

## MEMORANDUM OF AGREEMENT

entered into by and between:

The Sourcing Agent	
Full Name:	
Company Name:	
Registration No.:	
Physical Address:	
Email Address:	
Banking Details:	
Representative:	
ID No:	

(hereinafter referred to as "the Sourcing Agent")

And

ZAHomes or any of its affiliates:	
Full Name:	
Company Name:	
Registration No.:	
Physical Address:	
Email Address:	
Banking Details:	
Representative:	
ID No:	

(hereinafter referred to as "The Company")

WHEREBY The Sourcing Agent and The Company (hereinafter collectively referred to as “the Parties”) agree herein to and are thus bound by, the terms and conditions of this Sourcing Agreement (hereinafter referred to as “the Agreement” or “this Agreement”), as set out below.

## 1. The intention

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- 1.1. The Sourcing Agent has been instructed by the Company to search for and obtain an investment grade property on its behalf, that meets the criteria in paragraph 2.1., in order for the Company to obtain said property.
- 1.2. The Sourcing Agent shall refer a satisfactory property deal to The Company in the form of a signed Offer-to-Purchase sent to the Client's email. The offer to purchase will conform to the guidelines set out in paragraph 2.2.
- 1.3. For providing the services mentioned in 1.1 and 1.2, the Company agrees to pay the Sourcing agent a total sourcing fee of 5% (which includes VAT where necessary) of the purchase price of the property, which constitutes a refundable deposit of 0.5% (see 1.4 for payment date) and the balance of sourcing fee of 4.5%, which is payable upon transfer of the property into the Company's name or any of the Company's affiliates as listed below in paragraph 2.3
- 1.4. Payment of the sourcing fee shall be made by The Company into The Sourcing Agent's specified banking account, the Banking Details in respect of which being set forth on page 1 of this Agreement, within 7 (seven) days from the date of transfer of the property under the terms listed in 1.3. and the deposit will be payable 30 (thirty) days after acceptance of offer by seller and ZAHomes' indication to proceed with the deal. Should the deal fall through for any reason whatsoever, the 0.5% deposit is refundable to ZAHomes.
- 1.5. The Company hereby agrees to keep the Sourcing Agent up to date, of any and all communication with the seller of the immovable property related to each specific sourced property.
- 1.6. Once the Sourcing Agent introduces the Company to the seller of the immovable property, this indicates the consent from the Sourcing Agent to the Company for the Company to engage and communicate with the seller directly in order to secure the deal and purchase the property.
- 1.7. This agreement covers multiple properties sourced as the intention is to build a relationship between the Company and The Sourcing Agent. Therefore, each sourcing opportunity will be bound by the terms and conditions of this agreement, unless otherwise specified in writing and signed by both parties that states otherwise or adds additional terms to this already standing agreement.

- 1.8. The sourcing agent will be provided with feasibility and analysis documentation, which has been produced by ZAHomes. This constitutes intellectual property which belongs to ZAHomes. Under no circumstances is the sourcing agent to share, reproduce or monetize this document without the prior written consent of ZAHomes.

## 2. Meaning of terms

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- 2.1. Investment grade property meets at least one of the two criteria listed below:
- 2.1.1. Below market value purchase price – 15% or more.
  - 2.1.2. Cashflow positive from day one after all running and financing cost servicing
- 2.2. Offer to purchase constitutes a written offer to acquire immovable property, which is clearly specified in terms of its erf, address and offer value and conforms to the guidelines and terms and conditions as set by the Company's standard Offer to Purchase template, which can be provided on request or downloaded from the Company's website by following this link:
- 2.2.1. <https://zahomes.co.za/agents/>
  - 2.2.2. Should the agent use a different OTP, then the clauses as outlined in the Company's standard OTP shall appear on the substitute or on terms acceptable to the company.
- 2.3. ZAHomes refers to the parent company and all the legal entities owned by ZA Home Investments (Pty) Ltd and all their relevant directors and shareholders, which collectively is called the group.

## 3. WARRANTIES

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- 3.1. The Company warrants that he has the necessary legal capacity to act in concluding this Agreement and performing in terms thereof.
- 3.2. The Sourcing Agent warrants that he has the necessary legal capacity to act in concluding this Agreement and performing in terms thereof.

## 4. BREACH, WAIVER AND NOVATION and TERMINATION OF CONTRACT

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- 4.1. The Company can cancel the Sourcing Agreement, per property, by deciding not to pursue the property as sourced by the Sourcing Agent before (outright) or after viewing the property and

reaching the conclusion that it is not worth pursuing. This intention not to pursue must be communicated in written form by any means of electronic communication.

4.2. The Company is in breach of contract if either of the following occur:

4.2.1. The Company does not update the Sourcing Agent on the progress of the deal or communication with the seller within 96 hours of being requested to do so by the Sourcing Agent.

4.2.2. The Company continues communication with the seller without the written consent of the Sourcing Agent once it has indicated that it does not want to pursue the purchase of the seller's property to the Sourcing Agent.

## 5. DOMICILIUM CITANDI ET EXECUTANDI AND NOTICES

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5.1. The Parties hereby choose their physical address and their e-mail address, as set forth on page 1, as their chosen *domicilium citandi et executandi* for all purposes arising from this Agreement, including the delivery and service of all notices and legal processes in connection herewith, and may be amended by any of the Parties by way of written notice.

5.2. Any notice given by either party to the other (hereinafter referred to as "the Addressee") which is delivered by hand between the hours of 09h00 and 17h00 on any business day to the Addressee's 'physical *domicilium*', for the time being, shall be deemed (unless the contrary is proved by the Addressee) to have been received by the addressee at the time of delivery.

5.3. Any notice given by either party to the other which is successfully transmitted by e-mail to the Addressee's 'e-mail *domicilium*', for the time being, shall be deemed (unless the contrary is proved by the Addressee) to have been received by the Addressee on the day immediately succeeding the date of the successful transmission thereof.

5.4. The parties may use other means of communication, and this clause 5.4 shall not operate so as to invalidate the giving or receipt of any written notice which is actually received by the Addressee other than by a method referred to in clauses 5.2 and 5.3.

5.5. Any notice in terms of or in connection with this Agreement shall be valid and effective only if in writing and if received or deemed to be received by the Addressee.

## 6. GENERAL

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- 6.1. Any reference to the singular includes the plural and vice versa and all days mentioned refer to standard business days.
- 6.2. This agreement constitutes the sole record of the whole agreement between the Parties in relation to the subject matter hereof. Neither Party shall be bound by any express, tacit or implied term, undertaking, representation, warranty, promise or the like not recorded herein. This Agreement supersedes and replaces all prior commitments, undertakings or representations, whether oral or written, between the Parties in respect of the subject matter hereof.
- 6.3. No amendment, variation, addition to, deletion from, novation, consensual cancellation, or waiver of this Agreement or any provision of this Agreement shall be binding upon the Parties unless reduced to writing and signed by or on behalf of the Parties, and any such waiver will only be effective in the specific instance and for the given purpose.
- 6.4. No indulgence or extension of time which either Party may grant to the other, nor any failure or delay on the part of either Party in exercising any right, nor any single or partial exercise of any right by either Party, shall, in any way, prejudice the grantor, constitute a waiver of or, whether by estoppel or otherwise, limit any of the existing or future rights of the grantor in terms hereof, save in the event and to the extent that the grantor has signed a written document expressly waiving or limiting such right.
- 6.5. The Company hereby records that should any provision of this Agreement be, or be retrospectively, rendered unlawful, then that unlawful provision shall only be deemed to be modified and interpreted to the extent and in the manner necessary to render it consistent with the enactment rendering it unlawful or if such modification or interpretation is impossible, then such provision shall be deemed to be severable from the remaining provisions hereof and thereby considered *pro non scripto*, while the remainder of the terms and conditions of this Agreement will remain valid and binding upon The Company.

Signed at \_\_\_\_\_ on this the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, in the presence of theundersigned witnesses, agreeing to the terms and conditions of this Agreement.

Witnesses:

1 \_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_  
The Sourcing Agent : \_\_\_\_\_

Signed at \_\_\_\_\_ on this the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, in the presence of theundersigned witnesses, agreeing to the terms and conditions of this Agreement.

Witnesses:

1 \_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_  
The Company : \_\_\_\_\_