

# Contract for Commercial Lots in a Community Titles Scheme

Seventh Edition

*This document has been approved by The Real Estate Institute of Queensland Limited and the Queensland Law Society Incorporated as being suitable for the sale and purchase of Commercial Lots in a Community Titles Scheme in Queensland.*

**The Seller and Buyer agree to sell and buy the Property under this Contract.**

## REFERENCE SCHEDULE

Contract Date: 11/10/2019

### AGENT

NAME:

Airey Industrial

LICENCE NO: 3110193

ABN/ACN: 79626051496

ADDRESS: PO Box 684

SUBURB: NERANG

STATE: QLD POSTCODE: 4211

PHONE:

0411 855 975

MOBILE:

0411855975

FAX:

EMAIL:

shane@aireyindustrial.com.au

### PARTIES

#### SELLER

NAME:

C & M Hassel Group Pty Ltd A.C.N 159 130 864

ADDRESS: 1612  
1616 Richmond Court

SUBURB: Hope Island

STATE: QLD POSTCODE: 4212

PHONE:

MOBILE:

0402 346 440

FAX:

EMAIL:

chris@hasl.com.au

ABN:

NAME:

ADDRESS:

SUBURB:

STATE: POSTCODE:

PHONE:

MOBILE:

FAX:

EMAIL:

ABN:

#### SELLER'S SOLICITOR

← or any other Solicitor notified to the Buyer

NAME:

Bostock & Frazer Lawyers

REF:

CONTACT:

Helen

ADDRESS: PO Box 10476

SUBURB: Southport BC

STATE: QLD POSTCODE: 4215

PHONE:

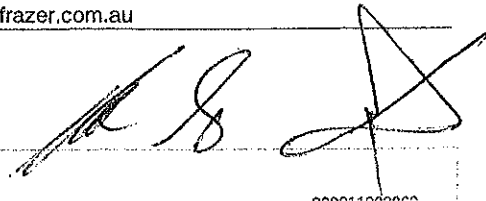
07 5528 6840

MOBILE:

FAX:

EMAIL:

info@bostockfrazer.com.au



**BUYER**

NAME:

CATA Investments Pty Ltd as trustee for CATA Investments

ADDRESS: PO Box 664

SUBURB: Labrador

STATE: QLD

POSTCODE: 4215

PHONE:

07 5571 6764

MOBILE:

0424 623743

FAX:

EMAIL:

info@catagroup.com.au

ABN:

38425045622

NAME:

ADDRESS:

SUBURB:

STATE:

POSTCODE:

PHONE:

MOBILE:

FAX:

EMAIL:

ABN:

**BUYER'S SOLICITOR**

← or any other Solicitor notified to the Seller

NAME:

Mortimore &amp; Associates

REF:

CONTACT:

Liz Brady

ADDRESS: PO Box 5102

SUBURB: Gold Coast Mail Centre

STATE: QLD

POSTCODE: 9726

PHONE:

(07) 5510 3337

MOBILE:

FAX:

(07) 5510 3338

EMAIL:

liz@mortimore.com.au

**PROPERTY**

Lot Address: Unit 5, 13 Expansion Street

Suburb: Molendinar

STATE: QLD

POSTCODE: 4214

Description: Lot: 5

on: ☐ BUP ☐ GTP ☒ SP 152892

Scheme: Wanderers Court

Community Titles Scheme: 30879

Title Reference: 50417685

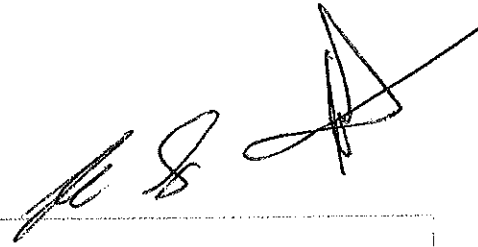
Local Government: Gold Coast

Present Use:

Warehouse

Excluded Fixtures: Cold Room (property of the tenant)

Included Chattels:



**PRICE**

**Purchase Price:** \$ 242,000.00 as a going concern  
(Two hundred and forty two thousand dollars)

**Deposit:** \$ 5,000.00 Initial Deposit payable on the day the Buyer signs this contract unless another time is specified below:

\$ \_\_\_\_\_ Balance Deposit (if any) payable on: \_\_\_\_\_

**Deposit Holder:** Airey Industrial

Deposit Holder's Trust Account BANK: Westpac

BSB: 034239

ACCOUNT NO: 242656

**Default Interest Rate:** \_\_\_\_\_ % *← If no figure is inserted, the Contract Rate applying at the Contract Date published by the Queensland Law Society Inc. will apply.*

**FINANCE**

**Finance Amount:** \$ \_\_\_\_\_ *← Unless all of "Finance Amount", "Financier" and "Finance Date" are completed, this contract is not subject to finance and clause 3 does not apply.*

**Financier:** \_\_\_\_\_ **Finance Date:** \_\_\_\_\_

**BUILDING AND/OR PEST INSPECTION DATE**

**Inspection Date:** \_\_\_\_\_ *← If "Inspection Date" is not completed, the contract is not subject to an inspection report and clause 4 does not apply.*

**MATTERS AFFECTING PROPERTY****Title Encumbrances:**

Is the Property sold subject to any Encumbrances? ☐ No ☒ Yes, listed below:

Subject to Encumbrances (if any) as notified on SP152892

**← WARNING TO SELLER:**

You are required to disclose all Title Encumbrances which will remain after settlement (for example, easements on your title and statutory easements for sewerage and drainage which may not appear on a title search). Failure to disclose these may entitle the Buyer to terminate the contract or to compensation. It is NOT sufficient to state "refer to title", "search will reveal", or similar.

**ADDITIONAL BODY CORPORATE INFORMATION**

Interest Schedule Lot Entitlement of Lot: 5

Aggregate Interest Schedule Lot Entitlement: 61

Contribution Schedule Lot Entitlement of Lot: 100

Aggregate Contribution Schedule Lot Entitlement: 904

**INSURANCE POLICIES**

**Insurer:** CHU **Policy No:** CS0004083

**Building:** \$1,716,589

**Public Liability:** \$20,000,000

**Other:** Office bearers: \$1,000,000

The Seller gives notice to the Buyer in accordance with section 83 of the *Neighbourhood Disputes (Dividing Fences and Trees) Act 2011* that the Lot: (select whichever is applicable)

**←WARNING:** Failure to comply with section 83 Neighbourhood Disputes (Dividing Fences and Trees) Act 2011 by giving a copy of an order or application to the Buyer (where applicable) prior to the Buyer signing the contract will entitle the Buyer to terminate the contract prior to Settlement.

- ☒ is not affected by any application to, or an order made by, the Queensland Civil and Administrative Tribunal (QCAT) in relation to a tree on the Land or
- ☐ is affected by an application to, or an order made by, QCAT in relation to a tree on the Land, a copy of which has been given to the Buyer prior to the Buyer signing the contract.

**GOODS AND SERVICES TAX - WARNING**

**Marking the GST Items in the GST Table may have significant consequences for the Seller and Buyer. The Seller and Buyer should seek professional advice about the completion of the GST Items and not rely on the Agent to complete the GST items.**

A. Only 1 box in the selected item must be marked.

- B. If the Yes box in item GST 1 is marked:
- items GST2 and GST3 must not be marked;
  - despite any markings of items GST2 and GST3, clauses 11.4, 11.5 and 11.6 do not apply.
- C. If the Yes box in item GST2 is marked:
- item GST1 and GST3 must not be marked;
  - despite any marking of items GST1 and GST3, clauses 11.4, 11.5 and 11.7 do not apply.

**WARNING:** There are strict requirements for the sale of a Going Concern under the GST Act. If in doubt about complying with those provisions, seek professional advice before marking this item.

Yes ☒

If Yes, clause 11.7 (If the Supply is a Going Concern) applies.

Otherwise clause 11.7 (If the Supply is a Going Concern) does not apply.

If the Yes box is marked, do not complete items GST2 and GST3.

**Is the Margin Scheme to apply to the sale of the Property?**

Yes ☐

If Yes, clause 11.6 (Margin Scheme) applies.

Otherwise clause 11.6 (Margin Scheme) does not apply.

The Seller must not apply the Margin Scheme to the Supply of the Property if clause 11.6 does not apply.

If the Yes box is marked, do not complete items GST1 and GST3.

(Do not complete item GST3 if the item GST1 (Going Concern) or item GST2 (Margin Scheme) are marked Yes.)

Does the Purchase Price include GST? **Mark 1 box only**

Yes ☐ If Yes, clause 11.4 (Purchase Price Includes GST) applies.

No ☐ If No, clause 11.5 (Purchase Price Does Not Include GST) applies.

If neither box is marked or both boxes are marked, clause 11.4 (Purchase Price Includes GST) applies.

## Buyer Warranty

Is the Buyer registered for GST and acquiring the Lot for a creditable purpose?  
(select whichever is applicable)

- ☐ Yes
- ☐ No

[Note: If the Buyer selects [No] the Seller may be required to give a notice under section 14-255 of the Withholding Law prior to settlement.]

← **WARNING:** the Buyer warrants in clause 2.4 (6) that this information is true and correct.

INITIALS (Note: initials not required if signed with Electronic Signature)

000011003062

## COMMERCIAL TENANCY SCHEDULE\*

\*Attach further Schedule if insufficient space.

### LEASE 1

Name of Tenant: McCarthy Family Trust

Use: \_\_\_\_\_ Location/Tenancy No: \_\_\_\_\_

Area of Tenancy (m<sup>2</sup>approx): 101m2 Current Rent per Annum: \$ 17,018.40 pa

☒ inclusive of outgoings ☐ exclusive of outgoings

Current Commencement Date: 15 April 2017 Current Term: 3 years (expiring 14 April 2020)

Remaining Option/s: Option 1 Term: 3 years  
Option 2 Term: \_\_\_\_\_ years  
Option 3 Term: \_\_\_\_\_ years

Tenant Car Park: No: \_\_\_\_\_ Rate \$ \_\_\_\_\_ per ☐ annum ☐ month

### LEASE 2

Name of Tenant: \_\_\_\_\_

Use: \_\_\_\_\_ Location/Tenancy No: \_\_\_\_\_

Area of Tenancy (m<sup>2</sup>approx): \_\_\_\_\_ Current Rent per Annum: \_\_\_\_\_

☐ inclusive of outgoings ☐ exclusive of outgoings

Current Commencement Date: \_\_\_\_\_ Current Term: \_\_\_\_\_

Remaining Option/s: Option 1 Term: \_\_\_\_\_ years:  
Option 2 Term: \_\_\_\_\_ years:  
Option 3 Term: \_\_\_\_\_ years:

Tenant Car Park: No: \_\_\_\_\_ Rate \$ \_\_\_\_\_ per ☐ annum ☐ month

## SERVICE AGREEMENT SCHEDULE\*

\* Attach further Schedule if insufficient space.

### CONTRACT 1

Contractor: \_\_\_\_\_

Service performed: \_\_\_\_\_

Cost: \$ \_\_\_\_\_ per ☐ annum ☐ quarter ☐ month

### CONTRACT 2

Contractor: \_\_\_\_\_

Service performed: \_\_\_\_\_

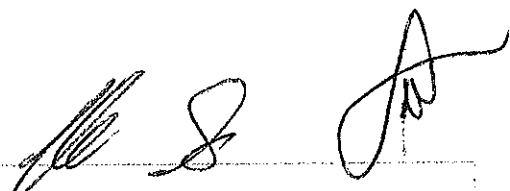
Cost: \$ \_\_\_\_\_ per ☐ annum ☐ quarter ☐ month

### CONTRACT 3

Contractor: \_\_\_\_\_

Service performed: \_\_\_\_\_

Cost: \$ \_\_\_\_\_ per ☐ annum ☐ quarter ☐ month



## **SELLER'S DISCLOSURE**

**WARNING:** The Seller is taken to have knowledge of significant Body Corporate matters that may affect the Buyer, where the Seller ought reasonably to be aware of those matters.

[Section 223(4) *Body Corporate and Community Management Act 1997*]

The Seller gives notice to the Buyer of the following matters:

### **(a) LATENT OR PATENT DEFECTS IN COMMON PROPERTY OR BODY CORPORATE ASSETS**

[Sections 223(2)(a) and 223(2)(b) *Body Corporate and Community Management Act 1997*] Annex details of disclosure made by the Seller (if any).

### **(b) ACTUAL CONTINGENT OR EXPECTED LIABILITIES OF BODY CORPORATE**

[Sections 223(2)(c) and 223(2)(d) *Body Corporate and Community Management Act 1997*]. Annex details of disclosure made by the Seller (if any).

### **(c) CIRCUMSTANCES IN RELATION TO AFFAIRS OF THE BODY CORPORATE**

[Sections 223(3) *Body Corporate and Community Management Act 1997*]. Annex details of disclosure made by the Seller

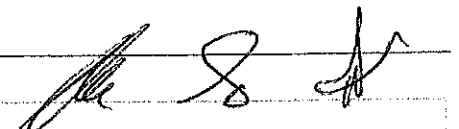
### **(d) EXCEPTIONS TO STATEMENTS IN CLAUSE 7.4(2)**

Annex details of disclosure made by the Seller (if any).

### **(e) PROPOSED BODY CORPORATE RESOLUTIONS (CLAUSE 8.4)**

Annex details of disclosure made by the Seller (if any).

**INITIALS** (Note: initials not required if signed with Electronic Signature)

Handwritten initials and signatures in the bottom right corner of the page.

**The REIQ Terms of Contract for Commercial Lots in a Community Titles Scheme (Pages 8-20)  
Seventh Edition Contain the Terms of this Contract**

**SPECIAL CONDITIONS**

1. Buyer acknowledges and hereby declares that no promise, representation, guarantee or undertaking has been given by the Agent in respect of the suitability of the property for any particular use.
2. A current Title Search, SP152892 and Tenancy Agreement are attached hereto.
3. This contract may be entered into and becomes binding on the parties named in this contract upon one party signing the original, photocopy, email or facsimile copy of the contract which has been signed by the other party and then transmitting a facsimile or email copy thereof to the other party or to the other party's agent or solicitor.
4. The Buyer acknowledges that prior to executing this Contract it received from the Seller's Agent (or from the Seller, as the case may be) the Section 206 Disclosure Statement. A copy of the Disclosure Statement has been attached hereto.

**SETTLEMENT**

**Settlement Date:** Thirty (30) days from the contract date

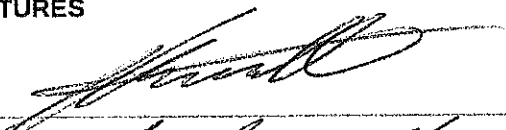
*Or the next Business Day if that is not a Business Day in the Place for Settlement.*

**Place for Settlement:** Gold Coast

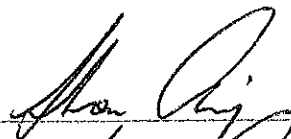
*If Brisbane is inserted, this is a reference to Brisbane CBD.*

**SIGNATURES**

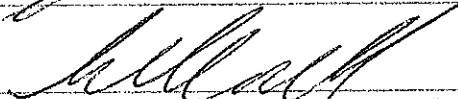
**Seller:**



**Witness:**



**Seller:**



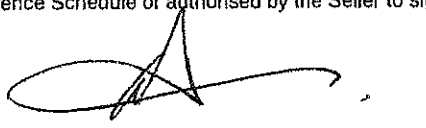
**Witness:**



By placing my signature above I warrant that I am the Seller named in the Reference Schedule or authorised by the Seller to sign.

(Note: No witness is required if the Seller signs using an Electronic Signature)

**Buyer:**



**Colin John Aubrighton**  
**Director**

**Witness:**

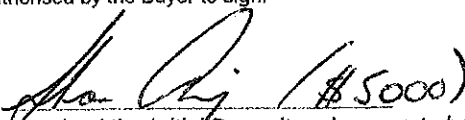


**Buyer:**

By placing my signature above, I warrant that I am the Buyer named in the Reference Schedule or authorised by the Buyer to sign.

(Note: No witness is required if the Buyer signs using an Electronic Signature)

**Deposit Holder:**



**\$5000**

Who acknowledges having received the Initial Deposit and agrees to hold that amount and any Balance Deposit when received as Deposit Holder for the parties as provided in the Contract.

**INITIALS** (Note: initials not required if signed with Electronic Signature)

000011007055

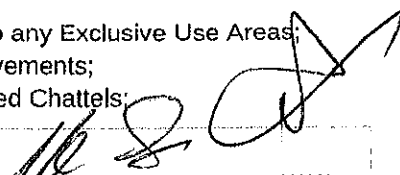
## TERMS OF CONTRACT

### For Commercial Lots in a Community Titles Scheme

#### 1. DEFINITIONS

##### 1.1 In this Contract:

- (1) terms in **bold** in the Reference Schedule and the Disclosure Statement have the meanings shown opposite them unless the context requires otherwise; and
  - (a) **"ATO"** means the Australian Taxation Office;
  - (b) **"ATO Clearance Certificate"** means a certificate issued under section 14-220(1) of the Withholding Law which is current on the date it is given to the Buyer;
  - (c) **"Balance Purchase Price"** means the Purchase Price, less the Deposit paid by the Buyer, adjusted under clause 2.5;
  - (d) **"Bank"** means an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth);
  - (e) **"Body Corporate"** means the body corporate of the Scheme;
  - (f) **"Body Corporate Debt"** has the meaning in the Regulation Module but excludes the Body Corporate Levies for the period which includes the Settlement Date;
  - (g) **"Body Corporate Levies"** means regular periodic contributions levied on the owner of the Lot (including, if applicable, levied under an exclusive use by-law) excluding any Special Contribution;
  - (h) **"Bond"** includes any security for payment of Rent or other monies or performance of any obligation pursuant to any Lease;
  - (i) **"Building"** means any building that forms part of the Lot or in which the Lot is situated;
  - (j) **"Business Day"** means a day other than:
    - (i) a Saturday or Sunday;
    - (ii) a public holiday in the Place for Settlement; and
    - (iii) a day in the period 27 to 31 December (inclusive);
  - (k) **"CGT Withholding Amount"** means the amount determined under section 14-200(3)(a) of the Withholding Law or, if a copy is provided to the Buyer prior to settlement, a lesser amount specified in a variation notice under section 14-235.
  - (l) **"Commercial Tenancies"** means the tenancies referred to in the Commercial Tenancies Schedule and any additional tenancies granted by the Seller with the Buyer's consent under clause 10.6(1)(a);
  - (m) **"Commercial Tenancy Documents"** means all agreements, deeds of covenant and other documents relating to the Commercial Tenancies;
  - (n) **"Contractor Date"** or **"Date of Contract"** means the date inserted in the Reference Schedule.
  - (o) **"Contractor"** means any party performing services under a Service Agreement;
  - (p) **"Court"** includes any tribunal established under statute;
  - (q) **"Disclosure Statement"** means the statement under section 206 (existing lot) or section 213 (proposed lot) of the *Body Corporate and Community Management Act 1997*;
  - (r) **"Electronic Signature"** means an electronic method of signing that identifies the person and indicates their intention to sign the contract;
  - (s) **"Encumbrances"** includes:
    - (i) unregistered encumbrances
    - (ii) statutory encumbrances; and
    - (iii) Security Interests.
  - (t) **"Essential Term"** includes, in the case of breach by:
    - (i) the Buyer: clauses 2.1, 2.4(1), 2.4(5), 5.1 and 6.1; and
    - (ii) the Seller: clauses 2.4(5), 5.1, 5.3(1)(a) - (d), 5.3(1)(e)(ii) & (iii), 5.7 and 6.1;
 but nothing in this definition precludes a Court from finding other terms to be essential;
  - (u) **"Exclusive Use Areas"** means parts of the common property for the Scheme allocated to the Lot under an exclusive use by-law;
  - (v) **"Financial Institution"** means a Bank, building society or credit union;
  - (w) **"GST"** means the goods and services tax under the *GST Act*;
  - (x) **"GST Act"** means *A New Tax System (Goods and Services Tax) Act* and includes other GST related legislation;
  - (y) **"GST Withholding Amount"** means the amount (if any) determined under section 14-250 of the Withholding Law required to be paid to the Commissioner of Taxation;
  - (z) **"Improvements"** means fixed structures in the Lot (such as stoves, hot water systems, fixed carpets, curtains, blinds and their fittings, clothes lines, fixed satellite dishes and television antennae, in-ground plants) but does not include the Reserved Items;
  - (aa) **"ITAA"** means the *Income Tax Assessment Act 1936* ("**1936 Act**") and the *Income Tax Assessment Act 1997* ("**1997 Act**"), or if a specific provision is referred to, the Act which contains the provision; however if a specific provision of the 1936 Act is referred to which has been replaced by a provision of the 1997 Act, the reference must be taken to be to the replacement provision;
  - (bb) **"Keys"** means keys, codes or devices in the Seller's possession or control for all locks or security systems on the Property or necessary to access the Property;
  - (cc) **"Land"** means the scheme land for the Scheme;
  - (dd) **"Outgoings"** means:
    - (i) rates or charges on the Lot by any competent authority (for example, council rates, water rates, fire service levies);
    - (ii) land tax; and
    - (iii) Body Corporate Levies;
  - (ee) **"PPSR"** means the Personal Property Securities Register established under the *Personal Property Securities Act 2009* (Cth);
  - (ff) **"Property"** means:
    - (i) the Lot;
    - (ii) the right to any Exclusive Use Areas;
    - (iii) the Improvements;
    - (iv) the Included Chattels;





- (gg) "**Regulation Module**" means the regulation module for the Scheme;
- (hh) "**Rent**" means any periodic amount, including outgoings, payable under the Tenancies;
- (ii) "**Reserved Items**" means the Excluded Fixtures and all chattels in the Lot and Exclusive Use Areas other than the Included Chattels;
- (jj) "**Scheme**" means the community titles scheme containing the Lot;
- (kk) "**Security Interests**" means all security interests registered on the PPSR over Included Chattels and Improvements;
- (ll) "**Service Agreement**" means any agreement between the Seller and another party in connection with services performed for the benefit of the Property and set out in the Service Agreement Schedule;
- (mm) "**Service Agreement Documents**" means the Service Agreements and all other documents relating to the Service Agreements;
- (nn) "**Site Value**" means:
  - (i) in the case of non-rural land, site value under the *Land Valuation Act 2010*; or
  - (ii) in the case of rural land, the unimproved value of the land under the *Land Valuation Act 2010*;
- (oo) "**Special Contribution**" means an amount: levied by the Body Corporate under the Regulation Module for a liability for which no provision or inadequate provision has been made in the budget of the Body Corporate;
- (pp) "**Tenant**" means a Tenant under the Commercial Tenancies;
- (qq) "**Transfer Documents**" means:
  - (i) the form of transfer under the *Land Title Act 1994* required to transfer title in the Lot to the Buyer; and
  - (ii) any other document to be signed by the Seller necessary for stamping or registering the transfer;
- (rr) "**Transport Infrastructure**" has the meaning defined in the *Transport Infrastructure Act 1994*; and
- (ss) "**Withholding Law**" means Schedule 1 to the *Taxation Administration Act 1953* (Cth).

**1.2** Words and phrases defined in the *Body Corporate and Community Management Act 1997* have the same meaning in this contract unless the context indicates otherwise.

## **2. PURCHASE PRICE**

### **2.1 Deposit**

- (1) The Buyer must pay the Deposit to the Deposit Holder at the times shown in the Reference Schedule. The Deposit Holder will hold the Deposit until a party becomes entitled to it.
- (2) The Buyer will be in default if it:
  - (a) does not pay the Deposit when required;
  - (b) pays the Deposit by post-dated cheque; or
  - (c) pays the Deposit by cheque which is dishonored on presentation.
- (3) The Seller may recover from the Buyer as a liquidated debt any part of the Deposit which is not paid when required.

### **2.2 Investment of Deposit**

- (1) If:
  - (a) the Deposit Holder is instructed by either the Seller or the Buyer; and
  - (b) it is lawful to do so;
 the Deposit Holder must:
  - (c) invest as much of the Deposit as has been paid with any Financial Institution in an interest-bearing account in the names of the parties; and
  - (d) provide the parties' tax file numbers to the Financial Institution (if they have been supplied).
- (2) If there is income from the investment of the Deposit in respect of any financial year to which no beneficiary is presently entitled for the purpose of Division 6 of Part III of ITAA as at 30 June of that financial year:
  - (a) the parties must pay to the Deposit Holder the tax assessed to it in respect of that income (other than tax in the nature of a penalty for late lodgement ("**Penalty**") which the Deposit Holder must bear itself) and all expenses of the Deposit Holder in connection with the preparation and lodgement of the tax return, payment of the tax, and furnishing to the parties the information and copy documents they reasonably require;
  - (b) if the tax (other than Penalty) and the Deposit Holder's expenses are not paid to the Deposit Holder on demand, it may deduct them from the Deposit and income;
  - (c) if tax is not assessed on the income when the Deposit and income are due to be paid to the party entitled, the Deposit Holder may deduct and retain its estimate of the assessment; and
  - (d) as between the parties, the tax must be paid by the party receiving the income on which the tax is assessed, and the Deposit Holder's expenses.

### **2.3 Entitlement to Deposit and Interest**

- (1) The party entitled to receive the Deposit is:
  - (a) if this contract settles, the Seller;
  - (b) if this contract is terminated without default by the Buyer, the Buyer; and
  - (c) if this Contract is terminated owing to the Buyer's default, the Seller.
- (2) The interest on the Deposit must be paid to the person who is entitled to the Deposit.
- (3) If this contract is terminated, the Buyer has no further claim once it receives the Deposit and interest unless the termination is due to the Seller's default or breach of warranty.
- (4) The Deposit is invested at the risk of the party who is ultimately entitled to it.

### **2.4 Payment of Balance Purchase Price**

- (1) On the Settlement Date, the Buyer must pay the Balance Purchase Price by Bank cheque as the Seller or the Seller's Solicitor directs.
- (2) Despite any other provision of this contract, reference to a "Bank cheque" in clause 2.4:
  - (a) includes a cheque drawn by a building society or credit union on itself;
  - (b) does not include a cheque drawn by a building society or credit union on a Bank;
 and the Seller is not obliged to accept a cheque referred to in clause 2.4(2)(b) on the Settlement Date.

- (3) If both of the following apply:
- (a) the sale is not an excluded transaction under section 14-215 of the Withholding Law; and
  - (b) the Seller has not given the Buyer on or before settlement for each person comprising the Seller either:
    - (i) an ATO Clearance Certificate; or
    - (ii) a variation notice under section 14-235 of the Withholding Law which remains current at the Settlement Date varying the CGT Withholding Amount to nil,

then:

- (c) for clause 2.4(1), the Seller irrevocably directs the Buyer to draw a bank cheque for the CGT Withholding Amount in favour of the Commissioner of Taxation or, if the Buyer's Solicitor requests, the Buyer's Solicitor's Trust Account;
  - (d) the Buyer must lodge a *Foreign Resident Capital Gains Withholding Purchaser Notification Form* with the ATO for each person comprising the Buyer and give copies to the Seller with the payment reference numbers (PRN) on or before settlement;
  - (e) the Seller must return the bank cheque in paragraph (c) to the Buyer's Solicitor (or if there is no Buyer's Solicitor, the Buyer) at settlement; and
  - (f) the Buyer must pay the CGT Withholding Amount to the ATO in accordance with section 14-200 of the Withholding Law and give the Seller evidence that it has done so within 2 Business Days of settlement occurring.
- (4) For clause 2.4(3) and section 14-215 of the Withholding Law, the market value of the CGT asset is taken to be the Purchase Price less any GST included in the Purchase Price for which the Buyer is entitled to an input tax credit unless:
- (a) the Property includes items in addition to the Lot and Improvements; and
  - (b) no later than 2 Business Days prior to the Settlement Date, the Seller gives the Buyer a valuation of the Lot and Improvements prepared by a registered valuer,
- in which case the market value of the Lot and Improvements will be as stated in the valuation.
- (5) If the Buyer is required to pay the GST Withholding Amount to the Commission of Taxation at settlement pursuant to section 14-250 of the Withholding Law:
- (a) the Seller must give the Buyer a notice in accordance with section 14-255(1) of the Withholding Law;
  - (b) prior to settlement the Buyer must lodge with the ATO:
    - (i) a *GST Property Settlement Withholding Notification form* ("Form 1"); and
    - (ii) a *GST Property Settlement Date Confirmation form* ("Form 2");
  - (c) on or before settlement, the Buyer must give the Seller copies of:
    - (i) the Form 1;
    - (ii) confirmation from the ATO that the Form 1 has been lodged specifying the Buyer's lodgement reference number and payment reference number;
    - (iii) confirmation from the ATO that the Form 2 has been lodged; and

(iv) a completed ATO payment slip for the Withholding Amount.

- (d) the Seller irrevocably directs the Buyer to draw a bank cheque for the GST Withholding Amount in favour of the Commissioner of Taxation and deliver it to the Seller at settlement; and
- (e) the Seller must pay the GST Withholding Amount to the ATO in compliance with section 14-250 of the Withholding Law promptly after settlement.

- (6) The Buyer warrants that the statements made by the Buyer in the Reference Schedule under GST Withholding Obligations are true and correct.

## 2.5 Adjustments to Balance Purchase Price

- (1) The Seller is liable for Outgoings and is entitled to Rent up to and including the Settlement Date. The Buyer is liable for Outgoings and is entitled to Rent after the Settlement Date.
- (2) Subject to clauses 2.5(3), 2.5(4), 2.5(5), 2.5(6), 2.5(7), 2.5(15) and 2.5(18), Outgoings for periods including the Settlement Date must be adjusted:
  - (a) for those paid, on the amount paid;
  - (b) for those assessed but unpaid, on the amount payable (excluding any discount); and
  - (c) for those not assessed:
    - (i) on the amount the relevant authority or the Body Corporate advises will be assessed (excluding any discount); or
    - (ii) if no advice on the assessment to be made is available, on the amount of the latest assessment (excluding any discount).
- (3) If there is no separate assessment of rates for the Lot at the Settlement Date and the Local Government informs the Buyer that it will not apportion rates between the Buyer and the Seller, then:
  - (a) the amount of rates to be adjusted is that proportion of the assessment equal to the ratio of the interest schedule lot entitlement of the Lot to the aggregate interest schedule lot entitlement of the Scheme; and
  - (b) if an assessment of rates includes charges imposed on a "per lot" basis, then the portion of those charges to be adjusted is the amount assessed divided by the number of lots in that assessment.
- (4) Land tax must be adjusted:
  - (a) on the assessment that the Office of State Revenue would issue for the land tax year current at the Settlement Date if the Seller was one natural person resident in Queensland and the Lot was the Seller's only land; or
  - (b) based on the assumptions in clause 2.5(4)(a), if there is no separate Site Value for the Lot, on a notional Site Value equal to:

Site Value of the Land	x	Interest schedule lot entitlement of Lot
		Aggregate interest schedule lot entitlement

- (5) If land tax is unpaid at the Settlement Date and the Office of State Revenue advises that it will issue a final clearance for the Lot on payment of a specified amount, then the Buyer may deduct the specified amount from the Balance Purchase Price at settlement and must pay it promptly to the Office of State Revenue. If an amount is deducted under this