

1403 LOGAN ROAD RENTAL INCOME - ADJUSTED FOR COVID-19 RENT RELIEF

2020-2021 MONTHLY RENT CALCULATION

BASE RENT [GST Exclusive Base Rent For 12 Months
96,157.45 Prior To Market Rent Review Uplift]

CARRY-FORWARD TO 2020-2021 (Pre-CPI Adjustment) BECAUSE 1 JANUARY 2020 MARKET RENT VALUATION WAS \$96,000 (EXCLUDING GST)
HOWEVER, \$96,000 MARKET RENT VALUATION ALSO EXCLUDES OUTGOINGS

Less: Rent Waiver (3 Months: July 2020 - September 2020) -\$8,546.29
 Less: Rent Deferral (3 Months: July 2020 - September 2020) -\$8,546.29

RENT PAID SO FAR IN 2020-2021 \$0.00

COVID-19 ADJUSTED ANNUAL RENT \$79,064.86 GST-Exclusive

MONTHLY RENT CALCULATION: JULY 2020 - SEPTEMBER 2020

MONTHLY RENT \$8,013.12

Less: Monthly Rent Waiver -\$2,848.76
 Less: Monthly Rent Deferral -\$2,848.76

COVID-19 ADJUSTED MONTHLY RENT \$2,315.59 GST-Exclusive
\$2,547.15 GST-Inclusive

MONTHLY RENT CALCULATION: OCTOBER 2020 - JUNE 2021

MONTHLY RENT \$8,013.12 GST-Exclusive
\$8,814.43 GST-Inclusive

ANNUAL RENTAL TOTAL CHECK 79,064.86 GST-Exclusive

Plus
 Deferral Payment
 Total Deferral \$17,092.59 Net

Monthly Repayment Over 2 Years \$712.19

COVID-19 ADJUSTED MONTHLY RENT \$8,725.31 GST-Exclusive

TOTAL RENT INCOME RECOGNISED IN 2020-2021 YEAR - Pre-CPI Rent Review \$87,611.16 GST-Exclusive
\$96,372.27 GST-Inclusive

TOTAL RENT INCOME RECOGNISED IN 2020-2021 YEAR - Post-CPI Rent Review \$88,107.24 GST-Exclusive
\$96,917.96 GST-Inclusive

TOTAL RENT PAYMENTS RECEIVED IN 2020-2021 YEAR - Pre-CPI Rent Review \$85,474.58 GST-Exclusive
\$94,022.04 GST-Inclusive

TOTAL RENT PAYMENTS RECEIVED IN 2020-2021 YEAR - Post-CPI Rent Review \$85,970.68 GST-Exclusive
\$94,567.74 GST-Inclusive

Reconciles to Total Rent Payments Calculated Per CPI Indexation Review \$85,970.67

Difference Between Rent Income & Rent Payments = Movement in
 Deferred Rent Asset -\$2,136.56

-\$2,136.57 Calculated As Per CPI Indexation Sheet

TOTAL RENT INCOME	= \$88,107.24
	= 3 x \$2,315.59 + 9 x \$8,725.31
TOTAL RENT PAYMENTS	= \$85,970.68
DIFFERENCE	= \$2,136.56
	= Increase In GST-Exclusive Deferred Rent Balance
TOTAL RENT INCOME	= \$88,107.24
	= \$96,653.53 CPI RENT (Per Next Page) - \$8,546.29 WAIVED RENT
[Minutes Of Rent Waivers & Rent Deferrals Included On Pages 8-9]	

July 2020 - June 2021	
Projected Rent Paid	96,157.44
Correct Rent	
01/07/2020 - 31/12/2020	48,078.73
01/01/2021 - 30/06/2021	48,574.81
	<u>96,653.53</u>
	8,054.46 Rent Per Month
	8,859.91 Including GST

Adjustment 496.09 Increase

Updated Monthly Payment Amounts (2020-2021)

Cash Payments to Date (Excl GST)	
July	-
August	-
September	-
October	-
November	-
December	-
January	41,897.96
February	7,932.10
March	7,932.10
April	7,932.10
May	7,289.44
June	-
	<u>72,983.70</u>

Plus Prior Year Overpayments -

Adjusted Rent Already Paid/Credited for Year **72,983.70**

CPI Rent for Year 96,653.53

Less Rent Waiver for 2020-2021 (8,546.29)

Less Rent Deferral for 2020-2021 (8,546.29)

Plus Progressive Repayments of Total Rent Deferrals 6,409.72

Balance of Rent for 2020/2021 Year 12,986.96

Number of Months Remaining in Year 1

Monthly Payments for Remaining Months 12,986.96
GST-Inclusive 14,285.66

Reconciliation of Rent Payable for First Seven Months

Normal Monthly Rent Payable	56,091.85
Less: Rent Waived for 2020-2021	- 8,546.29
Less: Progressive Net Rent Deferral for 2020-2021	- 5,697.53
	<u>41,848.02</u>

\$50 Overpayment Made By Central Dental - Accept As Immaterial

SCHEDULE

Title Reference 12407094

SCHEDULE 1

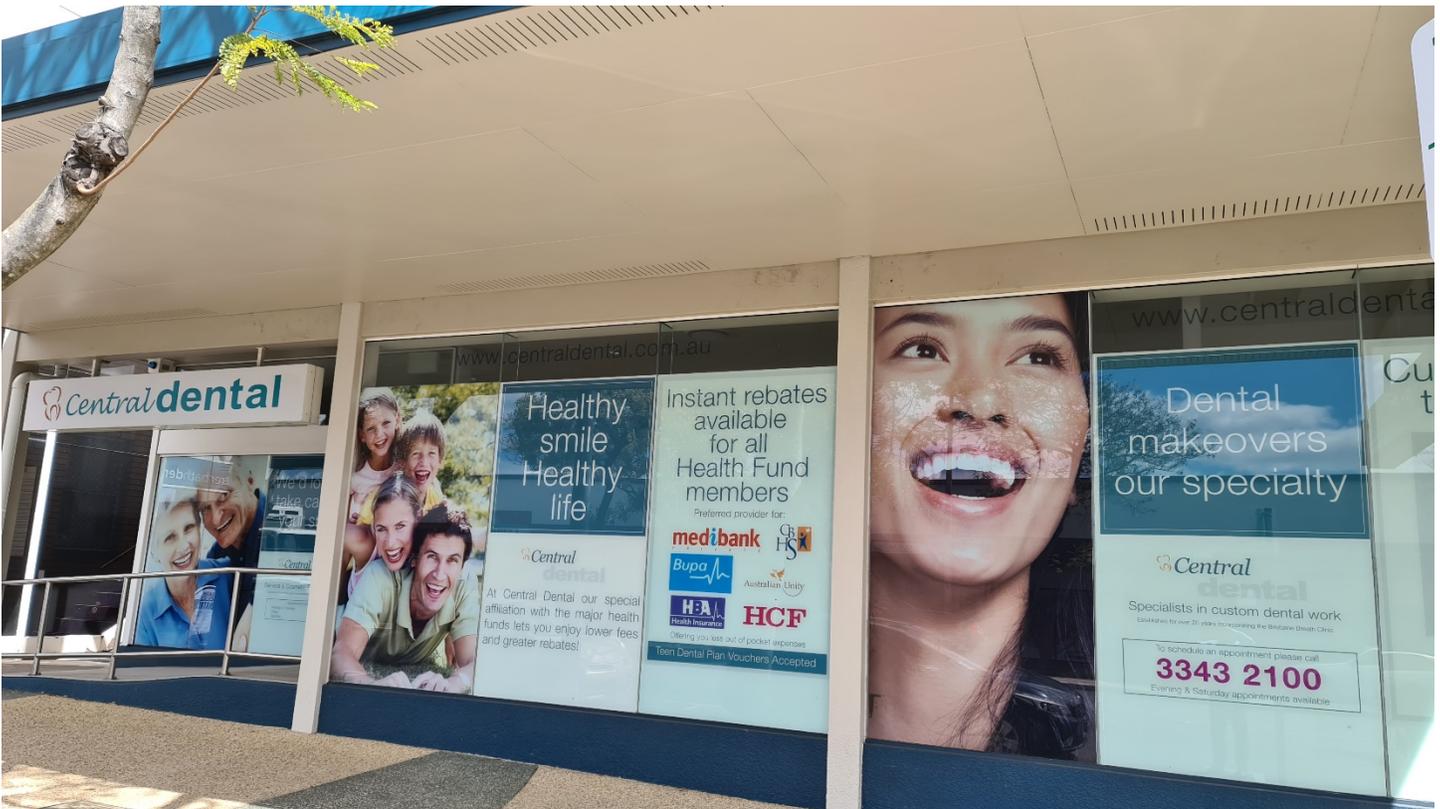
LEASE DETAILS

Agreement:		Not Applicable
Landlord:	Form 7	KPD HOLDINGS PTY LTD ACN 136 055 073 AS TRUSTEE UNDER INSTRUMENT 712 830 385
Landlord's address for service:	Clause 3.10	Address: PO Box 644 Mount Gravatt Qld 4122
		Facsimile:
		E-mail:
Tenant:	Form 7	CENTRAL DENTAL PTY LTD ACN 011 032 054 AS TRUSTEE FOR THE NICHOLAS DEFTEROS FAMILY TRUST
Tenant's address for service:	Clause 3.10	Address: PO Box 644 Mount Gravatt Qld 4122
		Facsimile:
		E-mail:
Premises Address:	Clause 1.1	1403 Logan Road, Mount Gravatt
Term:	Form 7	Five (5) years
Commencement Date:	Form 7	1 January 2015
Expiry Date:	Form 7	31 December 2019
Base Rent:	Clause 4.1	\$90,000.00 plus GST per annum or \$7,500.00 plus GST per calendar month
Indexation Review Date:	Clause A.19	1 January 2016, 1 January 2017, 1 January 2018, 1 January 2019, 1 January 2021, 1 January 2022, 1 January 2023, 1 January 2024
Market Review Date:	Clause A.2	1 January 2020
Market Review Area:	Clause A.6	Brisbane
Agreed Proportion:	Clause 4.2	Not Applicable
Permitted Use:	Clause 6.1	Dental Surgery
Public Liability Amount:	Clause 12.3	\$20,000,000.00
Default Rate:	Clause 15.4	15%
Security Amount:	Part 20	\$24,750.00 or such other amount so that the Security Amount is at all times equal to the sum of three (3) months Base Rent including GST
Option Exercise Period:	Clause 17.1	The period being not less than six (6) months prior to the Expiry Date
First Option Term:	Clause 17.1	Five (5) years
First Option Term Commencement Date:	Clause 17.2	1 January 2020
First Option Term Expiry Date:	Clause 17.2	31 December 2024
Second Option Term:	Clause 18.1	Not Applicable
Second Option Term Commencement Date:	Clause 18.2	Not Applicable

See Page 6 For Market Net Rental At This Date

RENTAL COMPARATIVE MARKET ANALYSIS

1403 Logan Road Mount Gravatt QLD 4122





1st JANUARY 2020

Dear KPD HOLDINGS PTY LTD

RE: Property Rental Appraisal

Thank you for your invitation to appraise your property and provide you with a Rental Appraisal as to what your properties Rental value is worth in today's market.

We have based this appraisal on current market conditions as well our extensive knowledge of the property market in the local area.

Should you have any questions relating to the information contained with this document please feel free to contact me on the details below.

Thank you again for the opportunity to access your property and for considering the services of our office. I look forward to working with you soon

Yours faithfully

A handwritten signature in black ink, appearing to read 'J. Karalis', written in a cursive style.

John Karalis

KARALIS REAL ESTATE PROPERTY MANAGEMENT AND LEASING TEAM

RESIDENTIAL | RETAIL | COMMERCIAL
0421 242 587 | 3343 8000 | 1300 573 753
1389 Logan Road, Mount Gravatt Qld 4122
PO Box 499, Mount Gravatt Qld 4122
leasing@karalisrealestate.com.au
karalisrealestate.com.au



Property Address: 1403 Logan Road, Mount Gravatt QLD 4122

Real Property Description: Lot 42 Registered Plan 64321 Title Reference 12407094

Registered Owner: KPD HOLDINGS PTY LTD

Zoning: DC2 District Centre (Corridor) under the Brisbane City Plan 2014

Description of Property: The property comprises a regular shaped 607 square metre inside allotment, situated to the western alignment of Logan Road. The site is designated DC2 District Centre (Corridor) under the Brisbane City Plan 2014. The property is improved with a single level commercial/retail building, built circa 1980's. The property provides approximately 240 square metres of Gross Lettable Area Retail (GLAR). Ancillary improvements include approximately seven on site car parks, concrete driveway access and basic landscaping. Note: An internal inspection was not conducted for the improvements.

Gross Lettable Area Retail: 240 square metres (approximately).

Comments: The property is currently utilised as a medical/dentist practice. This has been taken into consideration for the purpose of the Comparative Market Analysis. Despite an improving economy, rental growth prospects remain limited in the near-term. Vacancies have become more common with rentals downgraded with lease up allowances extending and incentives being reintroduced to attract a good tenant.

Estimated Market Net Rental: \$96,000 per annum (approximately \$400 per square metre) plus outgoings plus GST.

COMPARATIVE RENTAL PROPERTIES



1230 Logan Road Mount Gravatt QLD 4122

First Rental Price:	\$68,370/A
Current Rental Price:	\$125,111/A
First Listed Date:	25 Jun 2020
Current Listed Date:	18 Aug 2020

 -
 -
 -
 1.12Ha

Category: Commercial:
Industrial Building

Distance: 1.11km



1380 Logan Road Mount Gravatt QLD 4122

First Rental Price:	\$50,000/A
Current Rental Price:	Not Disclosed
First Listed Date:	6 Mar 2020
Current Listed Date:	6 May 2020

 -
 -
 10
 598m²

Category: Commercial:
Office Building

Distance: 0.38km



1463 Logan Road Mount Gravatt QLD 4122

First Rental Price:	\$180,000/A
Current Rental Price:	\$180,000/A
First Listed Date:	17 Dec 2019
Current Listed Date:	15 Jun 2020

 -
 -
 -
 1,765m²

Category: Commercial:
Retail Building

Distance: 0.24km



1578 Logan Road Mount Gravatt QLD 4122

First Rental Price:	\$100,000/A
Current Rental Price:	\$100,000/A
First Listed Date:	27 Aug 2020
Current Listed Date:	27 Aug 2020

 -
 -
 -
 749m²

Category: Commercial:
Industrial Building

Distance: 0.48km

**MINUTES OF A MEETING OF THE DIRECTORS OF
META ZOE PTY LTD (THE 'TRUSTEE')
AS TRUSTEE FOR THE
N DEFTEROS DENTAL PTY LTD SUPERANNUATION FUND (THE 'FUND')**

DATE: 25th June 2020

PRESENT: Nicholas Defteros
Katrina Defteros
Anastasia Defteros
Connor Defteros

BUSINESS: The Trustee notes receipt of a request on 30 March 2020 from the tenant, Central Dental Pty Ltd ATF Nicholas Defteros Family Trust (the 'Trust'), of the 1403 Logan Road Mt Gravatt QLD property held by the Fund for renegotiation of the rent payable under the existing lease between the Fund and the Trust. This request was made in light of the restrictions imposed upon business due to the onset of COVID-19. Further, the request was made pursuant to the *National Cabinet Mandatory Code of Conduct: SME Commercial Leasing Principles During COVID-19*.

Upon receipt of this request, the Trustee requested information from the Trust that was sufficient to enable both parties to negotiate, in a fair and transparent way and on an arm's length basis, revised rent payable terms under the existing lease.

During this interim period and until sufficient information was received, the parties agreed to wait for the Queensland Parliament to give legislative effect to the leasing principles released by the National Cabinet before negotiating the revised rent payable terms to apply in precedence to the existing lease terms. Consequently, during this aforementioned time period, the parties agreed to a temporary waiver of rent payments.

**CONFIRMATION
AND CLOSURE:**

These minutes were read to the meeting and it was resolved that they be confirmed as a correct record.


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Nicholas Defteros
Director & Chairperson – Meta Zoe Pty Ltd

**MINUTES OF A MEETING OF THE DIRECTORS OF
META ZOE PTY LTD (THE 'TRUSTEE')
AS TRUSTEE FOR THE
N DEFTEROS DENTAL PTY LTD SUPERANNUATION FUND (THE 'FUND')**

DATE: 25th June 2020

PRESENT: Nicholas Defteros
Katrina Defteros
Anastasia Defteros
Connor Defteros

BUSINESS: Following receipt of a request on 30 March 2020 from the tenant, Central Dental Pty Ltd ATF Nicholas Defteros Family Trust (the 'Trust'), of the 1403 Logan Road Mt Gravatt QLD property held by the Fund for renegotiation of the rent payable under the existing lease between the Fund and the Trust, the Trustee notes that on 1 June 2020, the following sufficient information was received from the Trust to enable renegotiation to commence:

1. Evidence of a 71% decline in turnover suffered by the Trust in the month of April 2020 compared with the month of March 2020 (Annexure A);
2. Evidence of eligibility for and participation in the Federal Government's Jobkeeper scheme (Annexure B);
3. Access to financial records of the Trust evidencing that the Trust is an SME Entity as per the *Retail Shop Leases & Other Commercial Leases (COVID-19 Emergency Response) Regulation 2020 (QLD)* (the 'Regulations') and that the lease between the parties thus is an affected lease.

Based on this information received, the parties negotiated a 71% reduction in rent payable during the response period as defined in the Regulations (i.e. 29 March 2020 to 30 September 2020).

Furthermore, pursuant to these Regulations, the parties agreed to a waiver of 50% of this reduction in rent payable, with the other 50% deferred for payment until the 2021-2022 and 2022-2023 financial years (with repayment to occur in equal proportions across those two financial years).

Finally, the market rent review which was due on 1 January 2020 has not yet been obtained by the Trustee. The Trustee is working to obtain the updated market rent figure within the next two months, at which time an adjustment to the rent payable figure will be made.

The Trustee will organise for an agreement to be drafted giving binding effect to these renegotiated terms as between the parties.

**CONFIRMATION
AND CLOSURE:**

These minutes were read to the meeting and it was resolved that they be confirmed as a correct record.


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Nicholas Defteros
Director & Chairperson – Meta Zoe Pty Ltd