

**LAND AND BUILDING CONTRACT**

**DATED 21<sup>st</sup> August 2014**

**BETWEEN**

**VENDORS: MERVYN KEVIN JOHNSON and JANETTE MARY JOHNSON and LINDSAY ROSS FORD and ALISON NORA FORD of Norfolk Island.**

**PURCHASERS: RUSSELL ALFREDSON as the Trustee of the M & R Alfredson Superannuation Fund as to a 78.2% ownership and KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS as Trustees for the Team Brooks Superannuation Fund as to a 21.8% ownership as tenants in common.**

**LAND AND BUILDINGS SOLD:** (the land)

**Address:** Taylor's Road Norfolk Island.

**Present use:** Portion 52h6 as Tourist Accommodation buildings

**Description:** Land and buildings being described as Portion 52h6 area 3159 m2 more or less as per copy Plan attached hereto marked "A" and Special Condition 1;

**PURCHASE PRICE:** \$640,000.00 @ 21.88% = \$140,000

**DEPOSIT:** Nil sought by the Vendors who acknowledge that by entering into this Contract, the Purchasers have provided or will provide adequate and valuable consideration for the Vendors to accept the Purchasers within offer and to enter into this Contract.

**DATE AND PLACE FOR COMPLETION:** In accordance with clause 2 hereof at Norfolk Island.

The Vendors agree to sell to the Purchasers who agree to purchase from the Vendors the land herein mentioned on terms and conditions as per this Contract.

**CONDITIONS**

1 This Contract and its completion is subject to the following Special Conditions.

1.1 To the Vendors obtaining registration of the Plan of Survey for the land hereby sold a copy of which said Plan of Survey is hereto annexed marked "A" and to the issue of Guaranteed Freehold Titles for the Portion 52h6 comprising part of the said Plan of Survey and as hereby sold, duly registered in the names of the within mentioned Vendors. This Special Condition is to be satisfied by the completion date of this Contract.

1.2 To the Purchasers agreeing to and entering into a Lease, satisfactory to the Purchasers as to Lease term, rental, permitted use and as to every other respect, with such Lease to be as between the within named Purchasers as Lessors and the Lessees being **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** for the Lease to the said proposed Lessees of Portion 52h6 as per the Plan "A" hereto and all fixed buildings and improvements thereon to commence from and be effective as from the completion date of this Contract. This condition is to be satisfied on or by the completion date of this Contract.

Handwritten signatures of the vendors and purchasers. The signatures are in black ink and appear to be: Mervyn Kevin Johnson, Janette Mary Johnson, Lindsay Ross Ford, Alison Nora Ford, Russell Alfredson, Kerri-Ann Lenore Brooks, and Steven James Brooks.

Handwritten initials 'RL' in black ink.

1.3 To agreement being reached between the Purchasers as proposed Lessors and **KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS** as proposed Lessees of Portion 52h6 as to the terms of the ongoing sharing and it's metering of the power supply currently connected to the land hereby sold and to the adjoining Portion 52h4. This condition is to be satisfied on or by the completion date of this Contract.

1.4 To the Purchasers agreeing to the terms of a License in favor of **KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS** and their successors and assigns (referred to as the Licensees), permitting the said Licensees to continue to utilize the existing driveway over the land hereby sold for the purposes of access and egress to the dwelling house property on the Portion 52h4 delineated on the annexed Plan "A". This condition is to be satisfied on or by the completion date of this Contract.

In the event that any of the above Special Conditions 1.1 to 1.4 inclusive of this Contract as the same apply to or are for the benefit of the Purchasers, are not satisfied in accordance with the terms hereof then this Contract shall at the option of the Purchasers be declared null and void and the deposit paid hereunder (if any), shall then be refunded to the Purchasers without deduction.

## 2. COMPLETION DATE

Completion of this Contract shall occur on or by the 16th September 2014 subject to the date of the contemporaneous settlement and execution of the following Contracts and Leases:

(i) Contract between the within named Vendors (as Vendors), and **KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS** (as Purchasers), for the sale and purchase of Portion 52h5 (as per the Plan "A" hereto), and business referred to herein for the sum of \$160,000.00;

(ii) The date of commencement following the execution of the Lease referred to in Special Condition 1.2 hereof.

The parties intend and otherwise acknowledge that it is their understanding that the Contract referred to in clause 2(i) and the Lease referred to in clause 2(ii) hereof are to have a respective settlement and commencement date contemporaneous with the completion date of this Contract.

2A The Purchasers shall pay the said purchase money of \$640,000.00 (plus or minus adjustments as provided in this Contract), to the Vendors on the date for completion in exchange for possession of the said land as described herein free of all encumbrances, liens and adverse interests other than as disclosed herein together with the Land Titles for the said Portion 52h6 hereby sold all being free of any adverse claims, liens or interests other than those as may be disclosed herein and an executed Transfer by the Vendors of the said Portion 52h6 in favor of the Purchasers. All transfer documentation referred to herein shall be prepared (and where required, registered), by the Purchasers at their expense.

## 2B VENDORS WARRANTIES

The Vendors make and give the following warranties and assurances:

(i) That all items of plant including water pumps and tanks, water reticulation systems, fixtures and equipment installed on the land sold and passing with the Contract are in good working order and condition.

The bottom of the page contains several handwritten signatures in black ink. On the left side, there are three distinct signatures. In the center, there is a signature that appears to be 'Johny' followed by another signature. On the right side, there is a signature that appears to be 'RE'.

(ii) That the Vendors are not aware of any unsatisfied or outstanding requisition, order or requirement from the Administration of Norfolk Island under any legislation in force on Norfolk Island as to the buildings sold including any services to the buildings sold, improvements or other items sold and which requires or might require the expenditure of monies.

(iii) That all buildings and services to buildings, structures and fixed improvements on the subject lands sold comply with and meet the requirements and conditions of Administration of Norfolk Island planning and building regulations for the uses as represented by the Vendors.

(iv) That the existing external boundary fences are on the correct alignments.

(v) That there is no dispute or difference with or by adjoining property owners over any common or shared service or as to any common dividing fence or wall or notice of any claim or proceedings under the Fencing Act 1913.

(vi) That the Vendors are unaware of the existence or possible existence of any encroachment by the buildings or structures on the land hereby sold onto adjoining land or encroachments by buildings or structures on adjoining land onto the Vendors' land hereby sold?

(vii) The Vendors are not aware of any structural defect or failure in the buildings or structures, on the land sold or as to the footings or foundations thereof or as to the septic/sewerage system, water storage and water reticulation systems servicing the property sold which affect or might affect its or their structural soundness, function, purpose or operation.

(viii) The Vendors are not aware if the electricity power supply to and internally within the buildings on the subject land are defective or below capacity such that it requires upgrading for the purposes of normal or average requirements, operating use and consumption.

3. On completion the Vendors will if so requested hand to the Purchasers and or deliver to the Administration of Norfolk Island signed forms in respect of the existing telephone and fax service to the premises to enable such services to be continued in the name of the Purchasers or as directed by them, as subscriber and on the understanding that the Vendors are thereafter (and after they have paid their own charges), relieved from any further liability in respect of that service.

4. The Vendors will remain in possession of the said land and will manage the same as a going concern until the date for completion and shall sign and execute all documents and do all acts and things reasonably required for putting the Purchasers in full possession and enjoyment of the said land and the tourist accommodation units associated therewith.

5.(a) The Vendors warrant and it is a condition of this contract that at the date of completion all plant fixtures and fixed fittings hereby agreed to be sold shall be the sole and unencumbered property of the Vendors and that no other person shall have any claim adverse to the Vendors there over and further that all plant fixtures and fixed fittings shall be in good working order and condition as at present fair wear and tear excepted.

(b) The Vendors further warrant that all statutory requirements and requisitions

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relating to the said land hereby sold will have been complied with up to the date of completion.

6. The Vendors shall pay and bear all charges and amounts due for rent gas electricity telephone service and all other outgoings in respect of the said land up to the date of completion, on and from which date the Purchasers shall be entitled to or shall pay or bear the same respectively and any necessary apportionment thereof shall be made and adjusted on completion.

7. The Vendors warrant that they are not aware of any outstanding notices issued by any competent statutory authority affecting or relating to the said land, buildings, fixtures, hereby agreed to be sold and undertake to comply with any such notice served or received up to the date of completion. The Purchasers shall at their own expense comply with all notices issued after the date of completion affecting or relating thereto.

8. In the event that this agreement is not completed as a result of the default of the Purchasers then all deposit and other moneys paid hereunder by the Purchaser if any, together with any interest accrued thereon shall be forfeited to the Vendors forthwith upon such default in addition to any other remedies of the Vendors. In the event that this agreement is not completed as a result of the default of the Vendors then all deposit and other moneys paid hereunder if any, together with all interest thereon shall be refunded to the Purchaser forthwith upon such default in addition to any other remedies of the Purchaser.

9. This Contract constitutes the entire agreement as concluded between the parties notwithstanding any prior negotiations, representations, warranties, covenants, understandings or agreements made or entered into before the execution hereof and other than the agreements contemplated by the provisions of Special Conditions 1 of this Contract.

10. The parties agree that exchange of this Contract shall be deemed to be effected and become binding upon the parties on the Purchasers by their Solicitor or agent, exchanging with the Vendors or their Solicitor or agent, a facsimile copy or a scanned PDF copy of the within contract signed by either or both Vendors or Purchaser.

11. In respect of all provisions of this contract, the parties each agree that time shall be of the essence of this contract.

12. The Vendors shall at their own cost keep all items hereby sold and having an insurable value or interest, fully insured and at his own risk up to and including the completion date.

13. Notwithstanding the completion of this sale and purchase, any general or special condition or any part of parts thereof to which effect is not given by such completion and capable of taking effect after completion shall remain in full force and effect.

14. Unless the context herein otherwise provides, references herein to the singular person shall include the plural and vice versa. Reference to any gender shall include any other appropriate gender. Reference to the vendor means and includes the vendors described herein jointly and severally and their respective successors and assigns and reference to the Purchaser means and includes the purchaser described herein and his respective heirs, successors and assigns. Corporation means its successors and permitted assigns.

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SIGNED by the said Vendors  
**MERVYN KEVIN JOHNSON** and  
**JANETTE MARY JOHNSON**  
In the presence of

*M.K. Johnson*  
*J. M. Johnson*

*[Signature]*  
*Volunteer*

Witness

SIGNED by the said Vendors  
**LINDSAY ROSS FORD** and  
**ALISON NORA FORD**  
In the presence of

*[Signature]*

*[Signature]*  
*[Signature]*  
*Volunteer*

Witness

SIGNED by the said Purchaser **RUSSELL ALFREDSON** as the Trustee of the M & R  
Alfredson Superannuation Fund  
In the presence of

*Russell M* 5/9/2014

*Melissa Morris*  
*[Signature]* 5/9/2014

Witness

SIGNED by the said Purchaser **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES  
BROOKS** as Trustees for the Team Brooks Superannuation Fund  
In the presence of

*[Signature]* *[Signature]*

Witness

*[Signature]* *[Signature]*  
*[Signature]* *[Signature]*



# Michael Zande

Solicitor

NBN 280015645

MY REF:  
YOUR REF:

P O BOX 367  
NORFOLK ISLAND 2899  
AUSTRALIA

Telephone (International)  
(6723) 23420  
Facsimile: (International)  
(6723) 23145  
e-mail:  
mikezande@norfolk.net.nf

**MEMO TO: RUSSELL ALFREDSON** as Trustee of the M & R Alfredson Superannuation Fund (**Alfredson Super Fund**) and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund (**Brooks Super Fund**)

**Re:** Purchase of Channers Apartments Portion 52h6 (previously Portion 52h2) "Channers property"

I confirm settlement of the Contract for the purchase of the Channers property was effected on the 3rd October 2014 when the purchase price of \$640,000.00 was paid to the Johnson/Ford parties as vendors in exchange for:

- the relevant Land Title for Portion 52h2;
- discharge of the existing mortgage over that Portion and;
- executed Transfer of such Title to the Alfredson Super Fund as to a 78.2% interest as tenant in common with the Brooks Super Fund as to a 21.8% interest.

The purchase money was contributed by each Super Fund in accordance with the aforementioned percentage ownership that is 78.2%/21.8%.

Kerri Ann has insurance cover organised for the land and buildings comprising the Channers property in the names of the two Super Funds with each particular percentage ownership noted on that policy.

I am now to attend to the registration of the documentation associated with the:

1. discharge of the existing mortgages;
2. registration of the boundary adjustment plan which will create the new Portion 52h6 of 3159m2 to replace the former Portion 52h2 of 2552m2
3. Transfer of the new Portion 52h6 to the two Super Funds as tenants in common in the abovementioned percentage interests.

I have the registration fees associated with points 1 and 2 which are payable by the Johnson/Ford parties. **The registration fee payable on the Transfer of Portion 52h6 to the Super Funds is \$25,600.00 and which has been paid by the Super Funds in the**

$$\$25,600 \times 21.8\% = \$5,580.80$$

percentage ownership interests. I will forward the relevant Land Titles to you after registration has been completed in the names of the Super Funds.

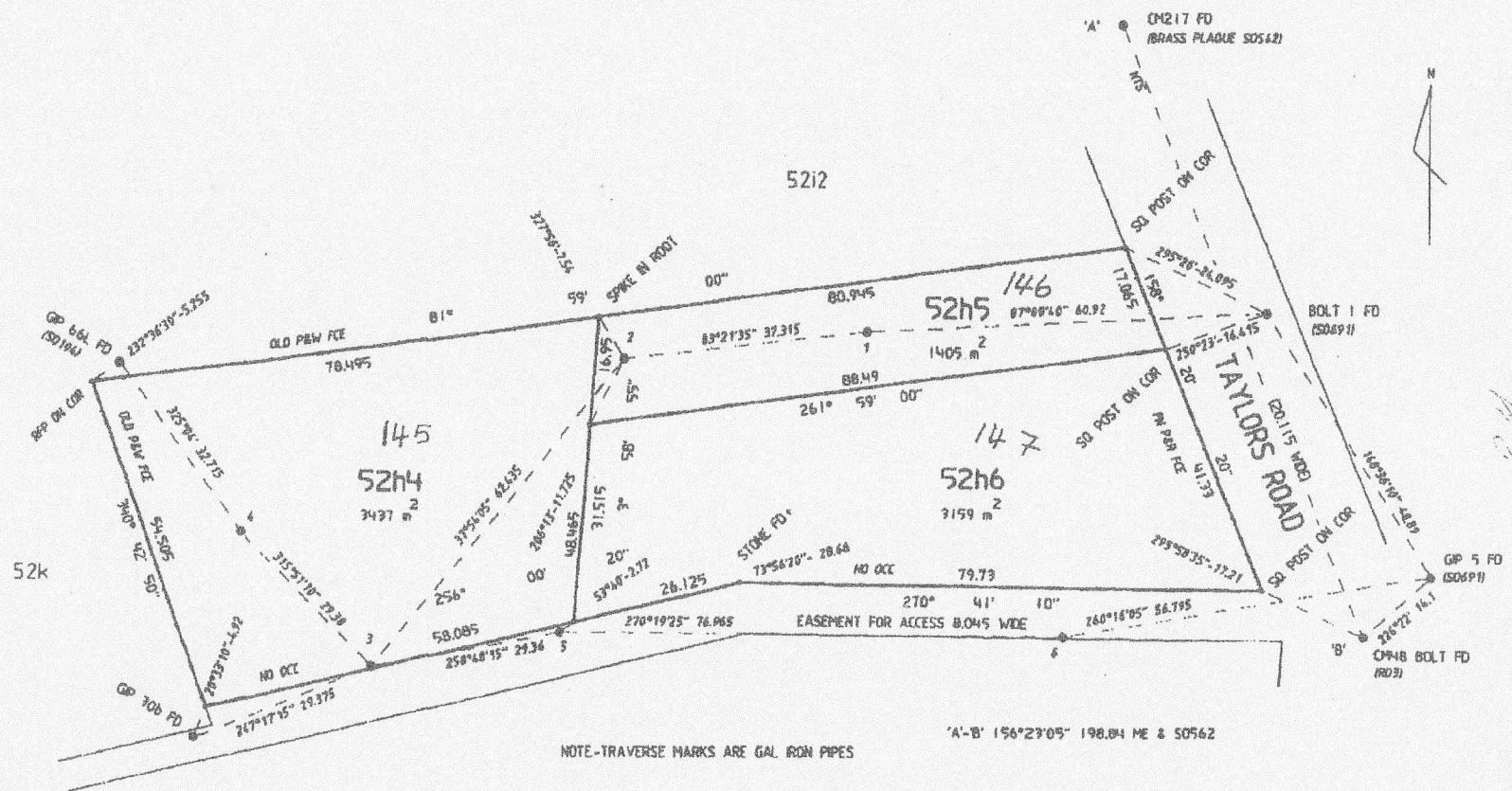
The Lease of the Channers Property to Steve and Kerri Ann Brooks to allow them to operate the Channers Tourist Accommodation business is not to be registered so there is no registration fee payable on that document. As previously advised, the Land Titles Act provides that non registration of a Lease does not affect it's validity. However the Super Funds will need to register for Norfolk Island GST purposes as to the rent receivable under the Lease even though such GST is payable by Steve and Kerri Ann. I understand that Kerri Ann is attending to this aspect.

I have as yet not seen the signed Lease document from the Super Funds to Kerri Ann and Steve which I have submitted and which is to be signed in duplicate. Please let me know when it is available on Norfolk Island so that I can ensure that it has been signed correctly.

Please let me know if there are any queries and enclose Memo of my Charges which I have kept in line with my earlier quote. I have had to add the Bank cheque fees which I paid as it was necessary to provide bank cheques to the Johnson/Ford parties at settlement.

Yours sincerely

Mike Zande  
6/10/2014



*Handwritten signature and initials:*  
 [Signature]  
 [Initials]





# Michael Zande

Solicitor

NBN 280015645

MY REF

YOUR REF:

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Telephone (International)  
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Facsimile: (International)  
(6723) 23145  
e.mail:  
mikezande@norfolk.net.nf

6th October 2014

**RUSSELL ALFREDSON** atf the M & R Alfredson Superannuation Fund  
and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** atf the Team  
Brooks Superannuation Fund  
**Norfolk Island**

## MEMORANDUM OF CHARGES

**RE: RUSSELL ALFREDSON** atf the M & R Alfredson Superannuation Fund (**Alfredson Super Fund**) and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** atf the Team Brooks Superannuation Fund (**Brooks Super Fund**) Purchase of Channers Apartments Portion 52h6 (previously Portion 52h2)

To my charges associated with the above including discussions and communications as to the above proposed purchase, drawing and engrossing the Contract and attending to the signing and exchange thereof, attending to all land and title searches at Administration attending to communications as to preparations for completion of the Contract and attending at settlement and at Land Registry Office Kingston registering transfer documentation, all other communications and attendances not detailed above and care and attention

Delivered at	\$400.00
<b>Plus</b>	
Norfolk Island GST (12%)	48.00
2 Bank Cheque fees	<u>10.20</u>
<b>TOTAL</b>	<b><u>\$458.20</u></b>

**WITH MY COMPLIMENTS**

**MICHAEL ZANDE** E&OE

**NOTE:**

Payment can made by cheque to me or by direct deposit to the following account  
**CBA Norfolk Island Michael Zande Account BSB 062950 A/C number 10042221**