

1. INTRODUCTION

The Atterbury Broker Policy Document sets out the terms and conditions that governs and regulates the relationship between Atterbury and Property / Real Estate Brokers when introducing prospective **commercial or industrial** clients / tenants.

The Policy aims to avoid double introductions and potential disputes regarding commission payments.

Atterbury reserves the right to amend the contents hereof in its own discretion from time to time and it is the responsibility of the broker to ensure that the latest version of the policy is used at the time of making an introduction.

2. COMMISSION STRUCTURE AND PAYMENT

2.1. Unless otherwise agreed in writing, Atterbury pays leasing commission to the broker that is the "effective cause" of a transaction, as outlined in item 4, according to the following scale of tariffs:

2.1.1. Land, Development or Building sale:

- Commission will be negotiated between the Landlord/Developer and the Broker.

2.1.2. Lease deals:

- 5,0 % on the rental for years 1 & 2
- 2, 5 % on the rental for years 3, 4 & 5
- 1, 5 % on the rental for years 6 - 8
- 1,0 % on the rental for years 9 – 10

2.1.3. Joint Ventures / Co-Ownership and Lease Agreement:

- Commission will be payable in respect of the lease, as referred to in item 2.1.2 above.

2.2. The above scale of tariff is calculated on net rental which includes basic/net, storeroom, patios and parking rental) but excludes all operating cost, municipals or other cost related recoveries that are not included under basic/net rent.

2.3. Commission is not paid on any lease period longer than 10 years.

2.4. The term of leases containing a "break clause" will be the period from the commencement date of the lease to the "break" date.

2.5. Unless otherwise agreed to in writing, a standard 30% discount shall apply to the above scale of tariffs on all transactions exceeding 25 000m² of GLA.

2.6. Referral fee/commission (where applicable) will be paid up to a maximum of 10% of the above scale of tariff.

2.7. The following requirements must be met before payment of commission / referral fee is made:

2.7.1 Land, Development or Building sale:

100% due when:

- Sale agreement, including all annexures, is signed and;
- All conditions precedent in the sale agreement has been fulfilled and;
- Guarantees and deposits for the full purchase price delivered and;
- Transfer takes place.

2.7.2 Lease deals:

50 % is due when:

- Lease agreement is signed and;
 - All FICA documentation is received and;
 - All conditions precedent in the lease agreement has been fulfilled;
 - Deposits has been paid (if due and payable at time of signature).
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- Balance is due when:
 - Deposit has been paid; and
 - An acceptable bank guarantee has been issued and / or;
 - The required suretyship has been received and;
 - The tenant has taken occupation of premises and commenced trading and;
 - Any tenant installation cost due to the developer has been paid.

Payment of commission / referral fee will only be made within 30 days from receipt of a TAX invoice as well as a proof of a valid Fidelity Fund Certificate from the Broker.

2.8. No commission is payable on any lease renewals, addendum to lease agreements (including additional area/expansion options), or exercising of any option periods by the tenant / client.

2.9. No commission is payable on any option fee received by Atterbury where a tenant / client wish to secure land, lease premises or building for an interim period.

2.10. No commission is payable on any deposits that is retained as a result of a cancellation of an agreement with a tenant / client.

2.11. In the case of an introduction of a land sale, during which the negotiations evolve into a development sale, commission is payable on the value of the land only and not the value of the development.

2.12. In the event where a lease agreement is signed with an option to purchase, or where the client/ tenant purchases the development during the lease period, commission will only be payable on the initial term of the lease agreement as per this Policy.

3. MANDATE

- 3.1. No sole or exclusive mandate is granted to any broking company or broker.
- 3.2. Introductions of prospective tenants / clients must be in respect of a specific development or premises and no generalised introductions are accepted.
- 3.3. Brokers introducing a prospective client / tenant must have a written mandate from such a client / tenant to act on his/her behalf and failure to produce such a written confirmation could result in:
- the cancellation of the introduction; or
 - non-acceptance of the introduction; or
 - the introduction to be considered as a referral as per item 2.6.
- 3.4. The mandate mentioned in item 3.3 must be on the client / tenant's company's official letterhead, signed by the duly authorised person and specifically mentioning his/her position in the organisation.
- 3.5. Introductions must stipulate the prospective tenant / client's initial brief that lists at least the following information:
- 3.5.1. Details of the company that is introduced. An introduction of a prospective client / tenant shall constitute an introduction of that specific company only and excludes any of its associated or affiliated companies;
- 3.5.2. Details of the client / tenant's existing premises i.e address, size, landlord, lease expiry date;
- 3.5.3. Current headcount of the organisation and/or estimated space requirements (where applicable);
- 3.5.4. Date tenant / client requires occupation of the new premises;
- 3.5.5. Tenant / client's preferred location.

4. EFFECTIVE CAUSE

- 4.1. No introduction or referral received verbally is accepted or will be deemed as accepted.
- 4.2. All introductions received in terms of item 3.3 must be accepted in writing by Atterbury, and will be subject to a meeting being held with the authorized representative of the tenant/client. Atterbury has the right to accept introductions from more than one broker regarding a specific tenant / client.
- 4.3. The "effective cause" of an introduction is secured by a broker when an acceptable letter of intent, or an offer to lease or sale agreement is presented. It is specifically mentioned that a written mandate from a tenant / client does not constitute an "effective cause".

- 4.4. Introductions where prospective clients / tenants are merely exploring the market or soliciting rentals for comparative purposes, will not be entertained and no rental proposal will be submitted to any such enquiries.
- 4.5. Subject to the provisions of item 4.6 below, no public tender or Request for Proposals ('RFP') of any kind will be regarded as an introduction or as an effective cause, irrespective of when the tender / RFP is issued. Should a prospective client (after it has been introduced), decide to go out on tender or a RFP, then the introduction of such a client / tenant will be considered cancelled and no commission is payable.
- 4.6. Where a broker has been appointed to facilitate the tender or RFP process on behalf of the tenant / client, the onus will be on the broker to agree the commission upfront with the tenant / client and include it as part of the tender or RFP.
- 4.7. Referral commission is earned when a broker introduced a potential client / tenant, but is not involved in "broking" of the deal as per item 6.
- 4.8. In the instance where a client / tenant specifically request in writing (after an introduction has been made) not to deal with a broker or broking company anymore and provides a valid reason for such a decision, then referral commission will be paid as per item 2.6.

5. VALID PERIOD OF AN INTRODUCTION

- 5.1. An introduction of any new development will only be valid for a period of 6 (six) consecutive calendar months as from the date of acceptance thereof in terms of item 4.2.
- 5.2. An introduction for any existing building will only be valid for a period of 60 (sixty) consecutive days as from the date of acceptance thereof in terms of item 4.2.
- 5.3. Should no lease or sale agreement be concluded with the tenant / client within the periods mentioned in item 5.1 & 5.2 then any such introductions are considered cancelled with no claim whatsoever for commission unless the period stipulated is extended in writing by Atterbury.
- 5.4. Atterbury will consider an extension if negotiations with the client / tenant is ongoing and the conclusion of a lease or sale agreement is at hand.

6. SCOPE OF SERVICE

The following scope of service is considered to be the minimum deliverables that are required from a broker:

- 6.1. Facilitate, arrange and attend regular meetings between Atterbury and the tenant / client;
- 6.2. Regular communication between tenant / client & Atterbury;

- 6.3. Co-ordination of lease or sale agreement negotiations in order to secure the signature of the contract;
- 6.4. Manage information flow from tenant in respect of resolution, FICA documents, financials and any relevant space planning requirements.
- 6.5. In the case of a RFP / Tender and subject to **4.6** - to facilitate, manage and co-ordinate the entire process on behalf of the client / tenant.

Failure to comply with all the above minimum requirements may result in the payment of referral commission as per item **2.6** as apposed to the commission referred to in item **2.1**.

7. GENERAL TERMS

- 7.1. Pursuant to item **3.2**, should a tenant / client engage directly with Atterbury on any other development or property that is on offer in the market (other than the development introduced by the broker in the first instance), then:
 - 7.1.1. Commission will be earned and paid as per item **2.1** above provided that the broker secured a new mandate from the tenant / client as per item **3.3** for such an introduction.
 - 7.1.2. Save as for the provisions of item **7.1.1**, referral commission as per item **2.6** will be earned by the broker if such an engagement occurs within the period mentioned in item **5.1 & 5.2**;
 - 7.1.3. Notwithstanding anything contained herein and save for item **7.1.1**, no commission will be earned or is payable if such an engagement occurs after the period stipulated in item **5.3**.
- 7.2. No agent's boards are allowed nor any media statements to be made without the prior written consent from Atterbury.
- 7.3. Save for Atterbury's rights that are reserved herein, any departure or variation of the principles set out in this policy document or alleged verbal agreement, representations or warranty pertaining to the subject matter contained herein between the broker and Atterbury shall not be binding on Atterbury unless reduced to writing and signed.
- 7.4. The Broker Policy specifically excludes any retail and/or residential introductions of whatsoever nature.
- 7.5. The Broker Policy is confidential and regarded as intellectual capital unique to Atterbury and may not be reproduced or copied or distributed to any third party.
- 7.6. All figures quoted herein excludes VAT.

8. ENQUIRIES

All enquiries to be directed to Atterbury Property

Gauteng

Derrick Pautz

derrick@atterbury.co.za

(012) 471 1600

Western Cape

Mia Kitshoff

mia@atterbury.co.za

(021) 808 1000

9. ACCEPTANCE

Accepted by (Full Name):

Signature:

On behalf of:

Date:

Client / Tenant:

Client representative name and designation:

Development / Property introduced:

Introduction in terms of (mark applicable):

Lease: Yes No

Land Sale: Yes No

Development Sale: Yes No

Building Sale: Yes No