

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 e.g. 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.

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1—Details of shop

Address: *[Provide sufficient details to identify the shop.]*

89 Philip Highway Elizabeth South SA 5112

Lettable area: *[Specify in square metres.]*

100

The shop may only be used for: *[Specify the permitted uses.]*

Office use only, up to 10 Staff.

2—Term of lease

Term of lease:

Term of TBA Year. Commencing on the 11/04/2025

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:

[Insert details]

Term of TBA Years

4—Access to shop

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

Unlimited access

Date on which the shop will be available for occupation: 11 / 04 / 2025

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

As per lease Covenants

[insert clause numbers or other identification of relevant components of lease]

of the lease are as follows:

The lessee is liable for all rent and other monies payable under the lease until the end of the term of the lease and the Lessee is also liable for all losses suffered by and all costs incurred by the lessor which result from early termination.

[Insert brief description.]

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The legal consequences of other breaches as set out in

As per lease Covenants

[insert clause numbers or other identification of relevant components of lease]

of the lease are as follows:

1. The lessor may re-enter and terminate the lease. 2. The Lessee may be liable to pay damages and costs to the lesser. 3. The lessee may be liable to pay interest to the lessor. 4. The Lessor may levy distress against the goods of the Lessee.

[Insert brief description.]

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: _____

Address:

1087 Stebonheath Road Munno Para West SA 5115

Acknowledgment of receipt

I acknowledge receipt of this disclosure statement including:

[Tick 1 or more boxes as applicable.]

- | | |
|---|--|
| <input checked="" type="checkbox"/> Appendix A—Monetary obligations under lease | <input type="checkbox"/> Appendix B—Retail shopping centre details |
| <input type="checkbox"/> Attachment—Shop fitting or refitting obligations | <input type="checkbox"/> Attachment—Fixtures, plant or equipment obligations |
| <input type="checkbox"/> Attachment—Sinking fund obligations | <input type="checkbox"/> Attachment—Proposed changes to shopping centre |
| <input type="checkbox"/> Attachment—Current tenant mix | <input type="checkbox"/> Attachment—Proposed changes to current tenant mix |
| <input type="checkbox"/> Attachment—Details of tenant association | |

Date: _____

Signature:

Name: _____

Address:

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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:

Annual Rent \$35,000 + GST

[Insert amount or formula.]

2—Basis on which base rent may be changed

The base rent may be changed on the following basis:

Subject to rent reviews annually in accordance with clause 4.2 of the lease.

[Insert description of rent review arrangements.]

3—Other rent

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

In advance by equal calendar monthly installments each equivalent to 1/12 of the annual rent.

[Insert amount or formula.]

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"

[The attachment must include sufficient details to enable the lessee to obtain an estimate of the likely cost of complying with the obligation.]

- to provide fixtures, plant or equipment as set out in the attachment marked "Fixtures, plant or equipment obligations"

[The attachment must include sufficient details to enable the lessee to obtain an estimate of the likely cost of complying with the obligation.]

- to contribute to a sinking fund to cover major items of repair or maintenance as set out in the attachment marked "Sinking fund obligations"

[The attachment must include reasonable details of the lessee's obligations.]

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Part 3—Outgoings

5—Categories and estimate of annual liability

The lessee will be liable to pay or reimburse outgoings as follows:

Category of outgoings	Estimate of lessee's annual liability
local government rates and charges	\$ 5263
electricity	\$
gas and oil	\$
water and sewerage rates and charges	\$ 692
sewerage disposal and sillage	\$
energy management systems	\$
air conditioning/ventilation	\$ 480
building intelligence and emergency systems	\$
fire protection	\$ 250
security	\$ 514.80
lifts and escalators	\$
public address/music	\$
signs	\$
public telephones	\$
insurance	\$ 3567.06
pest control	\$
uniforms	\$
car parking	\$
child minding	\$
gardening	\$
cleaning	\$
audit fees	\$
management costs	\$ 3850
maintenance and repairs	\$
emergency services levy	\$ 469.95
other [specify] <input type="text"/>	\$
Total	\$ 15086.81

[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:

[If different according to category, provide category and formula in each case]

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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:

[Provide the percentage profit or the basis on which the profit is to be calculated.]

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:

A security Deposit of \$3,500. To be paid on signing of the Form 1 statement.

The lessee to pay for half of the lease Agreement Fee of \$1,800 to be paid on signing of the Form 1 Disclosure Statement. In advance by equal calendar monthly instalments each equivalent to 1/12th of the annual rent = \$3,500.

[Provide details of other kinds of monetary obligations and, if possible, an estimate of the annual cost of complying with those obligations.]

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Appendix B—Retail shopping centre details

1—Shopping centre details

Name of shopping centre:

Not Applicable

Address of shopping centre:

2—Number of shops and lettable area

Total number of shops in shopping centre:

Total lettable area of shops in shopping centre:

3—Parking facilities at shopping centre

Number of parking bays for customers of shop:

Number of parking bays for lessee and lessee's employees:

4—Facilities and services provided by lessor

The lessor provides the following facilities and services:

[Describe nature of facilities and services.]

5—Proposed changes to shopping centre

[Tick 1 box.]

- No changes to the shopping centre are proposed.
- It is proposed to make changes to the shopping centre as follows:

[Describe the nature of the changes including any changes to the buildings, parking and surrounding roads and, if a development application is to be lodged, details of when and with whom it is to be lodged. Attach details (in attachment marked "Proposed changes to shopping centre") or include details of where to obtain further information.]

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6—Core trading hours

Core trading hours:

Not Applicable

7—Current tenant mix and any proposed changes

The current tenant mix is shown on the attachment marked "Current tenant mix" comprised of a floor plan showing tenancies and common areas.

[Tick 1 box.]

- No changes to the current tenant mix are proposed.
- It is proposed to change the current tenant mix as follows:

[Describe changes or show on attachment marked "Proposed changes to current tenant mix".]

The lease may contain provisions governing the process for changes to the tenant mix.

8—Introduction of competitor

[Tick 1 box.]

- The lessee is assured that the current tenant mix will not be altered to the lessee's disadvantage by the introduction of a competitor.
- The lessor is not prepared to give the lessee an assurance that the current tenant mix will not be altered to the lessee's disadvantage by the introduction of a competitor.

9—Tenant association

[Tick 1 box.]

- There is no tenant association for the centre.
- The attachment marked "Details of tenant association" gives details of the nature of the tenant association for the centre, the voting rights of members and the contributions payable by members.

10—Advertisement etc of shopping centre

[Tick 1 box.]

- Contributions are not required towards the costs of advertising and promoting the shopping centre.
- The following is an estimate of the annual contributions that are or may be required towards the costs of advertising and promoting the shopping centre:

[Insert estimate.]

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