

## **DISCLOSURE STATEMENT**

Premises: The whole of the land comprised in Certificate of Title Volume 5479 Folio 215  
commonly known as the Lameroo Caravan Park

Lessee:

### **IMPORTANT NOTICE**

#### **EXCLUSION OF WARRANTY OF FITNESS FOR PURPOSE**

Retail and Commercial Leases Act 1995: Section 18  
Retail and Commercial Leases Regulations 2010: Regulation 6

**THE LESSOR DOES NOT WARRANT THAT THE  
PREMISES THAT YOU ARE ABOUT TO LEASE WILL,  
FOR THE DURATION OF YOUR LEASE,  
BE STRUCTURALLY SUITABLE FOR THE TYPE  
OF BUSINESS THAT YOU INTEND TO CARRY ON.**



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## **Form 1—Disclosure statement under section 12 of *Retail and Commercial Leases Act 1995***

### **Information for lessees**

Please read the following information carefully.

#### **What is a lease?**

A lease is a very important document. It is a legally binding contract between the lessor (landlord) and the lessee (tenant). It sets out the rights and obligations of the lessor and the lessee.

A document that binds the lessee to enter into a lease or to take a shop on lease for a renewed term should be treated as if it were the lease.

#### **What should I look for in a lease?**

The main features to consider are—

- the term of the lease;
- whether there is an option to renew or extend the lease (and the method of exercising any such option);
- the rent and the basis for rent reviews;
- the amounts that the lessee will have to pay in addition to rent eg fit out costs, maintenance and repair costs and shared operating expenses;
- the consequences of breaching a term of the lease.

Make sure you read the whole document and understand the obligations it will place on you, especially the extra charges in addition to rent that you will have to pay.

If the lease is a sublease, you should seek information about the lessor's rights and obligations under the head lease that are relevant to the lease of the shop.

#### **What information is the lessor required to give me?**

The lessor must give you a copy of the proposed lease and this disclosure statement. The disclosure statement must contain the matters set out in section 12 of the *Retail and Commercial Leases Act 1995*.

#### **What should I do before signing a lease or other binding document?**

Do not sign until you understand exactly what your obligations under the lease will be.

Before signing a lease or other binding document, you should obtain independent legal and financial advice.

- You should discuss the lease (or any agreement for a lease) and the disclosure statement with your own lawyer or leasing adviser.
- You should seek advice about the financial commitments under the lease from your own accountant or recognised financial or business adviser.
- You should also seek advice from an association representing the interests of lessees.

Before signing a lease or other binding document, oral representations made by the lessor or the lessor's agent on which you have relied should be reduced to writing and signed by or on behalf of the lessor.

Before signing a lease or other binding document, the lessee should sign an acknowledgment of receipt of the disclosure statement.

## 1—Details of shop

Address: The whole of the land comprised in Certificate of Title Volume 5479 Folio 215, which is located at the corner of the Mallee Highway and Varden Terrace in Lameroo, South Australia and which is commonly known as the Lameroo Caravan Park.

Lettable area: approximately 3.337 hectares

The shop may only be used for: the operation of the Lameroo Caravan Park

## 2—Term of lease

Term of lease: Five years commencing on [to be negotiated with the successful tenderer]

## 3—Renewal or extension of lease

[Tick 1 box.]

- There is no right to renew or extend the term of the lease.
- The lease gives a right to renew or extend the term of the lease as follows:  
Two rights of renewal each for a period of five years.

## 4—Access to shop

Hours during which the lessee will have access to the shop outside trading hours: At all times

Date on which the shop will be available for occupation: [to be negotiated with the successful tenderer]

## 5—Monetary obligations

The lessee's obligations to pay rent, to pay or reimburse outgoings, to make or reimburse capital expenditure and any other monetary obligations imposed on the lessee are set out in Appendix A.

## 6—Retail shopping centre details

[Tick 1 box.]

- The shop is in a retail shopping centre within the meaning of the *Retail and Commercial Leases Act 1995*.  
See Appendix B for details.
- The shop is not in a retail shopping centre within the meaning of the *Retail and Commercial Leases Act 1995*.

## 7—Consequences of breach

The legal consequences of early termination of the lease by the lessee as set out in clause 15 of the lease and as otherwise arise at law are as follows:

Depending upon the nature of the early termination by the lessee, the lessor may do one or more of the following:

- (a) sue the lessee for damages, with or without accepting the termination;
- (b) accept the lessee's termination and re-enter the premises (with or without claiming damages);

- (c) require the lessee to pay default interest on unpaid money (including unpaid rent).

The legal consequences of other breaches as set out in clauses 9.4.1, 10.7, 13.3, 15, 17.2.5, 19, 24 and 27.5 of the lease are as follows:

In addition to the consequences relating to early termination of the lease by the lessee, the lessor may do one or more of the following (depending upon the nature of the breach):

- (a) distrain for unpaid rent (i.e. enter the premises and seize and sell the lessee's goods);
- (b) terminate the lease;
- (c) accept the breach as the lessee's repudiation of the lease;
- (d) re-enter the premises;
- (e) remedy the breach itself and recover the cost of doing so from the lessee;
- (f) obtain specific performance of the lessee's obligations under the lease;
- (g) obtain an injunction against any breaches by the lessee;
- (h) claim under the indemnity provided by the lessee to the lessor;
- (i) claim under the bank guarantee provided by the lessee to the lessor;
- (j) claim under any guarantee provided by the lessee to the lessor;
- (k) require the lessee to remedy the breach before the lessor will consent to any request for assignment of the lease;
- (l) refuse to grant the lessee a renewal of the lease;
- (m) pursue any other legal remedies available to the lessor.

## 8—Warnings

Oral representations made by the lessor or the lessor's agent on which the lessee has relied should be reduced to writing and signed by or on behalf of the lessor before the lessee enters into the lease.

The lessee should obtain independent legal and financial advice before entering into the lease.

Date: .....

Signature of lessor: .....

Name: Southern Mallee District Council

Address: Day Street, Pinnaroo SA 5304

**Acknowledgment of receipt**

I acknowledge receipt of this disclosure statement including:  
*[Tick 1 or more boxes as applicable.]*

- Appendix A—Monetary obligations under lease
- Appendix B—Retail shopping centre details
- Attachment—Shop fitting or refitting obligations
- Attachment—Fixtures, plant or equipment obligations
- Attachment—Sinking fund obligations
- Attachment—Proposed changes to shopping centre
- Attachment—Current tenant mix
- Attachment—Proposed changes to current tenant mix
- Attachment—Details of tenant association

Date: .....

Signature: .....

Name:

Address:

## Appendix A—Monetary obligations under lease

### Part 1—Rent

#### 1—Base rent

The base rent payable for the shop is or is calculated as follows:

#### 2—Basis on which base rent may be changed

The base rent may be changed on the following basis:

#### 3—Other rent

Other rent payable for the shop is or is calculated as follows:

Not applicable.

### Part 2—Capital expenditure

#### 4—Permissible obligations (section 13 of *Retail and Commercial Leases Act 1995*)

The lessee will be liable for capital expenditure as follows:

[Tick 1 or more boxes as applicable.]

- to pay or reimburse the cost of making good damage to the premises arising when the lessee is in possession or entitled to possession of the premises
- to fit or refit the shop as set out in the attachment marked "Shop fitting or refitting obligations"
- to provide fixtures, plant or equipment as set out in the attachment marked "Fixtures, plant or equipment obligations"
- to contribute to a sinking fund to cover major items of repair or maintenance as set out in the attachment marked "Sinking fund obligations"

### Part 3—Outgoings

#### 5—Categories and estimate of annual liability

The lessee will be liable to pay or reimburse outgoings as follows. Some amounts to be raised for outgoings (including statutory charges and insurances) as at the date of this disclosure statement are presently only estimated. The full description of recoverable outgoings are set out under the terms of the lease. The outgoings amounts are also subject to change as determined by the authority that determines the amounts and where GST applies to an amount the amount will be increased by the relevant amount of GST.

Category of outgoings	Estimate of lessee's annual liability
local government rates and charges	\$502.00
electricity	
gas and oil	\$300.00
water and sewerage rates and charges	\$900.00
sewerage disposal and sullage	

<b>Category of outgoings</b>	<b>Estimate of lessee's annual liability</b>
energy management systems	
air conditioning/ventilation	
building intelligence and emergency systems	
fire protection	
security	
lifts and escalators	
public address/music	
signs	
public telephones	
insurance	\$700.00
pest control	\$250.00
uniforms	
car parking	
child minding	
gardening	
cleaning	
audit fees	
management costs	
maintenance and repairs	\$1,130.00
other – CWMS rates and charges	\$2,228.00
<b>Total</b>	<b>\$6,010.00</b>

[Tick 1 box.]

- The lessee is liable for the full amount of the outgoings.
- The lessee is liable for a proportion of the outgoings calculated according to the following formula:  
.....

**6—Margin of profit**

[Tick 1 box.]

- The amount the lessee is required to pay towards outgoings does not include a margin of profit for the lessor.
- The amount the lessee is required to pay towards outgoings includes a margin of profit for the lessor as follows:  
.....

## Part 4—Other monetary obligations

### 7—Other

[Tick 1 box.]

The lessee will not be liable for any other kinds of monetary obligations.

The lessee will also be liable for the following kinds of monetary obligations:

1. Pursuant to clause 5.1 of the lease, the lessee must pay or reimburse the lessor all rates and taxes, levied, assessed or charged in respect of the leased premises.
2. Pursuant to clause 5.5 of the lease, the cost of all power and utilities supplied to or used from the leased premises.
3. Pursuant to clause 5.5.2 of the lease, the costs of installation of a separate meter for a utility or service used on or from the leased premises.
4. All costs associated with the operation of the lessee's business on and from the leased premises and compliance with any requirements in relation to the operation of the lessee's business as set out in the lease.
5. All costs associated with compliance with all statutory requirements.
6. All costs of complying with fire safety systems, procedures and statutory requirements.
7. Pursuant to clause 7 of the lease, all costs associated with the maintenance of public risk and plate glass insurance policies and all other insurances required to be maintained by any statutory requirement.
8. Pursuant to clause 8.1 of the lease, all costs of keeping the leased premises and equipment situated on the leased premises in good repair.
9. Pursuant to clause 8.2 of the lease, all costs of maintaining all items attached to the leased premise and replacing them if worn or damaged.
10. Pursuant to clause 8.3.6 of the lease, the lessor's costs of considering any proposal by the lessee to alter the leased premises.
11. Pursuant to clause 8.4 of the lease, all costs associated with refurbishment of the leased premises in accordance with this clause.
12. Pursuant to clause 8.5 of the lease, all costs associated with keeping the leased premises clean and tidy and free of vermin, insects and pests.
13. Pursuant to clause 9 of the lease, paying the lessor's costs of and incidental to any inspection of the premises, enquiries in relation to and otherwise considering any proposed assignment or other dealing with the lease or fixtures, fittings goods and equipment at the leased premises.
14. Pursuant to clause 14 of the lease, all costs of removing the lessee's equipment from the leased premises and repairing any damage cause by such removal, removing and reinstating any alterations and additions made to the leased premises by the lessee during the lease term and doing all other things required by clause 14 when the lease expires or otherwise comes to an end.

15. The costs of providing a bank guarantee to the lessor as required by clause 19 of the lease and of maintaining that bank guarantee during the term of the lease.
16. All costs associated with providing guarantees as required by clause 24 of the lease.
17. All costs associated with a breach of the lease by the lessee.
18. Good and services tax.
19. All stamp duty payable on the lease, all fees and charges and other costs associated with registration of the lease, on half of all preparatory costs of the lease, all legal costs of the lessor in connection with any extension of the lease and all costs incurred by the lessor in consequence of any actual or threatened breach of the lease by the lessee.
20. All other costs payable by the lessee under the terms of the lease.

### **Attachment—Shop fitting or refitting obligations**

Pursuant to clause 6.8.2 of the lease, the lessee must fit out the shop with all equipment, machinery, fixtures and fittings required to adequately carry on the permitted use. The lessee must keep such equipment, machinery, fixtures and fittings in good repair and condition during the lease term.

### **Attachment—Fixtures, plant or equipment obligations**

Pursuant to clause 6.8.2 of the lease, the lessee must fit out the shop with all equipment, machinery, fixtures and fittings required to adequately carry on the permitted use. The lessee must keep such equipment, machinery, fixtures and fittings in good repair and condition during the lease term.

## **Attachment—Sinking Fund**

The Lessor has power pursuant to clause 5.4 of the lease to establish a sinking fund during the lease term.