

LEASE
New South Wales
Real Property Act 1900



AG44475A

PRIVACY NOTE: Section 31B of the Real Property Act 1900 (RP Act) authorises the Registrar General to collect the information required by this form for the establishment and maintenance of the Real Property Act Register. Section 96B RP Act requires that the Register is made available to any person for search upon payment of a fee, if any.

STAMP DUTY

Office of State Revenue use only

(A) TORENS TITLE

Property leased
6/847118

(B) LODGED BY

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|---------------------------------|--|-----------|
| Document Collection Box 866G | Name, Address or DX, Telephone, and Business Account Number if any J.R. GIBB & CO Solicitors & Attorneys LLPM: 123625 PO Box Q53, QVB Post Shop, NSW 1230 DX 13008 Sydney Market Street Reference: JS: RK: 100889 | CODE L |
|---------------------------------|--|-----------|

(C) LESSOR

BRAES LAND PTY LTD (ACN 147 284 633)

The lessor leases to the lessee the property referred to above.

(D) ENCUMBRANCES (if applicable):

(E) LESSEE

IAN JAMES ROBERTSON

(F) TENANCY:

- (G) 1. TERM** Five (5) years
2. COMMENCING DATE 24 January 2011
3. TERMINATING DATE 23 January 2016
4. With an **OPTION TO RENEW** for a period of N.A.
set out in clause N.A. of N.A.
5. With an **OPTION TO PURCHASE** set out in clause N.A. of N.A.
6. Together with and reserving the **RIGHTS** set out in clause N.A. of N.A.
7. Incorporates the provisions or additional material set out in **ANNEXURE(S)** A & B hereto.
8. Incorporates the provisions set out in N.A. with the Land and Property Management Authority as No. N.A.
9. The **RENT** is set out in item No. 13 of Annexure A

Total pages 25.

+ 2 page consent.

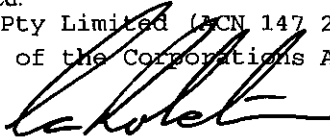
[Handwritten signatures and initials]

DATE 20 January 2011

(H) Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Corporation: Braes Land Pty Limited (ACN 147 284 633)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person:



Name of authorised person: Ian James Robertson
Office held: Director

Signature of authorised person:



Name of authorised person: Lisa Marie Robertson
Office held: Director

I certify that the person(s) signing opposite, with whom I am personally acquainted or as to whose identity I am otherwise satisfied, signed this instrument in my presence.

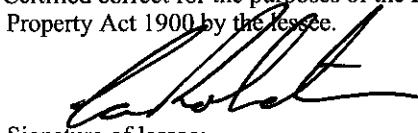
Signature of witness:



GRANT BRADFORD CHAMBERLAIN
SOLICITOR
14 KENDAL STREET
COWRA NSW 2794

Name of witness:
Address of witness:

Certified correct for the purposes of the Real Property Act 1900 by the lessee.



Signature of lessee:

(I) **STATUTORY DECLARATION ***

I solemnly and sincerely declare that—

1. The time for the exercise of option to _____ in expired lease No. _____ has ended; and
2. The lessee under that lease has not exercised the option.

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1900.

Made and subscribed at _____
on _____

in the State of New South Wales
in the presence of—

Signature of witness:

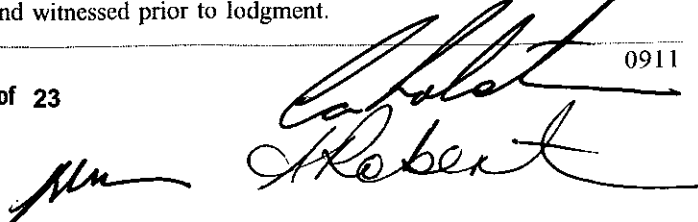
Signature of lessor:

Full name of witness:
Address of witness:

Qualification of witness: *[tick one]*

- Justice of the Peace
- Practising Solicitor
- Other qualified witness *[specify]*


* As the Land and Property Management Authority may not be able to provide the services of a justice of the peace or other qualified witness, the statutory declaration should be signed and witnessed prior to lodgment.



ANNEXURE A

SEE A SOLICITOR ABOUT THIS LEASE

Landlord: BRAES LAND PTY LIMITED (ACN 147 284 633)

Tenant: IAN JAMES ROBERTSON and LISA MAREE ROBERTSON 

This annexure consists of 9 pages.

NOTE: Any alterations and additions to Lease Covenants in Annexure B **must** be made by additional clauses in Annexure A. The printed clauses in Annexure B are to remain in their copyright form without alteration.

SCHEDULE OF ITEMS (continued)

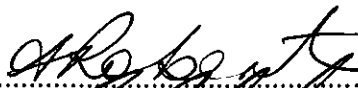
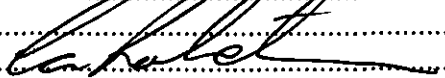
Item 10 (cls 2.3, 13.1) (cl 13.7) A. The guarantor: N/A
B. Limit of guarantor's liability: N/A

Item 11 (cl 3) Additional leased property: N/A

Item 12 (cl 4) Option to renew
A. Further period of N/A years from .
B. Further period of N/A years from .
C. Maximum period of tenancy under this lease and permitted renewals: ~~Three (3)~~ ^{Five (5)} years
D. First day option for renewal can be exercised: N/A
E. Last day option for renewal can be exercised: N/A

Item 13 (cl 5) A. Rent
For the lease period:
From the commencement date to the first rent review date: \$11,200.00 (plus GST) a year by quarterly instalments of \$2,800.00 (plus GST).
Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.
For the further period in item 12A:
From the commencement date to the first rent review date: (for example: Current market rent) N/A
Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.

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For the further period in item 12B:
 From the commencement date
 to the first rent review date:
 (for example: Current market rent) N/A

Afterwards: At the new yearly rent beginning on
 each review date by monthly
 instalments of one twelfth of the new
 yearly rent.

Item 13 (cl 15) **B. Goods and Services Tax**

Clause 15 provides for payment by the tenant of Goods and Services Tax unless otherwise here indicated:

Item 14 (cl 5) **Outgoings**

- A. Share of outgoings: 100%
- B. Outgoings -

- (a) local council rates and charges; Nil
- (b) Livestock Health & Pest Authority rates and charges; 100%
- (c) Electricity; By agreement between Lessor and Lessee;
- (d) Town and Bore Water; By agreement between Lessor and Lessee

for the land or the building of which the property is part, fairly apportioned to the period of this lease.

Item 15 (cl 5.1.5) **Interest rate:** 6.75%

Item 16 (cl 5.4) **Rent review**

| Rent review date | Method of rent review | If Method 1 applies, increase by (the increase should show percentage or amount) |
|------------------|-----------------------|---|
| Not applicable | | |

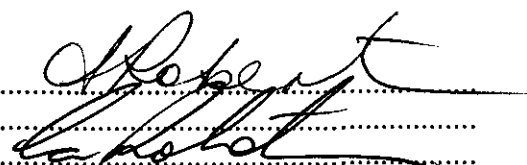
Method 1 is a fixed amount or percentage
 Method 2 is Consumer Price Index.
 Method 3 is current market rent.

Method 2 applies unless another method is stated.

Item 17 (cl 6.1) **Permitted use:** Farming and grazing

Item 18 (cl 8.1.1) **Amount of required public liability insurance:** \$10,000,000.00

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The following alterations and additions are to be made to the Lease Covenants in Annexure B:

Insert after **clause 18:**

19. Tenant's use of the property

- 19.1. The tenant will use the property for crop production and grazing purposes adopting the best practices in the district within which the property is located, and using a manager or managers approved by the landlord, such approval not to be unreasonably withheld.
- 19.2. The tenant will take all reasonable precautions to confine all sheep, cattle and other animals within the boundaries of the property and to prevent them from straying on adjoining land or roads.
- 19.3. The tenant will not permit any stock from adjoining land or roads to stray onto or graze on the property.
- 19.4. The tenant will not permit any access in or over the property by any person without the prior written approval of the landlord.
- 19.5. The tenant will not without the prior written approval of the landlord depasture or allow to be depastured on the property more livestock than that presently depastured and the progeny of that livestock.

20. Cropping

- 20.1. The tenant will not plant any crop (other than a fodder crop for stock) on the property which in the ordinary course the tenant would not be able to complete harvesting before the expiration of the term of this lease.
- 20.2. The tenant acknowledges that no ploughing or cultivation will take place on any pastures without the prior written approval of the landlord, such approval not to be unreasonably withheld.
- 20.3. All crops on the property sown by the tenant or the tenant's sharefarmer during the Term are the property of the tenant and the landlord agrees that the tenant or the tenant's sharefarmer (as the case may be) will be at liberty to harvest such crops for their exclusive use and benefit.

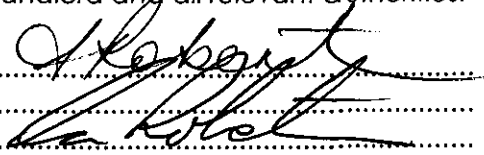
21. Water Supply, Licences and Dams etc

- 21.1. The tenant will not without the prior written approval of the landlord permit any person to lay or place dams, pipes, pumps or channels on, over or through the property.
- 21.2. The tenant will maintain drains, watercourses, dams, channels and earthworks on the property including those constructed by the tenant in good order and condition using all reasonable methods to prevent or arrest soil erosion.
- 21.3. The tenant acknowledges that dams may have been constructed on a creek or water course passing through the property without authority or there may be other contraventions of the Water Act or regulations.

22. Management of the property

- 22.1. The tenant will manage the property and adopt and use ecologically sustainable soil and water management practices and technology in the maintenance of the property.
- 22.2. The tenant acknowledges that burning of vegetation for the purposes of encouraging new grass is not to be undertaken without the prior written approval of the landlord and all relevant authorities.

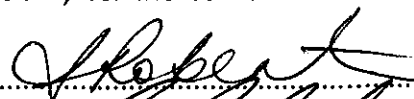
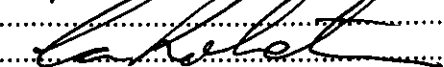

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- 22.3. The tenant will comply with all laws including those relating to bushfire prevention, environmental protection, conservation and land management.
- 22.4. The tenant will at all times carry out all grazing and related activities in accordance with the rules of good husbandry and such proper practices which apply in the district where the property is situated and will not do or permit anything to be done to or on the property that will cause, aggravate or accelerate soil erosion or allow the vegetative ground cover to fall below 70% of the total vegetative ground cover regardless of the total vegetative ground cover of the property at the Commencing Date (as to which the landlord's opinion will be conclusive). The tenant will comply at all times with directions given by the landlord.
- 22.5. The tenant will punctually observe and comply with the requirements of all statutes, ordinances, proclamations, orders or regulations present or future relating to the grazing and related operations conducted by the tenant on the property.
- 22.6. The tenant will practice good pasture management practices including:
 - (a) the up keep and maintenance of introduced pasture species;
 - (b) the application of superphosphate or organic fertiliser to the property to a minimum level as required by the landlord of single strength superphosphate unless a greater application is recommended by the District Agronomist of NSW Agriculture for the area in which the property is located and approved by the landlord; and
 - (c) the maintenance of an overall pasture cover to a level not less than 70% of vegetative ground cover.
- 22.7. The tenant will at the tenant's cost, comply with the landlord's policies on:
 - (a) pesticides and herbicides;
 - (b) noxious and environmental weeds; and
 - (c) genetically modified crops or grasses,copies of which policies have been delivered to the tenant and which may be amended from time to time.
- 22.8. The tenant will manage and graze the property according to the most improved methods of husbandry in the district including but not limited to these methods:
 - (a) sensible sustainable grazing management;
 - (b) grazing management to ensure longevity and maximise pasture efficiencies;
 - (c) correct chemical rotations and management particularly in relation to herbicide resistance;
 - (d) no feeding of imported hays/fodder contaminated in any way with insecticide or herbicide residue;
 - (e) no feeding of imported hays/fodder contaminated with any noxious weed or with the possibility of being contaminated; and
 - (f) absolute control over the introduction of notifiable diseases (especially Ovine and Bovine Johne's disease and footrot in sheep) and accountability for the same with the Livestock Health & Pest Authority.

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22.9. The tenant will manage and farm the property according to the most improved methods of husbandry in the district including but not limited to these methods:

- (a) management of the sustainable cropping program must ensure improving soil structure and nutrient status of the soil;
- (b) control and implementation of an active eradication program for any noxious weeds;
- (c) correct rotational use of all chemicals to minimise chemical resistance by weeds and a full chemical application diary must be kept for the landlord;
- (d) no use of any machinery, including any harvesters, trucks, spreaders, brought onto the property that has not been properly cleaned (off the property) to minimise the introduction of any noxious weeds;
- (e) all firebreaks are to be maintained according to council regulations and any other council requirements to be adhered to;
- (f) where possible the use of minimum/no tillage methods to minimize loss of soil structure through over working; and
- (g) the landlord reserves the right to have all cropping programmes, chemical applications, stock movements – numbers supplied to the landlord when requested and from time to time be able to enter the property with the landlord's consultant for the purpose of making sure all the conditions of the lease are being adhered to.

23. Stock Disease

23.1. The tenant will immediately notify the landlord and the proper public authorities of any infectious illness affecting the stock on the property and will take all necessary steps to contain such infection or to remove the affected stock and to comply with any notice or direction of the proper public authority and if necessary will thoroughly fumigate the property to the landlord's satisfaction.

24. Noxious weeds and animals

24.1. The tenant will, at the tenant's cost, take all reasonable and proper steps to keep the property free of all forms of feral animals, noxious animals and noxious weeds and will comply with all directives or notices received from the Livestock Health & Pest Authority and other regulatory statutory authority.

24.2. The tenant will remove noxious weeds and eradicate noxious animals.

25. Sublease or sharefarming

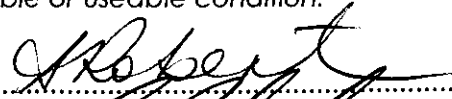

25.1. The tenant will not without the prior written approval of the landlord enter into any sublease or share farming agreement or part with possession of any part of the property.

26. Loss or damage

26.1. The tenant will not object if the property is affected by any loss or damage arising from any fire, storm, tempest or flood or by any diminution in the value from any cause whatsoever which takes place during the Term.

26.2. The landlord will not be under any obligation to maintain, renew or restore any buildings, fence or other improvements damaged or destroyed by fire, flood, storm or tempest or any other cause and no warranty is given or implied that any building is in a habitable or useable condition.

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27. **Permits**

- 27.1. Subject to any statutory requirements and the terms of the enclosure permits, the tenant will be entitled to have the use of Permit No. 26799 and the tenant will at all times comply with all terms, limitations and condition attached to the permits. The tenant indemnifies the landlord in relation to any loss the landlord suffers as a result of the tenant's breach of any permit. The tenant will pay all fees for these permits.
- 27.2. The tenant must do all things reasonably necessary to ensure that any quota, licence or permit used at the date of this lease or subsequently in respect of the property is preserved. The tenant indemnifies the landlord in relation to any loss the landlord suffers as a result of the tenant's breach of any quota, licence or permit. The tenant will pay all fees for such quota, licence or permit.

28. **Carrying Capacity**

28.1. In this lease:

- (a) **Carrying Capacity** means the optimum average dry sheep equivalent or the equivalent head of cattle carrying capacity of the property over a 12 month period without having regard to any deleterious conditions of the property caused by any breach of this lease by the tenant; and
- (b) **District Agronomist** means the person appointed by the NSW Agriculture (or the government department then carrying on the functions of that body) as the district agronomist for the area in which the property is located.

28.2. The tenant acknowledges that the initial Carrying Capacity of the property is 300 DSE and was determined by the District Agronomist and will not be varied without the prior written approval of the landlord.

28.3. The tenant will not graze stock in excess of the initial Carrying Capacity.

28.4. The landlord reserves the right to vary the Carrying Capacity of the property by giving written notice of such variation to the tenant.

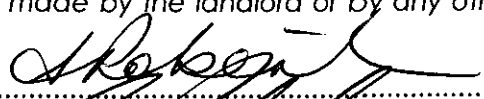
28.5. In the event the landlord notifies the tenant in writing of a variation in the Carrying Capacity of the property and the tenant notifies the landlord within 1 month of receiving the landlord's notice that it objects to the varied Carrying Capacity notified by the landlord then:

- (a) the future Carrying Capacity of the property will be determined by the District Agronomist appointed at the request of either the landlord or tenant;
- (b) the cost of any determination by the District Agronomist will be borne by the landlord and tenant in equal shares;
- (c) the decision of the District Agronomist will be final and binding on the landlord and the tenant.*

28.6. The tenant will not do or fail to do anything that causes a reduction in the Carrying Capacity and in making the determination the District Agronomist will have regard to any deleterious condition caused by the tenant.

28.7. The landlord gives no warranty as to the condition and the Carrying Capacity of the property or the extent nature or state of repair of any of the improvements and no such warranty will be deemed or implied from any documents or representations furnished or made by the landlord or by any other person.

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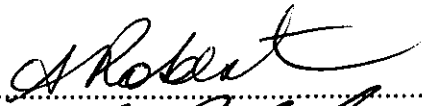
29. **Hazardous Substances**

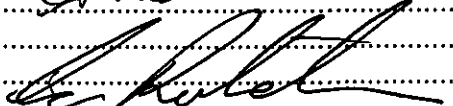
- 29.1. **Hazardous Substances** means all substances of a hazardous or potentially hazardous nature including any fuels, chemicals, oils, lubricants, and associated items.
- 29.2. The tenant will not bring onto or store on the property any Hazardous Substances other than reasonable quantities which are reasonably required to be used in association with the permitted use of the property and must ensure that all Hazardous Substances brought or stored on the property by the tenant are kept safely in sealed containers.
- 29.3. The tenant will use its best endeavours to avoid any leak, spillage or contamination by such Hazardous Substances on the property.
- 29.4. The tenant must, at the tenant's cost, comply with any notice order or requirement of the landlord (acting reasonably) and of any government, semi-government, shire, health, licensing, civic or other authority in relation to storage or handling of Hazardous Substances or the disposal, removal or rendering safe of any Hazardous Substances brought on to the property by the tenant.
- 29.5. The tenant indemnifies the landlord against all claims demands, summonses, actions writs, proceedings, judgments, orders, damages, fines, penalties, costs, losses and expenses of any nature which the landlord suffers or incurs in connection with any breach by the tenant of the provisions of clauses 29.1, 29.3 or 29.4 and it is agreed that these indemnities will not merge on the expiration or termination of this lease.
- 29.6. The landlord may by notice in writing to the tenant require the tenant, at the tenant's cost, to obtain any report survey or audit which the landlord reasonably requires to determine whether a breach of the terms of clauses 29.1, 29.3 or 29.4 has occurred.


30. **Landlord's Right to Enter to Inspect or Carry Out Works**

- 30.1. The landlord will be able to enter the property at reasonable times after giving reasonable notice or at any time without notice in an emergency to:
 - (a) inspect the property;
 - (b) do any works that the landlord considers desirable;
 - (c) exercise any of the landlord's rights under this lease; and
 - (d) repair the property where the property have been damaged.
- 30.2. The landlord's authorised officers or agents will also have the right of entry to the property at any time to carry out environmental, erosion and land degradation remedial land management practices (including but not limited to the construction of dams or other structures, earthworks, tree planting and fencing) at no cost to the tenant.
- 30.3. In exercising the landlord's right to enter the property and to do works:
 - (a) the landlord and the landlord's employees, agents and contractors will be entitled to enter the property with all necessary materials; and
 - (b) the landlord will use all reasonable endeavours to ensure that as little disruption as is practical is caused to the tenant's use of the property.

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31. **Fixtures**

31.1. All fixtures installed by the landlord or the tenant including gates and fences on the property will be and remain the property of the landlord and at the expiration of the lease will not be removed by the tenant.

32. **Area and condition of the property**

32.1. The landlord does not guarantee the correctness of the area of the property and such areas having been taken from the records of Land and Property Information NSW or the Western Lands Commission will be presumed to be correct. No objection, requisition or claim for compensation will be made by either the landlord or tenant in respect of any deficiency in such areas which is disclosed by survey or in any other manner.

32.2. The tenant acknowledges that there may be roads or reservations of roads traversing the property and gates erected across a road or roads traversing the property and the landlord might not hold any permits or authorities to enclose roads within the boundary of the property.

32.3. The tenant acknowledges that fences may not be located on the correct boundary lines or may be the subject of arrangement agreements or orders of any Land Board or Court or other competent authority relating to give-and-take fences.

32.4. The tenant acknowledges that boundaries may be unfenced.

32.5. The tenant acknowledges that telephone or electricity lines, pipes or water channels may traverse the property and other persons may have rights to the use or benefit of those structures.*

32.6. The tenant acknowledges that an application, lease, licence, authority to enter or authority to prospect has or may have been made granted or is pending in relation other property under the provisions of the Mining Act or under any other Act relating to mining or exploration for minerals petroleum or other products and the person who holds the lease, licence or authority may enter onto the property.

33. **GST**

33.1. The tenant will at all times carry on a farming business on the property within the meaning of the **A New Tax System (Goods and Services Tax) Act 1999**.

34. **Repairs to building and improvements on or leading to the property**

34.1. Where fences do not exist on the boundary of the property, the tenant at the tenant's cost will erect new fences to specifications approved by the landlord. All fences are to be maintained by the tenant. No compensation will be claimed or allowed by reason of the condition of the existing fences and the repair and maintenance of all fences will be the responsibility of the tenant and the tenant will carry out all reasonable requests by the landlord in this regard.

34.2. The tenant will take all reasonable steps to prevent flooding of the property and any adjacent land and for that purpose with the prior written approval of the landlord, construct improvements or alterations to the property by way of levy banks, channels, basins or otherwise.

34.3. The tenant may carry out improvements to the property including earthworks, alterations or fencing and to channels and other improvements with the prior written approval of the landlord, such approval not to be unreasonably withheld.

34.4. The tenant will maintain all roads on the property and all access roads on other property leading to the property in the same condition as they were in at the earlier of the commencing date of the

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Robert
Robert

John

lease and the date on which the tenant first occupied the property. For the purposes of this clause, **roads** include culverts, ramps, grids, bridges, table drains and causeways but does not include roads which the Commonwealth, state or local governments or statutory authorities have the duty to maintain.

34.5. If any of the fencing on the property requires renewal these provisions will apply:

- (a) the landlord will pay for the cost of the materials;
- (b) the tenant will provide all labour for the fencing (including the cost of cutting and treating timber fence posts from timber on the property, should the landlord so notify the tenant);
- (c) the tenant will without delay renew the fencing in a proper and workmanlike manner;
- (d) the tenant will notify the landlord when the fencing is renewed.

34.6. If the tenant requires new fencing the tenant will notify the landlord of the proposed fence line which must be shown on a properly drawn scale plan together with details of the construction of the fence. The landlord is to notify the tenant within 1 month whether the landlord consents to the erection of the new fence. If the landlord consents, the provision of clause 34.5 will apply with necessary modifications.

34.7. If the landlord requires new fencing, the landlord will notify the tenant of the proposed fence line which must be shown on a properly drawn scale plan together with details of the construction of the fence and clause 34.5 will apply with necessary modifications. The landlord may only give notification to the tenant under this clause if it is required by notice under any legislation applicable to dividing fences between properties, or by statute.

35. Firefighting equipment and fire breaks

35.1. The tenant will maintain on the property at all times firefighting equipment for the fighting of bushfire. The firefighting equipment must always be ready for instant use.

35.2. The tenant will maintain the fire breaks on the property at the date of this lease, and such additional fire breaks as is necessary, to prevent the spread of fire.

36. Timber

36.1. The tenant will not destroy any growing timber on the property except for the purposes of the provisions of this lease which relate to fencing and cultivation.*

36.2. All firewood collected on the property will be used only for domestic purposes and not taken off the property.

36.3. If any trees forming part of a shade or shelter belt or any ornamental trees die the tenant will without delay replace that tree with a seedling of the same type.

36.4. The tenant will not cut any timber, except dead timber for the tenant's own domestic use, provided that if tenant obtains the landlord's consent, which will not be unreasonably withheld, the tenant can cut timber for use in fencing or repairs to buildings.

36.5. The tenant will not without the consent of the landlord remove or permit to be removed timber, whether green or dead standing or fallen, from the property or cut down any trees standing on the property.

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Robert
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ANNEXURE B

SEE A SOLICITOR ABOUT THIS LEASE

Landlord: **BRAES LAND PTY LIMITED (ACN 147 284 633)**
Tenant: **IAN JAMES ROBERTSON and LISA MARIE ROBERTSON**

This annexure consists of 12 pages.

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RETAIL LEASE CERTIFICATE

If section 16 of the Retail Leases Act 1994 applies to this lease, and the term plus any further terms are less than 5 years, the term will be extended unless a section 16 certificate is given. Sections 16(1) and (2) provide -

- 16(1) The term for which a retail shop lease is entered into, together with any further term or terms provided for by any agreement or option for the acquisition by the lessee of a further term as an extension or renewal of the lease, must not be less than 5 years. An agreement or option is not taken into account if it was entered into or conferred after the lease was entered into.
- 16(2) If a lease is entered into in contravention of this section, the validity of the lease is not thereby affected but the term of the lease is extended by such period as may be necessary to prevent the lease contravening this section.

I certify that I am a solicitor not acting for the landlord and that at the request of the tenant I explained to the tenant before the tenant entered into this lease -

- the effect of sections 16(1) and (2); and
- that the giving of this certificate would result in section 16 not applying to this lease.

.....
Date

.....
Signature

.....
NAME (BLOCK LETTERS)

.....
.....
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Robertson
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Robertson
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Robertson

CLAUSE 1 FORM OF THIS LEASE

What are the parts to this lease?

- 1.1 There are three parts to this lease - a lease form, Annexure A and this annexure.
- 1.2 This lease is a deed even if it is not registered.

CLAUSE 2 PARTIES

Who are the parties to this lease?

- 2.1 The landlord. The landlord is also called the lessor (or in the case of a sublease, the sublessor) and is named on page 1 of this lease.
- 2.2 The tenant. The tenant is also called the lessee (or in the case of a sublease, the sublessee) and is named on page 1 of this lease.
- 2.3 The guarantor, if a guarantor is named in item 10 in the schedule.
- 2.4 If a party consists of two or more persons, obligations of that party can be enforced against any one or more of them.

CLAUSE 3 THE PROPERTY

What property is leased?

- 3.1 The property leased is described on page 1 of this lease.
- 3.2 The landlord's fixtures are included in the property leased.
- 3.3 If anything else is leased (such as furniture belonging to the landlord) and is described in item 11 in the schedule it is included in the property.
- 3.4 If the property has facilities and services shared in common with other persons in the same building as the property, clause 11.3.2 applies to those common facilities. The tenant shares the common facilities with the landlord, and with other tenants of the landlord. The landlord can set reasonable rules for sharing these common facilities.

CLAUSE 4 LEASE PERIOD

How long is this lease for?

- 4.1 This lease is for the period stated in item 1 in the schedule, commences on the date stated in item 2 in the schedule and ends on the date stated in item 3 in the schedule.
- 4.2 If a further period, commencing when this lease ends, is stated in item 12A in the schedule then the tenant has the option to renew this lease for that period.
- 4.3 The tenant can renew this lease more than once if that is stated in item 12B in the schedule. However the period of tenancy under this lease and under any renewal(s) is, in total, not longer than the maximum period stated in item 12C in the schedule.

- 4.4 The tenant can exercise the option only if -
- 4.4.1 the tenant serves on the landlord a notice of exercise of option not earlier than the first day stated in item 12D in the schedule and not later than the last day stated in item 12E in the schedule;
 - 4.4.2 there is at the time of service no rent or outgoing that is overdue for payment; and
 - 4.4.3 at the time of service all the other obligations of the tenant have been complied with or fully remedied in accordance with the terms of any notice to remedy given by the landlord.
- If this lease is extended by legislation, items 12D and 12E in the schedule are adjusted accordingly.
- 4.5 After exercising the option the tenant must continue to pay all rents and outgoings on time and continue to comply with all of the tenant's obligations under this lease. If the tenant does not do so, the landlord may treat any breach as being a breach of the new lease as well as of this lease.
- 4.6 A new lease will be the same as this lease except for -
- 4.6.1 the new rent;
 - 4.6.2 the commencement date and the termination date;
 - 4.6.3 the omission of clauses 4.2, 4.3, 4.4, 4.5 and 4.6 and items 12A and 12B in the schedule in the last lease allowed in item 12 in the schedule;
 - 4.6.4 item 12B becoming item 12A;
 - 4.6.5 adjustment of item 12C in the schedule; and
 - 4.6.6 adjustment of items 12D and 12E in the schedule. The number of days between the dates stated in items 12D and 12E in the schedule of the new lease and the termination date of the new lease and the number of days between each date stated in items 12D and 12E in the schedule of this lease and the termination date of this lease are to correspond.
- If the new rent is to be current market rent it will be decided in the same way that current market rent is to be decided under Method 3 stated in clause 5 assuming that this lease and the new lease were one continuous lease and the commencement date of the new lease was a rent review date.

CLAUSE 5 MONEY

What money must the tenant pay?

- 5.1 The tenant must pay to the landlord or as the landlord directs -
- 5.1.1 the rent stated in item 13A in the schedule;
 - 5.1.2 the share stated in item 14A in the schedule of those outgoings stated in item 14B in the schedule;
 - 5.1.3 the reasonable cost to the landlord of remedying a default by the tenant;
 - 5.1.4 the reasonable cost to the landlord of dealing with any application by the tenant for the landlord's consent under this lease (whether or not it is given);
 - 5.1.5 interest on these moneys at the rate stated in item 15 in the schedule when payment is more than 14 days overdue, calculated from the due date to the date of payment;
 - 5.1.6 registration fee for registration of this lease at Land and Property Information NSW (payable on delivery to the landlord's solicitor of the executed lease);
 - 5.1.7 stamp duty on this lease (payable on delivery to the landlord's solicitor of the executed lease) if not previously paid by the tenant to the Office of State Revenue;
 - 5.1.8 if the tenant defaults, the landlord's reasonable legal costs relating to the default;
 - 5.1.9 the landlord's reasonable costs and expenses in connection with the preparation of this lease but only that part of those costs and expenses which are permitted to be recovered by a landlord under section 14 and section 45 of the Retail Leases Act, 1994; and
 - 5.1.10 Goods and Services Tax as provided for in clause 15.
- 5.2 The first month's instalment of rent is to be paid by the commencement date. Each later month's instalment of rent is to be paid in advance.

5.3 A payment under clause 5.1.2 must be paid on the next rent day after a request for payment is made by the landlord.

A request for payment can be made -

5.3.1 after the landlord has paid an outgoing; or

5.3.2 after the landlord has received an assessment or account for payment of an outgoing.

If item 14B in the schedule refers to land tax -

- if the property is a strata lot, the relevant land tax is land tax on that lot;
- if the property is not a strata lot but is part of a building, the relevant land tax is land tax on the land on which the building is situated, plus any land of the landlord used or available for use by or for the benefit of tenants conducting business in the building or in connection with trading in the building; and
- in either case, the land tax must be calculated as if the land was the only land owned by the landlord and there was no special trust or non-concessional company involved.

When and how is the rent to be reviewed?

5.4 The rent is to be reviewed on the rent review dates stated in item 16 in the schedule.

If this lease is extended by legislation, the rent review dates include each anniversary of the latest rent review date stated in item 16 in the schedule (or if none is stated each anniversary of the commencement date) which falls during the extension.

5.5 The tenant must continue to pay rent at the old rate until the new rate is known. After that, the tenant is to pay the new rent from the next rent day. By that rent day the tenant is also to pay any shortfall between the old and new rate for the period since the rent review date. Alternatively, the landlord is to refund to the tenant any overpayment of rent.

5.6 There are three different methods described here for fixing the new rent on a rent review date. The method agreed by the landlord and the tenant is stated at item 16 in the schedule. The tenant is entitled to a reduction if the method produces a rent lower than the rent current just before the review date.

Method 1. By a fixed amount or percentage.

5.7 In this case the new rent beginning on each review date is stated in item 16 in the schedule.

Method 2. By reference to Consumer Price Index.

5.8 In this case -

- take the yearly rent as of the last review date or if none, the rent at the commencement date (\$X),
- divide that rent by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before that date (CPI 1),
- multiply the result by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before the review date (CPI 2).

The product is the new rent for the year beginning on the review date (\$Y), written as a formula -

$$\frac{\$X}{\text{CPI 1}} \times \text{CPI 2} = \$Y$$

5.9 The landlord must calculate the new rent after each review date and give the tenant written notice of the new rent.

- 5.10 If the Australian Bureau of Statistics makes a change in the reference base of the index and there is a published co-relation between the old and new base then the published co-relation is to be applied to convert the CPI 1 figure to the new reference base. If there is none then the landlord and the tenant agree to accept the calculations of the landlord's solicitor who must be retained to determine a fair co-relation between the old and the new series of numbers.
- 5.11 If the index used to calculate the new rent is discontinued the landlord may substitute another index that, as nearly as practicable, serves the same purpose and, if there is no such index, then the rent will be fixed by Method 3.
Method 3. By reference to current market rent.
- 5.12 In this case the rent is to be the current market rent. This can be higher or lower than the rent payable at the rent review date and is the rent that would reasonably be expected to be paid for the property, determined on an effective rent basis, having regard to the following matters-
- 5.12.1 the provisions of this lease;
 - 5.12.2 the rent that would reasonably be expected to be paid for the property if it were unoccupied and offered for renting for the same or a substantially similar use to which the property may be put under this lease;
 - 5.12.3 the gross rent, less the landlord's outgoings payable by the tenant;
 - 5.12.4 where the property is a retail shop, rent concessions and other benefits that are frequently or generally offered to prospective tenants of unoccupied retail shops; and
 - 5.12.5 the value of goodwill created by the tenant's occupation and the value of tenant's fixtures and fittings are to be ignored.
- 5.13 The landlord or the tenant can inform the other in writing at least 60 days before the rent review date of the rent that the landlord or tenant thinks will be the current market rent at the review date.
- 5.14 If the landlord and the tenant agree on a new rent then that rent will be the new rent beginning on the rent review date and the landlord and the tenant must sign a statement saying so.
- 5.15 If the landlord and the tenant do not agree on the amount of the new rent 30 days before the rent review date, the current market rent will be decided by a valuer appointed under clause 5.16.
- 5.16 The landlord and the tenant can either agree upon a valuer or can ask the President of the Law Society of New South Wales to nominate a person who is a licensed valuer to decide the current market rent. Where the property is a retail shop, the valuer appointed must be a specialist retail valuer.
- 5.17 The valuer will act as an expert not an arbitrator. The landlord and the tenant can each make submissions in writing to the valuer within 14 days after they receive notice of the valuer's appointment but not later unless the valuer agrees.
- 5.18 The valuer's decision is final and binding. The valuer must state how the decision was reached.
- 5.19 If the valuer -
- 5.19.1 does not accept the nomination to act; or
 - 5.19.2 does not decide the current market rent within 1 month after accepting the nomination;
- or
- 5.19.3 becomes incapacitated or dies; or
 - 5.19.4 resigns,
- then another valuer is to be appointed in the same way.

- 5.20 The landlord and tenant must each pay half the valuer's costs.
- 5.21 If the landlord and tenant do not agree upon a valuer and neither asks for a valuer to be nominated before -
- 5.21.1 the next rent review date passes; or
 - 5.21.2 this lease ends without the tenant renewing it; or
 - 5.21.3 this lease is transferred after the rent review date with the landlord's consent; or
 - 5.21.4 the property is transferred after the rent review date
- then the rent will not change on that rent review date.

CLAUSE 6 USE

How must the property be used?

- 6.1 The tenant must -
- 6.1.1 use the property for the purpose stated in item 17 in the schedule and not for any other purpose;
 - 6.1.2 open for business at times usual for a business of the kind conducted by the tenant;
 - 6.1.3 keep the property clean and dispose of waste properly; and
 - 6.1.4 comply with all laws relating to strata schemes and all other laws regulating how the property is used, obtain any consents or licences needed, comply with any conditions of consent, and keep current any licences or registrations needed for the use of the property or for the conduct of the tenant's business there.
- 6.2 The landlord can consent to a change of use and cannot withhold consent unreasonably.
- 6.3 The tenant must not -
- 6.3.1 do anything that might invalidate any insurance policy covering the property or that might increase the premium unless the landlord consents in which case the tenant must pay the increased premium; or
 - 6.3.2 use the property as a residence or for any activity that is dangerous, offensive, noxious, illegal or immoral or that is or may become a nuisance or annoyance to the landlord or to the owner or occupier of any neighbouring property; or
 - 6.3.3 hold any auction, bankrupt or fire sale in the property; or
 - 6.3.4 display signs or advertisements on the outside of the property, or that can be seen from the outside, unless the landlord consents (but the landlord cannot withhold consent unreasonably); or
 - 6.3.5 overload the floors or walls of the property.

CLAUSE 7 CONDITION AND REPAIRS

Who is to repair the property?

- 7.1 The landlord must -
- 7.1.1 maintain in a state of good condition and serviceable repair the roof, the ceiling, the external walls and external doors and associated door jambs, and the floors of the property and must fix structural defects;
 - 7.1.2 maintain the property in a structurally sound condition; and
 - 7.1.3 maintain essential services.

- 7.2 The tenant must otherwise maintain the property in its condition at the commencement date and promptly do repairs needed to keep it in that condition but the tenant does not have to -
- 7.2.1 alter or improve the property; or
 - 7.2.2 fix structural defects; or
 - 7.2.3 repair fair wear and tear.
- 7.3 The tenant must also -
- 7.3.1 reimburse the landlord for the cost of fixing structural damage caused by the tenant, apart from fair wear and tear;
 - 7.3.2 maintain and decorate the shop front if the property has one; and
 - 7.3.3 decorate the inside of the property in the last 3 months of the lease period (however it ends) - 'decorate' here means restoring the surfaces of the property in a style and to a standard of finish originally used e.g. by repainting.
- 7.4 If an authority requires work to be done on the property and it is structural work or work needed to make the property safe to use then the landlord must do the work unless it is required only because of the way the tenant uses the property. But if it is any other work or is required only because of the way the tenant uses the property then the tenant must do the work.
- 7.5 If the tenant fails to do any work that the tenant must do the landlord can give the tenant a notice in writing stating what the tenant has failed to do. After the notice is given the tenant must -
- 7.5.1 do the work immediately if there is an emergency; and
 - 7.5.2 do the work promptly and diligently in any other case.
- If the tenant does not do the work, the landlord can do it and the tenant must reimburse the landlord for the cost of the work.
- 7.6 The tenant must not make any structural alterations to the property. Any other alterations require the landlord's consent in writing (but the landlord cannot withhold consent unreasonably).

CLAUSE 8 INSURANCE AND DAMAGE

What insurances must the tenant take out?

- 8.1 The tenant must keep current an insurance policy covering -
- 8.1.1 liability to the public in an amount not less than the amount stated in item 18 in the schedule (for each accident or event); and
 - 8.1.2 damage or destruction from any cause to all plate glass in the windows and other portions of the property

and must produce to the landlord, upon request, the policy and the receipt for the last premium.

What happens if the property is damaged?

- 8.2 If the property or the building of which it is part is damaged (a term which includes destroyed) -
- 8.2.1 the tenant is not liable to pay rent, or any amount payable to the landlord in respect of outgoings and other charges, that is attributable to any period during which the property cannot be used under this lease or is inaccessible due to that damage;
 - 8.2.2 if the property is still useable under this lease but its useability is diminished due to the damage, the tenant's liability for rent and any amount in respect of outgoings attributable to any period during which useability is diminished is reduced in proportion to the reduction in useability caused by the damage;

- 8.2.3 if the landlord notifies the tenant in writing that the landlord considers that the damage is such as to make its repair impracticable or undesirable, the landlord or the tenant can terminate this lease by giving not less than 7 days notice in writing of termination to the other and no compensation is payable in respect of that termination;
- 8.2.4 if the landlord fails to repair the damage within a reasonable time after the tenant requests the landlord to do so the tenant can terminate this lease by giving not less than 7 days notice in writing of termination to the landlord; and
- 8.2.5 nothing in clause 8.2 affects any right of the landlord to recover damages from the tenant in respect of any damage or destruction to which the clause applies.

CLAUSE 9 ACCESS

What are the landlord's rights of access to the property?

- 9.1 The tenant must give the landlord (or anyone authorised in writing by the landlord) access to the property at any reasonable time for the purpose of-
 - 9.1.1 inspecting the condition of the property, or how it is being used; or
 - 9.1.2 doing anything that the landlord can or must do under this lease or must do by law; or
 - 9.1.3 viewing the property as a valuer, prospective buyer or mortgagee; or
 - 9.1.4 fixing a notice in a reasonable position on the outside of the property saying that it is for sale; or
 - 9.1.5 viewing the property as a prospective tenant not earlier than 6 months before the lease period ends; or
 - 9.1.6 fixing a notice not earlier than 6 months before the lease period ends in a reasonable position on the outside of the property saying that it is to let; or
 - 9.1.7 inspecting, cleaning or repairing another property or any services to another property.
- 9.2 The landlord must give the tenant at least 2 days written notice for access (except in an emergency). The day of the giving of the notice and any Saturday, Sunday or public holiday on which the property is not open for business are not counted.
- 9.3 The landlord must promptly make good any damage caused to the property and to any of the tenant's belongings which results from exercising these rights.
- 9.4 The tenant must give to the landlord a copy of any notice relating to the property or relating to any neighbouring property immediately after receiving the notice.

CLAUSE 10 TRANSFER AND SUB-LEASE

Can this lease be transferred or the property shared or sub-let?

- 10.1 The tenant must not transfer this lease without consent.
- 10.2 The landlord can withhold consent only if -
 - 10.2.1 the proposed transferee proposes to change the use to which the property is put; or
 - 10.2.2 where the property is a retail shop, the proposed transferee has financial resources or retailing skills inferior to those of the proposed transferor and otherwise the proposed transferee has financial resources or business experience inferior to those of the proposed transferor; or
 - 10.2.3 the tenant has not complied with clause 10.3 and, where the property is a retail shop, clause 10.4.
- 10.3 A request for the landlord's consent to a transfer of lease must be made in writing and the tenant must provide the landlord with such information as the landlord may reasonably require concerning the financial standing and business experience of the proposed transferee.

- 10.4 Where the property is a retail shop, before requesting the consent of the landlord to a proposed transfer of this lease, the tenant must furnish the proposed transferee with a copy of any disclosure statement given to the tenant in respect of this lease, together with details of any changes that have occurred in respect of the information contained in the disclosure statement (being changes of which the tenant was aware or could reasonably be expected to be aware). For the purpose of enabling the tenant to comply with this obligation, the tenant can request the landlord to provide the tenant with a copy of the disclosure statement concerned and, if the landlord is unable or unwilling to comply with such a request within 14 days after it is made, this clause 10.4 does not apply.
- 10.5 Where the tenant has complied with clause 10.3 and where required to do so clause 10.4 and the landlord has not within 42 days after the request was made given notice in writing to the tenant either consenting or withholding consent the landlord is taken to have consented.
- 10.6 The tenant has to pay in connection with any consent the landlord's reasonable legal costs, the reasonable costs of obtaining any mortgagee's consent, the stamp duty and the registration fee for the transfer.
- 10.7 Where the property is a retail shop, the tenant can sublet, grant a license or concession, share or part with the possession of the whole or any part of the property or mortgage or otherwise charge or encumber the tenant's estate or interest in this lease only with the written consent of the landlord which can be refused in the landlord's absolute discretion. Otherwise, the tenant cannot do any of these things.

CLAUSE 11 LANDLORD'S OTHER OBLIGATIONS

What are the landlord's other obligations?

- 11.1 So long as the tenant does all the things that must be done by the tenant under this lease the landlord must allow the tenant to possess and use the property in any way permitted under this lease without interference from the landlord, or any person claiming under the landlord or having superior title to the title of the landlord.
- 11.2 The landlord must pay all outgoings for the land or the building of which the property is part when they fall due.
- 11.3 If the property is part of a building owned or controlled by the landlord -
- 11.3.1 the landlord must maintain in reasonable structural condition all parts of the building that the tenant can use under this lease; and
- 11.3.2 if the property has facilities and service connections shared in common with other persons the landlord must -
- 11.3.2.1 allow reasonable use of the facilities and service connections including-
- the right for the tenant and other persons to come and go to and from the property over the areas provided for access;
 - access by the tenant to service connections; and
 - the right for the tenant's customers to park vehicles in any area set aside for customer parking, subject to any reasonable rules made by the landlord.
- 11.3.2.2 maintain the facilities and service connections in reasonable condition.
- 11.4 The landlord must ensure that this lease is registered.
- 11.5 If a consent is needed for this lease, from someone such as a mortgagee or head landlord of the property, then the landlord must get the consent.

CLAUSE 12 FORFEITURE AND END OF LEASE

When does this lease end?

- 12.1 This lease ends -
- 12.1.1 on the date stated in item 3 in the schedule; or
 - 12.1.2 if the landlord lawfully enters and takes possession of any part of the property; or
 - 12.1.3 if the landlord lawfully demands possession of the property.
- 12.2 The landlord can enter and take possession of the property or demand possession of the property if -
- 12.2.1 the tenant has repudiated this lease; or
 - 12.2.2 rent or any other money due under this lease is 14 days overdue for payment; or
 - 12.2.3 the tenant has failed to comply with a landlord's notice under section 129 of the Conveyancing Act 1919; or
 - 12.2.4 the tenant has not complied with any term of this lease where a landlord's notice is not required under section 129 of the Conveyancing Act 1919 and the landlord has given at least 14 days written notice of the landlord's intention to end this lease.
- 12.3 When this lease ends, unless the tenant becomes a tenant of the property under a new lease the tenant must -
- 12.3.1 return the property to the landlord in the state and condition that this lease requires the tenant to keep it in; and
 - 12.3.2 have removed any goods and anything that the tenant fixed to the property and have made good any damage caused by the removal.
- Anything not removed becomes the property of the landlord who can keep it or remove and dispose of it and charge to the tenant the cost of removal making good and disposal.
- 12.4 If the landlord allows the tenant to continue to occupy the property after the end of the lease period (other than under a new lease) then -
- 12.4.1 the tenant becomes a monthly tenant and must go on paying the same rent and other money in the same way that the tenant had to do under this lease just before the lease period ended (apportioned and payable monthly);
 - 12.4.2 the monthly tenancy will be on the same terms as this lease, except for -
 - clause 4;
 - clauses 5.4 to 5.21 inclusive; and
 - clause 6.2 unless consent has previously been given;
 - 12.4.3 either the landlord or the tenant can end the monthly tenancy by giving, at any time, one month's written notice to the other expiring on any date; and
 - 12.4.4 anything that the tenant must do by the end of this lease must be done by the end of the monthly tenancy.
- 12.5 Essential terms of this lease include -
- 12.5.1 the obligation to pay rent not later than 14 days after the due date for payment of each periodic instalment (and this obligation stays essential even if the landlord, from time to time, accepted late payment);
 - 12.5.2 the obligations of the tenant in clause 5.1.2 (dealing with outgoing);
 - 12.5.3 the obligations of the tenant in clause 6.1 (dealing with use);
 - 12.5.4 the obligations of the tenant in clause 7 (dealing with repairs); and
 - 12.5.5 the obligations of the tenant in clause 10 (dealing with transfer and sub-lease).

- 12.6 If there is a breach of an essential term the landlord can recover damages for losses over the entire period of this lease but must do every reasonable thing to mitigate those losses and try to lease the property to another tenant on reasonable terms.
- 12.7 The landlord can recover damages even if -
- 12.7.1 the landlord accepts the tenant's repudiation of this lease; or
 - 12.7.2 the landlord ends this lease by entering and taking possession of any part of the property or by demanding possession of the property; or
 - 12.7.3 the tenant abandons possession of the property; or
 - 12.7.4 a surrender of this lease occurs.

CLAUSE 13 GUARANTEE

What are the obligations of a guarantor?

- 13.1 This clause applies if a guarantor of the tenant is named in item 10A in the schedule and has signed or executed this lease or, if this lease is a renewal of an earlier lease, the earlier lease.
- 13.2 The guarantor guarantees to the landlord the performance by the tenant of all the tenant's obligations (including any obligation to pay rent, outgoings or damages) under this lease, under every extension of it or under any renewal of it or under any tenancy and including obligations that are later changed or created.
- 13.3 If the tenant does not pay any money due under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must pay that money to the landlord on demand even if the landlord has not tried to recover payment from the tenant.
- 13.4 If the tenant does not perform any of the tenant's obligations under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must compensate the landlord even if the landlord has not tried to recover compensation from the tenant.
- 13.5 If the tenant is insolvent and this lease or any extension or renewal of it is disclaimed the guarantor is liable to the landlord for any damage suffered by the landlord because of the disclaimer. The landlord can recover damages for losses over the entire period of this lease or any extension or renewal but must do every reasonable thing to mitigate those losses and try to lease the property to another tenant on reasonable terms.
- 13.6 Even if the landlord gives the tenant extra time to comply with an obligation under this lease, under any extension of it or under any renewal of it or under any tenancy, or does not insist on strict compliance with the terms of this lease or any extension of it or renewal of it or of any tenancy, the guarantor's obligations are not affected.
- 13.7 If an amount is stated in item 10B in the schedule the guarantor's liability under this clause is limited to that amount.
- 13.8 The terms of this guarantee apply even if this lease is not registered, even if any obligation of the tenant is only an equitable one, and even if this lease is extended by legislation.

CLAUSE 14 EXCLUSIONS, NOTICES AND SPECIAL CLAUSES

- 14.1 No covenant or power is implied in this lease by section 84 or 85 of the Conveyancing Act 1919.
- 14.2 A document under or relating to this lease is -
- 14.2.1 served if it is served in any manner provided in section 170 of the Conveyancing Act 1919; and

14.2.2 served on the tenant if it is left at the property.

14.3 This lease is subject to any legislation that cannot be excluded.

14.4 In this lease, 'retail shop' means premises to which the Retail Leases Act 1994 applies.

CLAUSE 15 GOODS AND SERVICES TAX

Unless item 13B has been completed in a way that indicates that this clause is not to apply:

15.1 The rent and all other monies payable to the landlord are exclusive of Goods and Services Tax (GST). Whenever the tenant becomes liable to pay rent or other monies payable under this lease in respect of a taxable supply made by the landlord the tenant must also pay an additional 10% to cover GST. This percentage of 10% assumes that GST payable on the value of a taxable supply is 10%. If the GST rate is different then this percentage will instead be the GST rate.

15.2 Outgoings in item 14B are to be calculated after deducting any input tax credit to which the landlord is entitled.

IMPORTANT NOTES

The following notes are for guidance and do not form part of this lease.

If you are a landlord, a solicitor will prepare this lease for you.

If you are a tenant, a solicitor can advise you about it.

1. This document creates legal rights and legal obligations.
2. Failure to register a lease can have serious consequences.
3. If an option for renewal is not exercised at the right time it will be lost.
4. The tenant can exercise an option for renewal even if there has been a breach of this lease in a case where section 133E of the Conveyancing Act 1919 applies. The landlord must give a prescribed notice within 14 days after the option is exercised if the landlord wants to rely on the breach to prevent the exercise of the option.
5. The Law Society of New South Wales is not to be responsible for any loss resulting from the use of this lease as printed whether authorised or not.

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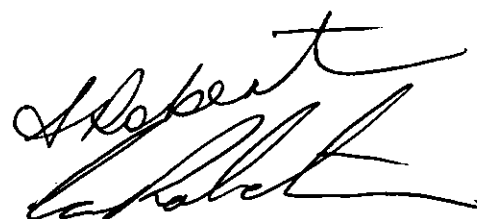

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I certify that this and the preceding eleven pages are in exactly the same wording as Annexure B of the copyright Law Society Lease.

GRANT BRADFORD CHAMBERLAIN
SOLICITOR


Solicitor for the Landlord

14 KENDAL STREET
COWRA NSW 2794

Consent to Lease

This Consent to Lease is annexed to Lease dated 20th January 2011 made between
BRAES LAND PTY LTD (ACN 147 284 633) ("Lessor) and
IAN JAMES ROBERTSON ("Lessee) in
respect of LOT 6 DP 847118 Canowindra Rd, Cowra NSW ("Premises")

RABOBANK AUSTRALIA LIMITED ACN 001 621 129 ("Rabobank") being the mortgagee under mortgage number _____ ("Mortgage") of the premises the subject of this Lease, consents to this Lease subject to the following conditions and provisions:

1. This consent is without prejudice to the rights powers and remedies of Rabobank under the Mortgage which will remain in full force and effect as if this consent had not been given except that so long as the covenants and provision of this Lease are duly observed and performed. Rabobank, if it exercises its power of sale or other power or remedy on default under the Mortgage, will exercise its rights under the Mortgage subject to the subsisting rights of the Lessee under this Lease.
2. So long as Rabobank is registered as mortgagee of the premises the subject of this Lease the Lessee will obtain the consent or approval of Rabobank in addition to the consent or approval of the Lessor in all cases where the consent or approval of the Lessor is required under this Lease.
3. Rabobank will not be bound to perform and will not incur any liability in respect of the covenants and agreements expressed or implied in this Lease and on the part of the Lessor to be performed and observed.
4. If Rabobank gives a notice to the Lessee entering into receipt of the rents and profits of the premises the subject of this Lease the covenants on the part of the Lessee expressed or implied in this Lease will be deemed to have been entered into by the Lessee with Rabobank and all the rights powers and remedies of the Lessor under this Lease will vest in and be exercisable by Rabobank until such notice is withdrawn or the Mortgage is discharged.

