

DATED the 'day of 6th February
2017

LEASE OF REAL ESTATE

(with Guarantee & Indemnity)

(Commercial Property)

Between the Landlord:
Debham Superannuation Fund
ABN: 23 435 171 014

and the Tenant:
**G & D Wills Design & Construction
Pty Ltd ACN 006 338 325**

and the Guarantor:
Graham Arthur Wills

Graham Wills

LEASE OF REAL ESTATE
(WITH GUARANTEE & INDEMNITY)
(Commercial Property)

The **Landlord** leases-the **Premises** to the **Tenant** for the **Term** and at the **Rent** and on the conditions set out in the lease, together with all necessary access over any common areas.

The **Guarantor**, if any, agrees to be bound by the **Guarantor's** obligations set out in this lease.

EXECUTED AS A DEED ON

DATE: 06/02/2017

Graham Webb

2. TENANT'S OBLIGATIONS *

[* Please refer to the " Important Notice To The Person Preparing This Lease " on the title page]

2.1 The Tenant must -

- 2.1.1 pay the **Rent** without any deductions to the **Landlord** on the days and in the way stated in **Item 9** without the need for a demand. The **Landlord** may direct in writing that the **Rent** be paid to another person. The **Rent** is reviewed on each review date specified in **Item 16** -
- (a) on a market review date, the **Rent** is reviewed in accordance with clause 11,
 - (b) on a CPI review date, the **Rent** is reviewed in accordance with clause 18, and
 - (c) on a fixed review date, the **Rent** is either increased by the fixed percentage or changed by or to the fixed amount, in either case specified in **Item 16** in respect of that review date.
- 2.1.2 pay when due the outgoings listed in **Item 10** for which the **Tenant** receives notices directly, and reimburse within 7 days those which the **Landlord** requests; but:
- (a) land tax, if it is one of the outgoings, is to be calculated on a single holding basis of the **Premises**, unless the **Premises** are only part of the **Building** in which case land tax is to be calculated as if the **Land** were the single holding. However, if the **Act** applies, the **Tenant** is not liable to pay or reimburse land tax, and
 - (b) the **Tenant** is not obliged to pay special fees or charges for capital items levied by a body corporate.
- 2.1.3 produce receipts for paid outgoings within 7 days of a request.
- 2.1.4 pay when due all charges for the provision of services to the **Premises** including gas, electricity, water and telephone.
- 2.1.5 pay when due the expenses of operating, maintaining and repairing any heating, cooling or air conditioning equipment exclusively serving the **Premises** but excluding expenses of a capital nature.
- 2.1.6 comply with the **Landlord's** reasonable requirements in relation to the use of the **Landlord's Installations** or any services provided by the **Landlord**.
- 2.1.7 pay or reimburse within 7 days of a request the premiums and charges for the following insurance policies taken out by the **Landlord**:
- (a) damage to and destruction of the **Premises**, for their full replacement value, for the risks listed in **Item 11**,
 - (b) removal of debris,
 - (c) breakdown of **Landlord's Installations**,
 - (d) breakage of glass,
 - (e) public risk for any single event for the amount stated in **Item 12**, or if none is stated, for \$10 million, and
 - (f) loss of rent and outgoings for the period stated **Item 13**, or if none is stated, for 9 months.
- 2.1.8 pay when due the costs of removal of waste and sewage.
- 2.1.9 pay the appropriate apportionment of the outgoings listed in **Item 10** and the premiums referred to in clause 2.1.7 at the start and end of the **Term**, and in each of these cases the **Landlord** must produce the relevant assessments and invoices to support the calculation.
- 2.1.10 pay on demand interest at the rate stated in **Item 14** on any **Rent** or other money which the **Tenant** has not paid within 7 days of the due date. Interest is to be calculated daily from the due date and continues until the overdue money is paid.
- 2.1.11 pay on demand the **Landlord's** reasonable expenses of -
- (a) the negotiation, preparation, settling, execution and stamping of this lease.
 - (b) change, transfer, surrender or ending of this lease, except at the end of the **Term**, or where the change occurs at the **Landlord's** request.
 - (c) the subletting of the **Premises**.
 - (d) any breach of this lease by the **Tenant**.
 - (e) the exercise or attempted exercise by the **Landlord** of any right or remedy against the **Tenant**.
- but, if the **Act** applies, only to the extent to which the **Act** permits recovery.
- 2.1.12 pay any stamp duty on this lease, on any renewal, and any additional stamp duty after a review of **Rent**.
- 2.1.13 comply with all laws relating to the use or occupation of the **Premises**.

- 3.3.6 promptly give written notice to the **Landlord** or **Landlord's** agent of -
- (a) damage to the **Premises** or of any defect in the structure of or any of the services to the **Premises**,
 - (b) service by any authority of a notice or order affecting the **Premises**,
 - (c) any hazards threatening or affecting the **Premises**,
 - (d) any hazards arising from the **Premises** for which the **Landlord** might be liable.
- 3.3.7 immediately make good damage caused to adjacent property by the **Tenant** or the **Tenant's Agents**.
- 3.3.8 permit the **Landlord**, its agents or workmen to enter the **Premises** during the normal business hours, after giving reasonable notice except in cases of emergency -
- (a) to inspect the **Premises**,
 - (b) to carry out repairs or agreed alterations, and
 - (c) to do anything necessary to comply with notices or orders of any relevant authority,
- bringing any necessary materials and equipment.
- 3.3.9 carry out repairs within 14 days of being served with a written notice of any defect or lack of repair which the **Tenant** is obliged to make good under this lease. If the **Tenant** does not comply with the notice, the **Landlord** may carry out the repairs and the **Tenant** must repay the cost to the **Landlord** on demand.
- 3.3.10 unless the **Act** applies, only use persons approved by the **Landlord** to repair and maintain the **Premises**.
- 3.3.11 take all precautions required by law against fire, but not if this requires structural alterations or installation of equipment unless they are required by the nature of the **Tenant's** use of the **Premises**.
- 3.3.12 comply with all reasonable directions of the **Landlord** or the insurer of the **Premises** as to the prevention, detection and control of fire.
- 3.3.13 on vacating the **Premises**, remove all signs and make good any damage caused by installation or removal.
- 3.3.14 take reasonable precautions to secure the **Premises** and their contents from theft, keep all doors and windows locked when the **Premises** are not in use, and comply with the **Landlord's** directions for the use and return of keys or keycards.
- 3.3.15 permit the **Landlord** or its agent access to the **Premises** at reasonable times by appointment to show the **Premises** -
- (a) to prospective purchasers at any time during the **Term**, and
 - (b) to prospective tenants within 3 months before the end of the **Term**
- and to affix "for sale" or "to let" signs in a way that does not unduly interfere with the permitted use.
- 3.3.16 refund on demand all increases in insurance premiums paid by the **Landlord** as the result of the **Tenant's** use of the **Premises**.
- 3.3.17 carry on its business efficiently and, subject to any applicable laws, keep the **Premises** open during the business hours which are normal for the permitted use.
- 3.3.18 maintain any grounds and gardens of the **Premises** in good condition, tidy, free from weeds and well watered.
- 3.4 The **Tenant** is not obliged -
- 3.4.1 to repair damage against which the **Landlord** must insure under clause 6.2 unless the **Landlord** loses the benefit of the insurance because of acts or omissions by the **Tenant** or the **Tenant's Agents**.
- 3.4.2 to carry out structural repairs or make payments of a capital nature unless the need for them results from -
- (a) negligence by the **Tenant** or the **Tenant's Agents**, or
 - (b) failure by the **Tenant** to perform its obligations under this lease, or
 - (c) the **Tenant's** use of the **Premises**.

6. **LANDLORD'S OBLIGATIONS ***

[* Please refer to the " Important Notice To The Person Preparing This Lease " on the title page]

- 6.1 The **Landlord** must give the **Tenant** quiet possession of the **Premises** without any interruption by the **Landlord** or anyone connected with the **Landlord** as long as the **Tenant** does what it must under this lease.
- 6.2 The **Landlord** must take out policies of insurance against the risks listed in **Item 11** at the start of the **Term** and must keep them current as long as the **Tenant** pays or reimburses the premiums and charges for those covered by the **Tenant's** obligations in sub-clause 2.1.7.
- 6.3 The **Landlord** must give to the **Tenant** the written consent to this lease of all mortgagees or debenture holders whose interests would otherwise have priority over this lease.
- 6.4 The **Landlord** must keep the structure (including the external faces and roof) of the **Building** in a sound and watertight condition, but, subject to section 52 of the **Act** (if the **Act** applies), is not responsible for repairs which are the responsibility of the **Tenant** under clause 3.4.2.
- 6.5 If the **Act** applies, the **Landlord** must perform the obligations imposed on it by section 52 of the **Act**.

7. **EVENTS OF DEFAULT AND LANDLORD'S RIGHTS**

- 7.1 The **Landlord** may re-enter the **Premises** and end this lease if —
 - 7.1.1 the **Tenant** does not pay the **Rent** for 14 days after being given written notification that the **Rent** is due but unpaid (a common law demand is not necessary), or
 - 7.1.2 the **Tenant** does not meet its obligations under this lease, or
 - 7.1.3 the **Tenant** is a corporation and —
 - (a) an order is made or a resolution is passed to wind it up except for reconstruction or amalgamation, or
 - (b) goes into liquidation, or
 - (c) is placed under official management, or
 - (d) has a receiver, including a provisional receiver, or receiver and manager of any of its assets or an administrator appointed, or
 - (e) has an inspector appointed under the Australian Securities and Investments Commission Act, or
 - (f) without the **Landlord's** written consent, there is a different person in effective control of the **Tenant** as a result of changes in —
 - (i) membership of the company or its holding company;
 - (ii) beneficial ownership of the shares in the company or its holding company;
 - (iii) beneficial ownership of the business or assets of the company, but this paragraph does not apply if the **Tenant** is a public company listed on the Australian stock exchange, or a subsidiary of one.
 - 7.1.4 a warrant issued by a court to satisfy a judgement against the **Tenant** or a **Guarantor** is not satisfied within 30 days of being issued; or
 - 7.1.5 a **Guarantor** is a natural person and —
 - (a) becomes bankrupt, or
 - (b) takes or tries to take advantage of Part X of the Bankruptcy Act, or
 - (c) makes an assignment for the benefit of their creditors, or
 - (d) enters into a composition or arrangement with their creditors, or
 - (e) is unable to pay their debts when they fall due; or
 - 7.1.6 a **Guarantor** is a corporation and one of the events specified in (a) to (e) of clause 7.1.3 occurs in relation to it; or
 - 7.1.7 the **Tenant**, without the **Landlord's** written consent —
 - (a) discontinues its business on the **Premises**, or
 - (b) leaves the **Premises** unoccupied for 7 days.
- 7.2 Re-entry by the **Landlord** ends this lease, but the **Landlord** retains the right to sue the **Tenant** for unpaid money or for damages for breaches of its obligations under this lease.
- 7.3 For the purpose of section 146(1) of the Property Law Act 1958, 14 days is fixed as the period within which the **Tenant** must remedy a breach capable of remedy and make reasonable compensation in money.

- 10.2 If the **Tenant** vacates the **Premises** during the **Term**, whether or not it ceases to pay **Rent**:
- 10.2.1 the **Landlord** may -
- (a) accept the keys,
 - (b) enter the **Premises** to inspect, maintain or repair them, or
 - (c) show the **Premises** to prospective tenants or purchasers,
- without this being re-entry or waiver of the **Landlord's** rights to recover **Rent** or other money under this lease.
- 10.2.2 this lease continues until a new tenant takes possession of the **Premises**, unless the **Landlord** -
- (a) accepts a surrender of the lease, or
 - (b) notifies the **Tenant** in writing that the **Landlord** accepts the **Tenant's** repudiation of the lease, or
 - (c) ends the lease by re-entry.

11. RENT REVIEWS TO MARKET *

[* Please refer to the "Important Notice To The Person Preparing This Lease" on the title page]

11.1 In this clause "review period" means the period following each market review date listed in **Item 16** until the next review date or until the end of this lease.

The review procedure on each market review date is —

11.1.1 Each review of rent may be initiated by either party unless **Item 17** states otherwise but, if the **Act** applies, the review is compulsory.

11.1.2 A party may initiate a review by giving the other party a written notice stating the current market rent which it proposes as the **Rent** for the review period. Unless the **Act** applies, if the party receiving the notice does not object in writing to the proposed rent within 14 days, it becomes the **Rent** for the review period.

11.1.3 If -

- (a) the **Act** does not apply and the party receiving the notice serves an objection to the proposed rent within 14 days and the parties do not agree on the **Rent** within 14 days after the objection is served, or
- (b) the **Act** applies and the parties do not agree on what the **Rent** is to be for the review period

the parties must appoint a **Valuer** (if the **Act** applies, a specialist retail valuer) to determine the current market rent.

If the **Act** does not apply and if the parties do not agree within 28 days after the objection is served, on the name of the **Valuer**, the **Valuer** must be nominated by the senior office-bearer of the Australian Property Institute – Victorian Division, at the request of either party. If the **Act** applies, the specialist retail valuer is to be appointed by agreement of the parties, or failing agreement, by the Small Business Commissioner.

11.1.4 In determining the current market rent for the **Premises** the **Valuer** must -

- (a) consider any written submissions made by the parties within 21 days of their being informed of the **Valuer's** appointment, and
 - (b) determine the current market rent as an expert
- and, unless the **Act** applies -
- (c) assume that the **Premises** are available to be leased on the same conditions as those contained in this lease including any options for renewal, but with a tenant in possession,
 - (d) take into account the conditions of this lease including the permitted use,
 - (e) assume that the **Tenant** has met all its obligations under this lease,
 - (f) ignore the **Tenant's Installations** and all improvements made by the **Tenant** to the **Premises** without obligation to do so,
 - (g) ignore the goodwill of the **Tenant's** business, and
 - (h) take into account current market rents for comparable premises in the locality.

11.1.5 The **Valuer** must determine a current market rent at least equal to the **Rent** immediately before the review.

11.1.6 Sub-clause 11.1.5 does not apply if the **Act** applies.

11.1.7 The **Valuer** must make the determination of the current market rent and inform the parties in writing of the amount of the determination and the reasons for it as soon as possible after the end of the 21 days allowed for submissions by the parties.

15. OBLIGATIONS OF GUARANTOR(S) UNDER GUARANTEE AND INDEMNITY *

[* Please refer to the "Important Notice To The Person Preparing This Lease" on the title page]

- 15.1 The **Guarantor** in consideration of the **Landlord** having entered into this lease at the **Guarantor's** request —
- 15.1.1 guarantees that the **Tenant** will perform all its obligations under this lease for the **Term** and any renewed term or terms and during any period of overholding after the end of the **Term**, and
 - 15.1.2 must pay on demand any amount which the **Landlord** is entitled to recover from the **Tenant** under this lease, and
 - 15.1.3 indemnifies the **Landlord** against all loss resulting from the **Landlord's** having entered into this lease whether from the **Tenant's** failure to perform its obligations under it or from this lease being or becoming unenforceable against the **Tenant**.
- 15.2 The liability of the **Guarantor** will not be affected by —
- 15.2.1 the **Landlord** granting the **Tenant** or a **Guarantor** time or any other indulgence, or agreeing not to sue the **Tenant** or another **Guarantor**, or
 - 15.2.2 failure by any **Guarantor** to sign this document, or
 - 15.2.3 transfer (except in accordance with the **Act**, if the **Act** applies) or variation of this lease, but if this lease is transferred the **Guarantor's** obligations, other than those which have already arisen, end when the **Term** ends and do not continue into a term renewed by a new tenant nor a period of overholding.
 - 15.2.4 the fact that this lease cannot be registered at the Land Registry.
- 15.3 The **Guarantor** agrees that —
- 15.3.1 the **Landlord** may retain all money received including dividends from the **Tenant's** bankrupt estate, and need allow the **Guarantor** a reduction in its liability under this guarantee only to the extent of the amount received, and
 - 15.3.2 the **Guarantor** must not seek to recover money from the **Tenant** to reimburse the **Guarantor** for payments made to the **Landlord** until the **Landlord** has been paid in full, and
 - 15.3.3 the **Guarantor** must not prove in the bankruptcy or winding up of the **Tenant** for any amount which the **Landlord** has demanded from the **Guarantor**, and
 - 15.3.4 the **Guarantor** must pay the **Landlord** all money which the **Landlord** refunds to the **Tenant's** liquidator or trustee in bankruptcy as preferential payments received from the **Tenant**.
- 15.4 If any of the **Tenant's** obligations are unenforceable against the **Tenant**, then this clause is to operate as a separate indemnity and the **Guarantor** indemnifies the **Landlord** against all loss resulting from the **Landlord's** inability to enforce performance of those obligations. The **Guarantor** must pay the **Landlord** the amount of the loss resulting from the unenforceability.
- 15.5 If there is more than one **Guarantor**, this guarantee binds them jointly and each of them individually.

16. DISPUTE RESOLUTION

- 16.1 Unless the **Act** applies, if the words "The mediation procedure applies to this lease" are included in **Item 21**, the mediation procedure applies to this lease. In that event the parties must attempt to resolve any dispute by the mediation procedure, except disputes about:
- 16.1.1 unpaid **Rent** and interest charged on it,
 - 16.1.2 review of **Rent**,
 - 16.1.3 a dispute to be resolved in another way prescribed by any other provision of this lease.
- 16.2 The mediation procedure is -
- 16.2.1 a party may start mediation by serving a mediation notice on the other party.
 - 16.2.2 the notice must state that a dispute has arisen and identify what the dispute is.
 - 16.2.3 the parties must jointly request appointment of a mediator. If the parties fail to agree on the appointment within 7 days of service of the mediation notice, either party may apply to the President of the Law Institute of Victoria or the nominee of the President to appoint a mediator.
 - 16.2.4 once the mediator has accepted the appointment the parties must comply with the mediator's instructions.
 - 16.2.5 if the dispute is not resolved within 30 days of the appointment of the mediator, or any other period agreed by the parties in writing, the mediation ceases.
- 16.3 The mediator may fix the charges for the mediation which must be paid equally by the parties.
- 16.4 If the dispute is settled, all parties must sign the terms of agreement and these terms are binding on the parties.

19. ADDITIONAL PROVISIONS

Any additional provisions set out in Item 22 —

19.1 bind the parties, and

19.2 if inconsistent with any other provisions of this lease, override them.

20. IF PREMISES ONLY PART OF BUILDING

20.1 If the **Premises** are only a part of the **Building**, the provisions of this clause apply.

20.2 The **Landlord** —

20.2.1 may adopt whatever name it chooses for the **Building** and change the name from time to time, and

20.2.2 reserves all proprietary rights to the name of the **Building** and any logo adopted for the **Building**.

20.3 The **Landlord** reserves for itself the use of all external surfaces of the **Building** and areas outside the **Building**.

20.4 The **Building**, **Common Areas** and **Landlord's Installations** remain under the absolute control of the **Landlord** which may manage them and regulate their use as it considers appropriate. In particular the **Landlord** has the right -

20.4.1 to close off the **Common Areas** as often as the **Landlord** reasonably considers appropriate to prevent rights of way or user arising in favour of the public or third parties,

20.4.2 to exclude persons whose presence the **Landlord** considers undesirable,

20.4.3 to grant easements over any parts of the **Land** which do not materially and adversely affect the **Tenant's** use,

20.4.4 to install, repair and replace, as necessary, the pipes and conduits necessary or desirable for the provision of services to the various parts of the **Building**, and

20.4.5 to repair, renovate, alter or extend the **Building** but, in doing so, the **Landlord** must not cause more inconvenience to the **Tenant** than is reasonable in the circumstances.

If the **Act** applies, these rights may only be exercised in a manner and to the extent consistent with the **Act**.

20.5 The **Tenant** must not obstruct the **Common Areas** or use them for any purpose other than the purposes for which they were intended.

20.6 The **Tenant** must comply with the **Building Rules**. The **Landlord** may change the **Building Rules** from time to time and the **Tenant** will be bound by a change when it receives written notice of it. The **Landlord** must not adopt a **Building Rule** or change the **Building Rules** in a way that is inconsistent with this lease. To the extent that a **Building Rule** is inconsistent with this lease, the lease prevails.

20.7 In relation to **Building Outgoings**, the parties agree —

20.7.1 the **Landlord** must pay the **Building Outgoings** when they fall due for payment;

20.7.2 the **Tenant** must pay or reimburse the **Landlord** the proportion specified in Item 10,

20.7.3 at least one month before the start of an **Accounting Period**, the **Landlord** may (but if the **Act** applies, the **Landlord** must) give the **Tenant** an estimate of **Building Outgoings** for the **Accounting Period**,

20.7.4 the **Tenant** must pay its share of the estimated **Building Outgoings** by equal monthly instalments during the **Accounting Period** on the days on which **Rent** is payable,

20.7.5 if the **Act** applies, the **Landlord** must make a statement of **Building Outgoings** available during each **Accounting Period** as required by the **Act**,

20.7.6 within three months after the end of an **Accounting Period**, the **Landlord** must give the **Tenant** a statement of the actual **Building Outgoings** for the **Accounting Period** (if the **Act** applies and requires that the statement be certified, the statement must be certified as required by the **Act**), and

20.7.7 the **Tenant** must pay the amount short paid or the **Landlord** must repay the amount over paid for **Building Outgoings**, as the case may be, within one month after a statement is provided under clause 20.7.6 or within four months after the end of the **Accounting Period**, whichever is earlier.



SCHEDULE

- Item 1
[1.1] Landlord
Debham Super Fund
2 Myuna Crt Patterson Lakes 3196.
ABN: 23 435 171 014.
- Item 2
[1.1] Tenant
G & D Wills Design & Construction Pty Ltd (ACN 006 338 325)
of 2 Myuna Court, Patterson Lakes 3197
- Item 3
[1.1] Guarantor
Graham Arthur Wills
of 2 Myuna Court, Patterson Lakes 3197
- Item 4
[1.1] Premises
Lot 3, 263-271 Wells Road, Chelsea Heights 3196
- Land
Lot 3, 263-271 Wells Road, Chelsea Heights 3196
(being the land contained in Certificate of Title Volume 10952 Folio 340)
- Item 5
[1.1] Landlord's installations
Fixture and fittings as inspected
- Item 6
[1.1] Rent
\$23,415.20 per annum plus any GST
- Item 7
[1.1] Tenant's installations
- Item 8
[1.1] Term of the lease
One (1) year starting on 15th JANUARY, 2017 and ending on 14th JANUARY, 2018
- Item 9
[2.1.1] How rent is to be paid
Monthly in advance
- Item 10
[2.1.2] Outgoings which the Tenant must pay or reimburse
all municipal rates, levies and assessments, water rates and charges including water consumption charges, land tax calculated on a single holding basis unless the Retail Leases Act 2003 states otherwise, body corporate fees

- Item 15
[2.2.1] Permitted use
warehouse and office
- Item 16
[2.1.1, 11, 18] Review date(s)
On the renewal of this Lease the annual rent shall be determined in accordance with Clause 11 hereof
- Item 17
[2.1.1, 11, 18] Who may initiate reviews
The Landlord
- Item 18
[12] Further term(s)
One (1) further term of one (1) year
- Item 19
[12] Latest date for exercising option
On the day being three months prior to the expiration of this Lease
- Item 20
[13] Security deposit
\$ Nil
- Item 21
[16.2] The mediation procedure applies to
this lease
- Item 22
[19] Additional Provisions
Nil
- GST
- 22.1.1 Definitions
 "GST" means any consumption tax imposed by government, which operates during the term or any renewal or holding over period and includes (without limitation) a goods and services tax, a broad-based consumption or indirect tax and value added tax.
 "GST Law" includes any law introducing, related to or in furtherance of, a GST.
 "Input Tax Credit" in relation to a supply, means a credit under the GST Law for the GST payable by the recipient in respect of the supply.
 "Price" means the consideration for a taxable supply without any discount for GST.
 "Tax Invoice" in relation to a supply, means an invoice for the supply required by the GST Law to support a claim by the recipient for an Input Tax Credit for the GST on the supply.
- 22.1.2 Recipient to pay GST on taxable supply under Lease
 An amount payable by a party under the Lease, in respect of a supply by the other party which is a taxable supply under the GST Law, unless