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North West Provincial Legislature  
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NW Provincial Legislature, Unit 1, Mmabatho  
**27 March 2025**  
Ref:DAQ25026-W

**Mr Lutendo Netshitumbu**  
**Secretary in the North West Provincial Legislature**

**North West Provincial Legislature**

**Questions for Written Reply**

**Questions to the MEC responsible for Cooperative Governance, Human Settlement & Traditional Affairs .**

In regards to MORULA SUN

1. What is the current status of Morula Sun?
  - a. Has the property been sold, leased, or does it remain under government ownership?
2. If Morula Sun has been sold:
  - a. When was the sale finalized, and who was the buyer?
  - b. What were the key reasons for the sale, and was a feasibility study or valuation conducted beforehand?
  - c. What were the terms of the sale, including the sale price and conditions attached to the transaction?
  - d. How were the proceeds from the sale allocated, and what direct benefits has the province gained?
3. If Morula Sun has been leased:
  - a. Who is the current lessee, and what are the terms and duration of the lease agreement?
  - b. What is the annual lease fee, and how does it compare to the property's previous revenue?
  - c. How does the lease arrangement benefit the province, and was a competitive bidding process followed?
4. If Morula Sun has not been sold or leased:
  - a. What is its financial performance over the past five years, including revenue, operational costs, and profits or losses?
  - b. What economic impact has it had on the local economy, particularly in job creation and tourism?

**FREEDOM. FAIRNESS. OPPORTUNITY. DIVERSITY.**

## QUESTION 10

### QUESTIONS POSED BY HON. STEENKAMP TP THE MEMBER OF THE EXECUTIVE COUNCIL RESPONSIBLE FOR COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS [20250409 - W22](24/04/2025)

With regard to Morula Sun

1. What is the current status of Morula Sun, has the property been sold, leased, or does it remain under government ownership?

**Response:** Morula Hotel has not been sold. It is leased to Mzansi Promotions through a public procurement process that has since been extended.

#### 2. If Morula Sun has been sold (N/A)

- a) When was the sale finalised, and who was the buyer?
- b) What were the key reasons for the sale and was a feasibility study or valuation conducted beforehand?
- c) What were the terms of the sale including the sale price and conditions attached to the transaction?
- d) How were the proceeds from the sale allocated and what direct benefit had the province gained?

#### 3. If Morula Sun has been leased

- a) Who is the current lessee and what are the terms and duration of the lease agreement?

**Response:** Mzansi Promotions. See Service Level Agreement.  
**Annexure E**

- b) What is the annual lease fee, and how does it compare to the property's previous revenue?

**Response:** The information is contained in Annexure E.

- c) How does the lease agreement benefit the province, and was a competitive bidding process followed?

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#### INTERIM BOARD OF DIRECTORS

Dr. MME Tlhape (Chairperson), Mr. KD Mataboge (Deputy Chairperson), Ms. WJ Nelson, Ms. D Moagi, Mr. NDS Tsagae, Ms. SS Nkatlo, Mr. SE Lepomane, Ms. NL Miga, Mr. TS Lerefolo, Adv. KB Kgoroadira, Mr. SE Mogodiri (CEO), Mr. A Mthiywa (ACFO), Mr. SZ Machaba (Company Secretary), Mr. WM Moela (Chief Engineer), Ms. N Lesejane (AGM)

**Response:** SCM Process in line with the PFMA requirement was followed. Section 217 of the Constitution and PFMA which requires that public procurement adheres to the principles of fairness , equity, competitiveness, and cost effectiveness.

In the absence of the government maintenance budget, the current agreement is assisting in safeguarding the asset from vandalism, theft, and maintenance.

**4. If Morula has not been sold or leased?**

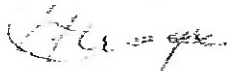
- a) What is its financial performance over the past five years including revenue, operational costs, profits, and losses?

**Response:** See attached **Annexure F**.

- b) What economic impact has it had on the local economy particularly in job creation and tourism?

**Response:** No economic impact for the North West province. Sun International donated Morula Hotel to NWHC because it had transformed from being an asset to a liability. Unmanageable crime in the area is a strategic threat.

Submitted by:



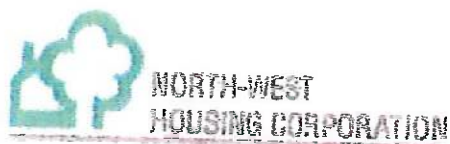
**Dr MME Tlhape**  
Chairperson of the Interim Board  
North West Housing Corporation  
Date: 24/04/2025

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**INTERIM BOARD OF DIRECTORS**

Dr. MME Tlhape (Chairperson), Mr. KD Mataboge (Deputy Chairperson), Ms. WJ Nelson, Ms. D Moagi, Mr. NDS Tsagae, Ms. SS Nkatlo, Mr. SE Lepomane, Ms. NL Miga, Mr. TS Lerefolo, Adv. KB Kgoroadira, Mr. SE Mogodiri (CEO), Mr. A Mthiyiwa (ACFO), Mr. SZ Machaba (Company Secretary), Mr. WM Moela (Chief Engineer), Ms. N Lesejane (AGM)

# ANNEXURE E



*Legae La Batho*

**HEAD OFFICE:**  
23 First Street, Segarona Building,  
Industrial Site, Mahikeng, 2745

Private Bag X38, Mmabatho, 2735  
Tel: 018 381 0647/5029 - Fax: 018 3815847  
fiooshieo@nwhc.co.za

www.nwhc.co.za • 018 381 0647 • 018 381 5847

## OFFICE OF THE CHAIRPERSON

### SERVICE LEVEL AGREEMENT FOR MORULA HOTEL

between

**THE NORTH WEST HOUSING CORPORATION**

(Represented herein by Mr M P Mogotho

In his capacity as the Chairperson of the Board

being duly authorised thereto

(hereinafter referred to as "the Lessor")

And

**MZANSI PROMOTION & EXHIBITIONS CC**

(Registration No: 2006/ 147348/ 23)

(Represented herein by Mr Eugene Thipe Modise

In his / her capacity as the Managing Director

being duly authorised thereto

(Hereinafter referred to as "the Lessee")

#### BOARD OF DIRECTORS

MP Mogotho (Chairperson), OY Dibetso-Bodibe (Deputy Chairperson), HT Moselane, DN Tsagae, BS Khutsho, TS Lersfole,  
A Kekesi, NP Mogotho, R Rawat, KA Dikgole, MKF Boshale (Acting CEO), SZ Machaba (Acting Company Secretary)



*[Handwritten signatures and initials]*

## 1 INTRODUCTION

- 1.1 **WHEREAS** the Lessor is the owner of Morula Hotel, Gaming and Gambling facility, situated on Erf no 2193, Mabopane, Gauteng and measuring XXX square metres as held by Title Deed Number T 98131/2008.
- 1.2 **AND WHEREAS** the Lessor has let out the gaming and gambling areas of the business premises to Gold Rush (Pty) LTD
- 1.3 **AND WHEREAS** the Lessor had invited bids (RFP: No NWHC 06/2018) for the lease of the premises situate at Morula Hotel and has awarded same to the Lessee
- 1.4 **AND WHEREAS** the Lessor intends to lease a portion of the hotel business for the business of accommodation and related facilities (excluding the gaming, gambling and related facilities)
- 1.5 **NOW THEREFORE**, the Lessor hereby lets to the Lessee who hereby lets the hotel business on the terms and conditions recorded herein.

## 2 DEFINITIONS AND INTERPRETATION

- 2.1 In this Agreement, unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings -
- 2.1.1 **"AFSA"** means the Arbitration Foundation of Southern Africa;
- 2.1.2 **"agreement"** means the agreement contained in this document;
- 2.1.3 **"Commencement Date"** means the 1<sup>st</sup> April 2020 regardless date of the dates of signatures

BOARD OF DIRECTORS  
MIP Mogotha (Chairperson), OY Diketeo-Bodibe (Deputy-Chairperson), HT Mosplana, ON Tsagae, SS Mkhabela, TS Larafelo,  
A Mkesi, MP Mogotha, R Rawat, KA Dikgole, MKE Boshiele (Acting CEO), SZ Machaba (Acting Company Secretary)



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this agreement.

2.1.4 **"IFRS" means** International Financial Reporting Standards as issued by the Board of the International Accounting Standards Committee from time to time;

2.1.5 **"the Hotel"** means the area as fully described in clause 3 of this agreement,

2.1.6 **"Lessor's Designated Account"** means the South African bank account nominated by the Lessor, the details of which are set out below, or such other South African bank account as the Lessor may designate in writing on 5 (five) business days' notice to the Lessee –

Name of Account	:	North West Housing Corporation
Bank	:	ABSA BANK
Branch	:	Mega City (Cheque Account)
Branch Code	:	630 274
Account Number	:	4055086243

2.1.7 **"Prime Rate" means** the publicly quoted basic rate of interest, compounded monthly in arrears and calculated on a 365 (three hundred and sixty five) day year irrespective of whether or not the year is a leap year, from time to time published by the Lessor's principal bankers as being its prime overdraft rate, as certified by any representative of that bank whose appointment and designation it will not be necessary to prove;

2.1.8 **"subsidiaries"** has the meaning given to that term in the Companies Act, 2008

2.1.9 **"business hours"** mean the hours between 08h00 and 17h00 on any

BOARD OF DIRECTORS

MP Mogothle (Chairperson), OY Dibeiso-Soeilhe (Deputy-Chairperson), NT Mosefane, DN Tsagae, BS Koahele, TS Tsefeto, A Kekesi, MP Mogothle, R Bawat, KA Dikgole, MKF Boshlele (Acting CEO), SZ Mochaba (Acting Company Secretary)



business day.

2.1.10 "**days**" mean calendar days

### **3 THE PROPERTY / PREMISES**

3.1 The leased property / premises are the areas comprising the following

3.1.1 Hotel Rooms

3.1.2 Restaurant

3.1.3 Swimming Pool

3.1.4 Reception area

3.1.5 Offices (2 Offices)

3.1.6 Lethabong pub must be included

3.1.7 Sports bar at the playgrounds

3.1.8 Conference / Meeting Facilities being –

- Mabopane

- Leseding

3.1.8 Playgrounds and hosting of events – Pre- approval of yearly events.

3.1.9 NWHC to be informed in reasonable time of the other events that may not be part the yearly calendar.

3.2 The Lessee and Lessor shall, prior to the signing of the agreement, inspect the leased premises and the Lessee shall satisfy itself that it knows and understands its boundaries and constituent elements thereof. Conditions of the rooms to be given inspected by the Lessee prior to signing of the lease.

3.3 It is hereby recorded by the parties that the Lessee shall negotiate the sharing of obligations and responsibilities (including costs) with regard to the maintenance of common areas which are to be shared on equitable basis with Gold Rush (Pty) Ltd particularly as regards the following-

3.3.1 Municipal services (water, electricity, waste)

3.3.2 Rates and taxes

#### **BOARD OF DIRECTORS**

MP Mogothe (Chairperson), OY Dibeiso-Bodibe (Deputy-Chairperson), HT Moseleane, DN Tsagae, ES Kgokhele, TS Leratso, A Kheisi, MP Mogothe, R Rawat, KA Dikgole, MKF Boshlelo (Acting CEO), SZ Mchaba (Acting Company Secretary)



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- 3.3.3 Gardening Services
- 3.3.4 Security services
- 3.3.5 Cleaning services
- 3.3.6 Air-conditioning
- 3.3.7 General repairs
- 3.3.8 Switchboard service
- 3.3.9 Parking
- 3.3.10 Insurance of business operations

- 3.4 The obligations and responsibilities of the common areas will also involve transitional matters with regard to contractors engaged by Gold Rush in this regard.

#### 4 DURATION

- 4.1 This Agreement shall commence on the date it is signed by the Lessee and shall endure for a period of **three (3) years commencing on the 1<sup>st</sup> April 2020 and ending on the 31<sup>st</sup> March 2023.**
- 4.2 The lease may be extended for such further periods and on such terms as the Lessor and the Lessee may agree in writing. The determination of the extension and period shall be considered by parties at least six (6) one months before expiry of this agreement...

#### 5 OCCUPATION, HAND OVER AND RENOVATIONS

- 5.1 The Lessee shall take occupation of the Leased Premises soon after the date of its signature to this agreement.
- 5.2 With effect from the commencement date the Lessee shall -

##### BOARD OF DIRECTORS

MP Mogetihs (Chairperson), OY Dibatso-Bodibe (Deputy-Chairperson), HT Moselane, DN Teagoe, BS Rhothela, TS Larebalo, A Kakezi, MP Mogetihs, R Rawat, KA Dikgole, MKF Soshile (Acting CEO), SZ Mischabe (Acting Company Secretary)



- 5.2.1 bear all risk of loss or damage to the Leased Premises;
  - 5.2.2 bear the costs of all the operations;
  - 5.2.3 shall secure (at own cost) all licensing and other prescribed authorizations from appropriate authorities; and
  - 5.2.4 renovate the leased premises to be fit for the purpose of conducting the hotel business subject to the prior written approval and conditions of the Lessor first being obtained.
- 5.3 It is hereby recorded that the Lessee has made an undertaking to the Lessor and has set aside an amount of Two Million Rand (R2 000 000.00) for the renovations to the rooms and other facilities in the leased premises.
- 5.4 The Lessee shall promptly after signing this agreement, submit a costed plan and application for authorization to carry out these renovations to the Lessor.
- 5.5 The Lessor shall monitor and inspect the renovations and any business activity and may, in its sole discretion, direct how same should be carried out or applied.
- 5.5 The Lessor shall monitor and inspect the renovations and any business activity and may, in its sole discretion, direct how same should be carried out or applied.
- 5.6 The Lessor shall conduct a stock count of all movable assets prior to handing over occupation of the leased premises to the Lessor. Such handing over of assets shall be duly acknowledged and signed by the Lessee.
- 5.6 The Lessor shall conduct a stock count of all movable assets prior to handing over occupation of the leased premises to the Lessor. Such handing over of assets shall be duly acknowledged and signed by the Lessee. All assets not intended for use by the Lessee shall be handed over to the Lessor.
- 5.7 The Lessee shall take over and absorb all employees of Gold Rush associated with or carrying the functions in connection with the leased premises subject to

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verification of their employment records and or assigning them new responsibilities or posts.

## 6 STEERING COMMITTEE

- 6.1 The parties hereby undertake to establish a Steering Committee whose purpose is to deal with all obligations of the parties but specifically the sharing of costs, obligations and responsibilities as regards the common areas.
- 6.2 The Steering Committee shall be composed of two representatives each from both parties and Gold Rush. The terms of reference of the Steering Committee shall be ratified at the first meeting of the Steering Committee.
- 6.3 The parties shall first table their disputes in writing to the Steering Committee for resolution prior to referring same for arbitration as contemplated in clause 17.1 of this agreement.
- 6.4 The Lessor shall be the chairperson of the Steering Committee. Any party may invite an expert as part of its delegation and shall inform the Chairperson in advance.
- 6.5 The Lessor shall provide secretarial support to the Steering Committee.

## 7 OBLIGATIONS OF THE LESSEE

The Lessee shall execute the following obligations in respect of the leased property-

- 7.1 keep all buildings and improvements (movable and immovable) on the property in a good state of repair, fair wear and tear excepted. If the Lessee neglects to do such repairs the Lessor shall retain the right to do such repairs or cause them to be done and to recover the costs as

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incurred from the Lessee. A certificate from the accounting section of the Lessor shall be *prima facie* proof of such.

- 7.2 before taking occupation of the Property insure movable assets and improvements to the leased property, if any, in full over the entire period of the lease for their replacement value.
- 7.3 use the property only for hotel and other events associated with the leased premises.
- 7.4 not carry out renovations or new extensions, additions to the property without the prior written consent of the Lessor.
- 7.5 not contravene any of the conditions of title of the property or any other law.
- 7.6 not cause any nuisance, annoyance or discomfort to occupiers of adjoining areas or properties.
- 7.7 maintain and keep in good working order the water, electrical, plumbing or gas installations or systems serving any of the areas leased.
- 7.8 take all reasonable steps to prevent blockages and obstructions from occurring in the drain, sewerage, electrical or water pipes serving the property.
- 7.9 obtain an indemnity or insurance for all its operations in the leased property.
- 7.10 obtain and implement a security system for the surveillance of the leased property to satisfaction of the Lessor.
- 7.11 Carry out all maintenance of the leased property, and in respect of the common areas as agreed from time to time with Gold Rush.
- 7.12 to pay rental on due dates.
- 7.13 to erect such structures, fittings and fixtures in the leased property subject to prior written approval by the Lessor
- 7.14 Setup and maintain own IT infrastructure
- 7.15 Advertising and promotions will be the sole responsibility of Steering Committee

BOARD OF DIRECTORS

MP Mogotlhe (Chairperson), OY Dibatso-Bodibe (Deputy-Chairperson), HT Moselane, DN Tsagae, SS Khutsho, TS Leratole, A Rekesi, MP Mogotlhe, R Rawat, KA Dikgole, MKF Boshelo (Acting CEO), SZ Machaba (Acting Company Secretary)



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## 8 OBLIGATIONS OF THE LESSOR

The Lessor shall execute the following obligations in respect of the leased property-

- 8.1 retain the right of inspection and monitoring free of and unimpeded access to, the property by its employees at all reasonable times.
- 8.2 consider and approve with amendments or variations any written requests as contemplated in this lease agreement
- 8.3 Painting of external walls and roof maintenance
- 8.4 To insure the leased premises at own cost
- 8.5 To convene and operationalize the Steering Committee

## 9 RENTAL

- 9.1 As consideration for the leasing the property, the Lessee shall pay to the Lessor rental in the sum of One Hundred and Fifty Thousand Rand (R150 000.00) per month in advance, due by the 1<sup>st</sup> of each month but payable no later than the 7<sup>th</sup> day of the respective calendar months.
- 9.2 The rental shall escalate by (seven) 7% percent per annum.
- 9.3 The Lessee shall not hold over, subtract, novate, deduct, set off or defer payment of rental due to the Lessor for anything done or not done under this agreement.
- 9.4 As a transitional period, the Lessee shall be granted unrestricted access and utilization to the portions of the leased property mentioned in paragraphs 3.1.3, 3.15 to 3.1.8 as from the 1<sup>st</sup> December 2019 up to the 31<sup>st</sup> March 2020. No rental is payable for the whole transitional period.
- 9.5 The Lessee shall, be granted controlled access by Gold Rush to portions of the leased property mentioned in paragraphs 3.1.1 to 3.1.2 and 3.1.4. subject to such dates and terms as may be agreed upon at the Steering Committee.

### BOARD OF DIRECTORS

MP Magotho (Chairperson), OY Dibetso-Sodiba (Deputy-Chairperson), HT Maselana, DN Tsagse, SS Khuddele, JS Lerefelo, A Kekesi, MP Magotho, R Rawat, KA Dikgole, NIKP Boshlelo (Acting CEO), SZ Macheba (Acting Company Secretary)

- 9.6 The purpose of the transitional period in respect of the leased property is to enable the Lessee to train, receive, test and deal with the handing over and a model for common costs in relation to the common areas of the leased property before full utilization thereof.
- 9.7 It is also the intention of the parties, as regards the transitional period, to allow the Lessee to arrange suitable licensing or permits in relation to all or such portions of the leased property if applicable. Any funds / profit and or expenses accruing to or from these training / testing activities shall be for the sole account of the Lessee.
- 9.8 If the hand over, training and testing is completed prior to the 1<sup>st</sup> April 2020, the Lessee may take over full possession, control and access to all leased properties in order to conduct trial runs before the commencement of this agreement.
- 9.9 The Lessee shall pay a rental deposit amount equivalent to one month's rental to the Lessor upon the signing of this agreement.
- 9.10 Any arrear rental shall bear penalty of 10% per annum of the rental amount.
- 9.11 The rental deposit may be used by the Lessor to perform such obligations of the Lessee which the latter has failed to perform.

## 10 PAYMENTS

All payments to be made under or arising from this Agreement will be made by electronic transfer of immediately available and freely transferable funds, free of any deductions or any set-off whatsoever, in the currency of the Republic of South Africa and to the Lessor's Designated Account.



## 11 WARRANTIES AND REPRESENTATIONS

Each of the parties hereby warrants to and in favour of the other that -

### BOARD OF DIRECTORS

MP Mogotihs (Chairperson), OY Dibetso-Godlha (Deputy-Chairperson), HY Moselane, DN Tsagae, BS Khukhele, TS Larefola, A Kekesi, MP Mogotihs, R Rawat, KA Dikgole, MKF Boshelo (Acting CEO), SZ Mochaba (Acting Company Secretary)

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- 11.1 it has the legal capacity and has taken all necessary corporate action required to empower and authorise it to enter into this agreement;
- 11.2 this agreement constitutes an agreement valid and binding on it and enforceable against it in accordance with its terms;
- 11.3 the execution of this agreement and the performance of its obligations hereunder does not and shall not -
- 11.4 contravene any law or regulation to which apply to that party.
- 11.5 contravene any provision of that party's constitutional documents; or
- 11.6 conflict with or constitute a breach of any of the provisions of this or other agreement, obligation, restriction or undertaking which is binding on it; and
- 11.7 to the best of its knowledge and belief, it is not aware of the existence of any fact or circumstance that may impair its ability to comply with all of its obligations in terms of this agreement.
- 11.8 it is entering into this agreement as principal (and not as agent or in any other capacity);
- 11.9 the natural person who signs and executes this agreement on its behalf is validly and duly authorised to do so; and
- 11.10 it is not relying upon any statement or representation by or on behalf of any other Party, except those expressly set forth in this agreement.

## 12 CONFIDENTIALITY

- 12.1. The parties undertake that during the operation of, and after the expiration, termination or cancellation of, this agreement for any reason, they will keep confidential any information which a party ("Disclosing Party") communicates to each other ("Recipient") and which is stated to be or by its nature is intended to be confidential.

### BOARD OF DIRECTORS

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- 12.2. If a Recipient is uncertain about whether any information is to be treated as confidential in terms of this clause 12.1 It shall be obliged to treat it as such until written clearance is obtained from the disclosing party.
- 12.3. Each party undertakes not to disclose any information which is to be kept confidential and not to use such information for its own or anyone else's benefit.
- 12.4. Notwithstanding the provisions of clause 12.1 a Recipient may be entitled to disclose any information to be kept confidential if and to the extent only that the disclosure is bona fide and necessary for the purposes of carrying out its duties in terms of this agreement.
- 12.5. The obligation of confidentiality placed on the parties in terms of this clause shall cease to apply to a Recipient in respect of any information which -
- 12.5.1. is or becomes generally available to the public other than by the negligence or default of the Recipient or by the breach of this agreement by the Recipient;
- 12.5.2. the Disclosing Party confirms in writing that such information is disclosed on a non-confidential basis;
- 12.5.3. has lawfully become known by or come into the possession of the Recipient on a non-confidential basis from a source other than the Disclosing Party having the legal right to disclose same, provided that such knowledge or possession is evidenced by the written records of the Recipient existing at the time; or
- 12.5.4. is disclosed pursuant to a requirement or request by operation of law, regulation or court order, to the extent of compliance with such requirement or request only and not for any other purpose
- 12.6. In the event that the Recipient is required to disclose confidential information of the Disclosing Party, the Recipient shall -

BOARD OF DIRECTORS

MP Mogothhe (Chairperson), OY Dibatso-Sodibe (Deputy-Chairperson), HT Moselane, DN Tsagaa, BS Kekhele, TS Lerefole, A Kekesi, MP Mogothhe, R Rawat, KA Diligole, MKF Boshlalo (Acting CEO), SZ Machaba (Acting Company Secretary)

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- 12.6.1. advise the Disclosing Party thereof in writing prior to disclosure, if possible;
- 12.6.2. take such steps to limit the disclosure to the minimum extent required to satisfy such requirement and to the extent that it lawfully and reasonably can;
- 12.6.3. afford the Disclosing Party a reasonable opportunity, if possible, to intervene in the proceedings;
- 12.6.4. comply with the Disclosing Party's reasonable requests as to the manner and terms of any such disclosure; and
- 12.6.5. notify the Disclosing Party of the recipient of, and the form and extent of, any such disclosure or announcement immediately after it is made.

### **13 SUPPORT AND GOODFAITH**

- 13.1. The parties undertake at all times to do all such things, perform all such actions and take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps as may be open to them and necessary for or incidental to putting into effect or maintenance of the terms, conditions and/or import of this agreement.
- 13.2. The parties undertake to respect one another and to deal with each other in good faith.
- 13.3. All equipment furniture, fittings and fixtures on the leased property, remains the property of the Lessor. These facilities are let to the Lessee in good order and must be maintained and returned without any damage and in good order back to the Lessor, on termination or expiry of the lease period.

#### **BOARD OF DIRECTORS**

MP Mogothe (Chairperson), OY Dibetsa-Bodibe (Deputy-Chairperson), MT Moselane, DN Tsagae, BS Rukhela, TS Maseru, A Kekesi, MP Mogothe, R Rawat, KA Dlegole, BIKF Boshelo (Acting CEO), SZ Machaba (Acting Company Secretary)



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## 14 BREACH AND TERMINATION

- 14.1 In the event of any of the parties ("Defaulting Party") committing a breach of any of the terms of this Agreement and failing to remedy such breach within a period of thirty (30) days after receipt of a written notice from another party ("Aggrieved Party") calling upon the Defaulting Party so to remedy, then the Aggrieved Party shall be entitled, at its sole discretion and without prejudice to any of its other rights in law, either to claim specific performance of the terms of this agreement or to terminate this agreement forthwith and without further notice, and in either case to claim and recover damages from the Defaulting Party.
- 14.2 Notwithstanding any other provision of this agreement, either party may voluntarily terminate this agreement on six (6) months written notice to the other party.
- 14.3 The Lessor shall immediately terminate this agreement on **one (1) month** written notice upon receipt of proof that the Lessee is conducting fraudulent or corrupt practices in the leased property.

## 15 INDEMNITY

- 15.1 The Lessee hereby indemnify, defend and hold harmless the Lessor, its agents, executors, administrators or assigns against any and all liability, claims, suits, losses, costs and legal fees caused by, arising out of any act or conduct or omission, whether by the Lessee or its agents, employees or any third party, which may arise from the occupation of, business activities on or other circumstances on the said property for any reason whatsoever.

### BOARD OF DIRECTORS

MP Mogotho (Chairperson), OY Dibeiso-Sodile (Deputy-Chairperson), HY Meselane, DN Tsagae, SS Khukhale, SS Larefole, A Kekesi, MP Mogotho, R Rawat, KA Dikgole, MKF Boshlele (Acting CEO), SZ Machaba (Acting Company Secretary)

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15.2 Save for loss or damage caused by the wilful or grossly negligent conduct of the Lessee or the Lessor, their agents, employees, officers or directors, neither the Lessee, nor its employees shall be liable to the Lessor for any loss or damage (whether to person or property) which may be suffered by the Lessor and/or any of the Lessor's agents, officers, directors, employees or invitees on or about the leased property and the Lessee also indemnify the Lessor its agents, employees, officers or directors, and neither the Lessor nor its employees shall be liable to the Lessee for any loss or damage (whether to person or property) which may be suffered by the Lessee and/or any of the Lessee's agents, officers, directors, employees or invitees on or about the leased property.

15.3 The Lessor hereby indemnifies the Lessee and its employees and holds the Lessee and its employees harmless in respect of all claims which may be brought or threatened against the Lessee and any of its employees in respect of any loss suffered by the Lessor and/or any of its agents, officers, directors, employees or invitees on or about the leased property and vice versa, the Lessee also hereby indemnifies the Lessor and the Lessor's employees and holds the Lessor and its employees harmless in respect of all claims which may be brought or threatened against the Lessor and any of its employees in respect of any loss suffered by the Lessee and/or any of its agents, officers, directors, employees or invitees on or about the leased property.

## 16 WAIVER AND INDULGENCIES

16.1 Neither party shall be regarded as having waived, or be precluded in any way from exercising, any right under or arising from this lease by reason of such party having at any time granted any extension of time for, or having shown any indulgence to, the other party with reference to any payment or performance of

### BOARD OF DIRECTORS

M/P Mogothe (Chairperson), O/V Dibeiso-Rodibe (Deputy-Chairperson), HT Moselane, DN Tsagae, BS Mkhizele, TS Lerofiso, A Kekesi, MP Mogothe, R Rawat, KA Dilegole, MKP Boshlelo (Acting CEO), SZ Mochaba (Acting Company Secretary)

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NC *[Handwritten signature]*

obligations hereunder, or having failed to enforce, or delayed in the enforcement of, any right of action against the other party.

16.2 No waiver, suspension or postponement by any party of any right arising out of or in connection with this agreement shall be of any force or effect unless it is reduced in writing and signed by such party. Any such waiver, suspension or postponement will be effective only in the specific instance and for the purpose given.

16.3 No latitude, extension of time or other indulgence which may be given or allowed by any party to the other in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of any party arising from this agreement and no single or partial exercise of any right by any party under this agreement, shall in any circumstances be construed to be an implied consent or election by that party or to operate as a waiver or a novation of or otherwise affect any of its rights in terms of or arising from this agreement or estop or preclude it from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

## 17 DISPUTE RESOLUTION

17.1 In the event of there being any dispute or difference between the parties arising out of this agreement, such dispute shall on written demand by any party be submitted to arbitration in accordance with the AFSA rules, which arbitration shall be administered by AFSA.

17.2 Should AFSA, as an institution, not be operating at that time or not be accepting requests for arbitration for any reason, then the arbitration shall be conducted in accordance with the AFSA rules applicable (as last applied by AFSA)

### BOARD OF DIRECTORS

MP Mogothe (Chairperson), DY Dibatso-Bodibe (Deputy-Chairperson), HT Moselane, DN Tsagae, AS Khuthale, TS Lerotho, A Kekeli, MP Mogothe, R Bawab, KA Okgole, MKF Boshiso (Acting CEO), SZ Machaba (Acting Company Secretary)



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NC



before an arbitrator appointed by agreement between the parties to the dispute.

- 17.3 Any party to the arbitration may appeal the decision of the arbitrator or arbitrators in terms of the AFSA rule.
- 17.4 The parties agree that the written demand by a party to the dispute in terms of clause 17.1 that the dispute or difference be submitted to arbitration, is to be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, 1969.

## **18 NOTICES AND DOMICILIA**

- 18.1. The parties select as their respective domicilia citandi et executandi the following physical addresses, and for the purposes of giving or sending any notice provided

for or required under this agreement, the said physical addresses as well as the following email addresses -

### **NAME AND PHYSICAL ADDRESS**

Mokhokela Kgope Frans Boshielo

The Chief Executive Officer

North West Housing Corporation

Segarona Building, 23 First Street

Industrial Site, Mafikeng

Email Address: [fboshielo@nwhc.co.za](mailto:fboshielo@nwhc.co.za)

### **BOARD OF DIRECTORS**

MP Mogothe (Chairperson), OY Dibeiso-Bodibe (Deputy-Chairperson), MT Moselane, DN Teagoe, BS Mookhele, TS Leratsoe, A Kekesi, MP Mogothe, R Rawat, KA Dilegole, MKF Boshiele (Acting CEO), SZ Machaba (Acting Company Secretary)



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## NAME AND PHYSICAL ADDRESS

Eugene Thipe Modise

The Managing Director

Mzansi Promotions and Exhibitions cc

Stand 27, Block X

Mabopane, 0190

Email Address: cooleugenet@gmail.com

- 18.2 Unless provided otherwise, a party may change its *domicilium* or its address for the purposes of notices to any other physical address or email address by written notice to the other party. Such change of address will be effective five (5) business days after receipt of the notice of the change.
- 18.3 All notices to be given in terms of this agreement will be given in writing and will be delivered by hand or sent by email.
- 18.4 If delivered by hand during business hours, it shall be presumed to have been received on the date of delivery. Any notice delivered after business hours or on a day which is not a business day will be presumed to have been received on the following business day; and
- 18.5 If sent by email during business hours, be presumed to have been received on the date of successful transmission of the email. Any email sent after business hours or on a day which is not a business day will be presumed to have been received on the following business day.

## BOARD OF DIRECTORS

MP Mogothe (Chairperson), OY Dibeiso-Bodibe (Deputy-Chairperson), HT Moselane, DN Tsagae, BS Nkukhele, TS Lerefeto, A Kekesi, MP Mogothe, R Rawat, KA Dikgole, MKF Boshlelo (Acting CEO), SZ Machaba (Acting Company Secretary)

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L.T.  
Nc

## **19 CESSION AND ASSIGNMENT**

This agreement shall not be transferable, and the Lessee shall not cede, assign, sublease or give up possession to a third party any part or right or any interest therein in any way, without the prior written approval of the Lessor.

## **20 TRANSITIONAL ARRANGEMENTS**

The parties record that transitional arrangements are necessary for the smooth take-over of the Lessees obligations in respect of the leased property. The parties therefore agree that –

20.1 whilst the parties are considering equitable options regarding the costs of the Lessee's costs as regards its own operations (including the common areas), the Lessor shall investigate and endeavour to feasibly establish separate billing systems and or equitable sharing model for expenses with regard to own operations and for the common areas for water, electricity and related matters.

20.2 in the meanwhile, the Lessee shall negotiate with Gold Rush for equitable sharing of these costs. The Lessor shall facilitate these negotiations at the Steering Committee.

### **BOARD OF DIRECTORS**

MP Mogotlhe (Chairperson), OY Dibeiso-Bodiba (Deputy-Chairperson), HT Moselane, DN Tsege, BS Khukhela, JF Leretole, A Kekesi, MP Mogotlhe, R Rawat, KA Dilgote, MKF Boshelo (Acting CEO), SZ Makhaba (Acting Company Secretary)



*[Handwritten signatures and initials]*  
h.s.  
NC

## 21 ENTIRE AGREEMENT

This document constitutes the entire agreement between the parties and no variation, amendment, deletion or addition hereto will be binding and valid unless reduced or stipulated in writing and signed for by both parties.

THUS, DONE AND SIGNED AT Mabopane (Mankgale) ET THIS 17th DAY OF December 2019

WITNESSES:

1. [Signature] Lessee

LESSEE

2. ....

THUS, DONE AND SIGNED AT Mabopane THIS 9th DAY OF December 2019

WITNESSES:

1. [Signature]

LESSOR

2. [Signature]

### BOARD OF DIRECTORS

MRP Mogotha (Chairperson), OY Dibeiso-Bodibe (Deputy-Chairperson), HT Moselane, DN Tsagoe, BS Mkhalele, TS Larefelo, A Kekesi, MIP Mogothe, R Rawat, KA Dikgole, MKF Boshiele (Acting CEO), SZ Mchaba (Acting Company Secretary)



## **FIRST ADDENDUM**

to the

## **LEASE AGREEMENT**

made and entered into by and between

**NORTHWEST HOUSING CORPORATION**

A Schedule 3(c) Public Entity in terms of the Public Finance Management Act, No. 1 of 1999 and established in terms of section 2(2) of the Northwest Housing Corporation Act, No 24 of 1982.

Herein represented by **Mr. Sello Mogodiri** in his capacity as the Chief Executive Officer: he is being duly authorized.

(Hereinafter referred to as "the Lessor")

And

**Mzansi Promotions & Exhibitions CC**  
( Registration No: 2006/147348/23)

Herein represented by **Eugene Thipe Modise**, in his/her capacity as the manager, he/she is being authorized hereto.

(Hereinafter referred to as "the Lessee")

A handwritten signature in black ink, appearing to be a stylized 'E' or 'M' with a large loop, located at the bottom right of the page.

## INTRODUCTION

- A. **WHEREAS** the Parties entered into a lease agreement (Main Agreement) on the 1<sup>st</sup> of April 2020, which lease agreement contained terms and conditions that regulates the relationship amongst them, same agreement is signed on the 09<sup>th</sup> December 2019 with an undertaking from both parties.
- B. **WHEREAS** the lease period of the main agreement commenced on the 1<sup>st</sup> of April 2020 and was due for termination on the 31<sup>st</sup> March 2023 which is a three (3) year's period.
- C. **WHEREAS** the parties agreed to have a transitional period for certain arrangements referred in Clause 9.4 "*rental*" of the Main agreement for a period of 5 months.
- D. **AND WHEREAS** parties expressly and consciously agreed to continue with the terms of the main agreement.
- E. **AND NOW** by means of this First Addendum to the Main Agreement and notwithstanding the date of signature hereto, it is agreed that the Parties shall further renew the lease agreement from April 2023 to April 2026.

The parties accordingly agree as Follows:

### 1. ADDENDUM TO THE MAIN AGREEMENT

- 1.1 This Agreement will constitute the First Addendum to the Main Agreement as contemplated in the Main Agreement;
- 1.2 This First Addendum will be deemed to incorporate, without variation, all the provisions of the Main Agreement, unless the context clearly requires otherwise;





1.3 All words and phrases used in this First Addendum which are defined in the Main Agreement, will bear the same meaning assigned to them in the Main Agreement; and

1.4 All references in the Main Agreement to "the/this Agreement" itself, will be deemed to be references also to this First Addendum.

2. The following clause/s of the Main Agreement is hereby amended:

**2.1. AD FIRST PAGE**

The current first page is hereby amended to include the following phrases in the parties' description:

*"..... Northwest Housing Corporation.....Herein represented by Mr. Sello Mogodiri in his capacity as the Chief Executive Officer he being duly authorized"*

**3. AD CLAUSE 4**

3.1. Notwithstanding the date of signature hereto, this addendum shall be effective on **01<sup>st</sup> of April 2023** and shall terminate, unless otherwise amended by the Parties in writing, on the **01<sup>st</sup> of April 2026**.

3.2. The rest of the paragraphs will remain effective.

**4. AD CLAUSE 9**

**4.1. Para 9.1.**

The current first paragraph is hereby amended and it reads as follows:



.....The lessee shall pay the lessor rental amount in the sum of R75 000,00  
(seventy-five thousand rands)....

4.2. **Para 9.2.**

The current first paragraph is hereby amended and it reads as follows:

.....The lessee is liable and agrees to pay a fixed annual interest rate of  
(10)% ten percentage from the date of signature...

**5. PAYMENT OF THE OUTSTANDING RENTAL**

The Lessor has afforded the lessee to renew the lease agreement 'Main agreement'  
with the following terms and conditions.

5.1. The Lessee agrees that it is indebted to the Lessor for the outstanding rental,  
which amount is due, owing, and payable.

5.2. The Lessee shall pay the Lessor the outstanding rental in instalments as follows:

1. The lessee is in arrears amount R 6 638 965.00 (six million six hundred  
thirty-eight thousand nine hundred sixty-five) which amounts will be  
payable in installment for the period of six months as follows: N/A I have  
already made submissions of what I have spent in fixing the property.
2. R 1 106 494.17 (one million one hundred six thousand four hundred  
ninety-four and seventeen hundredths) plus rental amount of R171  
735.00 for the period of six months, due and payable from the 01<sup>st</sup> of  
November 2023 to 31<sup>st</sup> of April 01<sup>st</sup> N/A I have already made  
submissions of what I have spent in fixing the property.
3. The total amount payable from the 01<sup>st</sup> of November to the 31<sup>st</sup> of April  
is in the sum of R 75 000.00 (seventy-five thousand rands)
4. Should the Lessee fail and/or refuse to make payment of the any of the  
instalments as set out in clauses timeously and on due date, then the total



outstanding Rental will become immediately due and payable, without further notice to the Lessee being required.

## 6. GENERAL

- 6.1. Each Party warrants to the other Party that has the power, authority and legal right to sign and perform this Addendum and that this Addendum has been duly authorised by all necessary actions of its directors constitutes valid and binding obligations on it in terms of this Addendum.
- 6.2. The Parties shall at all times treat the provisions of this Addendum as strictly confidential and shall not disclose its terms to any other third party without the prior written consent of the other Party. The aforementioned shall not preclude a Party from disclosing this Addendum to its professional advisors such as its accountants, auditors or attorneys or any such similar professional person.
- 6.3. No addition to, variation or consensual cancellation of this Addendum shall be of any force and effect unless in writing and signed by the Parties or their duly authorized representatives.
- 6.4. Save as is set forth in this Addendum, the remaining provisions of the Lease Agreement remain unaltered and remain valid and binding on the Parties.
- 6.5. In the event of there being any conflict between the provisions of this Addendum and the Lease Agreement, the provisions of this Addendum shall prevail.
- 6.6. This Addendum may be executed in a number of counterparts and by the same Parties indifferent counterparts but shall only be deemed to have been concluded when each Party has executed at least one counterpart. Each counterpart, when executed, shall be an original, but all counterparts together constitute the same document.

THUS DONE AND SIGNED AT Mayiteng ON THIS 08 DAY OF November 2023



1.

2.

For and on behalf of the NWHC: Mr. Sello Mogodiri  
in his capacity as the Chief Executive Officer.

*Sello Mogodiri*

THUS DONE AND SIGNED AT Pretoria ON THIS THE 08 DAY OF November 2023

1.

H.T MCFOMME

2.

S J MSIMANGO

For and on behalf of the Mzansi: Mrs E.T Modise  
in his/her capacity as the manager

*E.T Modise*

# ANNEXURE F

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# MORULA RENTAL INCOME REPORT



## GOLD RUSH - MORULA

	Start date	End date	
Total Rental		30-Nov-24	13,546,508.54
10% Interest			1,412,190.10
Total Receipts	last payment date - Sept 2024		- 8,991,802.00
TOTAL OUTSTANDING			<hr/> 5,966,896.64

## MZANSI HOTEL - MORULA

	Start date	End date	
Total Rental		Month to month	10,351,330.20
10% Interest			3,108,711.37
Total Receipts	last payment date - Sept 2024		- 925,000.00
TOTAL OUTSTANDING			12,535,041.57