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20 March 2012

Economic Development Directorate  
GPO Box 158  
Canberra City ACT 2601

Attention: Chris Sparke

**UPDATE VALUATION OF BLOCK 5 SECTION 79 GIRALANG**

**(We note this is a revised Valuation update that supersedes our report dated 28 November 2011)**

We refer to your verbal request for a valuation update of the land outlined within our instructions being Block 5 Section 79, Giralang on the following basis;

- Assume the parcel of land as a stand alone parcel under the current zoning not subject to the Notice of Decision Dated 17 August 2011 (DA201119903); and
- Assume the block on the basis that it is restricted to car parking only.

The subject block:

- Was re inspected on the 20 March 2012.
- Has an approximate land area of 702 square metres as per a search of ACTMAPi.
- Is zoned CZ4: Local Centres in the Territory Plan.
- The site is affected by an Electrical Transformer at an estimated area of 15m<sup>2</sup>.

The subject property comprises an irregular shaped parcel of land of approximately 702 square metres. The land is currently undeveloped having numerous trees upon it and a transformer. The land is adjacent to the Giralang Shops development site (Block 4) and is of a fall to its southern boundary.



The site forms part of development application 201119903 dated 17 August 2011 which provides for:

- Variation of the consolidated Crown Lease to permit a new commercial centre;
- Demolition of existing structures;
- Construction of a new supermarket, retail outlets, under-croft and basement parking, basement storage, loading dock and associated landscaping; and
- Removal of three regulated trees (Tree Nos 11, 18 and 21 as indicated on the Tree Management Plan).

As part of our valuation update we have considered the land as per our verbal instructions as previously noted only.



### **Market Comment**

Despite the latest figures from the Property Council of Australia showing Canberra's total vacancy at a record high there is still enquiry for A grade buildings with energy ratings of 4.5 stars or better. Unfortunately, secondary assets may be set to soften further in values as a result of the availability of new modern competing stock and the prohibitive costs to refurbish older developments to be in line with new energy ratings. Also, development site values have softened as a lack of pre-committed/available tenants to take up space in new proposed developments.

Future growth in the short term is not expected as a result of an over supply in the market and record vacancies. However, in the long term once balance is returned to the market growth is expected for prime assets and a stabilisation of secondary buildings but this is not expected within the next two years.

### **Rationale**

This update letter has been undertaken on the following two (2) scenarios:

#### ***Scenario One***

We have been verbally requested to value the site on the basis of leasehold title subject to the current zoning as a stand alone site. We have been instructed to value the site making no consideration to the Notice of Decision dated 17 August 2011 (DA201119903).

#### ***Scenario Two***

We have also been verbally requested to consider the value of the land if the site was restricted to car parking only. In consideration to this approach we have adopted a notional rental income and capitalised this rental in establishing a value for the site on this scenario.

This valuation is determined on the basis that the property, the title thereto and its use is not affected by any matter other than that mentioned in this report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

In undertaking our valuation analysis we have taken into consideration:

- The available sales evidence;
- Location;
- Current and recent market demand for properties such as the subject;
- Softening in market conditions;
- Physical property characteristics, such as shape, access and slope; and
- The site is suitable to be developed as a stand alone parcel.

We detail our valuation calculations as follows.



### **Scenario One**

In assessing the value of the subject property under this scenario we have adopted the Direct Comparison Approach as our valuation methodology.

In summary, this approach involves the analysis of other comparable land sales back to a rate per square metre of site area based upon total identified site area. We have then adopted a rate per square metre applicable to the subject land based upon its specific positive and negative features in comparison with the analysed sales

In view of the sales evidence listed we are of the opinion that an indicative market value of the subject land would be in the vicinity of \$250 per square metre of site area. This rate is reflective of our analysis of the evidence available, the location, considering the site as 'stand alone', and current market conditions.

**Our calculations are as follows;**

Total Site Area	702m <sup>2</sup>
Less Estimated Area occupied by Electrical Easement	15 m <sup>2</sup>
<b>Total Usable Site Area</b>	<b>687 m<sup>2</sup></b>

Usable Site Area	\$/m <sup>2</sup>	Total	Rounded
	\$225	\$154,575	\$155,000
687 m <sup>2</sup>	\$250	\$171,750	\$172,000
	\$275	\$188,925	\$189,000

### **Conclusion - Scenario One**

For the purposes of this updated report we have adopted a market value of the subject land to be \$172,000 which reflects a rate of approximately \$250.36/m<sup>2</sup> of Site Area.



**Updated Value**

We estimate the current market value of the subject property, being Block 5 Section 79, Giralang, ACT as at 20 March 2012 and subject to the details referred to herein, to be:

**Scenario One**

Commercial Land under the Current Zoning as a Stand Alone Parcel

**\$172,000\***

(One Hundred and Seventy Two Thousand Dollars)

**Scenario Two**

Land restricted to Car Parking Only

**\$65,000\***

(Sixty Five Thousand Dollars)

***\* This valuation amount is NET of a Goods and Services Tax.***

Prepared by:  
MMJ Real Estate (Canberra)

*C*

Per:

\_\_\_\_\_  
Timothy Heaton AAPI  
Director - Valuations  
Certified Practising Valuer  
Registered Valuer No. 7260 (NSW)

\*This report is liability limited by a scheme approved under Professional Standards Legislation.



**Scenario Two**

Under this approach we have made investigation into parking fees which could be considered hypothetically suitable for this location. Investigations have concluded that there is limited parking information at this location and for the purpose of this report we have adopted a notional amount of \$500 per annum per space to be reasonable.

After review of the provided plan we have considered that thirteen spaces could potentially be achieved on this site.

**Our calculations are as follows;**

Potential thirteen (13) spaces @ \$500 per annum	\$6,500.00
Capitalised @ 10%	
<b>Total</b>	<b>\$65,000.00</b>

**Conclusion - Scenario Two**

For the purpose of this report we have adopted a market value of the subject land to be \$65,000 which reflects a rate of \$92.59/m<sup>2</sup> of site area or approximately \$5,000 per car space.



**G.O.S Pty Ltd trading as MMJ Real Estate**  
**TERMS & CONDITIONS**

Valuation and Consultancy advice provided by **G.O.S Pty Ltd trading as MMJ Real Estate** (ABN 17 109 710 670) will be prepared on the following basis:

- The basis of value or consultancy advice will be defined in accordance with the Australian Property Institute (API) valuation standards, Corporations Law or as specifically instructed.
- Liability limited by a scheme approved under Professional Standards Legislation.
- We will assume that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.
- Due to the possible changes in market forces and circumstances in relation to the subject property the report can only be regarded as relevant as at the date of valuation or consultancy.
- For valuation purposes we will assume that the property is not part of a group of securities neither for a loan nor in more than one financing transaction.
- We reserve the right to reconsider the valuation or consultancy advice if certificates or leases not provided contain matters, which may affect the value or the advice. We will assume that there are no easements, covenants, caveats, rights of way or encroachments except those shown on the title, or in the valuation or consultancy advice.
- We will obtain only verbal town planning information. It is the clients' responsibility to check the accuracy of this information by obtaining a certificate under the appropriate Town or Environmental Planning Legislation.
- As we are not solicitors, we recommend that an opinion be obtained from a solicitor experienced in the interpretation of Crown Lease Purpose Clauses in the ACT. The user of this valuation understands we will not be held liable for our interpretation of the Crown Lease Purpose Clause.
- Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the Property Council of Australia (PCA) Method of Measurement.
- If You do not provide Us with a survey, We will estimate building and/or lettable areas based only upon available secondary information (including but not limited to building plans, Deposited Plans, and our own check measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the Property Council of Australia (PCA) Method of Measurement.



- Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation or consultancy advice back to Us for comment or, where appropriate, amendment.
- In undertaking the valuation or consultancy advice, **G.O.S Pty Ltd trading as MMJ Real Estate** will have regard to the apparent state of repair, condition and environmental factors in relation to the property but are under no duty to carry out a structural or environmental survey nor to inspect those parts of the property which are unexposed or inaccessible. We will assume that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with environmental law. We will not undertake a detailed inspection of the plant and equipment or obtain advice on its condition or suitability.
- When the valuation is obtained in connection with a loan the report is relevant only for the purpose of first mortgage security and our endorsement of the valuation for this purpose is valid as at the date of valuation.
- The valuation is normally valid for this purpose for up to three months from the date of valuation provided circumstances have not occurred during this period to materially affect the value of the property.
- We will assume that all licences and permits can be renewed and we will not make any enquiries in this regard.
- State or Federal Laws may require environmental audits to be undertaken before there is a change of land use. We will, however, assume that this is not necessary for the purposes of this valuation or consultancy.
- The future values quoted for the property, rentals and costs are projections only formed on the basis of information currently available to us and are not representations of what the value of the property will be as at the future date.
- We provide the valuation(s) or consultancy advice for **The Economic Development Directorate Only**.
- You must not make any part of this valuation or consultancy advice, or the substance of it, available to another person without our written consent. If you release any part of the valuation or consultancy advice or its substance without written consent, you agree:

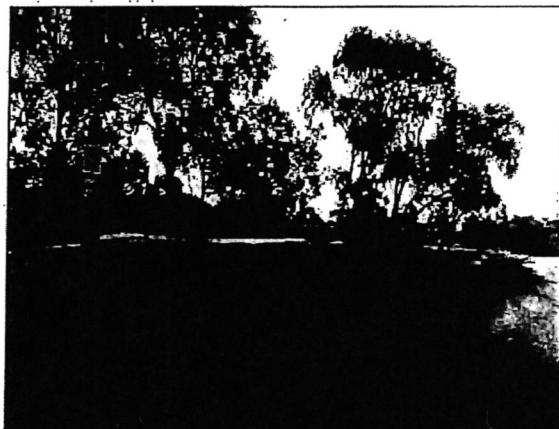
(a) to inform the other person of the terms of our consent; and

(b) to compensate us if you do not do so.

- We have no responsibility to any other person even if that person suffers damage as a result of the client receiving this valuation or consultancy advice.



Photos



Overview of the subject block.

000031



**ACT**  
Government  
Economic Development



CANBERRA FIRST

COPY

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Nikias Nominees Pty Ltd  
C/o Chris Wheeler  
King & Wood Mallesons  
NICTA Building  
7 London Circuit  
Canberra City ACT 2601

Dear Mr Wheeler

**AMENDED LETTER OF OFFER  
DIRECT SALE TO NIKIAS NOMINEES PTY LTD  
BLOCK 5 SECTION 79 GIRALANG**

I refer to the application for the direct sale of Block 5 Section 79 Division of Giralang (Land) to Nikias Nominees Pty Ltd (Nikias Nominees) and the offer of a lease dated 18 December 2011.

**AMENDED OFFER**

I note that since I made that offer you have been negotiating with members of my staff and representatives of both the Economic Development Directorate and the Environment and Sustainable Development Directorate. I am pleased to advise that I am in a position to offer Nikias Nominees an amended offer of crown lease over the Land under the *Planning and Development Act 2007* for a term of 99 years (crown lease).

Summary of Offer

Price	\$172,000.00
GST	17,200.00
<b>Sale Price (GST Inclusive)</b>	<b>\$189,200.00</b>

This offer is open until 5:00 pm 29 June 2012 and should be read in conjunction with the terms and conditions of the original offer package from December 2011.

**ACCEPTANCE OF OFFER**

If this offer is acceptable to the Nikias Nominees, on or before the date that is **5:00 pm 29 June 2012**, please arrange for the counterpart Contract for Sale for the Land to be appropriately executed and provide it, along with a cheque for the Deposit payable under the Contract, in favour of the "Land Development Agency" to:

Ms Danielle Mildren  
Chamberlains Law Firm  
GPO Box 746  
Canberra City ACT 2601

Once these items have been received, you will be provided with the crown lease for execution in readiness for settlement.

#### CONSOLIDATION

It is a condition of this sale that the crown lease be consolidated with the crown lease over Block 4 Section 79 Giralang within 12 months of the date the Crown Lease is granted.

If you require any further information please contact Chris Sparke, Project Manager, Project Facilitation and Direct Sales, Sustainable Land Strategy, Economic Development Directorate on (02) 6205 2404.

Yours sincerely

David Dawes  
Chief Executive Officer

June 2012

NB: ORIGINAL SIGNED BY DAVID DAWES ON

16 JUNE 2012

ORIGINAL FORWARDED TO CHAMBERLAINS ON

18 JUNE 2012.

**Sparke, Chris**

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**From:** Sparke, Chris  
**Sent:** Monday, 18 June 2012 9:32 AM  
**To:** 'Danielle Mildren'  
**Subject:** Amedned Offer - Nikias B5S79 Giralang - Amended Lease - May 2012 - Final Version  
**Attachments:** Attachment B - B5S79 Giralang - Amended Lease - May 2012 - Final Version.docx

Hi Danielle

Please find attached the new approved lease for the Nikias offer package.

Regards

**Chris Sparke | Project Manager | Project Facilitation and Direct Sales**

**Phone: 02 6205 2404**

**Sustainable Land Strategy | Economic Development Directorate | ACT Government**

Level 6 Transact House, 470 Northbourne Avenue, Dickson ACT 2602

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**ACT**  
Government

Environment and  
Sustainable Development

Mr Chris Sparke  
Sustainable Land Strategy  
Economic Development Directorate  
GPO Box 158  
CANBERRA ACT 2601

Dear Mr Sparke

**Block 5 Section 79 Giralang and Block 13 Section 540 Chisholm**

I refer to my earlier advice to you dated 9 December 2011 regarding Block 5 Section 79 Giralang.

As you know, the Planning and Land Authority has delegated its leasing function to the Land Development Agency subject to two general conditions. The delegation under section 20(2) of the *Planning and Development Act 2007* was signed on 31 March 2008.

This letter is to advise that, in accordance with paragraph (b) of the Instrument of Delegation, the Planning and Land Authority agrees to the terms and conditions contained in the lease for Block 13 Section 540 Chisholm attached.

I would also like to advise you that, in accordance with paragraph (b) of the Instrument of Delegation, the Planning and Land Authority agrees to the terms and conditions contained in the revised lease for Block 5 Section 79 Giralang attached.

If you require any further information please contact me on telephone number 6207 2112.

Yours sincerely

Dulce Lander  
Manager  
General Leasing  
Lease Administration  
Planning Delivery Division  
Planning and Land Authority

31 May 2012



**ACT**  
Government

Economic Development

**MINUTE**

REF: 2011/13296

**SUBJECT: Amended Offer for the direct sale of a lease for Block 5 Section 79 Giralang to Nikias Nominees Pty Ltd**

BM12/1165

To: Director-General, Economic Development Directorate

DD 16/6/12

- Executive Director, Land Strategy & Finance

14.06.12

From: Director, Sustainable Land Strategy

Date: 14 June 2012

### **Purpose**

To seek your agreement to Nikias Nominees Pty Ltd (Nikias) being granted a lease over Block 5 Section 79 Giralang and to obtain your signature on the amended letter of offer at Attachment A.

### **Background**

Nikias seeks to acquire the land to facilitate the redevelopment of the local shopping centre.

On 20 September 2011 the Minister for the Environment and Sustainable Development Directorate (ESDD) agreed with the Direct Sale Panel's recommendation supporting Nikias as eligible for the direct sale in accordance with section 122 of the *Planning and Development Regulation 2008*.

This amendment is required because ESDD advised that Nikias has already sought and paid for the GFA required for the proposed development through the development application process. Accordingly Nikias does not wish to purchase the GFA that featured in the original offer.

To avoid this situation reoccurring in the future, once a direct sale for contiguous land has been approved by the Minister for the Environment and Sustainable Development a meeting will be held between EDD, ESDD and the proponent. This meeting will facilitate agreement as to exactly what GFA EDD will be selling and what the proponent will be required to apply for through the regular development application process.

✓

This meeting will ensure that ESDD and EDD are aware of each other's actions with regard to GFA entitlements on particular leases.

## Issues

An offer of lease has been prepared for your signature in accordance with your delegation under section 20(2) of the *Planning and Development Act 2007* and in consideration of the following:

- **Site Area** Block 5 Section 79 Giralang has a site area of 702 square metres.
- **Planning** The Environment and Sustainable Development Directorate is satisfied that the land is suitable for the proposed use. The Minister for the Environment and Sustainable Development called in and approved the DA on 17 August 2011. However, EDD is currently aware that the Minister's decision on the DA has been appealed and the matter is currently being heard in the Supreme Court.
- **Financial** The Treasury Directorate confirmed that Nikias has the financial capacity to satisfy the direct sale eligibility requirements to purchase, develop and manage the land.
- **Price** The amended purchase price has been set by EDD obtaining a valuation from the valuation firm that proved to be the highest of the original three firms used to set the original price for the land.

The amended lease and approval letter from ESDD is at Attachment B. The contract for sale will be amended by chamberlains and attached to the amended letter of offer before it is sent to Nikias' solicitors.

## Recommendations

That you agree to sign the attached amended letter of offer to Nikias Nominees Pty Ltd.

(Please return the signed letter to this office so that it can be forwarded with the

Greg Ellis  
Director  
Sustainable Land Strategy  
Land Strategy and Finance Division

Action Officer: Chris Sparke  
Branch: Direct Sales  
Extension: 52404

Mr David Dawes ..... 6/2012  
**AGREED**/NOT AGREED/NOTED/PLEASE DISCUSS

Entered in Register Book Vol Folio

This is a market value  
lease - s238(2)(a)(ii) Planning  
and Development Act 2007

**AUSTRALIAN CAPITAL TERRITORY**

**PLANNING AND DEVELOPMENT ACT 2007**

**Australian Capital Territory (Planning and Land  
Management) Act 1988 (C'th) (ss 29, 30 & 31)**

LEASE GRANTED pursuant to the Planning and Development Act 2007 and the Regulations made under that Act on the *tenth* day of *December* Two thousand and *twelve* WHEREBY THE PLANNING AND LAND AUTHORITY ("the Authority") ON BEHALF OF THE COMMONWEALTH OF AUSTRALIA ("the Commonwealth") in exercising its functions grants to **NIKLAS NOMINEES PTY LTD A.C.N. 008 519 775** a company having its registered office at C/- Bentleys 24 Marcus Clarke Street Canberra City in the Australian Capital Territory ("the Lessee") ALL THAT piece or parcel of land situate in the Australian Capital Territory containing an area of **702 square metres** or thereabouts and being **Block 5 Section 79 Division of Giralang** as delineated on **Deposited Plan Number 4630** in the Registrar-General's Office at Canberra in the said Territory ("the land") RESERVING unto the Territory all minerals and the right to the use, flow and control of ground water under the surface of the land TO HOLD unto the Lessee for the term of ninety nine years commencing on the *tenth* day of *December* Two thousand and *twelve* ("the date of the commencement of the lease") to be used by the Lessee for the purpose set out in Clause 3(a) of this lease only YIELDING AND PAYING THEREFOR rent in the amount and in the manner and at the times provided for in this lease and UPON AND SUBJECT TO the covenants conditions and agreements contained in this lease.

## INTERPRETATION

1. IN THIS LEASE unless the contrary intention appears:
  - (a) "Authority" means the Planning and Land Authority established by section 10 of the Planning and Development Act 2007;
  - (b) "building" means any building or structure, constructed or partially constructed or to be constructed, as the context permits or requires, on or under the land;
  - (c) "Lessee" shall:
    - (i) where the Lessee consists of one person be deemed to include the Lessee and the executors administrators and assigns of the Lessee;
    - (ii) where the Lessee consists of two or more persons be deemed to include in the case of a tenancy in common the persons and each of them and their and each of their executors administrators and assigns and in the case of a joint tenancy be deemed to include the said persons and each of them and their and each of their assigns and the executors administrators and assigns of the survivor of them; and
    - (iii) where the Lessee is a corporation be deemed to include such corporation its successors and assigns;
  - (d) "premises" means the land and any building or other improvements on the land;
  - (e) "Territory" means:
    - (i) when used in a geographical sense the Australian Capital Territory; and
    - (ii) when used in any other sense the body politic established by section 7 of the Australian Capital Territory (Self-Government) Act 1988 (C'th);
  - (f) words in the singular include the plural and vice versa;
  - (g) words importing one gender include the other genders;
  - (h) a reference in this lease to any statute or statutory provision shall include a reference to any statute or statutory provision that amends, extends, consolidates or replaces the statute or statutory provision and to any other regulation, instrument or other subordinate legislation made under the statute.

2. THE LESSEE COVENANTS WITH THE COMMONWEALTH as follows:

- |                           |   |
|---------------------------|---|
| RENT                      | (a) That the Lessee shall pay to the Authority rent at the rate of five cents per annum if and when demanded payable within one month of the date of any demand made by the Authority relating thereto and served on the Lessee;                  |
| MANNER OF PAYMENT OF RENT | (b) That any rent or other moneys payable by the Lessee to the Authority under this lease shall be paid to such person as may be authorised by the Authority for that purpose at Canberra in the said Territory without any deduction whatsoever. |

3. THE LESSEE FURTHER COVENANTS WITH THE COMMONWEALTH as follows:

- |                       |  |
|-----------------------|--|
| PURPOSE               | (a) To use the premises only for the purposes permitted by the Crown lease of Block 4 Section 79 Division of Giralang;   |
| CARPARKING            | (b) That the Lessee shall provide and maintain an approved drained and sealed carparking area on the land to a standard acceptable to the Authority in accordance with plans and specifications prepared by the Lessee and previously submitted to and approved in writing by the Authority;   |
| LANDSCAPING           | (c) That the Lessee shall provide and maintain landscaping on the land to a standard acceptable to the Authority in accordance with plans and specifications prepared by the Lessee and previously submitted to and approved in writing by the Authority;  |
| LIGHTING              | (d) That the Lessee shall illuminate and keep illuminated all public access areas, carparks and driveways on the land at the Lessee's cost during the evening hours of operation to a standard acceptable to the Authority in accordance with plans and specifications prepared by the Lessee and previously submitted to and approved in writing by the Authority;  |
| PRESERVATION OF TREES | (e) That the Lessee shall not, without the previous consent in writing of the Territory, remove any tree: <ul style="list-style-type: none"> <li>(i) that has been identified in a development approval for retention during the period allowed for construction of the building; or</li> <li>(ii) to which the <u>Tree Protection Act 2005</u>, applies;</li> </ul> |

- FACILITIES AND ACCESS FOR PERSONS WITH A DISABILITY (f) That the Lessee shall provide and maintain facilities and access on the land for persons with a disability in accordance with plans and specifications prepared by the Lessee and previously submitted to and approved in writing by the Authority;
- SERVICE AREAS (g) That the Lessee shall screen and keep screened all service areas to the satisfaction of the Authority and shall ensure that all plant and machinery contained within the premises is suitably screened from public view;
- BUILDING SUBJECT TO APPROVAL (h) That the Lessee shall not without the previous approval in writing of the Authority, except where exempt by law, erect any building, or make any structural alterations to any building, on the land;
- REPAIR (i) That the Lessee shall at all times during the said term maintain repair and keep in repair the premises to the satisfaction of the Authority;
- FAILURE TO REPAIR (j) If and whenever the Lessee is in breach of the Lessee's obligations to maintain repair and keep in repair the premises the Authority may by notice in writing to the Lessee specifying the repairs and maintenance needed require the Lessee to effect the necessary work in accordance with the notice. If the Authority is of the opinion that a building or some other improvement on the land is beyond reasonable repair the Authority may by notice in writing to the Lessee require the Lessee to remove the building or improvement and may require the Lessee to construct a new building or improvement in place of that removed within the time specified in the notice. If the Lessee does not carry out the required work within the time specified by the Authority any person or persons duly authorised by the Authority with such equipment as is necessary may enter the premises and carry out the necessary work and all costs and expenses incurred by the Authority in carrying out the work shall be paid by the Lessee to the Authority on demand and from the date of such demand until paid shall for all purposes of this lease be a debt due and payable to the Authority by the Lessee;
- RIGHT OF INSPECTION (k) Subject to the provisions of the Planning and Development Act 2007 to permit any person or persons authorised by the Authority to enter and inspect the premises at all reasonable times and in any reasonable manner;
- RATES AND CHARGES (l) To pay all rates charges and other statutory outgoings assessed levied or payable in respect of the premises as and when they are due for payment.

4. THE COMMONWEALTH COVENANTS WITH THE LESSEE as follows:

QUIET  
ENJOYMENT

That the Lessee paying the rent and all other money due and observing and performing the covenants and stipulations on the part of the Lessee to be observed and performed shall quietly enjoy the premises without interruption by the Authority or any person lawfully claiming from or under or in trust for the Authority.

5. IT IS MUTUALLY COVENANTED AND AGREED as follows:

TERMINATION

(a) That if:

- (i) any rent or other moneys payable under this lease shall remain unpaid for three months next after the date appointed for payment thereof (whether such rent or other moneys shall have been formally demanded or not); or
- (ii) the said land is at any time not used for a period of one year for the purpose for which this lease is granted; or
- (iii) the Lessee shall fail to observe or perform any other of the covenants herein contained in this lease on the part of the Lessee to be observed or performed and shall have failed to remedy such breach within a period of six months from the date of service on the Lessee of a notice in writing from the Authority specifying the nature of such breach

the Authority on behalf of the Commonwealth may terminate this lease but without prejudice to any claim which the Authority or the Commonwealth may have against the Lessee in respect of any breach of the covenants on the part of the Lessee to be observed or performed;

ACCEPTANCE  
OF RENT

- (b) That acceptance of rent or other moneys by the Authority during or after any period referred to in Clauses 5(a) (i), (ii) or (iii) of this lease shall not prevent or impede the exercise by the Authority of the powers conferred upon it by the said Clauses;

FURTHER LEASE

- (c) Subject to the Lessee paying all money required to be paid under the provisions of the Planning and Development Act 2007 the Lessee shall be entitled to a further lease of the land for such further term and at such rent and subject to such conditions as may then be provided or permitted by Statute Ordinance or Regulation;

NOTICES

(d) That any notice requirement demand consent or other communication to be given to or served upon the Lessee under this lease shall be deemed to have been duly given or served if signed by or on behalf of the Authority and delivered to or sent in a prepaid letter addressed to the Lessee at the registered office of the Lessee in the said Territory BUT if for any reason the Lessee does not have a registered office in the said Territory then at the usual or last-known address of the Lessee or affixed in a conspicuous position on the premises;

EXERCISE OF POWERS

(e) Any and every right, power or remedy conferred on the Commonwealth or Territory in this lease, by law or implied by law may be exercised on behalf of the Commonwealth or the Territory or as the case may be by:

- (i) the Authority;
- (ii) an authority or person for the time being authorised by the Authority or by law to exercise those powers or functions of the Commonwealth or Territory; or
- (iii) an authority or person to whom the Authority has delegated all its powers or functions under the Planning and Development Act 2007.

IN WITNESS whereof the Authority on behalf of the Commonwealth and the Lessee have executed this lease.

Signed by **JULIA FORNER** )  
a delegate authorised to execute this lease )  
on behalf of the Commonwealth in the )  
presence of )

.....  
/ *[Signature]* Delegate

**DANIELLE MILDREN**

.....  
Witness

Signed by **NIKIAS NOMINEES PTY** )  
**LIMITED (A.C.N. 008 519 775)** by: )

.....  
Signature

.....  
Signature

**CONSTANTINOS NIKIAS**.....  
Name in full

**BILL NIKIAS**.....  
Name in full

.....  
**Director/Secretary**

.....  
**Director/Secretary**