

AGREEMENT TO LEASE

Retail and Commercial Leases Act 1995 Applies

BETWEEN: CSSF Nominees Pty Ltd (ABN 24 718 507 814) of 40 Browning Avenue Fulham
Gardens SA 5024

("the Lessor")

AND: Danae Kate Bigg (ABN 58 088 161 765) of 1 Roy Terrace Christies Beach 5165

("the Lessee")

RECITALS

- A The Lessor is the registered proprietor of the whole of the land detailed in the Schedule ("the Land").
- B The Lessee HEREBY OFFERS to lease from the Lessor the Premises described in the Schedule on the following terms and conditions herein and in the Schedule including the terms and conditions set out in the memorandum of lease (the "Lease") provided to the Lessee prior to execution of this offer and attached to the Schedule herein below.

OPERATIVE

1 PREMISES AND PERMITTED USE

The Premises in the Schedule and/or as delineated on the plan annexed (if applicable).

It is the Lessee's obligation to ascertain from the local council prior to taking occupation of the Premises and at the Lessee's cost as to whether or not the proposed use is permitted by the local council and to obtain all such other authorities and approvals as necessary. The Lessee hereby indemnifies the Lessor in respect of any claim loss or damage suffered by the Lessor due to the Lessee's failure to observe and satisfy this obligation.

2 TERMS AND RENEWALS

Period of the initial term of the lease, the renewed term/s (if any) and the occupation date are set out in the Schedule.

3 RENT AND RENT REVIEWS

Rental payable as set out in the Schedule will be payable from the commencement and the first payment of rent will be payable monthly in advance successive calendar monthly.

4 OUTGOINGS, UTILITIES AND INSURANCES

The Lessee will be liable to pay outgoings as set out in the Disclosure Statement (if applicable) or detailed on the attached list and will be liable to pay all utilities in respect of the Premises including electricity operating costs and cleaning costs (as appropriate). The Lessee will take out and maintain public risk insurance for a minimum of \$20,000,000 (unless otherwise specified) and will also insure the plate glass in and around the Premises. Such policies will be in the joint names of the Lessor and the Lessee and certificates of currency are to be made available to the Lessor if so requested.

5 TENANCY WORKS AND ALTERATIONS

The tenancy works (if any) as agreed are set out in the Schedule and payable as detailed therein. All tenancy works, alterations or modification to the Premises including the fit out (if any) required by the Lessee will be at the Lessee's expense and subject to the Lessor's prior written approval unless otherwise agreed to in writing.

6 CAR PARKING

If provided then as set out in the Schedule.

7 LEGAL COSTS

7.1 If the *Retail and Commercial Leases Act 1995* ("the Act") as amended from time to time applies the Lessee will pay half ($\frac{1}{2}$) of all the Lessor's legal fees and disbursements incurred in respect of the preparation of the Lease including negotiations, attendances for stamping and registration of the lease, the cost of preparation of any necessary surveyor's plan to allow registration of the lease, mortgagee consent and production of title fees and associated and ancillary costs.

7.2 The Lessee will be liable for all stamp duty payable in respect of the Lease and any registration fees payable.

7.3 The Lessee will be liable for the preparation costs of any guarantee/s document together with stamp duty on any guarantee/s.

8 DEPOSIT & FIRST MONTH'S RENT IN ADVANCE

A deposit equal to one (1) month's rental is enclosed with this offer. If this offer is accepted by the Lessor, the deposit is to be applied towards the first month's rental. In the event that this offer is not accepted by the Lessor, the full amount of the deposit will be refunded to the Lessee. If through any default by the Lessee, the formal lease (or guarantee if any) is not executed as required by this agreement to lease then this deposit will be forfeited to the Lessor and such forfeiture will be without prejudice to any other rights and remedies that the Lessor may have against the Lessee in respect of such a default.

9 GUARANTOR/S

In consideration of the Lessor accepting the offer of the Lease at the request of the persons who have signed this offer as guarantors (hereinafter jointly and severally referred to as the "Guarantors") the Guarantors HEREBY GUARANTEE the payment by the Lessee of the rent and any other moneys payable by the Lessee pursuant to this Agreement and the observance and performance of all of the Lessee's obligations as specified in or implied by this Agreement AND FURTHER HEREBY INDEMNIFY the Lessor in respect of any failure by the Lessee to pay the aforesaid rent or moneys or to observe or perform any of the aforesaid obligations. The Guarantor will execute (within 14 days of presentation) such form of deed of guarantee and indemnity as may be prepared by the Lessor's solicitors to embody the terms of this guarantee and indemnity. In the event any of the Guarantors fail to execute a deed of Guarantee and Indemnify then this will be deemed to be a default by the Lessee and Guarantors under this Agreement but will in no way prejudice or effect the binding nature of this guarantee and indemnity. The guarantors are those as set out in the schedule and attested by their execution hereof and in consideration of the Lessor accepting this Agreement to Lease offer.

10 FORMAL LEASE

The Lessee hereby agrees to execute a lease to be prepared in the form provided being the standard lease or the lease form provided to the Lessee prior to execution of this Agreement and those terms will prevail (with the terms herein to prevail to the extent of any inconsistency but only where the term is expressly stated herein) within 7 days of delivery to the Lessee and in any event prior to the Lessee becoming entitled to occupation of the Premises. Failure to execute the Lease and any ancillary documents necessary for the lease or registration thereof will be a default under this Agreement and will not in any way prejudice the binding nature of this Agreement.

11 DEFAULT

Without limiting the Lessor's rights as against the Lessee or Guarantor/s, at law or in equity, in the event of a breach of the obligations of the Lessee and/or Guarantor/s pursuant to the terms of this Agreement the Lessee hereby agrees that the first month's rental payment will be forfeited to the Lessor after notice and/or demand to rectify same and that any legal costs and disbursements incurred by the Lessor pursuant to this Agreement or arising out of the breach of same by the Lessee or Guarantor/s will be payable by the Lessee. Further and without limitation as aforesaid all the costs of and incidental to procuring another tenant to lease the premises including all loss of rental and outgoings will be payable by the Lessee.

12 LEASE ACKNOWLEDGMENTS

The Lessee hereby acknowledges the following matters:

- 12.1 that prior to entering into this lease the Lessor or a person on behalf of the Lessor made available to the Lessee a copy of the proposed lease in compliance with the Act;
- 12.2 that prior to entering into this Agreement to Lease a Disclosure Statement was provided to the Lessee in compliance with the Act (if applicable).
- 12.3 that prior to the Lessee entering into this Agreement to Lease notice under the Act was served on and drawn to the attention of the Lessee which notice confirms that the Lessor does not warrant that the Premises will be structurally sound or appropriate for the type of business which the Lessee intends to conduct at the Premises.

13 LEASING FEE

In consideration of the Lessor's acceptance of this offer to lease the Lessor hereby agrees to pay to the Agent a fee for leasing the property. The fee will be in accordance with the fees recommended by the Real Estate Institute of South Australia or the Auctioneers & Appraisers Society (SA) Inc or as otherwise agreed in writing and shall be payable on or before the commencement date of the lease as specified herein. The Agent is hereby authorised by the Lessor to apply all or such part of the first month's rent in advance in payment of the leasing fee.

14 SIGNS AND CONDITION

The Lessor reserves all signage rights unless otherwise stated. The Lessee will also sign a condition report as delivered by the Agent or Lessor within 7 days of receipt prior to occupation.

15 DEED

The parties execute this Agreement as a deed.

16 SPECIAL CONDITIONS

See General Annexure Item 1

SCHEDULE

1 **The Premises**

See General Annexure Item 2

2 **The Area**

approx. 278sqm NLA

identify by approximate sq/m and/or plan if not whole of the land

3 **The First Term and Commencement Date**

15th of January 2018 to 14th of January 2019 (1) one year

Note: Under the Act (if the Act applies) a minimum 5 year term applies (based on the term and any options) unless a certificate by a lawyer is witnessed under the Act acknowledging a lesser term is delivered to the Lessor with the lease.

4 **The Renewal Options and dates and or periods of Extensions**

2 x (3) three year options to renew

5 **The Rental**

\$19,500 per annum (plus outgoings and GST) net payable calendar monthly in advance equating to equal calendar monthly installments of \$1,787.50 (incl GST) plus outgoings

6 **The Rental Review Formula in any terms and on Extensions**

First Term

Annual Other Annual increases fixed at 3%

Market CPI Fixed _____

Renewals

Market CPI Fixed 1 renewal of second re

Other _____

7 **The Permitted Use**

Fitness gym and storage of associated goods and equipment

8 **Fit Out Works**

All lessee fit out works are to be the responsibility and cost of the lessee and shall be approved by the lessor in writing prior to commencement and built to a tradesmans standard and in accordance with building regulations and codes.

Identify the works to be undertaken and by which party

9 **Property as Inspected**

The Property was inspected and is accepted as is subject to any works detailed above.

No Yes

10 **Outgoings Payable**

All outgoings payable by the lessee are the responsibility and cost of the lessee (refer disclosure statement)

as set out in the Disclosure Statement and in the proportion set out therein

11 **Air-conditioning**

The Lessee is to maintain and service the air-conditioning No Yes

12 **Car Parking**

Allocated car parking is included in rental (see attached plan and allocation)

13 **Insurance**

The lessee shall maintain and provide a Certificate of Currency of insurance for 3rd party and plate glass insurance to the lessor as per the draft lease terms and conditions attached.

14 **Cleaning**

All tenancy cleaning is the responsibility and cost of the lessee

15 **Painting Provisions and Periods**

As per the draft lease terms and conditions attached.

16 **Approvals**

All approvals required by the lessee are to be the responsibility and cost of the lessee

All approvals and necessary consents for the permitted use will be the responsibility of the Lessee in all respects whatsoever.

17 **Registration**

The Lessee DOES NOT require that the lease be registered on the title.
**(delete where applicable)*

18 **Costs**

The lessee and lessor shall share the lease preparation costs equally

19 **GST**

GST will be additional to any agreed Rental amount herein stated and will be payable by the Lessee.

20 **Security Bond and Deposit for Agreement to Lease**

As per special conditions 1. and 2.

21 **The Guarantor/s**

Trevor Holman of 35 Fourth Avenue Moana SA

Important Notice

Retail and Commercial Leases Act 1995: Section 18

Retail and Commercial Leases Regulations 2010: Regulation 6

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.

EXECUTED as a Deed

LESSEE

DATE

***where executed by a Corporation as the Lessor and or Lessee each execute pursuant to s127 of Corporations Act and if a sole director state so, if not sole director then by 2 directors or a director and secretary as required and a director warrants good authority to sign*

LESSOR

DATE

ACKNOWLEDGEMENTS

The Lessee acknowledges receipt of the following prior to execution

- Formal lease form
- Disclosure Statement
- Other _____

PRIVACY ISSUES

The Agent may use personal information collected from this agreement to perform its obligations for the Lessor and Lessee and it is agreed the Agent may disclose this information for general purposes to legal advisers, settlement agents, conveyancers, financial institutions, insurers, valuers and the agents of banks and financiers who may provide finance or insurance, their agents, or any other persons and for all purposes for any valuation databases. The Agent will only disclose information to other parties as required to perform their duties under this agreement, for the purposes specified above or as otherwise allowed under the *Privacy Act 1988*. If you would like to access this information you can do so by contacting the Agent at the address and contact numbers in this agreement. You can correct any information if it is inaccurate, incomplete or out-of-date. Real estate and tax law requires some of this information to be collected.



AGREEMENT TO LEASE

GENERAL ANNEXURE

General Annexure Item 1

1. One Month's Rental (including GST) paid upon signing of this agreement to Raine & Horne Commercial SA Trust Account (\$1,787.50 incl GST).
2. The lessee is to provide a 4 week bond to be lodged with OCBA (\$1,495.89) prior to occupation of the property by the lessee.

General Annexure Item 2

LOT 5 PRIMARY COMMUNITY PLAN 27721 IN THE AREA NAMED SEAFORD CERTIFICATE OF TITLE REGISTER BOOK VOLUME AND FOLIO 6109/153 HUNDRED OF WILLUNGA DESCRIBED AS UNIT 5, 16 FARROW CIRCUIT SEAFORD 5169
