

AGREEMENT TO LEASE

D & M MAIONE SF

DATED: 21/12/15

The Lessee HEREBY OFFERS to lease from the Lessor hereinafter described the premises hereinafter on the following terms and conditions ("The Agreement"):-

1. LESSOR Maione Co. Pty Ltd
16 Shelton Drive
ATHELSTONE SA 5076
2. LESSEE: Coffee Complex Pty Ltd
18 Croydon Road
KESWICK SA 5035
ABN:
3. LESSOR'S AGENT: L J Hooker Glynde
516 Lower North East Road
Campbelltown SA 5074
Phone: 8336 3899
4. PREMISES:
 - a.) Being whole of the building erected upon land comprised in Certificate of Title Volume 5777 Folio 247
Known as 18 Croydon Road, Keswick SA 5035
 - b.) Approximate lettable area: 413m²
5. TERM OF LEASE: Five (5) years
6. COMMENCEMENT DATE OF LEASE: 1/1/2016
7. RENTAL COMMENCEMENT DATE: 1/1/2016
8. DATE OF OCCUPATION: Lessee already in occupation
9. ANNUAL RENTAL: \$59,424.54 per annum Net + GST payable in advance in equal calendar monthly payments of \$4,952.04 Net + GST due on the 1st day of each month plus GST thereon if so required.

10. RIGHT OF RENEWAL: One (1) right to renew of five (5) years.
11. RENT REVIEW: During the term of the Lease, rental is subject to annual review by CPI Adelaide All Groups Index Increase and Market rent review upon renewal of Lease and annual CPI Index (Adelaide All Groups) increase for a balance of term.
12. OUTGOINGS: During the term of the lease and any renewal thereof, the Lessee shall pay 100% of Lessee marked outgoings only as set out in the attached statement of budgeted and/or actual outgoings for the year ending 30th June 2016, details more particularly defined in the memorandum of lease annexed to this agreement and the **Lessee will pay one twelfth (1/12th) of the total (or the proportion of the outgoings applicable to these premises) of the budgeted and/or the actual outgoings (as the case may be) to the Lessor monthly in advance together with the monthly rental.** An adjustment will be made by the Lessor following the end of each financial year comparing what is budgeted and paid by Lessee and actual amounts expended by the Lessor whereby the Lessor will either debit or credit the Lessee accordingly.
- The Lessee is aware that pursuant to section 30 of the Retail Shop Leases Act 1995 (as amended) is applicable to this tenancy then the Lessor may not require payment of Land Tax by the Lessee, however the Lessee will be liable to pay all other outgoings to the Lessor as defined in the memorandum of lease.

12 (a). OUTGOINGS:

Estimated Outgoings Budget for 2015/2016

Category of Outgoings	Estimate of Lessee's Annual Liability	
Local Government Rates & Charges	\$ 3,036.75	per year
Emergency Services Levy	\$ 934.00	per year
S A Water & Sewerage, usage & excess water charges	\$ 945.80	per year
State Land Tax	Not applicable	
Air-conditioning Maintenance	Lessee's responsibility	per year
Audit Fees	Lessee's responsibility	per year
Building Insurance	\$ \$2,825.00	per year
Cleaning	Lessee's responsibility	per year
Common Power & Lighting	Lessee's responsibility	per year
Fire Protection Services	Lessee's responsibility	per year
General Maintenance & Repairs (Elect. & Plumbing)	Lessee's responsibility	per year
Graffiti Removal	Lessee's responsibility	per year
Lifts & Escalator Maintenance	Not Applicable	per year
Management Fees	\$ 1,184.85	per year
Pest Control	Lessee's responsibility	per year
Sanitary Hygiene Ladies Toilet	Lessee's responsibility	per year
Security & Alarm Monitoring	Lessee's responsibility	per year
Strata / Community Corporation Fees	If applicable	per year
Waste Removal (incl. Cardboard recycling)	Lessee's responsibility	per year
Others (<i>specify</i>)		
TOTAL OUTGOINGS	\$8,926.40	
Lessee's Proportionate Share of Outgoings at 100 % for the FY 15/16 (excluding GST) per annum	\$8,926.40	per year
Lessee's Proportionate Share of Outgoings for the FY 15/16 (excluding GST) per month	\$743.86	Per month

Lessee's share of outgoings is 100% which is \$8,926.40 per annum plus GST payable in monthly instalments of \$743.86 plus GST and in a similar manner to rental payments. Outgoings are reviewed and adjusted annually in July.

The Lessee is aware that pursuant to section 30 of the Retail Shop Leases Act 1995 (as amended) the Lessor does not require payment of Land Tax by the Lessee, however, the Lessee will be liable to pay all other outgoings to the Lessor as defined in the Memorandum of Lease.

13. UTILITY CHARGES: The Lessee shall be responsible for the payment of all utility charges including charges for electricity (including, if applicable, air conditioning running costs), gas, telephone, cleaning and other like services and the Lessee will forthwith arrange with all relevant utility service companies to transfer the account for that utility from the Lessor to the Lessee.
14. INSURANCES: The Lessee shall take out and maintain Public Risk Insurance for a minimum of \$20,000,000.00 and insure the plate glass on a replacement and reinstatement basis. Such policies shall be in the joint names of the Lessor and the Lessee and are to be made available to the Lessor if so requested within three days.
15. PERMITTED USE: Warehousing and storage.
16. BINDING AGREEMENT: The Lessor and the Lessee agree that upon acceptance of this offer by the Lessor, the agreement thereby constituted shall be binding upon both parties and shall be enforceable by each of them.
17. REGISTRATION OF LEASE & COSTS:
- a) The Lessee requests that a formal lease be prepared in registrable form by the Lessor's solicitors.

[OPTION 1 - STAMPED LEASE ONLY]

- b) Where the Agreement constituted by the acceptance of this offer is a Commercial Tenancy Agreement as defined in the Retail Shop Leases Act 1995 the costs of preparing the lease in registrable form and of the attendances of the Lessor or its solicitors or agents upon the Lessee in respect of the preparation or execution of the lease shall, subject to the Retail Shop Leases Act 1995 be borne 50/50 basis by the Lessor/Lessee with respect to the following costs:
 - b1) The legal fees for preparing the lease.
 - b2) The fees for search copies for the relevant certificates of title.
 - b3) Any fees to obtain the mortgagee's consent to the lease.
 - b4) Any fees for the production of the relevant Certificates of Title by any mortgagee.
 - b5) The cost and fees for a licenced surveyor to prepare a certified surveyed lease plan.

[OPTION 2 - STAMPED AND REGISTERED LEASE]

Where the Agreement is Retail Tenancy Agreement all of the above costs shall be borne by the Lessee.

- c) The Lessee shall pay in full all costs (100%) of and incidental to the registration of the lease including the costs as hereunder:
 - c1) The cost to prepare a certified surveyed lease plan.
 - c2) Stamp Duty on the lease and any other associated documentation.
 - c3) Registration fees for the lease and any certified surveyed lease plan.
 - c4) Registration fees for any associated documentation (e.g. guarantees, debenture charges etc.)
 - c5) The cost of any auditors reports with respect to the periodic audited outgoings.
- d) The Lessee **does/does not** require the lease to be registered on the Certificate of Title.

18. EXECUTION OF FORMAL LEASE:

- a) The formal lease shall be prepared by the Lessor's solicitors and shall be substantially in the form of the standard lease annexed hereto.
- b) The Lessee agrees to execute the formal lease within twenty-one (21) days of its submission to the Lessee. Failure to do so shall not in any way affect the binding nature of the Agreement constituted by the acceptance of this offer.

19. CONSENT FOR USE:

The Lessee acknowledges that it is the Lessee's responsibility to ascertain from the local Council whether or not the premises can be used for the permitted use of: Warehousing and storage.

20. TENANCY WORKS OR ALTERATIONS: All tenancy works, alterations or modifications to the premises will be at the Lessee's expense and subject to the Lessor's prior approval in writing.
21. TERMINATION BY LESSOR: The Lessee acknowledges that until such time as the formal lease is executed by the Lessee, the Lessor may at its discretion, terminate the tenancy created by the acceptance of this offer by giving to the Lessee one (1) month's notice in writing.
22. DEPOSIT: NA
23. GUARANTORS: In consideration of the Lessor accepting the offer at the request of the persons who have signed this offer as Guarantors (hereinafter called "the Guarantors") the Guarantors HEREBY GUARANTEE the payment by the Lessee of the rent and any other monies payable by the Lessee pursuant to the Agreement constituted by the acceptance of this offer and observance and performance of all the Lessee's obligations as specified in or implied by such Agreement and the observance and performance by the Lessee of the covenants terms and conditions which are to be embodied in the formal lease and/or be a separate guarantee document which will be prepared by the Lessor's solicitors and to incorporate terms and conditions as the Lessors solicitor deems necessary and failure by the Guarantor'(s) to execute such formal guarantee and indemnity shall not in any way effect the binding nature of this clause.
- Where the Lessee is a company, please provide full names and addresses of the Guarantors.
- 1.) **The Guarantor guarantying the performance of the Lessee is as hereunder:-**
NAME:
ADDRESS:
NAME:
ADDRESS:

24. DISCLOSURE
STATEMENT:

The Lessee agrees that it has received and read the Disclosure Statement prior to this **Agreement to Lease** prepared in accordance with the Retail & Commercial Leases Act 1995 SA.

25. PAINTING OF
PREMISES:

Within the three (3) months immediately preceding

- a) The expiration (or sooner determination) of the term
AND
- b) If the term or further terms shall be renewed, the expiration (or sooner determination of the renewed term or further renewed term).

26. GST:

In this part, GST means goods and services tax or any applicable) other similar tax imposed by reason of a supply of goods or services under this Lease.

- 1) The parties acknowledge that the rental and other amounts payable pursuant to this Lease are calculated exclusive of GST.
- 2) If a GST is payable the Lessee must pay that GST to the Lessor, if in respect of possession of the demised premises, at the same time as the payment of rental or if in respect of any other supply of goods or services under this Lease, at the same time as the payment for such goods or services and the Lessee shall pay such GST in addition to rent and any other amount payable by the Lessee under this Lease.
- 3) If the Lessee fails to pay such GST as and when due, the Lessor may recover payment for same from the Lessee as a debt due under this Lease.

27. SPECIAL
CONDITIONS:

- 1.) This Agreement is valid for seven (7) days from the date this document has been sent. Failure to return the said documents will result in the Lessor withdrawing their acceptance.
- 2.) Any air conditioning units, hot water service units and security alarm left at the property are able to be used by the Lessee. The Lessee must understand that the landlord has not maintained, serviced or repaired these units and can offer no warranty as to their suitability or that they will operate for the term of the tenancy and any extension thereof. As such if the units break down fail to operate or require repairs all costs involved in such work and or replacement of any units, if required by the Lessee will be at the sole cost of the Lessee for term of the Lease and any extensions thereof.

EXECUTION

OFFER by the **LESSEE**

COFFEE COMPLEX

***Sole Director/Sole Secretary**

MARIA MAIORE

Director/Secretary

*If applicable please delete the word "sole" appearing before director/secretary

*Please affix company seal if required by company Constitution

ACCEPTED by/for and on behalf
of the **LESSOR**

MARIA MAIORE - MAIORE CC

[Signature]

in the presence of:

C. Pizzino

Witness signature

Full Name: **CHRISTIAN PIZZINO**

Address: **31 MOORLANDS ROAD, HECTORVILLE 5073**