

Mark & Janice Muller
Sale of Lot 2, 35 Southgate Ave, Cannon Hill

Original Agreement

Mark & Janice to sell Land to Super fund at Market Value at Contract Date
 Mark & Janice to Construct Building, Super fund to purchase at Cost price
 Both subject to the Block of land being subdivided
 Super fund to pay fitout cost approx 70k
 Rental Agreement is in place - therefore GST going concern can be applied

Calculations

Land Value - March 2007	318,000 (As per Valuation Prepared)
Building Cost (Ex GST)	314,800 (Excludes fit out paid by Superfund)
	<u>632,800</u>
Stamp Duty	21,000
Total	<u>653,800</u>

Cash Available

Balance	246,695
Less Fitout Costs	<u>(84,987)</u> Paid by SF Prior to 27.03.07
Current	161,708 Confirmed 27.03.07
2007 Company M & J	77,390 (Max 84,770)
2007 Company C & A	23,733 (Max 30,520)
2007 Personal - M & J	109,693
CGT Rollover - 2006 Business	45,000
CGT Rollover - 2007 Business	52,000
CGT Rollover - 2006 Land	52,300
GST Claim on Fitout costs	<u>7,726</u>
	<u>529,551</u>
Undeducted	129,000
Less PAYG Tax April 2007	<u>(4,000)</u>
	<u>654,551</u>

CGT Summary

	2006 Business	CGT Rollover 2007 Business	2007 Land	
Proceeds	75,000	1,189,000	318,000	
Prior Year Loss	(30,000)	0	0	
P&E	0	(318,000)	0	
Stock	0	(819,000)	0	
Cost base - 32% x 340,000	0	0	(108,800)	to be confirmed
Net	<u>45,000</u>	<u>52,000</u>	<u>209,200</u>	
50% Active Asset	0	0	(104,600)	
50% General Discount	0	0	<u>(52,300)</u>	
Rollover	<u>45,000</u>	<u>52,000</u>	<u>52,300</u>	

Employer Super Contributions

	Wages as at 27.03.07	Super Max	Super at 27.03.07	Additional Super
Mark	41,000	42,385	3,690	38,695
Janice	41,000	42,385	3,690	38,695
Total				<u>77,390</u>
Clyde	50,138	15,260	4,512	10,748
Amanda	25,268	15,260	2,274	12,986
Total				<u>23,733</u>

Member Super Contributions

	Super Max	Contribution
Mark	42,385	54,847
Janice	42,385	54,847
Total		<u>109,693</u>

Notes

100k from Marjan Pty Ltd to SF 28.03.07 to cover 2006 CGT Rollover
 Letter to solicitor
 Rental Agreement (Going Concern)
 Contract Price
 Contract Date
 Letter to Mark
 Contract Price
 Contract Date
 Flow of Cash
 Super payments for remainder of Financial Year
 Preparation of SF March BAS

MARKET VALUATION:

"Market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

	Area M2		Rental Rate		Rental
Ground Floor Office	251	\$	180.00	\$	45,180
First Floor Office	251	\$	180.00	\$	45,180
Warehouse	487	\$	120.00	\$	58,440
Stage 2 Office	80	\$	180.00	\$	14,400
Stage 2 Warehouse	315	\$	120.00	\$	37,800
Total	1384	\$	145.23	\$	201,000

Capitalisation Rate 7.50%
 Capitilised Value \$ 2,680,000

Apportioned as
 Stage 1 Building Shell \$ 1,217,581 Bldg 2
 Stage 2 Building Shell \$ 486,294
 Land Value 2,055 \$475.00 \$ 976,125 \$804,511
 Land Apportioned as
 Building 1 Component 67.40% \$ 657,908
 Building 2 Component 32.60% \$ 318,217

	Area M2		Rate per m2		Total
Insurable Value	1384	\$	1,500.00	\$	2,076,000

\$2,680,000

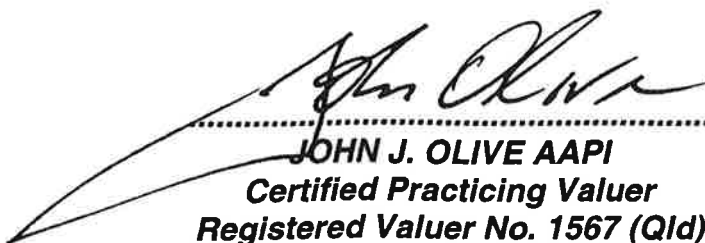
(Two Million Six Hundred and Eighty Thousand Dollars)

VALUATION DATE:

20 March 2007

We are not aware of any previous or current use that may have contaminated the site.

John Olive & Associates Pty Ltd


 JOHN J. OLIVE AAPI
 Certified Practicing Valuer
 Registered Valuer No. 1567 (Qld)

EG:TMD:MUL08

29 March 2007

Mr A Courtice
Courtice Neilsen
PO Box 7168
EAST BRISBANE QLD 4169

Fax: 3391 0387

Good Morning Andrew

RE: TRANSFER OF PROPERTY FROM GM & JJ MULLER TO GEORGE, JANICE & CLYDE MULLER ATF THE GM & JJ MULLER SUPERANNUATION FUND

The following is a brief summary of the information you will need to complete the Contract for the transfer of Property as mentioned above.

1. Contract Date - 4 April 2007.
2. Settlement Date – Please liaise with Mark in relation to the date the transfer of funds will take place, which will be when the Super Fund has sufficient cash available.
3. Contract Price - \$632,800

The Contract may need to contain the following Clauses, which explains that the value of the total Property being transferred will consist of the Land at market value and the Building at cost.

a) **Land Value**

The Contract includes a Valuation of Land for the Property at \$318,000. This valuation has been determined by a Registered Valuer and the Valuation Report is attached. ✓

b) **Building Costs**

Approximately 12 months ago an Agreement was put in place between Mark Muller and the Super Fund. The Agreement was as follows. The Super Fund would agree to purchase the Property from Mark and Janice as soon as the strata titling and Council approvals had been completed. The Super Fund agreed to purchase the building component, for the actual cost Mark and Janice incurred in constructing the Building.

Rental Agreement

We ask that a Rent Agreement is put in place between Mark and Janice Muller and Active Medical Supplies for the rent of the Building being transferred to the Super Fund. This will allow the transfer of the Property to apply the GST going concern exemption. We ask this document be prepared and signed prior to the Contract for the transfer of Property being completed.

If you have any queries in relation to the above information or have any concerns in relation to the preparation of the documents please do not hesitate to contact me.

Kind regards

Peter Marsh
Director

35 Southgate Avenue, Cannon Hill

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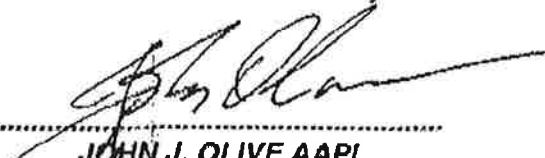
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