

Schedule 1—Form of disclosure statements

Form 1—Disclosure statement under section 12 of *Retail and Commercial Leases Act 1995*

Information for lessees

Please read the following information carefully.

What is a lease?

A lease is a very important document. It is a legally binding contract between the lessor (landlord) and the lessee (tenant). It sets out the rights and obligations of the lessor and the lessee.

A document that binds the lessee to enter into a lease or to take a shop on lease for a renewed term should be treated as if it were the lease.

What should I look for in a lease?

The main features to consider are—

- the term of the lease;
- whether there is an option to renew or extend the lease (and the method of exercising any such option);
- the rent and the basis for rent reviews;
- the amounts that the lessee will have to pay in addition to rent eg fit out costs, maintenance and repair costs and shared operating expenses;
- the consequences of breaching a term of the lease.

Make sure you read the whole document and understand the obligations it will place on you, especially the extra charges in addition to rent that you will have to pay.

If the lease is a sublease, you should seek information about the lessor's rights and obligations under the head lease that are relevant to the lease of the shop.

What information is the lessor required to give me?

The lessor must give you a copy of the proposed lease and this disclosure statement. The disclosure statement must contain the matters set out in section 12 of the *Retail and Commercial Leases Act 1995*.

What should I do before signing a lease or other binding document?

Do not sign until you understand exactly what your obligations under the lease will be.

Before signing a lease or other binding document, you should obtain independent legal and financial advice.

- You should discuss the lease (or any agreement for a lease) and the disclosure statement with your own lawyer or leasing adviser.
- You should seek advice about the financial commitments under the lease from your own accountant or recognised financial or business adviser.
- You should also seek advice from an association representing the interests of lessees.

Before signing a lease or other binding document, oral representations made by the lessor or the lessor's agent on which you have relied should be reduced to writing and signed by or on behalf of the lessor.

Before signing a lease or other binding document, the lessee should sign an acknowledgment of receipt of the disclosure statement.

1—Details of shop

Address: Unit 2, 148 Greenhill Road Parkside SA 5063

Lettable area: Approx 226 square metres

The shop may only be used for: *[Specify the permitted uses.]* Office

2—Term of lease

Term of lease: 5 years commencing 1 November 2020

3—Renewal or extension of lease

[Tick 1 box.]

- There is no right to renew or extend the term of the lease.
- The lease gives a right to renew or extend the term of the lease as follows:
[Insert details.]

One (1) of five (5) years

4—Access to shop

Hours during which the lessee will have access to the shop outside trading hours:
Unrestricted

Date on which the shop will be available for occupation:
1 November 2020

5—Monetary obligations

The lessee's obligations to pay rent, to pay or reimburse outgoings, to make or reimburse capital expenditure and any other monetary obligations imposed on the lessee are set out in Appendix A.

6—Retail shopping centre details

[Tick 1 box.]

- The shop is in a retail shopping centre within the meaning of the *Retail and Commercial Leases Act 1995*.
See Appendix B for details.
- The shop is not in a retail shopping centre within the meaning of the *Retail and Commercial Leases Act 1995*.



7—Consequences of breach

The legal consequences of early termination of the lease by the lessee as set out in clauses 4.1, 4.2, 4.3, 4.4, 4.5 and 4.6 of the lease are as follows:

The lessee is liable for all rent and other monies payable under the lease until the end of the term of the lease and the lessee is also liable for all losses suffered by and all costs incurred by the lessor which result from the early termination.

The legal consequences of other breaches as set out in clauses 4.1, 4.2, 4.3, 4.4, 4.5 and 4.6 of the lease are as follows:

1. The lessor may re-enter and terminate the lease.
2. The lessee may be liable to pay damages and costs to the lessor.
3. The lessee may be liable to pay interest to the lessor.
4. The lessor may levy distress against the goods of the lessee.

8—Warnings

Oral representations made by the lessor or the lessor's agent on which the lessee has relied should be reduced to writing and signed by or on behalf of the lessor before the lessee enters into the lease.

The lessee should obtain independent legal and financial advice before entering into the lease.

IMPORTANT NOTICE

Exclusion of Warranty of fitness for purpose

THE LESSOR DOES NOT WARRANT THAT THE PREMISES THAT YOU ARE ABOUT TO LEASE WILL, FOR THE DURATION OF YOUR LEASE, BE STRUCTURALLY SUITABLE FOR THE TYPE OF BUSINESS THAT YOU INTEND TO CARRY ON.

Date: 11.09.2020

x Signature of lessor:



Name: 26-Storey Pty Ltd

Address: Units 1-3, 245 Milne Road Modbury North SA 5092

Acknowledgment of receipt

I acknowledge receipt of this disclosure statement including:

[Tick 1 or more boxes as applicable.]

- Appendix A—Monetary obligations under lease
- Appendix B—Retail shopping centre details
- Attachment—Shop fitting or refitting obligations
- Attachment—Fixtures, plant or equipment obligations
- Attachment—Sinking fund obligations
- Attachment—Proposed changes to shopping centre
- Attachment—Current tenant mix



- Attachment—Proposed changes to current tenant mix
- Attachment—Details of tenant association

**ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
EXCLUSION OF WARRANTY OF FITNESS FOR PURPOSE**

I acknowledge that the Notice of Exclusion of Warranty of Fitness for purpose set out above was specifically drawn to my attention at the time that this Disclosure Statement was given to me.

Date: 11.09.2020
 ✓ Signature: 
 Name: Treehouse FP Pty Ltd
 Address: 2/148 Greenhill Road Parkside SA 5063

Appendix A—Monetary obligations under lease

Part 1—Rent

1—Base rent

The base rent payable for the shop is or is calculated as follows:
[Insert amount or formula.]
 \$71,000.00 per annum (exclusive of GST)

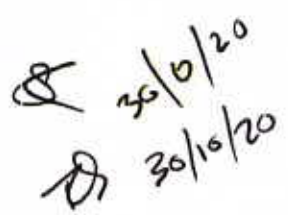
2—Basis on which base rent may be changed

The base rent may be changed on the following basis:
[Insert description of rent review arrangements.]
 Annually on 1 November as follows:-
 (a) 2025 – market review
 (b) Other years – 4% increase over previous years rent.

3—Other rent

Other rent payable for the shop is or is calculated as follows:
[Insert amount or formula.]

~~Car park rental - \$7,560.00 per annum payable monthly in advance~~


 30/10/20
 30/10/20

Part 2—Capital expenditure

4—Permissible obligations (section 13 of Retail and Commercial Leases Act 1995)

The lessee will be liable for capital expenditure as follows:
[Tick 1 or more boxes as applicable.]

- to pay or reimburse the cost of making good damage to the premises arising when the lessee is in possession or entitled to possession of the premises



- to fit or refit the shop as set out in the attachment marked "Shop fitting or refitting obligations"
[The attachment must include sufficient details to enable the lessee to obtain an estimate of the likely cost of complying with the obligation.]
- to provide fixtures, plant or equipment as set out in the attachment marked "Fixtures, plant or equipment obligations"
[The attachment must include sufficient details to enable the lessee to obtain an estimate of the likely cost of complying with the obligation.]
- to contribute to a sinking fund to cover major items of repair or maintenance as set out in the attachment marked "Sinking fund obligations"
[The attachment must include reasonable details of the lessee's obligations.]

Part 3—Outgoings

5—Categories and estimate of annual liability

The lessee will be liable to pay or reimburse outgoings as follows:

Category of outgoings	Estimate of lessee's annual liability
Local government rates and charges	\$ 4,898.85
Water and sewerage rates and charges	\$ 1556.00 PA
Insurance	\$
Other [specify] Emergency Services Levy	\$ 1134.75 PA
Strata Levies	\$ 8,250 PA
Total	\$ 15,839.60 PA.

[Tick 1 box.]

- The lessee is liable for the full amount of the outgoings.
- The lessee is liable for a proportion of the outgoings calculated according to the following formula:
[If different according to category, provide category and formula in each case.]

30/10/20
30/10/20
G.P.

6—Margin of profit

[Tick 1 box.]

- The amount the lessee is required to pay towards outgoings does not include a margin of profit for the lessor.
- The amount the lessee is required to pay towards outgoings includes a margin of profit for the lessor as follows:

[Provide the percentage profit or the basis on which the profit is to be calculated.]

Part 4—Other monetary obligations

7—Other

[Tick 1 box.]

- The lessee will not be liable for any other kinds of monetary obligations.
- The lessee will also be liable for the following kinds of monetary obligations:

G.P.

[Provide details of other kinds of monetary obligations and, if possible, an estimate of the annual cost of complying with those obligations.]

Half lease costs, utilities, cost of plate glass insurance and public risk insurance and GST.

