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Elizabeth Meiklejohn

P & G McPhee Super Fund	
Shed Rent calculation - Sheds 1, 2 & 3	
Sheds acquired 13/10/15	01-Oct-20
Shed valuations	315000
Return @ 8%	25200
Including GST	27720
Per month	2310
Rent charged by Brisbane Markets Limited (Includes car parking)	4481.83
Gross rent (Inc GST)	6791.83

Confirmation from client that rent is at market rates & arms length.

P & G McPhee Super Fund	
Shed Rent calculation - Sheds 1, 2 & 3	
Sheds acquired 13/10/15	01-Sep-17
Shed valuations	315000
Return @ 8%	25200
Including GST	27720
Per month	2310
Rent charged by Brisbane Markets Limited (Includes car parking)	4134.12
Gross rent (Inc GST)	6444.12

P & G McPhee Super Fund	
Shed Rent calculation - Sheds 1, 2 & 3	
Sheds acquired 13/10/15	2015/2016
Shed valuations	315000
Return @ 9%	28350
Including GST	31185
Per month	2598.75
Rent charged by Brisbane Markets Limited (Includes car parking)	3965.61
Gross rent (Inc GST)	6564.36

P & G McPhee Super Fund	
Shed Rent calculation - Sheds 1, 2 & 3	
Sheds acquired 13/10/15	2014/2015
Shed valuations	315000
Return @ 9%	28350
Including GST	31185
Per month	2598.75
Rent charged by Brisbane Markets Limited (Includes car parking)	3817.44
Gross rent (Inc GST)	6416.19

October 2015 rent - 1/10/15 - 12/10/15 Sheds 7,8,9 & 10

1/10/15 - 12/10/15 Sheds 7,8,9 & 10	
12 days at old rate = (\$9095.90/31*12)	3521
13/10/15 - 31/10/15 Sheds 1,2 & 3	
19 days at new rate = (\$6416.19/31*19)	3933
	7453

Brisbane Market Sheds 7,8,9,10
1/7/13 to 30/6/13

Actual Rent Paid to Brismark	4432.95 + GST	53195.4 +GST
Net return required by Super Fund		
Purchase Price - Shed 7 & 8	412475	
Shed 9 & 10	Purchase 93000	
	S/Duty 2005.5	
	Legals 3324.2	
Dividing fence removal	670	
	98999.7	511474.7
Return @ 9%	46032.723	46032.72
		99228.12
Per month rent		8269.01 + GST

Rachel Green-Luther

From: Rachel Green-Luther
Sent: Friday, October 9, 2020 4:49 PM
To: Glenis McPhee
Subject: RE: P & G McPhee Super Fund - Lease

Hi Glenis,

Hope you are well.

Happy with your calculation of rent.

For the rental reviews – which ever one you are happy to do would be fine, as both are at market rates.
If Fixed – I assume it would follow the 3% of the head lease.
If Indexed – we will follow the Brisbane capital city CPI rate.

If you have any questions, please feel free to contact me.

Have a wonderful weekend.

Kind regards,
Rach

From: Glenis McPhee <glenismcphee@bigpond.com>
Sent: Tuesday, October 6, 2020 5:08 PM
To: Rachel Green-Luther <RachelG@virtusuper.com.au>
Subject: RE: P & G McPhee Super Fund - Lease

Hi Rachel,

The lease between the super fund and Brisbane Markets Limited has a 10 year term with a further 5 year option. The maximum term for this lease (Super fund to McPhee Family Trust) in this form is 3 years. I will change the option of renewal to a further 3 year term. I will make the final date for the exercise of the option 31/8/23.

We have never paid for a formal valuation of the sheds. The price for the sheds in 2015 was \$315000. We believe that is still a good approximation of their current value.

We normally put the lease amount up in line with the lease from BML.

I have in the past calculated the rent between The Super Fund and McPhee Family Trust based on an 8% return. I have attached my simple calculation in the excel spreadsheet attached. Is this still okay? If so, I will put the rent up from 1st October in line with the increase from BML. I checked the head lease and all I can find is a fixed 3% annual increase. The latest rent increase was from \$4408.57 to \$4481.83 including outgoings. This equates to 1.66%.

Should I tick the box 'indexed review'? I checked the last lease I prepared and I didn't have to provide that information.

Regards
Glenis