

# MANDATE TO LET / AUTHORITY TO ADMINISTER LEASE

## 1. PARTIES

1.1 Lessor's full name\_\_\_\_\_

*(Name in which the property is registered)*

I.D Number / Trust/Company Registration Number\_\_\_\_\_

Postal Address: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Cell\_\_\_\_\_

1.2. Infinity Asset Management (Pty) Ltd - Reg 2016/416229/07

*(Hereinafter referred to a "Infinity Asset Management")*

## 2. PREMISES TO BE LET ("PREMISES")

Address of property let out: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 3. RENTAL AMOUNT AND OCCUPATION DATE

The initial gross rental shall be R \_\_\_\_\_

The occupation date shall be \_\_\_\_\_ or as soon as possible thereafter.

## 4. MANDATE TO FIND A LESSEE

4.1. The Lessor hereby gives INFINITY ASSET MANAGEMENT a mandate to find a Lessee willing and able to hire the Premises on the following material terms:

4.1.1. The initial rental will be at least the amount defined in clause 3 and shall be payable in advance on a monthly basis.

4.1.2. The Lessee must on conclusion of the Lease Agreement pay a deposit of at least one month's rental.

- 4.1.3. The Lessee must pay all service charges in respect of the premises other than rates and taxes, and levies on the property.
- 4.1.4. Pets are allowed only with Lessor's/Body Corporates written consent.
- 4.2. INFINITY ASSET MANAGEMENT are authorized to enter into their standard Lease Agreement with a suitable tenant for an initial fixed period of twelve (12) months, or any other period as agreed, which will thereafter continue for an indefinite period subject to the notice and renewal periods as defined in the Lease Agreement. Infinity Asset Management are also authorized to sign such Agreement on my behalf.
- 4.3. The full terms of the Lease will be those contained in Infinity Asset Management's standard Lease Agreement, as amended from time to time and INFINITY ASSET MANAGEMENT will supply the Lessor with a copy thereof on request.
- 4.4. The Lessor understands that he/she will be bound by any Lease which INFINITY ASSET MANAGEMENT concludes with a Lessee on his/her behalf and that he/she will ratify all actions of INFINITY ASSET MANAGEMENT in terms of this mandate.
- 4.5. INFINITY ASSET MANAGEMENT may place a "TO LET" sign on the Property during the period of this mandate, subject to local authority by-laws. INFINITY ASSET MANAGEMENT will remove such signage immediately when this mandate comes to an end.
- 4.6. INFINITY ASSET MANAGEMENT undertakes to:
- Advertise the letting of the Premises and generally do its best to find a suitable Lessee on the terms stipulated above;
  - Seek references from and thoroughly screen all prospective Lessees to determine whether they would be able, financially and otherwise, to fulfil all their obligations in terms of the Lease Agreement;
  - Attend to the signature of the Lease Agreement by the Lessee, and sign the Agreement as the authorized agent of the Lessor, and ensure that

## 5. AUTHORITY TO ADMINISTER THE LEASE AGREEMENT

The Lessor hereby authorizes and instructs INFINITY ASSET MANAGEMENT to act as the Lessor's agent in carrying out the following functions and duties on the Lessor's behalf in respect of any Lease Agreement arising from the mandate given to INFINITY ASSET MANAGEMENT in terms of clause 4:

### Financial Administration

INFINITY ASSET MANAGEMENT is authorized and instructed to:

- Collect all rentals as they become due;
- Collect from the Lessee the deposit payable in terms of the Lease and retain such deposit in a trust account such as described by the Estate Agency Affairs act 112 of 1976, and on termination of the Lease administer and repay such deposit in the manner stated in the Lease Agreement and permitted by the Rental Housing Act 50 of 1999;
- Pay the Lessor all rental amounts collected in terms of the Lease Agreement, after deduction of disbursements, into the following bank account (or such other account as instructed by the Lessor in writing from time to time):

Name of account: \_\_\_\_\_

Type of account: \_\_\_\_\_

Bank: \_\_\_\_\_

Branch (name): \_\_\_\_\_

Branch (code): \_\_\_\_\_

Account number: \_\_\_\_\_

Any other instructions for payments

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### Payment of Rental:

- Payment of rental, less deductions of commissions and other costs, is paid to the Lessor on or about the 5th of every month, or as soon as practically possible thereafter.
- Render to the Lessor a statement setting out all financial transactions concluded on behalf of the Lessor on a monthly basis.

- Obtain and retain receipts for all disbursements made by INFINITY ASSET MANAGEMENT in terms of the Lease Agreement and make the relevant receipts available to the Lessor as requested.

### **Inspection and Reporting**

INFINITY ASSET MANAGEMENT is authorized and instructed to:

- Inspect the Premises with the Lessee before the Lessee moves in and register on a list all defects in and damage to the premises existing at that time.
- Inspect the interior and exterior of the Premises on an interim basis - during the currency of the Lease, and after each inspection report to the Lessor by e-mail stating:
  - The general state of the premises;
  - If the Lessee is in breach of any provision of the Lease Agreement, and, if so, the nature thereof;
  - Whether any repair work must be done by the Lessor in terms of the Lease Agreement; and
  - Any other information that might affect the Lessor's interest in the Lease;

Inspection every 6 months

The cost in respect of any additional inspections will be R 400.00 and will be deducted from your monthly rental. This fee will be adjusted annually.

Infinity Asset Management will conduct an inspection of the property upon expiry of the Lease.

### **5.5. Notices and Lease compliance**

INFINITY ASSET MANAGEMENT is authorized and instructed to:

- 5.5.1. Serve on the Lessee such notices pertaining to the Lease as the Lessor may instruct;
- 5.5.2. Serve notices on the Lessee to remedy any breach of the Lease Agreement, forthwith after INFINITY ASSET MANAGEMENT gains knowledge of such breach;
- 5.5.3. Follow-up all notices as aforesaid and forthwith report to the Lessor in writing if any breach has not been remedied satisfactorily;
- 5.5.4. Assist the Lessor's attorneys, should it become necessary, to take legal action against the Lessee in respect of any matter relating to the Lease;

5.5.5. Lodge a complaint with the Rental Housing Tribunal established in terms of the Rental Housing Act 50 of 1999 (or similar tribunal established by provincial legislation) should the Lessee commit any unfair practice regulated by such legislation. INFINITY ASSET MANAGEMENT must keep the Lessor informed of further developments following such complaint, and must forthwith inform the Lessor if, to INFINITY ASSET MANAGEMENT's knowledge, the Lessee has lodged a complaint with the said tribunal against the Lessor.

## **5.6. Maintenance and Repair**

INFINITY ASSET MANAGEMENT is authorized and instructed to:

Attend to all defects in and damage to the Premises of which INFINITY ASSET MANAGEMENT is aware, if

- The Lessor is liable for such repairs under the Lease Agreement; or
- The Lessee has failed to attend to such repairs despite being obliged to do so in terms of the Lease Agreement, and such Agreement entitles the Lessor to make such repairs without further notice to the Lessee;
- The attending to minor repairs, such repairs being defined as those costing less than R 1,000.00

## **6. THE RIGHT OF LEGAL PROCEDURE**

Should the Lessee be in breach of the Lease Agreement, INFINITY ASSET MANAGEMENT are authorized, after consultation with the Lessor, to take the necessary legal action on behalf of the Lessor.

## **7. INFINITY ASSET MANAGEMENT TO COMPLY WITH THE RENTAL HOUSING ACT**

INFINITY ASSET MANAGEMENT undertakes not to contravene any provision of the Rental Housing Act 50 of 1999 or any regulation made under the Act insofar as INFINITY ASSET MANAGEMENT acts as the Lessor's agent in the performance of the mandate and authority conferred by this Agreement.

## **8. INFINITY ASSET MANAGEMENT'S COMMISSION AND/OR LETTING FEES**

- 8.1. It is agreed that the monthly commission will be **8.5%** (excl. VAT) on all monies collected and the Lessor hereby authorizes INFINITY ASSET MANAGEMENT to deduct the monthly commission from the rental when payment thereof is made by INFINITY ASSET MANAGEMENT to the Lessor.
- 8.3. Commission of **8.5%** (excl. VAT) on any arrear rental amounts received by INFINITY ASSET MANAGEMENT on behalf of the Lessor after termination of the Lease Agreement will be earned by INFINITY ASSET MANAGEMENT.

## **9. CANCELLATION**

Should this mandate be terminated by myself either whilst a Tenant INFINITY ASSET MANAGEMENT have obtained remains in occupation of the property or if the Lease Agreement is within the initial fixed period, I agree to pay INFINITY ASSET MANAGEMENT a cancellation fee on the unexpired portion of the Lease Agreement of 50% of one month's rental plus VAT or 4% of the total gross rental payable in respect of the Lease Agreement for the remaining period of the Lease plus VAT, whichever is the greater.

## **10. UNDERTAKING**

The Lessor agrees, on demand by INFINITY ASSET MANAGEMENT, to remit to any shortfall between rentals received and any disbursements paid.

## **11. GENERAL**

- 11.1. The Lessor authorizes and instructs INFINITY ASSET MANAGEMENT to find a new Lessee as described in clause 4 two months before the expiry of the Lease Agreement.
- 11.2. No alteration to this Agreement will be of any force or effect unless reduced to writing and signed by both parties.
- 11.3. Should the Lessee sign a Sale Agreement with the Lessor at any time during the period of Lease Agreement or any renewal of the Lease Agreement or within 12 (Twelve) months after the Lease Agreement has terminated; then INFINITY ASSET MANAGEMENT will be regarded as the direct reason that the sale took place and will be entitled to a 3% commission fee payable by the Lessor.
- 11.4. The Lessor agrees that when the premises is for sale, and a Sale Agreement is concluded, that INFINITY ASSET MANAGEMENT will be notified by the Lessor if the sale occurs during the period mentioned in 11.3

## **PROVISIONS OF THE ESTATE AGENTS ACT NO. 112 OF 1976**

As required by the provisions of the Estate Agents Act no. 112 of 1976, I/we hereby confirm that it has been agreed that INFINITY ASSET MANAGEMENT shall be entitled, at their discretion, to deposit any monies which they may hold on my/our behalf from time to time, either to their current Trust Banking Account or to a savings or other deposit account with an institution of the kind defined in Section 32 of the Act and that they shall be entitled to transfer such monies from one account to another without reference to me/us. Any interest earned on such savings or other deposit account shall accrue to and may be retained by INFINITY ASSET MANAGEMENT without the need to account therefore to me/us.

SIGNED BY THE PARTIES ON THE DATES AND AT THE PLACES STATED HEREUNDER:

DATE: \_\_\_\_\_ PLACE: \_\_\_\_\_

\_\_\_\_\_  
LESSOR

(Or duly authorized representative)

DATE: \_\_\_\_\_ PLACE: \_\_\_\_\_

\_\_\_\_\_  
on behalf of INFINITY ASSET MANAGEMENT Infinity Asset Management Group