

DISCLOSURE STATEMENT

by the landlord under the
Retail Leases Act 2003

Landlord:	LJSS Wellbeing Custodian Pty Ltd (ACN 636 161 272)
Tenant:	Smart Choic Enterprises Pty LTd. (ACN 102 461 334)
Premises	431 Whitehorse Road, Mitcham, Vic. 3132

NOTE

This statement is to be completed by the Landlord and should be provided to the Tenant along with the Information Brochure about retail leases published by the Small Business Commissioner and a copy of the lease at least 7 days before the signing of a new lease. The Information Brochure is also available at the Office of the Small Business Commissioner.

If the Tenant has exercised or is entitled to exercise an option to renew a retail premises lease, the Landlord is required to provide this statement to the Tenant at least 21 days before the end of the current term.

In the situation where all of the parties to a retail premises lease enter into an agreement to renew the lease, the Landlord is required to provide this statement to the Tenant at least 14 days after the entering into of the agreement.

The layout of this statement does not need to be the same as the prescribed disclosure statement in the Retail Leases Regulations 2003.

It is prudent for a Tenant to obtain independent legal and financial advice before entering into a retail premises lease.

The Tenant has remedies including termination of a lease under the **Retail Leases Act 2003** if information in this statement is misleading, false or materially incomplete.

Information contained in this statement is correct as at the date of this statement but may change after the date of this statement and during the term of the lease

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KEY DISCLOSURE ITEMS

1	Annual base rent under the lease (see Item 10.1)	\$78,000 per annual plus GST
2	Is a rent based on turnover payable by the tenant in year 1? (see item 12)	No
3	Total estimated outgoings and promotion and marketing costs for the tenant in year 1 (see Part 5 & Part 6)	\$ 6000 plus GST Estimated
4	Term of the lease (see item 5)	Two (2) years
5	Estimated commencement date of the lease (see item 5.1)	1 November 2019
6	Estimated handover date of the premises (see item 7.1)	1 November 2019
7	Does the tenant have an option to renew for a further period (exercised in writing and given to the landlord on or before the last day stated in the option clause)? (see item 6)	Yes
8	Does the lease provide the tenant with exclusivity in relation to the permitted use of the Premises Item 2.2)	No

PART 1 PREMISES

1 Premises details

1.1 Street address of premises

431 Whitehorse Rd, Mitcham

1.2 Plan of premises (if available)

NO

1.3 Lettable area of premises

720 m2 approx

Will a survey be conducted?

NO

1.4 Existing structures, fixtures, plant and equipment in the premises, provided by the landlord (excluding any works, fit out and refurbishment described in Part 3)

[Select as appropriate]

- | | |
|---|---|
| <input checked="" type="checkbox"/> air conditioning | <input checked="" type="checkbox"/> plastered walls |
| <input type="checkbox"/> cool room | <input type="checkbox"/> shop front |
| <input checked="" type="checkbox"/> floor coverage | <input checked="" type="checkbox"/> sink |
| <input type="checkbox"/> grease tap | <input type="checkbox"/> sprinklers |
| <input checked="" type="checkbox"/> hot water service | <input type="checkbox"/> suspended ceilings |
| <input checked="" type="checkbox"/> lighting | <input type="checkbox"/> telephone |
| <input type="checkbox"/> mechanical exhaust | <input checked="" type="checkbox"/> water supply |
| <input checked="" type="checkbox"/> painted walls | <input checked="" type="checkbox"/> waste |
| <input type="checkbox"/> electrical distribution load (3 phase) | |
| <input checked="" type="checkbox"/> electrical distribution load (single phase) | |
| <input type="checkbox"/> separate utility meter—gas | |
| <input checked="" type="checkbox"/> separate utility meter—water | |
| <input checked="" type="checkbox"/> separate utility meter—electricity | |
| <input type="checkbox"/> other | |
-

1.5 Services and facilities provided by the landlord for the benefit of the premises (for example, security services, cleaning)

Nil

2	Permitted use	
2.1	Description of permitted use	
	Medical Clinic	
2.2	Is the permitted use described in item 2.1 exclusive to the tenant?	No
3	Number of car parking spaces	
3.1	Approximate total spaces	8
3.2	Available spaces for customers of the building/centre	
3.3	Reserved spaces for use of the tenant only	
4	Head lease	
4.1	Is the premises under a head lease or Crown lease?	No

PART 2 TERM OF LEASE AND OPTION/S TO RENEW LEASE

5	Term of lease	Two (2) years
5.1	Date lease commences (see also date of handover at item 7)	1 November 2019
5.2	Length of term	2 years
5.3	Date lease expires (based on the date indicated at item 5.1 as the date the lease commences)	31 Oct. 2021
6	Option/s to renew lease	
6.1	Option/s details (note: an option to renew a lease must be exercised in writing and given to the landlord on or before the last day stated in the option clause of the lease)	
	<input checked="" type="checkbox"/> Options as follows:	
	Length of option	Period of option
	Two (2) year	1 / 11 / 2021 to 31 / 10 /2023
		Exercise date

PART 3 WORKS, FIT OUT AND REFURBISHMENT

7 Date of handover

- 7.1 Date of handover **1 November 2019**
(if different to the date the lease commences indicated at item 5.1)
-

8 Landlord's works

- 8.1 Description of works to be carried out by the landlord before the date the lease commences **Nil**
-

- 8.2 Estimate of expected contribution **\$ Nil**
by the tenant towards the cost of the
landlord's works
[see also outgoings (item 14) in relation to any maintenance and repair outgoings]
-

9 Tenant's fit out works

- 9.1 Fit out works to be carried out by the tenant
None known at the date of this Disclosure Statement
-
- 9.2 Is the landlord providing any contribution towards the cost of the tenant's fit out? **-No**
-
- 9.3 Does the landlord have requirements as to the quality and standard of shop front and fit out?
Yes - Any works to be carried out in accordance with any required Permits and to be in a good and workmanlike manner using first quality materials.
-

PART 4 RENT

10 Annual base rent

10.1 Starting annual base rent **\$78,000 plus GST**
(i.e. when the lease commences)

10.2 Rent free period **2 Months**

10.3 Date of rent commencement **1 Jan. 2020**

10.4 How rent payments are to be made?

Calendar monthly in advance on the 1st day of each month to the Landlord's nominated account by Direct Debit

11 Rent adjustment (rent review)

11.1 Rent adjustment date(s) and adjustment method

4.00 % increase on each anniversary of the Commencement Date including the first day of any Option term

12 Rent based on turnover

12.1 Is a rent based on turnover payable by the tenant? **No**

12.2 If a rent based on turnover is not required to be paid, does the landlord require the tenant to provide details of turnover? **No**

PART 5 OUTGOINGS

13 Contribution by tenant towards landlord's outgoings

13.1 Is the tenant required to pay or contribute towards the landlords outgoings? **Yes**

13.2 Describe any period during which the tenant is not required to pay outgoings
Not applicable

13.3 Date on which payment of outgoings is to commence **On the Commencing Date**

13.4 Formulae for apportioning outgoings: **100.00 % of Building Outgoings**

14 Outgoings estimates (annual) for the 12 month period

1 / 11 /2019 to 1 / 11 /2020

*[State which of the following are payable by the tenant. The landlord may be prevented by the **Retail Leases Act 2003** from claiming certain costs.]*

\$6000 Estimate (including GST) per annum for the building/centre

14.1 Administration

	Administration costs (excluding management fees and wages)	\$
	Audit fees	\$
	Management fees	\$
14.2	Air conditioning/temperature control	
	air conditioning maintenance	\$ N/A
		\$
	air conditioning operating costs	
14.3	Building Insurance	Ref to outgoings
		\$
	Pest control	\$
	Ventilation	\$
14.4	Building :	
	Caretaking	
	Emergency systems	
	Fire levy	Included in Council Rates
	Electricity– Common Areas	
	Fire protection	
	Security services	
	Essential Safety Measures	
	Inspections	
14.5	Cleaning - Premises	
14.6	Communications	
	Post boxes	\$
	Public telephones	\$
14.7	Customer facilities	
	Lifts	
14.8	Customer information services	
14.9	Government rates and charges	
	Local government rates and charges	\$
	Water, sewerage and drainage rates and charges	\$
	State Congestion Levy	
	(Note: under section 50 of the Retail Leases Act 2003 , the landlord may not claim land tax as an outgoing)	
14.10	Repairs	
	Repairs and maintenance	

Sch. 1

	Sinking fund for repairs and maintenance	\$
	(Note: under section 41 of the Retail Leases Act 2003 , the landlord may not claim the capital costs of the building/centre in which the premises are located)	
14.11	Utility services Electricity	Direct cost
14.12	Waste management Sewerage disposal Waste collection and disposal	
14.13	List any other outgoings	\$
	Car stacker service charge	\$
	Gardening by Landlord	\$
14.14	Total outgoings for the Premises	\$
14.15	Formula for determining tenant's share of the total outgoings for the building/centre	100 %
14.16	Estimated tenant contribution to outgoings	\$
PART 6 OTHER COSTS		
15	Advertising and promotional costs	
15.1	Is the tenant required to contribute towards advertising and promotional costs (including marketing fund contributions) for the building/centre?	No
15.2	Tenant's contribution to advertising and promotional costs per annum	Not applicable
16	Other monetary obligations and charges	
16.1	Outline any costs arising under the lease including up-front costs or other costs not part of the outgoings and not referred to elsewhere in this disclosure statement <i>[e.g. interest and legal costs]</i>	Tenant's own cost of any further fit-out as approved

PART 7 ALTERATION WORKS (INCLUDING RENOVATIONS, EXTENSIONS, REDEVELOPMENT, DEMOLITION)

17 Alteration works

17.1 Are there any alteration works, planned or known to the landlord at this point in time, to the premises or building/centre, including surrounding roads, during the term or any further term or terms?

Sch 1

No

18 Clauses in lease dealing with relocation and demolition works

18.1 Clause(s) in lease providing for relocation of tenant

Not applicable

18.2 Clause(s) in lease providing for demolition of the premises or building/centre

Not applicable

PART 8 TRADING HOURS

19 Core trading hours relevant to the tenant

Everyday from 8am to 8pm

20 Tenant access to premises outside core trading hours - unlimited

PART 9 RETAIL SHOPPING CENTRE DETAILS

*[note: this Part must only be completed if the premises are in a retail shopping centre as defined in section 3 of the **Retail Leases Act 2003**] **Not Applicable***

PART 10 OTHER DISCLOSURES

27 Other disclosures

27.1 Are there any current legal proceedings in relation to the lawful use of the premises or building/centre? **No**

28 Representations by landlord

28.1 Any other representations by the landlord or the landlord's agent **Nil**

PART 11 LANDLORD ACKNOWLEDGEMENTS AND SIGNATURE

29 Acknowledgements by landlord

By signing this disclosure statement, the landlord confirms and acknowledges that:

- this disclosure statement contains all representations in relation to the proposed lease by the landlord and the landlord's agents as at the date of this disclosure statement;
 - this disclosure statement reflects all agreements that have been made by the parties;
 - the landlord has not knowingly withheld information which is likely to have an impact on the tenant's proposed business.
-

Warnings to landlord when completing this disclosure statement:

- The tenant may have remedies including termination of lease if the information in this statement is misleading, false or materially incomplete.
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30 Landlord's signature

30.1 Name of landlord

LJSS Wellbeing Custodian Pty Ltd (ACN 636 161 272)

30.2 Signed by the landlord or the landlord's agent for and on behalf of the landlord



30.3 Name of the landlord's authorised representative or landlord's agent

Joanne Chung

[insert name of person signing with the authority of the landlord]

30.4 Date

52 / 10 /2019

PART 12 TENANT ACKNOWLEDGEMENTS AND SIGNATURE

31 Acknowledgements by the tenant

By signing this disclosure statement, the tenant confirms and acknowledges that the tenant received this disclosure statement

Before entering into a lease, tenants should consider these key questions:


- Does the planning authority allow your proposed use for the premises under planning law?
 - Is the security of your occupancy affected by:
 - mortgages, charges or encumbrances granted by the landlord?
 - rights and obligations under a head lease?
 - Does the premises comply with building and safety regulations? Is the premises affected by outstanding notices by any authority?
 - Could your trading be affected by disturbances or changes to the building/centre?
 - Does the landlord require you to refurbish the premises regularly or at the end of the lease?
 - Can the landlord end the lease early even if you comply with the lease?
 - Are all the existing structures, fixtures and plant and equipment in good working order?
 - Are you required to make good the premises at the end of the lease?
 - Is the tenancy mix of the shopping centre (if applicable) likely to change during the term of the lease? (see item 24.2)
-

32 Tenant's signature

It is important that a tenant seek independent legal and financial advice before entering into a lease.

32.1 Name of tenant
Smart Choice Enterprises P/L (ACN: 102 461 334)

32.2 Signed by the tenant or for and on behalf of the tenant

x.....

32.3 Name of the tenant's authorised representative
Leon Li

[insert name of person signing with the authority of the tenant]

32.4 Date 30 / 10 / 2019
