**Memorandum of Resolutions of the Trustees for**

**Genoa Super Fund**

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| **Present:** | Trevor Bock  Inge Bock |
| **Request for rent relief from property tenant:** | The Trustees have received notification from the Genoa Trading Trust, the tenant of the Fund’s commercial property situated at 66-72 Gordon Road, Redland Bay, advising that they have been impacted by the COVID-19 pandemic and are requesting temporary rent relief. |
| **Details of the tenant’s circumstances:** | The tenant has advised the Trustees that they have been facing a downturn in business as a direct result of the COVID-19 pandemic.  The Genoa Trading Trust, operating under the business name Redland Bay Early Education Centre, has seen a reduction in childcare attendance since March 2020. As a result, they are seeking temporary rent relief for the period 1 July 2020 to 31 December 2020.  The Genoa Trading Trust has had a decrease in turnover of 30% and is eligible for and has registered for the JobKeeper Payment with the ATO.  The Genoa Trading Trust believes that their business should begin to recover in the latter half of the 2021 financial year. |
| **Details of current lease agreement:** | The Trustees reviewed the current lease agreement and note the following:   |  |  | | --- | --- | | Term: | 1 July 2019 – 30 June 2022 (3 years) | | Rent: | $172,700 plus GST per year, payable in equal monthly instalments of $14,391.67 plus GST  Plus 100% pf Outgoings | | Rent Review: | Annually, on the anniversary of the lease | | Options to Renew: | No options offered | |

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| **Government mandatory code of conduct:** | The Trustees note that the Australian Government has issued a mandatory code of conduct for commercial tenancies. This code applies to tenants that are:   * Small to medium sized tenants with an annual turnover of up to $50 million, and * Eligible for the Jobkeeper Payment.   The code includes a common set of principles including that:   1. Landlords must negotiate in good faith with their tenant to seek a mutually agreeable resolution if their ability to pay is impacted by COVID-19; 2. Landlords must offer reductions in rent based on the tenant’s reduction in trade during COVID-19; 3. Landlords must not terminate leases if their tenant is in financial distress and unable to meet their commitments due to the impact of COVID-19; 4. Tenants must stay committed to their leases (subject to amendments); 5. Benefits that owners get for their properties (eg reduced charges, land tax) should be passed on to the tenant (in the appropriate proportion) |
| **Trustee Acknowledgement:** | After due consideration, the Trustees have resolved to temporarily provide rent relief for the 1 July 2020 to 31 December 2020 as follows:   |  |  | | --- | --- | | Monthly Rent Reduction: | $4,317.50 (excl GST) | | Rent Deferral for 24 months: | $Nil | | Total Monthly Rent Relief: | $4,817.50 (excl GST) = 30% | | Monthly Rent Payable: | $10,074.17 (excl GST) = 70% |   This decision is subject to there being no changes to the tenant’s financial situation during this period. Should there be any changes, the tenant is to notify the landlord of the changes promptly.  It is noted that the tenant is still required to continue paying 100% of the outgoings.  The Trustees resolved to re-review the above decision at the earliest of:   * late December 2020 or * upon notification from the tenant that there has been a change to their circumstances.   The Trustee resolved to communicate these decisions to the tenant in writing. |
| **Closure:** | There being no further business, the meeting was declared closed. |
|  | Signed as a true and correct record  …………………………………………………….  Trevor Bock  …………………………………………………….  Inge Bock |