



FILE NOTE

BY: RACHEL GREEN LUTHER
SUBJECT: PROPERTIES HELD UNDER BARE TRUST
DATE: 12 NOVEMBER 2020
CLIENT: DAMIEN PAPPIN

Spoke with Damien Pappin regarding the unit 1 & unit 4 of 4 Combarton Street properties.

Both properties are currently held under two separate bare trusts.

- ONEFOUR Combarton Trust
- FOURFOUR Combarton Trust

The trusts' share the same corporate trustee - DG Pappin Properties Pty Ltd (A.C.N. 168 135 902).

The related party limited recourse borrowing was paid out in the 2018/2019 financial year.

The mortgage has been removed from the titles in the 2020/2021 financial year.

Damien has decided to keep the properties under the current arrangement (remaining in the trusts) until he absolutely has to transfer the properties to the super fund (ie. Wind up or potentially when selling the properties).

Damien believes that the super fund will be subject to land tax if the properties were transferred, as the combined land value will exceed \$350,000 threshold.

Damien understands that he will need to keep the DG Pappin Properties Pty Ltd company and continue to pay the annual ASIC costs.