behalf of Sublessor or Sublessee hereby covenants and warrants that Sublessor or Sublessee if a corporate entity, is duly incorporated, formed or organized, as the case may be.

21. ATTORNEY'S FEES

- i. In the event that at any time after the date of this Sublease either Sublessor or Sublessee shall institute any action or proceeding against the other relating to the provisions of this Sublease, or any default hereunder, the party not prevailing in the action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorney's fees and all costs of disbursements incurred therein by the prevailing party, including without limitation, any fee and costs of disbursements incurred on any appeal from the action or proceeding.
- ii. The Sublessee shall pay the Solicitor's fees for the preparation of this sublease and be responsible for all incidental fees, charges, taxes, cost and expenses for the perfection of same.

22. COOPERATION

Sublessor and Sublessee each agree to execute and deliver to the other such other and further documents or instruments as necessary and take such other act as may reasonably be required to carry out and effectuate the provisions and purposes of this Sublease.

23. GOVERNING LAW

This Sublease shall be governed by and constructed in accordance with the laws of the Federal Republic of Nigeria.

IN WITNESS whereof the parties hereto have hereunto set their hands and seals to be affixed hereto the day and year first above written.

The Common Seal of the
Within-named Sublessor,

.....
Was affixed in the presence of:

DIRECTOR

SECRETARY

SAMPLE DEED OF SUBLEASE