

DEED made Between **RUSSELL ALFREDSON** and **MICHELE ALFREDSON** as the Trustees of the M & R Alfredson Superannuation Fund (referred to herein as the "ALFREDSON FUND"), as to a 78.2% ownership (referred to herein as the "ALFREDSON FUND interest") and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund (referred to herein as the "BROOKS FUND"), as to a 21.8% ownership (referred to herein as the "BROOKS FUND interest"), as tenants in common as Lessors of the one part

AND

KERRI-ANN LENORE BROOKS and **STEVEN JAMES BROOKS** as Lessees of the other part

AND WHEREAS

A. The parties hereto are respectively, the Lessors and Lessees of a Lease between them dated **3 October 2014** (referred to as the "Lease") as to their respective interests in and to the land described in the **SECOND SCHEDULE** to this DEED;

B. The **ALFREDSON FUND** has entered into a Terms Sale Contract dated ^{16th} day of March 2020 (the terms Contract) for the sale to **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as purchasers of the **ALFREDSON FUND** interest for the sum of \$500,000.00 (the Purchase Price), A true copy of the said Terms Sale Contract is attached hereto and forms part of this DEED;

C. Whereas:

(i) possession by the Lessees of the **ALFREDSON TRUST** interest passes to the Lessees on the settlement date provided by the said Terms Sale Contract:

(ii) the legal ownership of the **ALFREDSON TRUST** interest remains with the **ALFREDSON FUND** until full payment of the said Purchase Price has been made by the Lessees in accordance with the said Terms Sale Contract and:

(iii) the said Lease continues in force and effect but as varied in accordance with this DEED;

D. The Lessors and the Lessees seek to record the following variations to the terms and conditions of the said Lease.

NOW THE PARTIES BY THIS DEED WITNESS AS FOLLOWS

1. As from the settlement date of the said Terms Sale Contract, the **FIRST SCHEDULE** of the said Lease is amended and shall read as follows:

FIRST SCHEDULE

LESSORS: **RUSSELL ALFREDSON** and **MICHELLE ALFREDSON** as the Trustees of the M & R Alfredson Superannuation Fund (referred to herein as the "ALFREDSON FUND"), as to a 78.2% ownership (referred to herein as the "ALFREDSON FUND interest") and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund (referred to herein as the "BROOKS FUND"), as to

a 21.8% ownership (referred to herein as the "BROOKS FUND interest), as tenants in common.

LESSEES: KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS of Norfolk Island

TERM OF LEASE: Ten (10) years or terminating at the discretion of the Lessee, on a date coinciding with the payment by the Lessees of all moneys payable under the attached Terms Sale Contract.

DATE OF COMMENCEMENT OF LEASE: Date of settlement of the attached copy Terms Sale CONTRACT dated day of March 2020 between the **ALFREDSON FUND** interest as Vendor and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Purchasers (referred to herein as the Terms Sale Contract).

RENT and OUTGOINGS (clause 1 of this Lease):
(and manner of payment of rent)

RENT:

The Lessees shall pay rent separately to the **ALFREDSON FUND interest** and the **BROOKS FUND interest** in the following manner and so as to represent the Lessors separate ownership interests in the leased property.

ALFREDSON FUND rent:

As to the **ALFREDSON FUND interest**, the Lessees shall pay a calendar monthly rental component calculated at and being equivalent to 6% of the balance purchase money owing firstly as at the settlement date of the said Terms Sale Contract and thereafter on the balance owing under the said Terms Sale Contract at the beginning of each calendar month until all balance purchase moneys payable under the said Terms Sale Contract have been paid in full by the said Lessees as Purchasers, to the said Vendor. Payment of such rent shall be calculated and paid calendar monthly in advance commencing as from the first of the calendar month immediately following the settlement date of the said Terms Sale Contract and on the first day of each succeeding calendar month thereafter for the duration of this Lease. (Thus and based on the Lessees as Purchasers, meeting the payments due to the Vendors under the said Terms Sale Contract, the rent for the first calendar month based on 6% of balance purchase money of \$400,000.00 would be \$1983.33 and for each and every calendar month thereafter would be in accordance with the attached Spread Sheet).

BROOKS FUND rent

As to the **BROOKS FUND interest**, the Lessees shall pay a calendar monthly rental component calculated at and being equivalent to 6% on the value of the **BROOKS FUND interest** in and to the Leased property commencing as from the date of commencement of this Lease and calendar monthly thereafter for the duration of this Lease.

GOVERNMENT IMPOSTS AND DUTIES

Government imposts or duties as is or becomes payable by the Lessor on the rent shall be paid by the Lessee in addition to and with payment of the rent.

WATER ASSURANCE CHARGES, WATER USE AND ADDITIONAL GOVERNMENT IMPOSTS AND CHARGES

In addition to the rental payable by the Lessee to the Lessor under this Lease, the Lessee is to pay all charges assessed and levied against the Lessor pursuant to the Water Assurance Charges Act 1991 and any other Government taxes, rates, charges or levies imposed on the subject Leased property during the term of this Lease The Lessee shall pay such charges as and when the same are issued.

INSURANCE

The Lessors shall at their own cost keep all items having an insurable value or interest, fully insured and at their own risk during the term of this Lease.

PERMITTED USE (clause 6):

Conduct by the Lessee from the land hereby Leased as is more particularly described and provided for in the SECOND SCHEDULE hereto of the Lessees tourist accommodation business known as "CHANNERS ON NORFOLK GARDENSIDE APARTMENTS" of Norfolk Island.

Such permitted use provided for herein shall be in accordance with and otherwise subject to the terms and conditions as provided for in this Lease and it's Schedules.

SECOND SCHEDULE

(Description of Leased Premises, property and interests for the Lease term)

The use and occupation of all that land and buildings on the Lessor's land described in Item 1 first page of this Lease and including all fixtures and fittings thereto being the property and ownership of the Lessor but subject to the right of passage of occupiers and users who seek to utilise the driveway servicing the improvements and buildings hereby leased, to gain access to and use of the adjoining rear Portion 52h4.

Executed by the parties hereto as a DEED THIS 17th MARCH 2020.

Signed by the said **RUSSELL ALFREDSON** and **MICHELLE ALFREDSON** as the Trustees of the M & R Alfredson Superannuation Fund

Witness *Donna Nicholas*
Donna Nicholas

Michelle Alfredson
Tracy Kettleton *TK*

KERRI-ANN LENORE BROOKS and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund

Witness *Kevin* *SA*

Kevin *SA* *SA* *SA*

OVER 10 YEARS

\$ 400,000.00 capital
 \$ 40,000.00 pa
 \$ 3,333.33 pm

\$ 40,000.00 security payback

6%

\$ 519,000.00
 \$ 119,000.00 rent

YEAR 3

rent paid pm	payback pm	rent paid pm
\$ 316,666.67	month 1	\$ 383.33
\$ 313,333.33	month 2	\$ 366.67
\$ 310,000.00	month 3	\$ 350.00
\$ 306,666.67	month 4	\$ 333.33
\$ 303,333.33	month 5	\$ 316.67
\$ 300,000.00	month 6	\$ 300.00
\$ 296,666.67	month 7	\$ 283.33
\$ 293,333.33	month 8	\$ 266.67
\$ 290,000.00	month 9	\$ 250.00
\$ 286,666.67	month 10	\$ 233.33
\$ 283,333.33	month 11	\$ 216.67
\$ 280,000.00	month 12	\$ 200.00
		\$ 3,500.00
		\$ 43,500.00

YEAR 6

rent paid pm	payback pm	rent paid pm
\$ 196,666.67	month 1	\$ 983.33
\$ 193,333.33	month 2	\$ 966.67
\$ 190,000.00	month 3	\$ 950.00
\$ 186,666.67	month 4	\$ 933.33
\$ 183,333.33	month 5	\$ 916.67
\$ 180,000.00	month 6	\$ 900.00
\$ 176,666.67	month 7	\$ 883.33
\$ 173,333.33	month 8	\$ 866.67
\$ 170,000.00	month 9	\$ 850.00
\$ 166,666.67	month 10	\$ 833.33
\$ 163,333.33	month 11	\$ 816.67
\$ 160,000.00	month 12	\$ 800.00
		\$ 10,700.00
		\$ 50,700.00

YEAR 9

rent paid pm	payback pm	rent paid pm
\$ 76,666.67	month 1	\$ 383.33
\$ 73,333.33	month 2	\$ 366.67
\$ 70,000.00	month 3	\$ 350.00
\$ 66,666.67	month 4	\$ 333.33
\$ 63,333.33	month 5	\$ 316.67
\$ 60,000.00	month 6	\$ 300.00
\$ 56,666.67	month 7	\$ 283.33
\$ 53,333.33	month 8	\$ 266.67
\$ 50,000.00	month 9	\$ 250.00
\$ 46,666.67	month 10	\$ 233.33
\$ 43,333.33	month 11	\$ 216.67
\$ 40,000.00	month 12	\$ 200.00
		\$ 3,500.00
		\$ 43,500.00

YEAR 1

rent paid pm	payback pm	rent paid pm
\$ 396,666.67	month 1	\$ 1,983.33
\$ 393,333.33	month 2	\$ 1,966.67
\$ 390,000.00	month 3	\$ 1,950.00
\$ 386,666.67	month 4	\$ 1,933.33
\$ 383,333.33	month 5	\$ 1,916.67
\$ 380,000.00	month 6	\$ 1,900.00
\$ 376,666.67	month 7	\$ 1,883.33
\$ 373,333.33	month 8	\$ 1,866.67
\$ 370,000.00	month 9	\$ 1,850.00
\$ 366,666.67	month 10	\$ 1,833.33
\$ 363,333.33	month 11	\$ 1,816.67
\$ 360,000.00	month 12	\$ 1,800.00
		\$ 22,700.00
		\$ 62,700.00

YEAR 4

rent paid pm	payback pm	rent paid pm
\$ 276,666.67	month 1	\$ 1,383.33
\$ 273,333.33	month 2	\$ 1,366.67
\$ 270,000.00	month 3	\$ 1,350.00
\$ 266,666.67	month 4	\$ 1,333.33
\$ 263,333.33	month 5	\$ 1,316.67
\$ 260,000.00	month 6	\$ 1,300.00
\$ 256,666.67	month 7	\$ 1,283.33
\$ 253,333.33	month 8	\$ 1,266.67
\$ 250,000.00	month 9	\$ 1,250.00
\$ 246,666.67	month 10	\$ 1,233.33
\$ 243,333.33	month 11	\$ 1,216.67
\$ 240,000.00	month 12	\$ 1,200.00
		\$ 15,500.00
		\$ 55,500.00

YEAR 7

rent paid pm	payback pm	rent paid pm
\$ 156,666.67	month 1	\$ 783.33
\$ 153,333.33	month 2	\$ 766.67
\$ 150,000.00	month 3	\$ 750.00
\$ 146,666.67	month 4	\$ 733.33
\$ 143,333.33	month 5	\$ 716.67
\$ 140,000.00	month 6	\$ 700.00
\$ 136,666.67	month 7	\$ 683.33
\$ 133,333.33	month 8	\$ 666.67
\$ 130,000.00	month 9	\$ 650.00
\$ 126,666.67	month 10	\$ 633.33
\$ 123,333.33	month 11	\$ 616.67
\$ 120,000.00	month 12	\$ 600.00
		\$ 8,300.00
		\$ 48,300.00

YEAR 2

rent paid pm	payback pm	rent paid pm
\$ 356,666.67	month 1	\$ 1,783.33
\$ 353,333.33	month 2	\$ 1,766.67
\$ 350,000.00	month 3	\$ 1,750.00
\$ 346,666.67	month 4	\$ 1,733.33
\$ 343,333.33	month 5	\$ 1,716.67
\$ 340,000.00	month 6	\$ 1,700.00
\$ 336,666.67	month 7	\$ 1,683.33
\$ 333,333.33	month 8	\$ 1,666.67
\$ 330,000.00	month 9	\$ 1,650.00
\$ 326,666.67	month 10	\$ 1,633.33
\$ 323,333.33	month 11	\$ 1,616.67
\$ 320,000.00	month 12	\$ 1,600.00
		\$ 20,300.00
		\$ 60,300.00

YEAR 5

rent paid pm	payback pm	rent paid pm
\$ 236,666.67	month 1	\$ 1,183.33
\$ 233,333.33	month 2	\$ 1,166.67
\$ 230,000.00	month 3	\$ 1,150.00
\$ 226,666.67	month 4	\$ 1,133.33
\$ 223,333.33	month 5	\$ 1,116.67
\$ 220,000.00	month 6	\$ 1,100.00
\$ 216,666.67	month 7	\$ 1,083.33
\$ 213,333.33	month 8	\$ 1,066.67
\$ 210,000.00	month 9	\$ 1,050.00
\$ 206,666.67	month 10	\$ 1,033.33
\$ 203,333.33	month 11	\$ 1,016.67
\$ 200,000.00	month 12	\$ 1,000.00
		\$ 13,100.00
		\$ 53,100.00

YEAR 8

rent paid pm	payback pm	rent paid pm
\$ 116,666.67	month 1	\$ 583.33
\$ 113,333.33	month 2	\$ 566.67
\$ 110,000.00	month 3	\$ 550.00
\$ 106,666.67	month 4	\$ 533.33
\$ 103,333.33	month 5	\$ 516.67
\$ 100,000.00	month 6	\$ 500.00
\$ 96,666.67	month 7	\$ 483.33
\$ 93,333.33	month 8	\$ 466.67
\$ 90,000.00	month 9	\$ 450.00
\$ 86,666.67	month 10	\$ 433.33
\$ 83,333.33	month 11	\$ 416.67
\$ 80,000.00	month 12	\$ 400.00
		\$ 5,900.00
		\$ 45,900.00

YEAR 10

rent paid pm	payback pm	rent paid pm
\$ 36,666.67	month 1	\$ 183.33
\$ 33,333.33	month 2	\$ 166.67
\$ 30,000.00	month 3	\$ 150.00
\$ 26,666.67	month 4	\$ 133.33
\$ 23,333.33	month 5	\$ 116.67
\$ 20,000.00	month 6	\$ 100.00
\$ 16,666.67	month 7	\$ 83.33
\$ 13,333.33	month 8	\$ 66.67
\$ 10,000.00	month 9	\$ 50.00
\$ 6,666.67	month 10	\$ 33.33
\$ 3,333.33	month 11	\$ 16.67
\$ 0.00	month 12	\$ 0.00
		\$ 1,100.00
		\$ 41,100.00