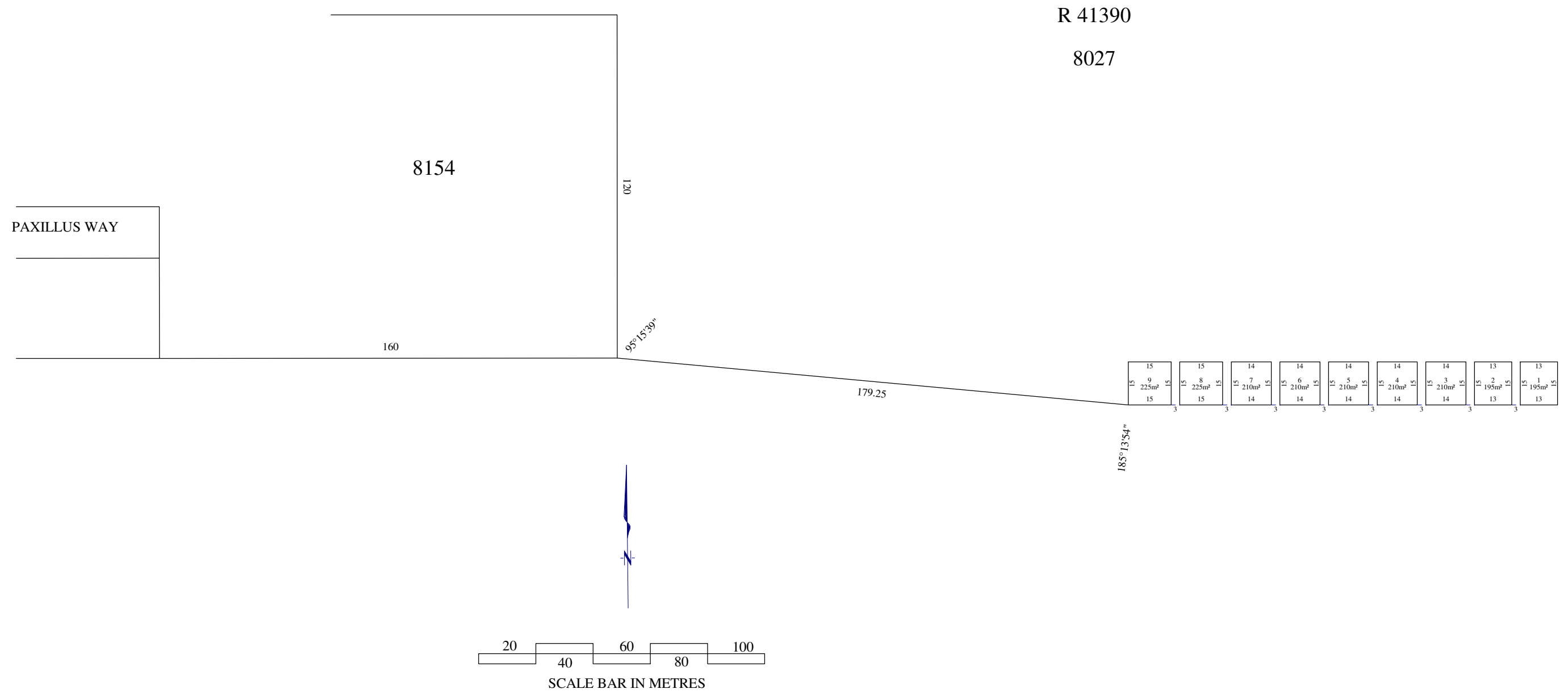


DENMARK AIRPORT  
PROPOSED LEASE  
HANGER BLOCKS



**DENMARK SURVEY & MAPPING**  
 LICENSED SURVEYORS  
 Andrew Le Fort PO Box 339 Tel: (08) 9848 2262  
 Mob: 0429 482 262 1/55 Strickland Street Fax: (08) 9848 2228  
 Stephen Bondini DENMARK WA 6333 Email: dsm@omninet.net.au  
 Mob: 0427 115 347 ABN: 65 801 497 860  
 JOB: 1424 CAD CON

**LOCATION:** RESERVE 41390 LOT 8027  
 EAST RIVER ROAD  
 DENMARK WA 6333  
**CLIENT:** SHIRE OF DENMARK  
 PO BOX 183  
 DENMARK WA 6333  
 ATTN GARY BIRD

17 November 2020 - Attachment 8.3.1a

Airport Leasehold Area – 9 lots.



FORM LC1

FORM APPROVAL NO. LAA-1022

WESTERN AUSTRALIA  
LAND ADMINISTRATION ACT 1997  
TRANSFER OF LAND ACT 1893 AS AMENDED

## LEASE OF CROWN LAND (L)

DESCRIPTION OF LAND (Note 1)

Reserve 41390 (Lot 8027) Lot 6

EXTENT

Whole

VOLUME

3115

FOLIO

955

LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS (Note 2)

LESSOR/LESSORS (Note 3)

SHIRE OF DENMARK OF SOUTH COAST HIGHWAY DENMARK

LESSEE/LESSEES (Note 4)

XXX

TERM OF LEASE (Note 5)

**Ten (10) Years Zero (0) Months Zero (0) Days**

Commencing from the first day of May in the year 2010

THE LESSOR HEREBY LEASES TO THE LESSEE the land above described subject to the encumbrances as shown hereon (Note 6)

for the above term for a rental of \$210 which shall be deemed to have been paid by the Lessee to the Lessor

**Shire of Denmark  
("the Lessor")**

**and**

**XXX**

**("the Lessee")**

**LEASE**

**RESERVE 41390 IS VESTED IN THE LESSOR FOR THE PURPOSE OF AERIAL LANDING GROUND WITH POWER TO LEASE FOR ANY TERM NOT EXCEEDING TWENTY-ONE (21) YEARS SUBJECT TO THE CONSENT OF THE MINISTER FOR LANDS AND THIS LEASE IS SUBJECT TO THE COVENANTS AND POWERS IMPLIED UNDER THE *LAND ADMINISTRATION ACT 1997* AND THE *TRANSFER OF LAND ACT 1893 AS AMENDED (UNLESS HEREBY NEGATIVED OR MODIFIED)* AND TO THE COVENANTS AND CONDITIONS CONTAINED HEREIN.**

---

**THIS LEASE** is made the first day of May.2010

**BETWEEN** the Lessor named in Item 1 of the Schedule hereto and the Lessee named in Item 2 of the Schedule hereto.

**WHEREAS:**

The Lessor has agreed to lease and the Lessee has agreed to take on lease the land described in Item 3 of the Schedule hereto (which together with the buildings erections improvements fixtures and fittings thereon are collectively hereinafter "the Leased Premises") for the Term and on commencement date stated in Item 4 of the Schedule hereto.

**1. THE LESSEE COVENANTS WITH THE LESSOR:**

**TO PAY RENT**

To pay on or before the due date for payment the rent reserved at the times and in the manner stated in Item 5 of the Schedule hereto.

**TO PAY OUTGOINGS**

To pay and discharge on or before the due date for payment all present and future outgoings including all rates and taxes, charges, assessments, licence fees, duties, impositions, penalties and other outgoings whatever which now or at any time during the Term are assessed and charged upon or in respect of the Leased Premises or the use or occupation of the Leased Premises or any part of the Leased Premises and any amount for water, electricity or gas consumed in the Leased Premises.

**COMPLY WITH LEGISLATION**

At all times during the Term to duly and punctually comply with, observe and carry out and conform to the provisions of all statutes (State or Federal) and all subsidiary legislation now or hereafter in force and all requirements and orders of any authority, statutory or otherwise, which affect the leased premises or the use of the Leased Premises or which impose any duty or obligations upon the owner or occupier of the Leased Premises.

**TO REPAIR AND MAINTAIN**

All land maintenance and building maintenance repairs shall be at the expense of the Lessee including painting of internal surfaces, fire control and clean and free of refuse and vermin.

**NOTICE OF DAMAGE**

To inform the Lessor in writing of any damage to or defect in the Leased Premises likely to cause any injury to any persons thereon immediately the Lessee becomes aware of it.

**NUISANCE**

Not to allow anything to be done or to occur in or about the Leased Premises which is noxious, offensive or audibly or visually a nuisance.

## **NOT DAMAGE TREES**

Not to destroy, cut down, prune or damage any living tree on the Leased Premises without the Lessor's consent.

## **PAY LESSOR'S EXPENSES**

To pay to the Lessor on demand all sums of money which the Lessor may pay or expend in connection with performing, discharging or executing any requisition or works or abating any nuisance referred to in the preceding provisions of this Lease and which the Lessee fails to perform, discharge, execute or abate.

## **NO ASSIGNMENT**

Not to assign, mortgage, sub-let or part with the possession of or dispose of the Lease Premises or any part of the Leased Premises or the benefit at law or in equity of this Lease without the prior written consent of the Lessor and, if required by law, of the Minister for Lands having first being obtained.

## **INDEMNITY**

At all time to indemnify and keep indemnified the Lessor and its agents and employees against all claims which may be made by any person arising out of or incidental to the use of the Leased Premises by the Lessee or any of its officers, employees, agents, licensees or invitees.

## **PROPERTY INSURANCE**

The Lessee will insure and keep insured the Leased Premises under its own policies of insurance and the Lessee shall at its own cost meet all other costs not met by the insurer. The Lessor may determine to not seek reinstatement or replacement of any structure so insured.

## **PUBLIC LIABILITY INSURANCE**

To effect and keep effected in respect of the Leased Premises adequate public risk insurance in the names of the Lessor and the Lessee for their respective rights and interests in any amount not less than \$10,000,000 in respect of any one claim with an insurance company approved by the Lessor.

## **NOT TO INVALIDATE INSURANCES**

Not to do or permit or suffer to be done in, about or upon the Leased Premises any act or thing whereby any policy of insurance may become void or voidable.

## **PROOF OF INSURANCE**

To deliver to the Lessor on or before the expiration of each year of the Term and at any other time upon the request of the Lessor valid certificates of currency in respect of all such insurance policies issued by the insurance companies with which the policies have been effected by the Lessee.

## **TO YIELD UP**

At the expiration or sooner determination of the Term of the Lease to yield up the Leased Premises in such state of repair and condition as is consistent with the proper performance by the Lessee of the covenants contained in this Lease and to remove from the Leased Premises such fixture, fitting, plant, equipment or other property in or upon the Leased Premises as the Lessor shall require the Lessee to remove and the Lessee must on such removal forthwith make good any damage which is occasioned by such removal.

## **2. THE LESSOR HEREBY COVENANTS WITH THE LESSEE:**

### **NO INTERFERENCE BY LESSOR**

That subject to the terms and conditions of this lease the Lessee may use and occupy the Leased Premises during the term of the Lease without any interference from the Lessor or any person claiming any interest in the Leased Premises through the Lessor.

### **LEASE COSTS**

The Lessee shall at its own expense pay for all costs for the preparation stamping and registration of this Lease.

## **3. THE LESSOR AND THE LESSEE AGREE THAT:**

### **DEFAULT BY LESSEE**

If during the Term the Lessee makes default in the due performance or observance of any of the Lessee's Covenants and such default is not remedied within 30 days after notice thereof is given by the Lessor or if the Lessee is wound up or ceases to operate then the Lessor may terminate this lease and the rights of the Lessee under this lease provided that if the default is capable of being remedied by the Lessor, then the Lessor may in its discretion itself remedy the default or cause it to be remedied (for which purpose the Lessor by agents, workmen or otherwise has full power to enter upon the Leased Premises) and the costs and expenses incurred by the Lessor in remedying the default or causing it to be remedied are a debt payable by the Lessee to the Lessor on demand.

### **TERMINATION OF LEASE**

The Lessor may terminate this Lease by giving twelve (12) months' written notice to the Lessee, notwithstanding that the Lessee is not in default and notwithstanding that the term of the Lease has not expired and the Lessee may terminate this Lease by giving twelve (12) months written notice to the Lessor notwithstanding that the term of the Lease has not expired. Such termination by either party does not waive the rights of the Lessor and/or the Lessee to seek a payment for compensation.

If this lease is terminated by the Lessor in accordance with the above then the Lessor shall at their expense relocate any building or hangar as may be erected on the land to another site on Reserve 41390 and a new lease shall be offered for the remainder of the term of the original lease.

### **OPTION FOR RENEWAL**

Within six months of the expiry of the term, the lessor shall offer to the lessee a further term of ten years, subject to the lessee complying with all terms and conditions of this lease,

### **RENT REVIEW**

For any further term that may be agreed at the expiry of the initial ten year term, a review of the rent payable by the lessee shall be undertaken by a licensed land valuer, appointed by agreement of both parties, with such review to take effect upon commencement of any new lease.

Thereafter a rent review is to be undertaken every five year period.

It is noted that any such valuation shall be undertaken on the basis that the land specifically prohibits any commercial activities or use.

#### **HOLDING OVER**

If the Lessee remains in possession of the Leased Premises with the permission of the Lessor after the expiration or sooner determination of the Term the Lessee will hold the Leased Premises as a monthly tenant subject to all the covenants and conditions contained in this Lease as far as they are applicable to a monthly tenancy and the tenancy so constituted may be terminated by one month's notice given by either party which notice may be given so as to expire at any time.

#### **ARBITRATION**

Any dispute or difference arising between the parties in respect of any of the matters referred to in this Lease shall be referred to arbitration under the provisions of the Commercial Arbitration Act 1985.

#### **NOTICES**

Any notice to be served on the Lessee under this Lease is to be served by the Lessor by delivery to the Lessee at the Leased Premises.

#### **SPECIAL TERMS**

The Lessor and the Lessee will each comply with and observe and perform their respective obligations under any special term or condition shown at Item 7 of the Schedule hereto.



## The Schedule

1. Lessor Shire of Denmark of South Coast Highway, Denmark WA 6333.
2. Lessee XXX
3. Leased Premises XXX (As denoted on attached map)
4. Term of Lease Ten (10) years commencing on 1 May 2010 and expiring 30 April 2020
5. Annual Rent 210 Dollars (\$1.00 per m2) per annum plus GST for each year of the Term of Lease.
6. Rent Due Date
7. Special Conditions
  - 7.1 Upon expiry of the Term, a further lease period of ten years will be offered by the Lessor to the Lessee, subject to the Lessee having met and adhered to all terms and conditions of this lease.
  - 7.2 For any subsequent term that may be agreed to under Special Condition 7.1 the annual rent for the lease is to be reviewed after ten years, fifteen years and twenty years.
  - 7.3 This lease is acknowledged by the lessee as being for the specific purpose of developing private aircraft hangar facilities at the Denmark Airport and their use shall be in accordance with the provisions of Shire of Denmark Town Planning Policy No 25.
  - 7.4 The Lessee acknowledges that the leased premises are to be considered rateable land by the Shire of Denmark and will be responsible for the payment of all municipal rates as adopted annually by the Shire.
  - 7.5 The lessee acknowledges that the land shall be developed and completed to the satisfaction of the Shire of Denmark (being the erection of a suitable aircraft hangar) within two years from the commencement of the lease. In the event that such development has not occurred the lessee will be considered in default of this lease and will be required to vacate the premises within three months from receiving such notice from the lessor.
  - 7.6 The Lessee acknowledges that access to the site will be from the unmade road at the rear of the leased site and further that Council has no plans to upgrade this road to a constructed standard.
  - 7.7 Council reserves the right to review the rent applicable if additional facilities are constructed on Reserve 41390 that will directly benefit the lessee. Such review will be done in consultation with the lessees at the time of the development and will be conducted in accordance with the principles of Clause 3 Rent Review.

ATTESTATION SHEET

Executed by the parties as a Deed on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_

LESSOR SIGNS HERE

The Common Seal of )  
SHIRE OF DENMARK )  
was hereunto affixed )  
in the presence of )

\_\_\_\_\_  
Cr Ross Thornton  
Shire President

\_\_\_\_\_  
Mr Dale Stewart  
Chief Executive Officer

LESSEE SIGNS HERE

Signed

Signed

In the presence of

In the presence of

Name

Name

**INSTRUCTIONS**

1. If insufficient space in any section, Additional Sheet, Form B1 should be used with appropriate headings. The boxed sections should only contain the words "see page..."
2. Additional Sheets shall be numbered consecutively and bound to this document by staples along the left margin prior to execution by the parties.
3. No alteration should be made by erasure. The words rejected should be scored through and those substituted typed or written above them, the alteration being initialled by the persons signing this document and their witnesses.
4. Where issued, the Duplicate Certificate of Title is required to be produced or if held by another party then arrangements must be made for its production.

**NOTES****1. DESCRIPTION OF LAND**

Lot and Diagram/Plan/Strata/Survey-Strata Plan number or Location name and number to be stated.

Extent - Whole, part or balance of the land comprised in the Certificate of Title to be stated. If part, define by recital and/or sketch.

The Volume and Folio number to be stated.

**2. LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS**

In this panel show (subject to the next paragraph) those limitations, interests, encumbrances and notifications affecting the land being leased that are recorded on the certificate(s) of title:

- a) In the Second Schedule;
- b) If no Second Schedule, that are encumbrances. (Unless to be removed by action or document before registration hereof)

Do not show any:

- (a) Easement Benefits or Restrictive/Covenant Benefits; or
- (b) Subsidiary interests or changes affecting a limitation, etc, that is to be entered in the panel (eg, if a mortgage is shown, do not show any partial discharges or any document affecting either).

The documents shown are to be identified by nature and number. The plan/diagram encumbrances shown are to be identified by nature and relevant plan/diagram. Strata/survey-strata plan encumbrances are to be described as "Interests on strata/survey-strata plan".

If none show "nil".

**3. LESSOR**

State the full name of the Lessor/Lessors (REGISTERED PROPRIETOR) as shown in certificate of title and the address/addresses to which future notices can be sent.

**4. LESSEE**

State full name of the Lessee/Lesseees and the address/addresses to which future notices can be sent. If two or more state tenancy e.g. Joint Tenants, Tenants in Common. If Tenants in Common specify shares.

**5. TERM OF LEASE**

Must exceed 3 years.

Term to be stated in years, months and days or as the case may be. Commencement date to be stated. Options to renew to be shown.

**6. RECITE ANY EASEMENTS TO BE CREATED**

Here set forth any Easements to be created as appurtenant to the lease commencing with the words "together with" and/or any Reservations hereby created encumbering the lease commencing with the words "reserving to".

7. State amount of yearly rental in figures.

8. State term of payment.

9. Insert any Covenants required.

**10. LESSOR/LESSEE EXECUTION**

A separate attestation is required for every person signing this document. Each signature should be separately witnessed by an Adult Person. The address and occupation of the witness must be stated.

EXAMINED

**LEASE OF CROWN LAND (L)**

LODGED BY

ADDRESS

PHONE No.

FAX No.

REFERENCE No.

ISSUING BOX No.

PREPARED BY

ADDRESS

PHONE No.

FAX No.

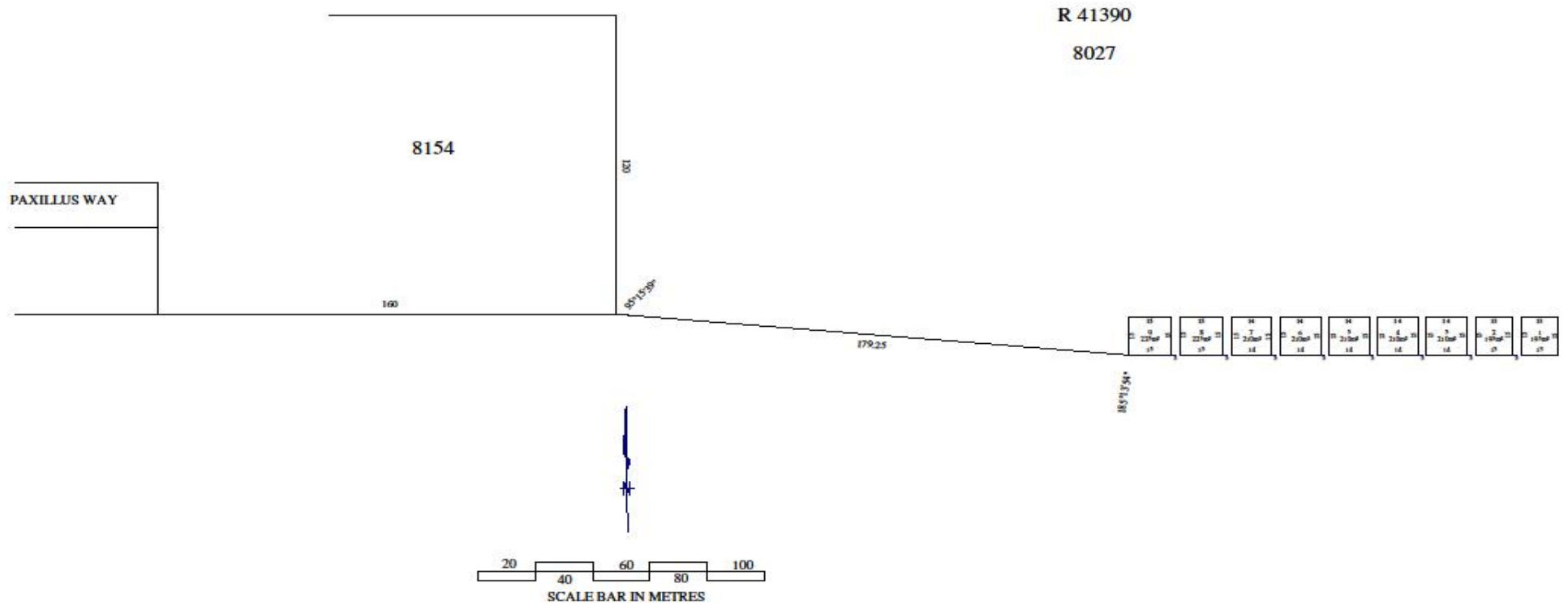
INSTRUCT IF ANY DOCUMENTS ARE TO ISSUE TO OTHER THAN LODGING PARTY

TITLES, LEASES, DECLARATIONS ETC LODGED HEREWITH

1. _____	Received Items
2. _____	Nos.
3. _____	
4. _____	
5. _____	
6. _____	Receiving Clerk

Registered pursuant to the provisions of the TRANSFER OF LAND ACT 1893 as amended on the day and time shown above and particulars entered in the Register.

**DENMARK AIRPORT  
PROPOSED LEASE  
HANGER BLOCKS**



**DENMARK SURVEY & MAPPING**

**LICENSED SURVEYORS**

Andrew Le Fort      PO Box 339      Tel : (08) 9848 2262  
 Mob : 0420 482 262      1/25 Stockland Street      Fax : (08) 9848 2228  
 Stephen Bondini      DENMARK WA 6333      Email : [dsm@norminet.net.au](mailto:dsm@norminet.net.au)  
 Mob : 0427 115 347      ABN : 65 801 497 860

JOB: 1434 CAD-CON

**LOCATION:** RESERVE 41390 LOT 8027  
 EAST RIVER ROAD  
 DENMARK WA 6333

**CLIENT:** SHIRE OF DENMARK  
 PO BOX 183  
 DENMARK WA 6333  
 ATTN GARY BIRD

**Advice Note to Officer preparing a Lease using this template: This lease template is to be used for individuals leasing property on the airport Reserve where the Lessee retains ownership of the existing Hangar.**

FORM LC1

WESTERN AUSTRALIA  
LAND ADMINISTRATION ACT 1997  
TRANSFER OF LAND ACT 1893 AS AMENDED

## LEASE OF CROWN LAND (L)

DESCRIPTION OF LAND (Note 1)

DESCRIPTION OF LAND (Note 1)	EXTENT	VOLUME	FOLIO
LOT 300 ON DEPOSITED PLAN 405898 SITE NO. XXX	PORTION	LR3170	60

LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS (Note 2)

NIL
-----

LESSOR/LESSORS (Note 3)

SHIRE OF DENMARK OF 953 SOUTH COAST HIGHWAY DENMARK
---

LESSEE/LESSEES (Note 4)

[INSERT]
----------

TERM OF LEASE (Note 5)

TEN Years	ZERO	Months	ZERO	Days
Commencing from the	XXX	day of	XXX	in the year 2020

THE LESSOR HEREBY LEASES TO THE LESSEE the land above described subject to the encumbrances as shown hereon (Note 6)

For the above term for the clear yearly rental of (Note 7) [insert]

# LEASE

SHIRE OF DENMARK  
[Lessor]

and

**[INSERT]**  
[Lessee]

**Airport Hangar Site No. [insert]**

**Being a portion of Lot 300 (Reserve 41390)  
on Deposited Plan 405898**

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## Parties

1. **Shire of Denmark** of 953 South Coast Highway, Denmark, Western Australia (**Lessor**)
2. **[insert Lessee's name and address]** of [Insert] (**Lessee**)

## Agreed terms

**SUBJECT TO THE COVENANTS AND POWERS IMPLIED UNDER THE LAND ADMINISTRATION ACT 1997 AND THE TRANSFER OF LAND ACT 1893 AS AMENDED (UNLESS HEREBY NEGATED OR MODIFIED) AND ALSO TO THE COVENANTS AND CONDITIONS CONTAINED HEREIN.**

### 1. Definitions and interpretation

#### 1.1 Terms in Reference Schedule

Terms in bold type in the Reference Schedule have the meaning shown opposite.

#### 1.2 Definitions

**Authority** includes any government or governmental, semi-governmental, administration, fiscal or financial body, department, commission, council, authority, tribunal, agency or entity including but not limited to any court, tribunal, agency or entity including but not limited to any court, tribunal or person having jurisdiction over the parties, the Premises or this Lease;

**Claim** includes any claim or legal action and all costs and expenses incurred in connection with it;

**Commencing Date** means the commencing date specified in the reference schedule;

**Financial Year** means 1 July to 30 June;

**Hangar** means the aircraft hangar currently situated on the Premises.

**Lessee's Property** means any property of the Lessor kept on the Premises from time to time including any Hangar built or situated on the premises.

**Lessor's Property** means any property owned by the Lessor on the Premises including but not limited to the items specified in the Reference Schedule;

**Land** means the land described in the Reference Schedule;

**Official Requirement** means any requirement, notice, order or direction of any statutory authority (including by the Lessor acting as the local government authority) and includes the provisions of any statute, ordinance or by-law;

**Plan** means the plan of the Land annexed to this Lease (if any);

**Premises** means the whole of the Land and includes the Lessor's Property;

**Purposes** means the purposes described in the Reference Schedule;

**Services** means all utilities and services to the Premises;

**Structural Building Repairs** means substantial and major repairs or replacement of essential structures relating to all loads, internal actions, material properties and foundation conditions that significantly affect structural sufficiency or serviceability including but not limited to:

- floors;
- masonry;
- roof covering and roof structure;
- footings and foundations;

- painting of external surfaces;
- outer walls of any construction but does not include windows, doors, doorframes, and door furniture;
- ceilings; and
- Sewerage, drainage and water supply but does not include taps and other visible water fittings.

**Lessee's Employees** means each of the Lessee's employees, contractors, agents, customers, sublessees, licensees, invitees, volunteers or members or others (with or without invitation) who may be on Premises;

**Lessee's Property** includes all fixtures and other on the Premises which are not the Lessor's;

**Term** means the term of this Lease specified in the reference schedule and includes the further term as applicable; and

**Termination Date** means the date of termination of this Lease specified in the reference schedule.

### 1.3 Interpretation

- (a) Reference to:
- (i) the singular includes the plural and the plural includes the singular;
  - (ii) a person includes a body corporate;
  - (iii) a party includes the party's executors, administrators, successors and permitted assigns;
  - (iv) "month" or "monthly" means calendar month or calendar monthly; and
  - (v) a right includes a remedy, authority or power.
- (b) If a party consists of more than one person, this Lease binds them jointly and each of them severally.
- (c) Headings are for convenience only and do not form part of this Lease or affect its interpretation.

## 2. Reserve, term and holding over

### 2.1 Reserve

The Land is vested in the Lessor for the Purposes of "Aerial Landing Ground" with the power to lease for any term not exceeding twenty one (21) years subject to the consent of the Minister for Lands and this lease is subject to the covenants and powers implied under the *Land Administration Act 1997 (WA)* and the *Transfer of Land Act 1893 (WA)* (unless negated or modified by the provisions of this Lease) and to the covenants and conditions contained in this Lease.

### 2.2 Term

The Lessor leases the Premises to the Lessee for the Term commencing on the Commencing Date.

### 2.3 Monthly Tenancy

If the Lessee continues to occupy the Premises after the Term with the Lessor's consent then:

- (a) the Lessee does so as a monthly lessee on the same basis as at the last day of the Term; and
- (b) either party may terminate the monthly tenancy by giving to the other 1 months' notice expiring on any day.

### **3. Rent and rent reviews**

#### **3.1 Rent**

The Lessee must pay the Rent in the amount and method described in the Reference Schedule.

#### **3.2 Variation to Annual Rent**

The annual rent will be varied annually by indexation, commencing from the date shown in Item 6.1 of the Reference Schedule.

#### **3.3 Indexation of Rent**

- (a) When the annual rent is to be indexed, the current annual rent will be varied proportionally to any change in the Consumer Price Index (CPI) published during the quarter before the day on which the indexed annual rent takes effect.
- (b) The Lessee must pay the indexed annual rent from the beginning of the financial year in which it is to take effect.

#### **3.4 Rent Review**

- (a) When the annual rent is to be reviewed, the Lessor may appoint a licensed valuer to provide a valuation as to the rental value of the property and the value determined by the valuer will be the annual rent. The Lessor must give the Lessee notice of the new annual rent and a copy of the valuation upon request.
- (b) For any further term that may be agreed at the expiry of the initial term, a review of the rent payable by the lessee shall be undertaken by a licensed land valuer, appointed by the Lessor. The cost of the review shall be at the Lessor's expense.
- (c) In deciding the current market rent, the valuer must have regard to open market rents current at or about the review date and are to assume that, at the review date:
  - (i) the Land is vacant and ready for immediate occupation;
  - (ii) the Land is available to be let without a premium by a willing Lessor to a willing Lessee on the terms of the Lease (except the amount of rent) for a term equal to the original term of the Lease together with any options for renewal which remain to be exercised at the review date.
  - (iii) the Land shall not be used for any commercial activity.

The valuer is to disregard:

- (iv) the fact that the Lessee is in occupation of the Land; and
- (v) any improvements to the Land made by the Lessee or its predecessors in title during the Lease term or, if the Lease was granted following the exercise of an option for renewal, during the terms of the original lease and of each successive lease resulting from the exercise of an option for renewal in the immediately preceding lease.

## **4. Operating Expenses**

### **4.1 Expenses Due to Lessee's Use**

- (a) The Lessee must pay to the relevant authorities all charges for rates, taxes, charges, assessments, licence fees, duties, impositions, penalties, and other outgoings whatever which now or at any time during the Term are assessed and charged upon or in respect of the Premises or the use or occupation of the Premises or any part.
- (b) The Lessee must pay to the relevant authorities all charges for Services provided to the Premises and must reimburse the Lessor for any costs incurred by the Lessor in providing Services to the Premises, should the infrastructure for such services be provided by the Lessor during the term of the lease.
- (c) The Lessee must pay to the Lessor all expenses due solely to the Lessee's use of the Premises.

### **4.2 Goods and Services Tax**

#### **(a) Consideration is exclusive of GST**

The consideration for a Supply under this Lease is exclusive of any GST imposed on the Supply.

#### **(b) Recovery of GST**

If a Supply under this Lease is subject to GST:

- (i) the Recipient of the Supply must pay, in addition to the other consideration payable or to be provided for the Supply, an additional amount equal to the GST; and
- (ii) the Recipient must pay the additional amount to the supplier at the same time as the other consideration.

However, the Recipient need not pay the additional amount until the supplier gives the Recipient a Tax Invoice.

## **5. Use of the Premises**

### **5.1 Permitted Use**

The Lessee must only use the Premises for the Permitted Use specified in the Reference Schedule.

### **5.2 Restrictions on Use**

The Lessee must not:

- (a) use the Land for a residence or for overnight or holiday accommodation;
- (b) disturb lessees or owners of adjacent premises;
- (c) overload any Services;
- (d) damage the Lessor's Property;
- (e) alter the Premises, or do any building work without the Lessor's prior consent;
- (f) do anything that may invalidate the Lessor's insurance or increase the Lessor's premiums or risk; or
- (g) destroy, cut down, prune or damage any native vegetation on the Premises without the Lessor's consent.
- (h) Not allow anything to be done or to occur in or about the Premises which is noxious, offensive or audibly or visually a nuisance.

### **5.3 No warranty as to Use**

The Lessor does not warrant that the Premises:

- (a) is suitable for any purpose; or
- (b) may be used for the Permitted Use.

### **5.4 Official Requirements and rules**

At its expense, the Lessee must comply with any Official Requirement concerning the Premises, the Lessee's Property or the Lessee's use or occupation of the Premises or the number, health and safety of persons on the Premises.

### **5.5 Caveats**

The Lessee must not lodge or register any absolute caveat against the certificate of title to the land of which the Premises forms part to protect its interests under this Lease but the Lessee shall be entitled to lodge a "Subject to claim" caveat against the certificate of title to the land of which the Premises forms part.

## **6. Maintenance and repair**

### **6.1 Repair**

The Lessee:

- (a) must keep and maintain the Premises in good repair, order and condition;
- (b) is responsible for Structural Building Repairs and all maintenance to the Premises at its cost.

### **6.2 Cleaning and Maintenance**

The Lessee must:

- (a) do such things as may reasonably be required to eradicate, exterminate and keep the Premises free from rodents, vermin, noxious weeds and other pests of any kind, and will procure that pest exterminators are employed from time to time for that purpose;
- (b) keep the Premises clean and tidy and free of infectious diseases; and
- (c) keep the Lessee's Property clean and maintained in good order and condition.

### **6.3 Not to pollute**

- (a) The Lessee must not cause pollution in or contamination of the Premises or any adjoining land by garbage, waste matter, oil and other pollutants whether by stormwater or other run-off or arising from use of the Premises.
- (b) The Lessee must collect and dispose of all garbage, waste matter, oil and other pollutants from the Premises at a place and in a manner required or approved by the Lessor and all relevant authorities having control over the disposal of waste matter and the protection of the environment.

### **6.4 Lessor's right to inspect and repair**

- (a) The Lessor may enter the Premises for inspection at any reasonable time after giving notice to the Lessee. In an emergency, the Lessor may enter at any time without giving the Lessee notice.
- (b) The Lessor may carry out any of the Lessee's obligations on the Lessee's behalf if the Lessee does not carry them out within a timeframe stipulated in a notice in accordance with 6.4(a). If the Lessor does so, the Lessee must promptly pay the Lessor's costs.

## 6.5 Notice of damage or defect in services

The Lessee must promptly give the Lessor notice of:

- (a) any damage to, defect or disrepair in the Services or the Lessor's Property; and
- (b) any circumstances likely to cause any risk to the Premises or any person.

## 7. Assignment and subletting

- (a) The Lessee must obtain the Lessor's written consent, and if required by law, the written consent of the Minister for Lands pursuant to the *Land Administration Act 1997* (WA) before the Lessee assigns, sublets or deals with its interest in the Premises.
- (b) Subject to clause 18, the Lessor may grant or withhold its consent at its discretion.

## 8. Insurances and indemnities

### 8.1 Lessee's insurance

The Lessee must effect & keep effected in respect of the Premises and use of the Premises:

- (a) building insurance covering the Hangar and the Lessor's Property; and
- (b) adequate public risk insurance in any amount not less than \$20,000,000 in respect of any one claim.

### 8.2 Lessee's policies

All policies under this clause 8 must be acceptable to the Lessor and endorsed to note the interest of the Lessor as Lessor of the Premises.

### 8.3 Proof of insurance policies

The Lessee must give the Lessor evidence of its insurance if the Lessor asks for it.

### 8.4 Lessee's release and indemnity

- (a) The Lessee occupies and uses the Premises at its own risk.
- (b) The Lessee releases the Lessor and the Minister for Lands from and indemnifies them against all Claims for damages, loss, injury or death:
  - (i) whether or not it is caused by the Lessee's negligence or default if it:
    - (A) occurs on the Premises;
    - (B) arises from the use of the Services on the Premises; or
    - (C) arises from the overflow or leakage of water from the Premises, except to the extent that it is caused by the Lessor's or Minister for Land's deliberate act or wilful negligence;
- (c) The Lessee releases the Lessor and the Minister for Lands from and indemnifies them against any Claim or costs arising from anything the Lessor is permitted to do under this Lease.

## 9. Occupational Safety and Health Act

- (a) The Lessee acknowledges and agrees that for the purpose of the *Occupational Safety and Health Act 1984* (WA) the Lessee has the control of the Premises and all plant and substances on the Premises.
- (b) The Lessee releases and indemnifies the Lessor from and against any claim against or obligation or liability of the Lessor under any occupational health and safety legislation as defined in the Act, except to the extent that any breach of the Act is contributed to by the Lessor's deliberate act or negligence.

## 10. Default and termination

### 10.1 Default

The Lessee defaults under this Lease if:

- (a) the Rent or any money payable by the Lessee is unpaid for 30 business days;
- (b) the Lessee breaches any other term of this Lease and such breach is unremedied within 30 business days of notice of breach having been served on the Lessee;
- (c) the Lessee assigns its property for the benefit of creditors; or
- (d) the Lessee:
  - (i) who is an individual, commits an act of bankruptcy or is declared bankrupt; or
  - (ii) who is a company, becomes an externally-administered body corporate within the meaning of the *Corporations Act 2001* (Cth).

### 10.2 Forfeiture of Lease

If the Lessee defaults and does not remedy the default when the Lessor requires it to do so, the Lessor may do any one or more of the following:

- (a) re-enter and take possession of the Premises and by notice to the Lessee, terminate this Lease;
- (b) by notice to the Lessee, convert the unexpired portion of the Term into a tenancy from month to month;
- (c) exercise any of its other legal rights; or
- (d) recover from the Lessee any loss suffered by the Lessor due to the Lessee's default.

### 10.3 Consequences of Default

#### (a) Repudiation

- (i) If the Lessee repudiates this Lease or breaches an essential term of this Lease the Lessor may, in addition to exercising any rights given under subparagraph 10.2, elect to terminate the Lease and in addition may recover all money payable by the Lessee under this Lease up to the end of the Term.
- (ii) The essential terms are:
  - (A) to pay Rent (clause 3.1);
  - (B) to pay Operating Expenses (clause 4.1);
  - (C) to use the Premises for only the Permitted Use (clause 5.1);
  - (D) to comply with Official Requirements (clause 5.4);
  - (E) to repair (clause 6.1); and
  - (F) not to assign, sublet or deal with the Lease without consent (clause 7).

#### (b) Lessor's Entitlement to Damages

The Lessor's entitlement to damages is not limited or affected if:

- (i) the Lessee abandons the Premises;
- (ii) the Lessor elects to re-enter the Premises or terminate this Lease;
- (iii) the Lessor accepts the Lessee's repudiation; or

(iv) the parties' conduct constitutes or may constitute a surrender by operation of law.

(c) **Liquidated Debt**

The Lessor may remedy any default by the Lessee and recover its costs of doing so from the Lessee.

**10.4 Waiver**

No waiver by the Lessor is effective unless it is in writing.

**10.5 Interest on Overdue Money**

The Lessor may charge daily interest to the Lessee on any late payment by the Lessee in accordance with the Shire's annual fees and charges schedule.

**11. Termination of Term**

**11.1 Termination by Notice**

- (a) The Lessor may terminate this Lease by giving 12 months' written notice to the Lessee, notwithstanding that:
  - (i) the Lessee is not in default; or
  - (ii) that the term of the Lease has not expired.
- (b) The Lessee may terminate this Lease by giving 1 months' written notice to the Lessor notwithstanding that the term of the Lease has not expired.
- (c) In the event of this Lease being terminated pursuant to subclause 11.1(a) or 11.1(b) each Party will retain its rights against the other in respect of any past breach of this Lease.
- (d) Such termination by either party does not waive the rights of the Lessor and/or Lessee to seek payment for compensation.

**11.2 Lessee's obligations**

At the end of term or on termination, the Lessee must, within 12 months:

- (a) remove the Hangar from the Premises;
- (b) remove all the Lessee's Property from the Premises;
- (c) repair any damage caused by removal of the Lessee's Property; and
- (d) vacate the Premises and give it back to the Lessor in good repair and condition.

**11.3 Failure to Remove Lessee's Property**

If the Lessee does not remove the Hangar or any of the Lessee's Property at the end of the Term, the Lessor may:

- (a) remove and store the Lessee's Property at the Lessee's risk and expense; or
- (b) treat the Lessee's Property as abandoned, in which case title in the Lessee's Property passes to the Lessor who may deal with it as it thinks fit without being liable to account to the Lessee, including leasing the Hangar to a third party as part of a lease of the Land.

**12. General**

**12.1 Notices**

(a) **In Writing**

Any notice given under this Lease must be in writing. A notice by the Lessor is valid if signed by an officer or solicitor of the Lessor or any other person nominated by the Lessor.



**(b) Notice of Address**

The Lessee must promptly notify the Lessor of its address and telephone number or email address and update the notice if any changes occur.

**(c) Service of Notice on Lessee**

The Lessor may serve a notice on the Lessee by:

- (i) giving it to the Lessee personally;
- (ii) sending it to the Lessee's email address; or
- (iii) posting it to the Lessee's last known address.

**(d) Service of Notice on Lessor**

The Lessee may serve a notice on the Lessor by leaving it at, or posting or emailing it to the Lessor's office set out in Item 2 of the Reference Schedule.

**12.2 Costs**

The Lessee must pay the Lessor:

- (a) duty (if any) on this Lease; and
- (b) the Lessor's reasonable legal fees and outlays:
  - (i) relating to any assignment or subletting;
  - (ii) arising from any breach of this Lease by the Lessee;
- (c) half of any costs associated with registration of this Lease or Amendments to the Lease; and
- (d) half of any costs associated with any legal expenses associated with any substantial amendment to the lease should the amendment be initiated by the lessee or as a result of a mutual agreement between the lessor and the lessee.

**13. Option of Renewal**

- (a) The Lessor hereby grants to the Lessee the option to renew this Lease for the further term or terms (if any) specified in Item 5 of the reference schedule upon the terms, covenants, conditions and restrictions of this Lease (excepting any exercised right of renewal). The Lessee may exercise such option if and only if:
  - (i) the Lessee has first given to the Lessor written notice of such exercise of option not less than 3 months and not more than 6 months prior to the expiration of the Term; and
  - (ii) the Lessee is not, at the time of giving the notice under this clause in breach of any of the terms, covenants or conditions of this Lease.

**14. Damage and destruction****14.1 Definitions**

In this clause 14:

- (a) **abatement notice** means a notice given under clause 14.2(a);
- (b) **reinstatement notice** means a notice given by the Lessor to the Lessee of the Lessor's intention to carry out the reinstatement works; and
- (c) **reinstatement works** means the work necessary to:
  - (i) reinstate the Premises; and
  - (ii) make the Premises fit for occupation and use and accessible by the Lessee.

## 14.2 Abatement

- (a) If at any time the Land is wholly or partly:
- (i) unfit for occupation and use by the Lessee; or
  - (ii) inaccessible having regard to the nature and location of the Land and the normal means of access to them,
- as a result of destruction or damage then from the date that the Lessee notifies the Lessor of the relevant event, the Rent and any other money payable by the Lessee are to abate according to the circumstances.
- (b) If clause 14.2(a) applies, the remedies for:
- (i) recovery of the Rent and any other money or a proportionate part falling due after the damage or destruction; or
  - (ii) enforcement of the obligation to repair and maintain,
- are suspended from the date of the abatement notice until the Land are reinstated or otherwise made fit for the Lessee's occupation and use and fully accessible.

## 14.3 Either party may terminate

If clause 14.2(a) applies, then at any time after 2 months from the date the abatement notice is given either party may terminate this Lease by notice to the other unless the Lessor has within that period of 2 months:

- (a) given the Lessee a reinstatement notice; and
- (b) started to carry out the reinstatement works.

## 14.4 Lessee may terminate

If the Lessor gives a reinstatement notice to the Lessee and does not commence the reinstatement works within a reasonable time, the Lessee may terminate this Lease by giving not less than 2 months' notice to the Lessor and, at the expiration of the notice period, this Lease terminates.

## 14.5 Dispute resolution

- (a) No party to this agreement will start arbitration or court proceedings (except proceedings seeking interim relief) in respect of a dispute arising out of this agreement (**dispute**) unless it has complied with this clause.
- (b) A party claiming that a dispute has arisen must notify the other parties, giving details of the dispute.
- (c) During the 21 day period after a notice is given under clause 14.5(b) (or longer period agreed in writing by the parties to the dispute) (**initial period**) each party to the dispute (**disputant**) must use its best efforts to resolve the dispute.
- (a) If the disputants are unable to resolve the dispute within the initial period, each disputant agrees that the dispute must be referred for mediation in accordance with the Mediation Rules of the Law Society of Western Australia, at the request of any disputant, to:
  - i. a mediator agreed on by the disputants; or
  - ii. if the disputants are unable to agree on a mediator within seven (7) days after the end of the initial period, a mediator nominated by the President of the Law Society of Western Australia or the President's nominee.
- (b) The role of any mediator is to assist in negotiating a resolution of the dispute. A mediator may not make a decision that is binding on a disputant unless that disputant has so agreed in writing.
- (c) Any information or documents disclosed by a disputant under this clause:
  - i. must be kept confidential; and

- ii. may not be used except to attempt to resolve the dispute.
- (d) Each disputant must bear its own costs of complying with this clause and the disputants must bear equally the costs of any mediator engaged.
- (e) After the initial period, a disputant that has complied with clauses 14.5(a), (b) and (c) may terminate the dispute resolution process by giving notice to each other disputant.
- (f) If in relation to a dispute a disputant breaches any provision of clauses 14.5(a) to (f), each other disputant need not comply with clauses 14.5(a) to (f), in relation to that dispute.

#### **15. Severability**

- (a) As far as possible all provisions of this Lease must be construed so as not to be invalid, illegal or unenforceable.
- (b) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.
- (c) If any provision cannot be read down, that provision will be void and severable and the remaining provisions of this Lease will not be affected.

#### **16. Entire Understanding**

This Lease:

- (a) contains the entire agreement and understanding between the parties on everything connected with the subject matter of this Lease; and
- (b) supersedes any prior agreement or understanding on anything connected with that subject matter.

#### **17. Organisations**

- (a) If any organisation ceases to exist, a reference to that organisation will be taken to be a reference to an organisation with similar objects to the original organisation nominated by the Lessor.
- (b) Reference to the president of an organisation will, in the absence of a president be read as a reference to any person fulfilling the duties of a president.

#### **18. Lessor's Consent**

Unless otherwise stated, if the Lessor's consent or approval is required:

- (a) the Lessor must consider the request promptly and be reasonable in giving or refusing its consent or approval;
- (b) the Lessor may require the Lessee to comply with any reasonable conditions before giving its consent;
- (c) it is not effective unless in writing; and
- (d) if the Lessor refuses consent or approval, the Lessee shall be provided with the reason(s) for such refusal.

#### **19. Property Law Act**

The following sections of the *Property Law Act 1969* (WA) do not apply to this Lease:

- (a) Section 80; and
- (b) Section 82.

**Schedule 1 - Reference Schedule****1. Lessor/Lessor**

Shire of Denmark  
of 953 South Coast Highway, Denmark, Western Australia

**2. Lessee/Lessee**

[Lessee name]  
of [Lessee address]

**3. Land****3.1 Reserve**

Reserve 41390 being the whole of the land comprised in Certificate of Title Volume 3170 Folio 60.

**3.2 Purpose**

Aerial Landing Ground

**4. Term****4.1 Period**

10 years

**4.2 Commencing Date**

[Insert Date]

**4.3 Termination Date**

[Insert Date]

**5. Further term****5.1 Period**

10 years

**5.2 Commencing Date**

[Insert Date]

**6. Rent**

#[Insert #] per annum (plus GST)

**6.1 Date of Variation to Annual Rent**

Not applicable.

**6.2 Date of Rent Review**

Not applicable.

**7. Permitted Use**

Private Aircraft Hangar

**8. Lessor's Property**

Nil

**9. Special conditions**

The following special conditions (if any) form part of this Lease and in the event of any inconsistency between the foregoing provisions of this Lease and the special conditions, the special conditions prevail:

**9.1 Lessee's acknowledgments**

The Lessee acknowledges and agrees as follows:

- (a) Access to the Land will be from an unsealed road and that the Lessor is not obliged, and has no plans, to upgrade the road.
- (b) The Lessor as the Local Government Authority will levy Shire Rates on the Property in accordance with applicable legislative authority and the rates will be payable in addition to the annual rent.
- (c) Should the Council construct any additional facilities or make provision for access to utilities such as water, gas, electricity or telecommunications on Reserve 41390 that will provide a benefit to the Premises, the access to these additional facilities may be taken into account when the rent is reviewed in accordance with clause 3.4.
- (d) The Lessee accepts all reasonable noise emitting from the Denmark Airfield, in relation to current levels and any future increase levels as intended by the Denmark Airfield and Airpark Strategy and any possible noise emitting from the adjacent Light Industrial Area.
- (e) The Lessee is aware of the Shire of Denmark's *Denmark Airfield Land Use Strategy* which considers potential land use options for the Denmark Airfield and provides a framework for future development of the Airfield and immediate surrounds.
- (f) The Lessee agrees to comply with the Shire of Denmark's *Town Planning Policy No. 25.1 – Denmark Airfield and Airpark*, which relates to any development and land use, and any other planning policies or provisions which may be adopted from time to time.

ATTESTATION SHEET

Executed by the parties as a Deed on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_

LESSOR/LESSORS SIGNS HERE (NOTE 9)

The Common Seal of  
**Shire of Denmark**  
was hereunto affixed in the  
presence of:

Affix Seal Here

\_\_\_\_\_  
Shire President

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

LESSEE/LESSEES SIGNS HERE (NOTE 9)

\_\_\_\_\_  
Lessor

\_\_\_\_\_  
Print Name

Signed by **[Name Surname]**

in the presence of: }

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Address

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Occupation

**INSTRUCTIONS**

1. If insufficient space in any section, Additional Sheet Form B1 should be used with appropriate headings. The boxed sections should only contain the words "See Annexure".
2. Additional Sheets shall be numbered consecutively and bound to this document by staples along the left margin prior to execution by parties.
3. No alteration should be made by erasure. The words rejected should be scored through and those substituted typed or written above them, the alteration being initialled by the person signing this document and their witnesses.
4. Duplicates are not issued for Crown Land Titles.

**NOTES**

**1. DESCRIPTION OF LAND**

Lot and Diagram/Plan number or Location name and number to be stated.

Extent – Whole, part or balance of the land comprised in the Certificate of Crown Land Title to be stated.

The Certificate of Crown Land Title Volume and Folio number to be stated.

**2. LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS**

In this panel show (subject to the next paragraph) those limitations, interests, encumbrances and notifications affecting the land being leased that are recorded on the crown land title:

- a) In the Second Schedule;
- b) If no Second Schedule, that are encumbrances.  
(Unless to be removed by action or document before registration hereof)

Do not show any:

- (a) Easement Benefits or Restrictive/Covenant Benefits; or
- (b) Subsidiary interests or changes affecting a limitation, etc, that is to be entered in the panel (eg, if a mortgage is shown, do not show any partial discharges or any document affecting either).

The documents shown are to be identified by nature and number. The plan/diagram encumbrances shown are to be identified by nature and relevant plan/diagram.

If none show "nil".

**3. LESSOR**

State full name and address of Lessor/Lessors and the address/addresses to which future notices can be sent.

**4. LESSEE**

State full name of Lessee/Lessees and the address/addresses to which future notices can be sent. If two or more state tenancy eg. Joint Lessees, Lessees in Common. If Lessees in Common specify shares.

**5. TERM OF LEASE**

Term to be stated in years, months and days. Commencement date to be stated. Options to renew to be shown.

**6. RECITE ANY EASEMENTS TO BE CREATED**

Here set forth Easements to be created as appurtenant to the lease commencing with the words "together with" and/or any Reservations hereby created encumbering the lease commencing with the words "reserving to".

7. State amount of yearly rental in words.

8. State term of payment.

**9. EXECUTION**

A separate attestation is required for every person signing this document. Each signature should be separately witnessed by an Adult Person. The address and occupation of witnesses must be stated.

Office Use Only

**LEASE OF CROWN LAND (L)**

LODGED BY SHIRE OF DENMARK

ADDRESS PO BOX 183  
DENMARK WA 6330

PHONE No. (08) 9848 0300

FAX No.

REFERENCE No.

ISSUING BOX No.

PREPARED BY SHIRE OF DENMARK

ADDRESS PO BOX 183  
DENMARK WA 6333

PHONE No. (08) 9848 0300

FAX No.

**INSTRUCT IF ANY DOCUMENTS ARE TO ISSUE TO OTHER THAN LODGING PARTY**

**TITLES, LEASES, DECLARATIONS ETC LODGED HEREWITH**

1. \_\_\_\_\_ Received Items
2. \_\_\_\_\_ Nos.
3. \_\_\_\_\_
4. \_\_\_\_\_ Receiving Clerk
5. \_\_\_\_\_
6. \_\_\_\_\_

Registered pursuant to the provisions of the *TRANSFER OF LAND ACT 1893* as amended on the day and time shown above and particulars entered in the Register.

EXAMINED





## Appendix 2 – Ministerial Consent

To be obtained

DRAFT

**Advice Note to Officer preparing a Lease using this template: This lease template is to be used for individuals leasing property on the airport Reserve where the Lessee is required to construct a hangar and retains ownership of the hangar.**

FORM LC1

WESTERN AUSTRALIA  
LAND ADMINISTRATION ACT 1997  
TRANSFER OF LAND ACT 1893 AS AMENDED

## LEASE OF CROWN LAND (L)

DESCRIPTION OF LAND (Note 1)

DESCRIPTION OF LAND (Note 1)	EXTENT	VOLUME	FOLIO
LOT 300 ON DEPOSITED PLAN 405898 SITE NO. XXX	PORTION	LR3170	60

LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS (Note 2)

NIL

LESSOR/LESSORS (Note 3)

SHIRE OF DENMARK OF 953 SOUTH COAST HIGHWAY DENMARK

LESSEE/LESSEES (Note 4)

[INSERT]

TERM OF LEASE (Note 5)

TEN Years ZERO Months ZERO Days  
Commencing from the XXX day of XXX in the year 2020

THE LESSOR HEREBY LEASES TO THE LESSEE the land above described subject to the encumbrances as shown hereon (Note 6)

For the above term for the clear yearly rental of (Note 7) [insert]

# LEASE

SHIRE OF DENMARK  
[Lessor]

and

**[INSERT]**  
[Lessee]

**Airport Hangar Site No. [insert]**

**Being a portion of Lot 300 (Reserve 41390)  
on Deposited Plan 405898**

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## Parties

1. **Shire of Denmark** of 953 South Coast Highway, Denmark, Western Australia (**Lessor**)
2. **[insert Lessee's name and address]** of [Insert] (**Lessee**)

## Agreed terms

**SUBJECT TO THE COVENANTS AND POWERS IMPLIED UNDER THE LAND ADMINISTRATION ACT 1997 AND THE TRANSFER OF LAND ACT 1893 AS AMENDED (UNLESS HEREBY NEGATED OR MODIFIED) AND ALSO TO THE COVENANTS AND CONDITIONS CONTAINED HEREIN.**

### 1. Definitions and interpretation

#### 1.1 Terms in Reference Schedule

Terms in bold type in the Reference Schedule have the meaning shown opposite.

#### 1.2 Definitions

**Authority** includes any government or governmental, semi-governmental, administration, fiscal or financial body, department, commission, council, authority, tribunal, agency or entity including but not limited to any court, tribunal, agency or entity including but not limited to any court, tribunal or person having jurisdiction over the parties, the Premises or this Lease;

**Claim** includes any claim or legal action and all costs and expenses incurred in connection with it;

**Commencing Date** means the commencing date specified in the reference schedule;

**Financial Year** means 1 July to 30 June;

**Hangar** means the aircraft hangar to be constructed by the Lessee in accordance with Special Condition 9.1.

**Lessee's Property** means any property of the Lessor kept on the Premises from time to time including any Hangar built or situated on the premises.

**Lessor's Property** means any property owned by the Lessor on the Premises including but not limited to the items specified in the Reference Schedule;

**Land** means the land described in the Reference Schedule;

**Official Requirement** means any requirement, notice, order or direction of any statutory authority (including by the Lessor acting as the local government authority) and includes the provisions of any statute, ordinance or by-law;

**Plan** means the plan of the Land annexed to this Lease (if any);

**Premises** mean the whole of the Land and includes the Lessor's Property;

**Purposes** means the purposes described in the Reference Schedule;

**Services** means all utilities and services to the Premises;

**Structural Building Repairs** means substantial and major repairs or replacement of essential structures relating to all loads, internal actions, material properties and foundation conditions that significantly affect structural sufficiency or serviceability including but not limited to:

- floors;
- masonry;
- roof covering and roof structure;

- footings and foundations;
- painting of external surfaces;
- outer walls of any construction but does not include windows, doors, doorframes, and door furniture;
- ceilings; and
- Sewerage, drainage and water supply but does not include taps and other visible water fittings.

**Lessee's Employees** means each of the Lessee's employees, contractors, agents, customers, sublessees, licensees, invitees, volunteers or members or others (with or without invitation) who may be on Premises;

**Lessee's Property** includes all fixtures and other on the Premises which are not the Lessor's;

**Term** means the term of this Lease specified in the reference schedule and includes the further term as applicable; and

**Termination Date** means the date of termination of this Lease specified in the reference schedule.

### 1.3 Interpretation

(a) Reference to:

- (i) the singular includes the plural and the plural includes the singular;
- (ii) a person includes a body corporate;
- (iii) a party includes the party's executors, administrators, successors and permitted assigns;
- (iv) "month" or "monthly" means calendar month or calendar monthly; and
- (v) a right includes a remedy, authority or power.

(b) If a party consists of more than one person, this Lease binds them jointly and each of them severally.

(c) Headings are for convenience only and do not form part of this Lease or affect its interpretation.

## 2. Reserve, term and holding over

### 2.1 Reserve

The Land is vested in the Lessor for the Purposes of "Aerial Landing Ground" with the power to lease for any term not exceeding twenty one (21) years subject to the consent of the Minister for Lands and this lease is subject to the covenants and powers implied under the *Land Administration Act 1997 (WA)* and the *Transfer of Land Act 1893 (WA)* (unless negated or modified by the provisions of this Lease) and to the covenants and conditions contained in this Lease.

### 2.2 Term

The Lessor leases the Premises to the Lessee for the Term commencing on the Commencing Date.

### 2.3 Monthly Tenancy

If the Lessee continues to occupy the Premises after the Term with the Lessor's consent then:

- (a) the Lessee does so as a monthly lessee on the same basis as at the last day of the Term; and

- (b) either party may terminate the monthly tenancy by giving to the other 1 months' notice expiring on any day.

### **3. Rent and rent reviews**

#### **3.1 Rent**

The Lessee must pay the Rent in the amount and method described in the Reference Schedule.

#### **3.2 Variation to Annual Rent**

The annual rent will be varied annually by indexation, commencing from the date shown in Item 6.1 of the Reference Schedule.

#### **3.3 Indexation of Rent**

- (a) When the annual rent is to be indexed, the current annual rent will be varied proportionally to any change in the Consumer Price Index (CPI) published during the quarter before the day on which the indexed annual rent takes effect.
- (b) The Lessee must pay the indexed annual rent from the beginning of the financial year in which it is to take effect.

#### **3.4 Rent Review**

- (a) When the annual rent is to be reviewed, the Lessor may appoint a licensed valuer to provide a valuation as to the rental value of the property and the value determined by the valuer will be the annual rent. The Lessor must give the Lessee notice of the new annual rent and a copy of the valuation upon request.
- (b) For any further term that may be agreed at the expiry of the initial term, a review of the rent payable by the lessee shall be undertaken by a licensed land valuer, appointed by the Lessor. The cost of the review shall be at the Lessor's expense.
- (c) In deciding the current market rent, the valuer must have regard to open market rents current at or about the review date and are to assume that, at the review date:
  - (i) the Land is vacant and ready for immediate occupation;
  - (ii) the Land is available to be let without a premium by a willing Lessor to a willing Lessee on the terms of the Lease (except the amount of rent) for a term equal to the original term of the Lease together with any options for renewal which remain to be exercised at the review date.
  - (iii) the Land shall not be used for any commercial activity.

The valuer is to disregard:

- (iv) the fact that the Lessee is in occupation of the Land; and
- (v) any improvements to the Land made by the Lessee or its predecessors in title during the Lease term or, if the Lease was granted following the exercise of an option for renewal, during the terms of the original lease and of each successive lease resulting from the exercise of an option for renewal in the immediately preceding lease.



## **4. Operating Expenses**

### **4.1 Expenses Due to Lessee's Use**

- (a) The Lessee must pay to the relevant authorities all charges for rates, taxes, charges, assessments, licence fees, duties, impositions, penalties, and other outgoings whatever which now or at any time during the Term are assessed and charged upon or in respect of the Premises or the use or occupation of the Premises or any part.
- (b) The Lessee must pay to the relevant authorities all charges for Services provided to the Premises and must reimburse the Lessor for any costs incurred by the Lessor in providing Services to the Premises, should the infrastructure for such services be provided by the Lessor during the term of the lease.
- (c) The Lessee must pay to the Lessor all expenses due solely to the Lessee's use of the Premises.

### **4.2 Goods and Services Tax**

#### **(a) Consideration is exclusive of GST**

The consideration for a Supply under this Lease is exclusive of any GST imposed on the Supply.

#### **(b) Recovery of GST**

If a Supply under this Lease is subject to GST:

- (i) the Recipient of the Supply must pay, in addition to the other consideration payable or to be provided for the Supply, an additional amount equal to the GST; and
- (ii) the Recipient must pay the additional amount to the supplier at the same time as the other consideration.

However, the Recipient need not pay the additional amount until the supplier gives the Recipient a Tax Invoice.

## **5. Use of the Premises**

### **5.1 Permitted Use**

The Lessee must only use the Premises for the Permitted Use specified in the Reference Schedule.

### **5.2 Restrictions on Use**

The Lessee must not:

- (a) use the Land for a residence or for overnight or holiday accommodation;
- (b) disturb lessees or owners of adjacent premises;
- (c) overload any Services;
- (d) damage the Lessor's Property;
- (e) alter the Premises, or do any building work without the Lessor's prior consent;
- (f) do anything that may invalidate the Lessor's insurance or increase the Lessor's premiums or risk; or
- (g) destroy, cut down, prune or damage any native vegetation on the Premises without the Lessor's consent.
- (h) Not allow anything to be done or to occur in or about the Premises which is noxious, offensive or audibly or visually a nuisance.

### **5.3 No warranty as to Use**

The Lessor does not warrant that the Premises:

- (a) is suitable for any purpose; or
- (b) may be used for the Permitted Use.

### **5.4 Official Requirements and rules**

At its expense, the Lessee must comply with any Official Requirement concerning the Premises, the Lessee's Property or the Lessee's use or occupation of the Premises or the number, health and safety of persons on the Premises.

### **5.5 Caveats**

The Lessee must not lodge or register any absolute caveat against the certificate of title to the land of which the Premises forms part to protect its interests under this Lease but the Lessee shall be entitled to lodge a "Subject to claim" caveat against the certificate of title to the land of which the Premises forms part.

## **6. Maintenance and repair**

### **6.1 Repair**

The Lessee:

- (a) must keep and maintain the Premises in good repair, order and condition;
- (b) is responsible for Structural Building Repairs and all maintenance to the Premises at its cost.

### **6.2 Cleaning and Maintenance**

The Lessee must:

- (a) do such things as may reasonably be required to eradicate, exterminate and keep the Premises free from rodents, vermin, noxious weeds and other pests of any kind, and will procure that pest exterminators are employed from time to time for that purpose;
- (b) keep the Premises clean and tidy and free of infectious diseases; and
- (c) keep the Lessee's Property clean and maintained in good order and condition.

### **6.3 Not to pollute**

- (a) The Lessee must not cause pollution in or contamination of the Premises or any adjoining land by garbage, waste matter, oil and other pollutants whether by stormwater or other run-off or arising from use of the Premises.
- (b) The Lessee must collect and dispose of all garbage, waste matter, oil and other pollutants from the Premises at a place and in a manner required or approved by the Lessor and all relevant authorities having control over the disposal of waste matter and the protection of the environment.

### **6.4 Lessor's right to inspect and repair**

- (a) The Lessor may enter the Premises for inspection at any reasonable time after giving notice to the Lessee. In an emergency, the Lessor may enter at any time without giving the Lessee notice.
- (b) The Lessor may carry out any of the Lessee's obligations on the Lessee's behalf if the Lessee does not carry them out within a timeframe stipulated in a notice in accordance with 6.4(a). If the Lessor does so, the Lessee must promptly pay the Lessor's costs.

## **6.5 Notice of damage or defect in services**

The Lessee must promptly give the Lessor notice of:

- (a) any damage to, defect or disrepair in the Services or the Lessor's Property; and
- (b) any circumstances likely to cause any risk to the Premises or any person.

## **7. Assignment and subletting**

(a) The Lessee must obtain the Lessor's written consent, and if required by law, the written consent of the Minister for Lands pursuant to the *Land Administration Act 1997* (WA) before the Lessee assigns, sublets or deals with its interest in the Premises.

(b) Subject to clause 18, the Lessor may grant or withhold its consent at its discretion.

## **8. Insurances and indemnities**

### **8.1 Lessee's insurance**

The Lessee must effect & keep effected in respect of the Premises and use of the Premises:

- (a) building insurance covering the Hangar and the Lessor's Property; and
- (b) adequate public risk insurance in any amount not less than \$20,000,000 in respect of any one claim.

### **8.2 Lessee's policies**

All policies under this clause 8 must be acceptable to the Lessor and endorsed to note the interest of the Lessor as Lessor of the Premises.

### **8.3 Proof of insurance policies**

The Lessee must give the Lessor evidence of its insurance if the Lessor asks for it.

### **8.4 Lessee's release and indemnity**

- (a) The Lessee occupies and uses the Premises at its own risk.
- (b) The Lessee releases the Lessor and the Minister for Lands from and indemnifies them against all Claims for damages, loss, injury or death:
  - (i) whether or not it is caused by the Lessee's negligence or default if it:
    - (A) occurs on the Premises;
    - (B) arises from the use of the Services on the Premises; or
    - (C) arises from the overflow or leakage of water from the Premises, except to the extent that it is caused by the Lessor's or Minister for Land's deliberate act or wilful negligence;
- (c) The Lessee releases the Lessor and the Minister for Lands from and indemnifies them against any Claim or costs arising from anything the Lessor is permitted to do under this Lease.

## **9. Occupational Safety and Health Act**

- (a) The Lessee acknowledges and agrees that for the purpose of the *Occupational Safety and Health Act 1984* (WA) the Lessee has the control of the Premises and all plant and substances on the Premises.
- (b) The Lessee releases and indemnifies the Lessor from and against any claim against or obligation or liability of the Lessor under any occupational health and safety legislation as defined in the Act, except to the extent that any breach of the Act is contributed to by the Lessor's deliberate act or negligence.

## 10. Default and termination

### 10.1 Default

The Lessee defaults under this Lease if:

- (a) the Rent or any money payable by the Lessee is unpaid for 30 business days;
- (b) the Lessee breaches any other term of this Lease and such breach is unremedied within 30 business days of notice of breach having been served on the Lessee;
- (c) the Lessee assigns its property for the benefit of creditors; or
- (d) the Lessee:
  - (i) who is an individual, commits an act of bankruptcy or is declared bankrupt; or
  - (ii) who is a company, becomes an externally-administered body corporate within the meaning of the *Corporations Act 2001* (Cth).

### 10.2 Forfeiture of Lease

If the Lessee defaults and does not remedy the default when the Lessor requires it to do so, the Lessor may do any one or more of the following:

- (a) re-enter and take possession of the Premises and by notice to the Lessee, terminate this Lease;
- (b) by notice to the Lessee, convert the unexpired portion of the Term into a tenancy from month to month;
- (c) exercise any of its other legal rights; or
- (d) recover from the Lessee any loss suffered by the Lessor due to the Lessee's default.

### 10.3 Consequences of Default

#### (a) Repudiation

- (i) If the Lessee repudiates this Lease or breaches an essential term of this Lease the Lessor may, in addition to exercising any rights given under subparagraph 10.2, elect to terminate the Lease and in addition may recover all money payable by the Lessee under this Lease up to the end of the Term.
- (ii) The essential terms are:
  - (A) to pay Rent (clause 3.1);
  - (B) to pay Operating Expenses (clause 4.1);
  - (C) to use the Premises for only the Permitted Use (clause 5.1);
  - (D) to comply with Official Requirements (clause 5.4);
  - (E) to repair (clause 6.1); and
  - (F) not to assign, sublet or deal with the Lease without consent (clause 7).

#### (b) Lessor's Entitlement to Damages

The Lessor's entitlement to damages is not limited or affected if:

- (i) the Lessee abandons the Premises;
- (ii) the Lessor elects to re-enter the Premises or terminate this Lease;
- (iii) the Lessor accepts the Lessee's repudiation; or

(iv) the parties' conduct constitutes or may constitute a surrender by operation of law.

(c) **Liquidated Debt**

The Lessor may remedy any default by the Lessee and recover its costs of doing so from the Lessee.

**10.4 Waiver**

No waiver by the Lessor is effective unless it is in writing.

**10.5 Interest on Overdue Money**

The Lessor may charge daily interest to the Lessee on any late payment by the Lessee in accordance with the Shire's annual fees and charges schedule.

**11. Termination of Term**

**11.1 Termination by Notice**

- (a) The Lessor may terminate this Lease by giving 12 months' written notice to the Lessee, notwithstanding that:
  - (i) the Lessee is not in default; or
  - (ii) that the term of the Lease has not expired.
- (b) The Lessee may terminate this Lease by giving 1 months' written notice to the Lessor notwithstanding that the term of the Lease has not expired.
- (c) In the event of this Lease being terminated pursuant to subclause 11.1(a) or 11.1(b) each Party will retain its rights against the other in respect of any past breach of this Lease.
- (d) Such termination by either party does not waive the rights of the Lessor and/or Lessee to seek payment for compensation.

**11.2 Lessee's obligations**

At the end of term or on termination, the Lessee must, within 12 months:

- (a) remove the Hangar from the Premises;
- (b) remove all the Lessee's Property from the Premises;
- (c) repair any damage caused by removal of the Lessee's Property; and
- (d) vacate the Premises and give it back to the Lessor in good repair and condition.

**11.3 Failure to Remove Lessee's Property**

If the Lessee does not remove the Hangar or any of the Lessee's Property at the end of the Term, the Lessor may:

- (a) remove and store the Lessee's Property at the Lessee's risk and expense; or
- (b) treat the Lessee's Property as abandoned, in which case title in the Lessee's Property passes to the Lessor who may deal with it as it thinks fit without being liable to account to the Lessee, including leasing the Hangar to a third party as part of a lease of the Land.

**12. General**

**12.1 Notices**

(a) **In Writing**

Any notice given under this Lease must be in writing. A notice by the Lessor is valid if signed by an officer or solicitor of the Lessor or any other person nominated by the Lessor.

**(b) Notice of Address**

The Lessee must promptly notify the Lessor of its address and telephone number or email address and update the notice if any changes occur.

**(c) Service of Notice on Lessee**

The Lessor may serve a notice on the Lessee by:

- (i) giving it to the Lessee personally;
- (ii) sending it to the Lessee's email address; or
- (iii) posting it to the Lessee's last known address.

**(d) Service of Notice on Lessor**

The Lessee may serve a notice on the Lessor by leaving it at, or posting or emailing it to the Lessor's office set out in Item 2 of the Reference Schedule.

**12.2 Costs**

The Lessee must pay the Lessor:

- (a) duty (if any) on this Lease; and
- (b) the Lessor's reasonable legal fees and outlays:
  - (i) relating to any assignment or subletting;
  - (ii) arising from any breach of this Lease by the Lessee;
- (c) half of any costs associated with registration of this Lease or Amendments to the Lease; and
- (d) half of any costs associated with any legal expenses associated with any substantial amendment to the lease should the amendment be initiated by the lessee or as a result of a mutual agreement between the lessor and the lessee.

**13. Option of Renewal**

- (a) The Lessor hereby grants to the Lessee the option to renew this Lease for the further term or terms (if any) specified in Item 5 of the reference schedule upon the terms, covenants, conditions and restrictions of this Lease (excepting any exercised right of renewal). The Lessee may exercise such option if and only if:
  - (i) the Lessee has first given to the Lessor written notice of such exercise of option not less than 3 months and not more than 6 months prior to the expiration of the Term; and
  - (ii) the Lessee is not, at the time of giving the notice under this clause in breach of any of the terms, covenants or conditions of this Lease.

**14. Damage and destruction****14.1 Definitions**

In this clause 14:

- (a) **abatement notice** means a notice given under clause 14.2(a);
- (b) **reinstatement notice** means a notice given by the Lessor to the Lessee of the Lessor's intention to carry out the reinstatement works; and
- (c) **reinstatement works** means the work necessary to:
  - (i) reinstate the Premises; and
  - (ii) make the Premises fit for occupation and use and accessible by the Lessee.

## 14.2 Abatement

- (a) If at any time the Land is wholly or partly:
- (i) unfit for occupation and use by the Lessee; or
  - (ii) inaccessible having regard to the nature and location of the Land and the normal means of access to them,
- as a result of destruction or damage then from the date that the Lessee notifies the Lessor of the relevant event, the Rent and any other money payable by the Lessee are to abate according to the circumstances.
- (b) If clause 14.2(a) applies, the remedies for:
- (i) recovery of the Rent and any other money or a proportionate part falling due after the damage or destruction; or
  - (ii) enforcement of the obligation to repair and maintain,
- are suspended from the date of the abatement notice until the Land are reinstated or otherwise made fit for the Lessee's occupation and use and fully accessible.

## 14.3 Either party may terminate

If clause 14.2(a) applies, then at any time after 2 months from the date the abatement notice is given either party may terminate this Lease by notice to the other unless the Lessor has within that period of 2 months:

- (a) given the Lessee a reinstatement notice; and
- (b) started to carry out the reinstatement works.

## 14.4 Lessee may terminate

If the Lessor gives a reinstatement notice to the Lessee and does not commence the reinstatement works within a reasonable time, the Lessee may terminate this Lease by giving not less than 2 months' notice to the Lessor and, at the expiration of the notice period, this Lease terminates.

## 14.5 Dispute resolution

- (a) No party to this agreement will start arbitration or court proceedings (except proceedings seeking interim relief) in respect of a dispute arising out of this agreement (**dispute**) unless it has complied with this clause.
- (b) A party claiming that a dispute has arisen must notify the other parties, giving details of the dispute.
- (c) During the 21 day period after a notice is given under clause 14.5(b) (or longer period agreed in writing by the parties to the dispute) (**initial period**) each party to the dispute (**disputant**) must use its best efforts to resolve the dispute.
- (a) If the disputants are unable to resolve the dispute within the initial period, each disputant agrees that the dispute must be referred for mediation in accordance with the Mediation Rules of the Law Society of Western Australia, at the request of any disputant, to:
  - i. a mediator agreed on by the disputants; or
  - ii. if the disputants are unable to agree on a mediator within seven (7) days after the end of the initial period, a mediator nominated by the President of the Law Society of Western Australia or the President's nominee.
- (b) The role of any mediator is to assist in negotiating a resolution of the dispute. A mediator may not make a decision that is binding on a disputant unless that disputant has so agreed in writing.
- (c) Any information or documents disclosed by a disputant under this clause:
  - i. must be kept confidential; and

- ii. may not be used except to attempt to resolve the dispute.
- (d) Each disputant must bear its own costs of complying with this clause and the disputants must bear equally the costs of any mediator engaged.
- (e) After the initial period, a disputant that has complied with clauses 14.5(a), (b) and (c) may terminate the dispute resolution process by giving notice to each other disputant.
- (f) If in relation to a dispute a disputant breaches any provision of clauses 14.5(a) to (f), each other disputant need not comply with clauses 14.5(a) to (f), in relation to that dispute.

**15. Severability**

- (a) As far as possible all provisions of this Lease must be construed so as not to be invalid, illegal or unenforceable.
- (b) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.
- (c) If any provision cannot be read down, that provision will be void and severable and the remaining provisions of this Lease will not be affected.

**16. Entire Understanding**

This Lease:

- (a) contains the entire agreement and understanding between the parties on everything connected with the subject matter of this Lease; and
- (b) supersedes any prior agreement or understanding on anything connected with that subject matter.

**17. Organisations**

- (a) If any organisation ceases to exist, a reference to that organisation will be taken to be a reference to an organisation with similar objects to the original organisation nominated by the Lessor.
- (b) Reference to the president of an organisation will, in the absence of a president be read as a reference to any person fulfilling the duties of a president.

**18. Lessor's Consent**

Unless otherwise stated, if the Lessor's consent or approval is required:

- (a) the Lessor must consider the request promptly and be reasonable in giving or refusing its consent or approval;
- (b) the Lessor may require the Lessee to comply with any reasonable conditions before giving its consent;
- (c) it is not effective unless in writing; and
- (d) if the Lessor refuses consent or approval, the Lessee shall be provided with the reason(s) for such refusal.

**19. Property Law Act**

The following sections of the *Property Law Act 1969* (WA) do not apply to this Lease:

- (a) Section 80; and
- (b) Section 82.



**Schedule 1 - Reference Schedule****1. Lessor/Lessor**

Shire of Denmark  
of 953 South Coast Highway, Denmark, Western Australia

**2. Lessee/Lessee**

[Lessee name]  
of [Lessee address]

**3. Land****3.1 Reserve**

Reserve 41390 being the whole of the land comprised in Certificate of Title Volume 3170 Folio 60.

**3.2 Purpose**

Aerial Landing Ground

**4. Term****4.1 Period**

10 years

**4.2 Commencing Date**

[Insert Date]

**4.3 Termination Date**

[Insert Date]

**5. Further term****5.1 Period**

10 years

**5.2 Commencing Date**

[Insert Date]

**6. Rent**

#[Insert #] per annum (plus GST)

**6.1 Date of Variation to Annual Rent**

Note applicable.

**6.2 Date of Rent Review**

Not applicable.

**7. Permitted Use**

Private Aircraft Hangar

**8. Lessor's Property**

Nil

**9. Special conditions**

The following special conditions (if any) form part of this Lease and in the event of any inconsistency between the foregoing provisions of this Lease and the special conditions, the special conditions prevail:

**9.1 Construction of Hangar**

- (a) Within two years of the Commencing Date the Lessee must construct an Aircraft Hangar on the Land in accordance with all Official Requirements including but not limited to obtaining all necessary planning approvals and a building permit.
- (b) In the event that the Hangar is not constructed in accordance with Special Condition 9.1, the Lessee is in breach of this Lease and the Lessor may serve a written notice on the Lessee advising them of the breach and demanding that it be rectified within a time period no less than 12 months of the date the notice was served on the Lessee and failing rectification within the time period specified in the notice, the Lessee, is in default under the Lease.
- (c) If the Lessee is in default due to the operation of special Condition 9.1(a), the Lessor will have all the rights available to it under this Lease including the rights available to it on the basis that the default was a breach of an essential term of the Lease as set out in clause 10.3(a)(ii).
- (d) The Hangar will remain the property of the Lessee and the Lessor will have no property interest in the Hangar save for in accordance with clause 11.3(b).

**9.2 Lessee's acknowledgments**

The Lessee acknowledges and agrees as follows:

- (a) Access to the Land will be from an unsealed road and that the Lessor is not obliged, and has no plans, to upgrade the road.
- (b) The Lessor as the Local Government Authority will levy Shire Rates on the Property in accordance with applicable legislative authority and the rates will be payable in addition to the annual rent.
- (c) Should the Council construct any additional facilities or make provision for access to utilities such as water, gas, electricity or telecommunications on Reserve 41390 that will provide a benefit to the Premises, the access to these additional facilities may be taken into account when the rent is reviewed in accordance with clause 3.4.
- (d) The Lessee accepts all reasonable noise emitting from the Denmark Airfield, in relation to current levels and any future increase levels as intended by the Denmark Airfield and Airpark Strategy and any possible noise emitting from the adjacent Light Industrial Area.
- (e) The Lessee is aware of the Shire of Denmark's *Denmark Airfield Land Use Strategy* which considers potential land use options for the Denmark Airfield and provides a framework for future development of the Airfield and immediate surrounds.
- (f) The Lessee agrees to comply with the Shire of Denmark's *Town Planning Policy No. 25.1 – Denmark Airfield and Airpark*, which relates to any development and

land use, and any other planning policies or provisions which may be adopted from time to time.

DRAFT

ATTESTATION SHEET

Executed by the parties as a Deed on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_

LESSOR/LESSORS SIGNS HERE (NOTE 9)

The Common Seal of  
**Shire of Denmark**  
was hereunto affixed in the  
presence of:

Affix Seal Here

\_\_\_\_\_  
Shire President

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

LESSEE/LESSEES SIGNS HERE (NOTE 9)

\_\_\_\_\_  
Lessor

\_\_\_\_\_  
Print Name

Signed by **[Name Surname]**

in the presence of: }

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Address

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Occupation

**INSTRUCTIONS**

1. If insufficient space in any section, Additional Sheet Form B1 should be used with appropriate headings. The boxed sections should only contain the words "See Annexure".
2. Additional Sheets shall be numbered consecutively and bound to this document by staples along the left margin prior to execution by parties.
3. No alteration should be made by erasure. The words rejected should be scored through and those substituted typed or written above them, the alteration being initialled by the person signing this document and their witnesses.
4. Duplicates are not issued for Crown Land Titles.

**NOTES**

**1. DESCRIPTION OF LAND**

Lot and Diagram/Plan number or Location name and number to be stated.

Extent – Whole, part or balance of the land comprised in the Certificate of Crown Land Title to be stated.

The Certificate of Crown Land Title Volume and Folio number to be stated.

**2. LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS**

In this panel show (subject to the next paragraph) those limitations, interests, encumbrances and notifications affecting the land being leased that are recorded on the crown land title:

- a) In the Second Schedule;
- b) If no Second Schedule, that are encumbrances.  
(Unless to be removed by action or document before registration hereof)

Do not show any:

- (a) Easement Benefits or Restrictive/Covenant Benefits; or
- (b) Subsidiary interests or changes affecting a limitation, etc, that is to be entered in the panel (eg, if a mortgage is shown, do not show any partial discharges or any document affecting either).

The documents shown are to be identified by nature and number. The plan/diagram encumbrances shown are to be identified by nature and relevant plan/diagram.

If none show "nil".

**3. LESSOR**

State full name and address of Lessor/Lessors and the address/addresses to which future notices can be sent.

**4. LESSEE**

State full name of Lessee/Lessees and the address/addresses to which future notices can be sent. If two or more state tenancy eg. Joint Lessees, Lessees in Common. If Lessees in Common specify shares.

**5. TERM OF LEASE**

Term to be stated in years, months and days. Commencement date to be stated. Options to renew to be shown.

**6. RECITE ANY EASEMENTS TO BE CREATED**

Here set forth Easements to be created as appurtenant to the lease commencing with the words "together with" and/or any Reservations hereby created encumbering the lease commencing with the words "reserving to".

7. State amount of yearly rental in words.

8. State term of payment.

**9. EXECUTION**

A separate attestation is required for every person signing this document. Each signature should be separately witnessed by an Adult Person. The address and occupation of witnesses must be stated.

Office Use Only

**LEASE OF CROWN LAND (L)**

LODGED BY SHIRE OF DENMARK

ADDRESS PO BOX 183  
DENMARK WA 6330

PHONE No. (08) 9848 0300

FAX No.

REFERENCE No.

ISSUING BOX No.

PREPARED BY SHIRE OF DENMARK

ADDRESS PO BOX 183  
DENMARK WA 6333

PHONE No. (08) 9848 0300

FAX No.

**INSTRUCT IF ANY DOCUMENTS ARE TO ISSUE TO OTHER THAN LODGING PARTY**

**TITLES, LEASES, DECLARATIONS ETC LODGED HEREWITH**

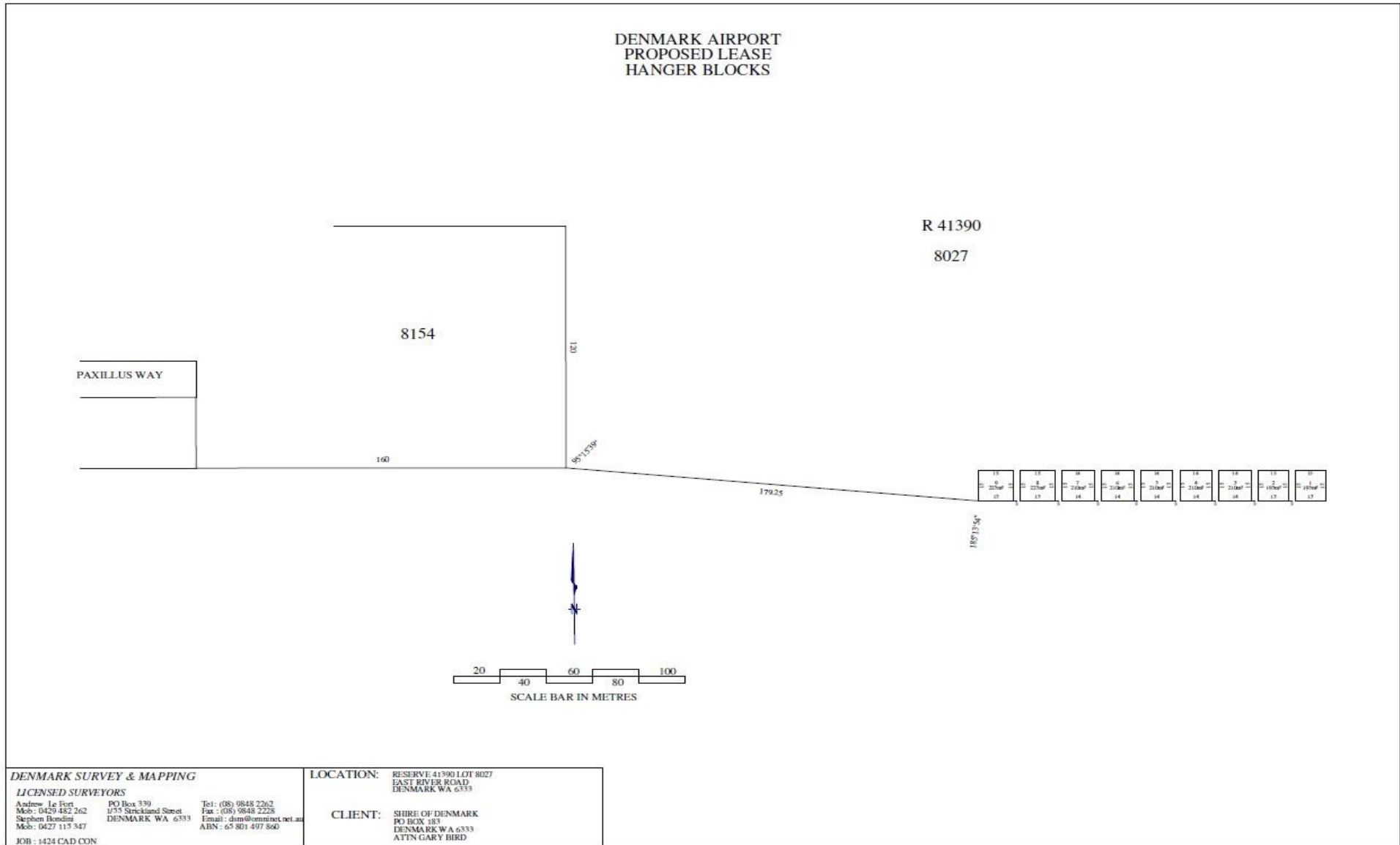
1. \_\_\_\_\_ Received Items
2. \_\_\_\_\_ Nos.
3. \_\_\_\_\_
4. \_\_\_\_\_ Receiving Clerk
5. \_\_\_\_\_
6. \_\_\_\_\_

Registered pursuant to the provisions of the *TRANSFER OF LAND ACT 1893* as amended on the day and time shown above and particulars entered in the Register.

EXAMINED

Appendix 1 – Surveyed Lease Area- Site **XXX** highlighted

to be updated for each lease



**DENMARK SURVEY & MAPPING**  
 LICENSED SURVEYORS  
 Andrew Le Fort PO Box 330 Tel: (08) 9848 2262  
 Mob: 0429 482 262 155 Strickland Street Fax: (08) 9848 2228  
 Stephen Bondini DENMARK WA 6333 Email: dsm@dmrnet.net.au  
 Mob: 0427 115 347 AIN: 65 801 497 860

**LOCATION:** RESERVE 41390 LOT 8027  
 EAST RIVER ROAD  
 DENMARK WA 6333  
**CLIENT:** SHIRE OF DENMARK  
 PO BOX 183  
 DENMARK WA 6333  
 ATTN GARY BIRD

JOB: 1424 CAD CON

## Appendix 2 – Ministerial Consent

To be obtained

DRAFT



# Acumentis®

Acumentis (WA) Pty Ltd

ABN: 42 746 517 597

ACN: 127 458 593

57-59 Lockyer Avenue, Albany WA 6330

PO Box 5451, Albany WA 6332

Tel: 0414 281 141

[www.acumentis.com](http://www.acumentis.com)

## Valuation Report

Lots 1 to 9 Denmark Airport, Hay  
WA 6333



decision certainty

Reliant Party	Shire of Denmark
Instructed by	Claire Thompson
Purpose	Market Rent Purposes
Primary Interest Holder	Shire of Denmark
Valuation date	5 February 2020
Inspection date	5 February 2020
Acumentis ref	2001004316

17 November 2020 - Attachment 8.3.1e



Lots 1 to 9 Denmark Airport, Hay WA 6333



Lot 1



Lot 2



Lot 3



Lot 4



Lot 5



Lot 6



Lot 7



Lot 8



Lot 9

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# 1 Synopsis

*IMPORTANT: All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation. The Valuer/Firm (in addition to the principal valuer) has no Potential Conflict of Interest or Pecuniary Interest (real or perceived) relating to the subject property.*

*For the purpose of this report "Reliant Party" means the company identified on the front of this report.*

## 1.1 Executive Summary

Executive summary					
<b>Property</b>	Lots 1 to 9 Denmark Airport, Hay WA 6333				
<b>Reliant party</b>	Shire of Denmark				
<b>Instructed by</b>	Claire Thompson				
<b>Purpose</b>	Market Rent Purposes only.				
<b>Client</b>	Shire of Denmark				
<b>Valuation date</b>	5/02/2020	<b>Inspection Date</b>	5/02/2020	<b>Submission Date</b>	26/02/2020
<b>Acumentis ref</b>	2001004316				
<b>Interest valued</b>	Leasehold				
<b>Basis for assessment</b>	Market Rent of Land only.	<b>Use</b>	Airport hangar sites		
<b>Standing instructions</b>	This valuation is in accordance with the instructions of the party for whom it was prepared.				
<b>Specific instructions</b>	None.				
<b>Pecuniary Interest</b>	All investigations have been conducted independently and without influence from a third party in any way. The Valuer/Firm (in addition to the principal valuer) has no Potential Conflict of Interest or Pecuniary Interest (real or perceived) relating to the subject property.				
<b>Title</b>	Searched 18 February 2020. Portion of Lot 300 on Deposited Plan 405898. Certificate of Title Volume LR 3170 Folio 60				
<b>Primary Interest Holder</b>	Shire of Denmark				
<b>Encumbrances</b>	None that affect the use or rental value of the subject property.				
<b>Site Area</b>	Lots 1 & 2 are 195m <sup>2</sup> each, Lots 3 to 7 are 210m <sup>2</sup> each and Lots 8 & 9 are 225m <sup>2</sup> each				
<b>Local authority/Zoning</b>	Shire of Denmark/Public Use: Aerial Landing Ground				
<b>Services</b>	No services provided.				
<b>Outgoings</b>	Payable by the lessee in addition to the rent.				
<b>GST</b>	The Lessee is assumed to be liable for GST in addition to base rental.				
<b>Key Issues</b>	The lease is for the specific purpose of developing private aircraft hangar facilities at the Denmark Airport and their use shall be in accordance with the provisions of Shire of Denmark Town Planning Policy No 25.  The leased premises are considered rateable land by the Shire of Denmark and the Lessee will be responsible for the payment of all municipal rates as adopted annually by the Shire.  The lessee acknowledges that the land shall be developed and completed to the satisfaction of the Shire of Denmark (being the erection of a suitable aircraft hangar) within two years from the commencement of the lease.				
<b>Brief description</b>	The subject property comprises of 9 lots ranging in size from 195m <sup>2</sup> to 225m <sup>2</sup> that form part of the Denmark Airport and are for aircraft hangar site use				

### 1.1.1 Rental Valuation (Exclusive of GST)

Ground Lease Market Rent		
Lots	Adopted	Adopted Rate/ m <sup>2</sup>
1 & 2	\$487.50 pa net	\$2.50
3 to 7	\$525 pa net	\$2.50
8 & 9	\$562.50 pa net	\$2.50

**Valuer** Mark Eaton  
AAPI CPV 65084  
WA Licence No. 44021

Tony Gorman  
FAPI CPV 64979  
WA Licence No. 42002

**Entity** Director  
**Office** Bekenstein Pty Ltd ATF The Harrogate Family Trust  
trading as Acumentis Albany

**Position** Director

Quality Assurance procedures are undertaken prior to the report being released, requiring internal compliance and verification checks and confirms that the report is a genuine authorised Acumentis document. The counter signatory verifies that this report is genuine and endorsed by Acumentis. The opinion of value expressed in this report has been arrived at by the prime signatory alone.

Liability limited by a scheme approved under Professional Standards Legislation.

This Executive Summary is a précis of the contents of the following valuation report. The valuation is based on certain conditions and contains a number of qualifications. Do not rely upon this executive summary alone. The Executive Summary must be read in conjunction with and subject to our complete Valuation Report.

It is essential that before the reliant party relies on this valuation, the report is read in its entirety, including any Annexures.

Should the reliant party be or become aware of any item or issue that casts doubt on, refutes, opposes or is in conflict with the conditions, qualifications or assumptions contained within this report, they must notify the Valuer in writing so that any conflicts may be considered and if appropriate, an amended report issued.

For the purpose of this report Acumentis means the company as identified as the Entity.

No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the Lender to which this Report is addressed, or any other agreed additional reliant party(s) noted in this Report, relies, uses, distributes, publishes and/or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously.

---

## 2 Introduction

### 2.1 Instructions

I have been instructed to assess the ground lease market rent for the subject property being Lots 1-9 as identified on the Denmark Airport Proposed Lease Hangar Blocks Map provided.

### 2.2 Definitions

**Market Rental Value** is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

### 2.3 Information Provided by Others

Acumentis has relied upon various financial and other information provided to us for the purposes of undertaking the valuation. Where possible, within the scope of the retainer and as the expertise of a valuer, the information has been reviewed and analysed. Acumentis does not warrant that all of the matters which a full audit, extensive examination or "due diligence" investigation might disclose have been identified. This valuation is conditional upon the information supplied being correct.

## 3 Land and Title Particulars

### 3.1 Title Details

Primary Interest Holder	Legal description
Shire of Denmark	Portion of Lot 300 on Deposited Plan 405898. Certificate of Title Volume LR 3170 Folio 60

Details of easements and encumbrances as shown on the Title:

Dealing	Notation Type
0045145	Reserve 41390 for the Purpose of Aerial Landing Ground. Registered 5/12/2018.
L041875	Management Order. Contains conditions to be observed with power to lease for any term not exceeding 21 years, subject to the consent of the Minister for Lands. Registered 14/8/2009.

*The valuation is provided on the basis that the land is not subject to any encumbrances or restrictions on Title or the Survey Plan other than those noted above and that it is unaffected by any road alteration proposals.*

Overall, there are considered to be no onerous covenants or interests reported on Title that adversely affect the rental value, marketability and continued utility of the property. If there are any encumbrances, encroachments, restrictions, leases or covenants which are not noted in this report, they may affect the assessment of value. If such matters are known or discovered, the report should be returned to the Valuer for review and amendment of the valuation as we deem appropriate.

There is no *Administrative Advice* or *Unregistered Dealings* recorded on Title. A full copy of the current Title Search is annexed, and the details provided above summarise all encumbrances and interests noted on Title.

### 3.2 Site Description

<b>Identification</b>	The property has been satisfactorily identified by visual inspection and reference to the Denmark Airport Proposed Lease Hangar Blocks Map provided.
<b>Shape/Topography</b>	The parent lot has an irregular shape with generally a level to gentle topography. The individual subject lots each have a rectangular shape and a topography ranging from level to falling gently.
<b>Flood status*</b>	My enquiries indicate that the property is not located within an identified flood plain.

\* The flooding information noted above has been obtained from Department of Water and Environmental Regulation This information has been relied upon in our assessment of value and no responsibility is accepted for the accuracy of the flooding information provided. Should the information prove incorrect in any material respect, the matter should be referred to the valuer for review of the valuation as we deem appropriate.

### 3.3 Land Area based on Denmark Airport Proposed Lease Hangar Blocks Map

The parent site is an irregular shaped allotment with a total land area of 53.2348 hectares.

The subject property relates to nine airport hangar sites that form part of the Denmark Airport. According to the Denmark Airport Proposed Lease Hangar Blocks Map provided Lots 1 & 2 each have an area 195m<sup>2</sup>, Lots 3 to 7 each have an area 210m<sup>2</sup> and Lots 8 & 9 each have an area 225m<sup>2</sup>.

Whilst we have physically identified the boundaries of the subject property on inspection, we are not qualified Surveyors and no warranty can be given without the benefit of a formal identification survey.

### 3.4 Town Planning Summary

<b>Local authority</b>	Shire of Denmark
<b>Planning Scheme</b>	Shire of Denmark Local Planning Scheme No. 3
<b>Zoning/Designation</b>	Public Use: Aerial Landing Ground
<b>Permissible uses</b>	The current use appears to accord with the permissible intended Public Use under the zoning.

We have searched the publicly available records for the relevant zoning and/or designation for the information noted above. We advise however, that unless otherwise stated, a formal search with the appropriate Local Authority has not been carried out or obtained.

The planning information noted has been obtained from the WA Department of Planning website. This information has been relied upon in our assessment of value and no responsibility is accepted for the accuracy of the planning information provided. Should the information prove incorrect in any significant respect, the matter should be referred to the valuer for review of the valuation as we deem appropriate.

A search of the permitted use with the Relevant Authority has not been undertaken or obtained and therefore this valuation is predicated on the assumption that all necessary and appropriate town planning and building approvals, consents and certifications have been issued for the use and occupation of the improvements which are the subject of this valuation. If this fails to be the case, the valuation must be returned to the valuer for review and amendment.

### 3.5 Environmental Contamination

Issues	
<b>Current use and commencement</b>	Aircraft hangar sites
<b>Existing issues raising concern</b>	Nil
<b>Uses identified on API Guidance Note 1</b>	Airports. Trichlore-ethylene from solvent cleaning operations.
<b>Environmental report provided</b>	No, an environmental report has not been provided.
<b>WA contaminated sites act</b>	By the Commencement of the Contaminated Sites Act 2003, a Public Register is now kept in Western Australia of land that has been classified as being either contaminated – remediation required; contaminated – restricted use or remediated for restricted use. In arriving at any assessment of the value of the land, a basic search of that register has been undertaken which discloses that the land is not classified. We do not accept any responsibility or liability whatsoever for the accuracy of the information contained in the search of the Contaminated Sites Register. In addition to searching the Register We have undertaken general enquiries on the previous use of the land and have relied on the accuracy of the information provided by you to use for this purpose.

Unless stated otherwise in the report, no soil tests or environmental studies have been made available. Therefore, it should be noted that the valuation is subject to there being no surface or sub-surface soil problems including instability, toxic or hazardous wastes, toxic mould, asbestos or building material hazards in or on the property that would adversely affect its existing or potential use or reduce its marketability. Should any problems be known or arise, then the valuation should be referred to ACUMENTIS for review as ACUMENTIS deems appropriate.

The reliant party acknowledges and recognises that ACUMENTIS are not experts in identifying environmental hazards and compliance requirements affecting properties.

### 3.6 Road Description

Public roads in the surrounding area a largely bitumen sealed with gravel shoulders. The vehicle access to the hangars within the airport is a combination of bitumen and modest quality dirt surface.

### 3.7 Services

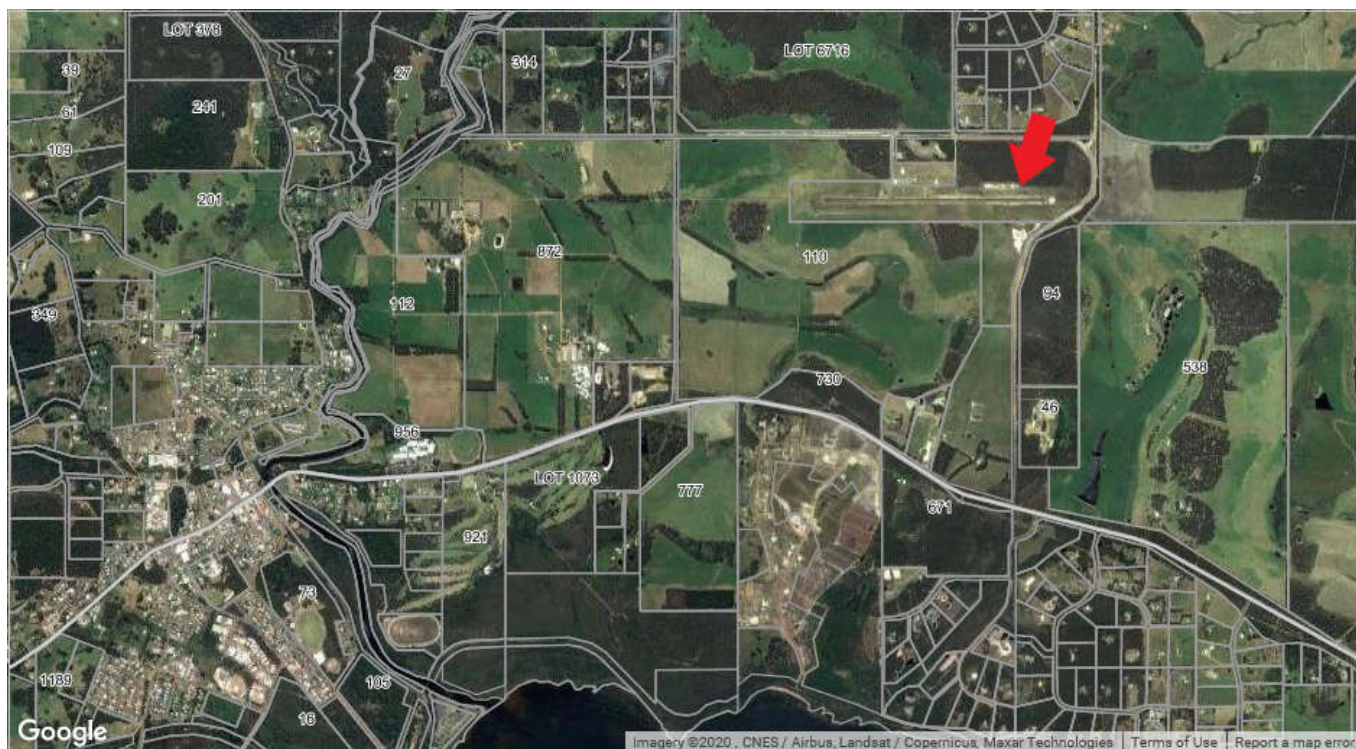
No services are provided to the subject sites.



### 3.8 Location and Neighbourhood

Hay is a largely rural and special residential area forming part of the Denmark locality. Hay is situated approximately 4km east of the Denmark townsite. Denmark is a small town located within the Great Southern region approximately 414km south east of Perth and 50km west of Albany. The population of Denmark is approximately 2500 people. The town is well positioned on the Denmark River, close to the Wilson Inlet and surrounded by Karri forest.

The Denmark Airport is located approximately 3.5km north east of the Denmark town Centre. More specifically, the subject sites form part of the Denmark Airport and are positioned north of the main runway and east of the terminal.



Source: PR Data Map

---

## 4 Improvements

### 4.1 General Airport Facilities

The original airstrip at the Denmark Airport was constructed circa 1996. A small rammed earth/weatherboard and Colorbond terminal building was constructed circa 1997 to service the airstrip. The terminal building is basic with no internal linings and consists of a single room with two ablution facilities. The terminal is generally closed however coded access is available to airport users. Adjacent the terminal are two large water tanks with a holding capacity of 360,000 litres and 240,000 litres that services the Department of Fire and Emergency Services water bombers. The airport includes a single bitumen sealed 1,200 metre runway that runs east-west and includes pilot-operated runway lighting. The airport does not provide any fuel with Air BP avgas and Jet A1 fuel available at the Albany airport approximately 50km to the east. A coded access security gate is located at the vehicle entrance with a bitumen sealed access road servicing the western hangar sites however the continuation of this road to the eastern hangar sites (subject property) is partially established only. The airport supports both private and commercial aircraft operators as well as the Royal Flying Doctor Service and DFES water bomber aircraft.

## 4.2 Photographs



Terminal External



Terminal Internal



Security gate access



Main vehicle access road to subject sites



Established portion of second vehicle access road to subject sites



Unestablished portion of second vehicle access road to subject sites



Main runway



Water tanks for DFES

---

## 5 Market Commentary

### 5.1 Market Overview

The Denmark Airport has maintained a fair level of occupancy for hangar sites. The airport currently provides different Hangar Site options including Denmark Air Park that comprise green titled lots that are restricted for use as hangar sites that also permit residential accommodation to be constructed on the first floor. These sites range from 700m<sup>2</sup> to 2,800 m<sup>2</sup>. These lots were established circa 2010. In addition, there are nine leasehold sites that range in size from 195 m<sup>2</sup> to 225 m<sup>2</sup>. These sites were established circa 2012. Less than half of all sites appear to be developed with the remaining sites undeveloped since their inception. This indicates only a modest level of demand for these sites.

## 6 Lease Details

### 6.1 Information Provided

I have sighted a draft copy of the proposed lease and the details are summarised as follows.

#### 6.1.1 Lease Details

Tenancy Details	Notional lease.
<b>Term</b>	10 years.
<b>Options</b>	10 years.
<b>Annual Reviews</b>	If a further term is agreed to be executed then a review of the rent payable shall be undertaken by a licensed land valuer with such a review to take effect upon commencement of any new lease. Thereafter the rent review is to be undertaken every five year period.
<b>Outgoings</b>	Payable by the Lessee
<b>Other matters</b>	<p>The lessee acknowledges that the land shall be developed and completed to the satisfaction of the Shire of Denmark (being the erection of a suitable aircraft hangar) within two years from the commencement of the lease. In the event that such development has not occurred the lessee will be considered in default of this lease and will be required to vacate the premises within three months from receiving such notice from the lessor.</p> <p>The Lessee acknowledges that access to the site will be from the unmade road at the rear of the leased site and further that Council has no plans to upgrade this road to a constructed standard.</p> <p>Council reserves the right to review the rent applicable if additional facilities are constructed on Reserve 41390 that will directly benefit the lessee. Such review will be done in consultation with the lessees at the time of the development and will be conducted in accordance with the principles of Clause 3 Rent Review.</p>

### 6.2 Assessment of Outgoings

Outgoing will be payable by the Lessee. We note that services are not provided to the site and the overall payable outgoings are therefore considered to be limited. We have been advised by the Shire of Denmark that their annual rates are \$1,181 pa net for each lot

### 6.3 Rental Evidence

#### Manjimup Airport

The Manjimup airfield is owned by the Shire of Manjimup and situated approximately 3 kilometres south of the Manjimup townsite off the South Western Highway. The airport has a single runway with a length of 1,225 metres and is asphalt sealed. There are nine hangar ground lease areas ranging from 172 m<sup>2</sup> to 672 m<sup>2</sup>. Current rate payable is \$3.35 / m<sup>2</sup> with lease term of 10 year plus 5 year option. Minimum Shire rates of \$967 are paid per annum. Toilet and Fuel is provided at the airfield.

*Comparison: A similar size airfield that services a larger community with fuel services available on site. Overall we consider a lower rental rate would apply to the subject sites.*

#### Augusta Airport

The Augusta airstrip is owned by the Shire of Augusta-Margaret River situated approximately 1 kilometre to the west of the Augusta town centre. The airport has a sealed runway length of 1,100 metres and weight limit of 5,700 kilograms. There are six hangar sheds at the Augusta Airport. In March 2017 a ground lease for 641 m<sup>2</sup> commenced at \$2,564 per annum reflecting \$4.00 / m<sup>2</sup>. Shire rates are also payable. In April 2016 a ground lease for 493 m<sup>2</sup> commenced at \$1,972 per annum reflecting \$4.00 / m<sup>2</sup>.

*Comparison: A similar standard of airport that services a smaller community however high tourist location. Increased traffic is experienced during the summer months and long weekends. No fuel services are available on site. The higher volume of tourist related traffic is reflected in the higher rental rate and overall we consider a lower rental rate would apply to the subject sites.*

### Northam Airport

The Northam Airport is owned by the Shire of Northam and is situated approximately 1.5 kilometres north of the Northam townsite. The airport has a sealed single runway of 950 metres in length. The airport has some 30 hangar sites. Since 2016 five new leases have been signed. Current rate set for a 180 m<sup>2</sup> hangar site is \$680 per annum reflecting \$3.77 / m<sup>2</sup>. Shire rates of \$950 per annum are payable in addition to a \$3,500 leasing fee. 600 m<sup>2</sup> sites are leased at \$1,468 per annum reflecting \$2.45 / m<sup>2</sup>. Shire rates of \$950 per annum are payable in addition to a \$3,500 leasing fee. Commercial leases within the Northam Airport for larger 1,110 m<sup>2</sup> sites are \$2,515 per annum, reflecting \$2.65 / m<sup>2</sup>. Shire rates of \$1,800 per annum are payable in addition to a \$3,500 leasing fee. Fuel is provided at the airport.

*Comparison: A larger airfield that accommodates a higher volume of hangars and services a larger community. Fuel services are available on site. Overall we consider a lower rental rate would apply to the subject sites than that being achieved by the 180 m<sup>2</sup> hangar site given the superior availability of services however similar rate to the larger sites as the superior services are counteracted by economies of scale of the larger sites.*

### Busselton Airport

The Busselton-Margaret River regional airport is owned by the City of Busselton and is a certified aerodrome by CASA situated approximately 6.5 kilometres from the Busselton CBD. The airport has a single sealed runway with a length of 2,520 metres. The City of Busselton is upgrading the existing airport facilities in preparation for regular public transport air services to interstate and international destinations. The airport is suitable for use by jet aircraft up to Boeing 737 or Airbus A320 size. Currently there are only three light aircraft hangars at the airport. The passing rent as at April 2017 for the two 1,200 m<sup>2</sup> sites was \$9,905 per annum, reflecting \$8.25 / m<sup>2</sup>. The 1,000 m<sup>2</sup> site which was last market reviewed in February 2014, had a passing rent as at February 2017 of \$10,712 per annum reflecting \$10.71 / m<sup>2</sup>. Fuel is provided at the airport.

*Comparison: A larger airfield with superior facilities although offers limited light aircraft accommodation options. Services a larger community. Fuel services are available on site. Overall we consider a lower rental rate would apply to the subject sites.*

### Albany Airport

Albany Airport is owned by the City of Albany and located 11 kilometres north-west of the Albany CBD. It is the largest airport in the Great Southern Region. It has two sealed runways with lengths of 1,800 metres and 1,096 metres with the capability of allowing a Boeing 737 aircraft. Rex Airlines operates flights every day between Albany and Perth. The City of Albany advises recent hangar site valuations reflected between \$8.75 / m<sup>2</sup> to \$9.00 / m<sup>2</sup> based on area and access to infrastructure. City rates are not applicable to hangar ground rents. Fuel is provided at the airport.

*Comparison: A larger airfield with superior facilities. Services a larger community. Fuel services are available on site. Overall we consider a lower rental rate would apply to the subject sites.*

### Kalgoorlie-Boulder Airport

The Kalgoorlie-Boulder Airport is owned by the City of Kalgoorlie-Boulder and is located approximately 5 kilometres south of the Kalgoorlie CBD. The airport has two runways, being 2,000 metres and 1,200 metres in length. The airport has two terminals with a number of daily Perth to Kalgoorlie-Boulder return flight services. The airport allows up to a Boeing 767. A hangar ground lease site which commenced January 2009 for 10 plus 5 years, has a passing rent of \$4,200 per annum for 480 m<sup>2</sup> reflecting \$8.75 / m<sup>2</sup>. An air-side fuel compound leased to BP has an area of 2,569 m<sup>2</sup> and reflects \$8.34 / m<sup>2</sup> as at 2016.

*Comparison: A larger airfield with superior facilities. Services a larger community. Fuel services are available on site. Overall we consider a lower rental rate would apply to the subject sites.*

My other enquiries revealed that air-side ground leases within the Jandakot Airport reflected between \$14.00 / m<sup>2</sup> to \$22.00 / m<sup>2</sup>, Geraldton Airport ground leases reflected between \$5.00 / m<sup>2</sup> to \$16.00 / m<sup>2</sup> and Perth Airport have achieved rates between \$20.00 / m<sup>2</sup> and \$35.00 / m<sup>2</sup>. The rental evidence has been based on various third party sources of information. While we believe the information to be accurate, not all details have been formally verified.

## 6.3.1 Denmark Airport Leasing Activity

Three of the subject lots are currently leased. Lot 2 was let in 2009 at \$214.50 pa net reflecting \$1.10 / m<sup>2</sup>. Lot 3 was let in 2010 at \$231.00 pa net reflecting \$1.10 / m<sup>2</sup>. Lot 5 was let in 2013 at \$462.00 or \$2.20 / m<sup>2</sup>. A new valuation was acquired to set this rental. These rentals provided include GST.

## 7 Valuation Considerations

### 7.1 Valuation Approaches

The most appropriate method of valuation is direct comparison.

### 7.2 Definitions

**Market Rental Value** is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

### 7.3 Direct Comparison Method

This approach utilises rental evidence that have been analysed on a rate/m<sup>2</sup> of site area basis and compares the equivalent rates to the subject to establish the property's current rental value.

The evidence provided for the Manjimup, Augusta and Northam Airports are considered the most comparable to Denmark in terms of their size and facilities offered as well as the size of the communities they service. This evidence ranged from \$2.45 / m<sup>2</sup> to \$4 / m<sup>2</sup> for ground leases. The remaining sales evidence provided was for larger certified airports predominantly offering commercial flights and supporting larger communities. The superior available services and larger community catchment is reflected in the higher rates achieved at these airports typically ranging from \$8 / m<sup>2</sup> to \$10 / m<sup>2</sup> for ground leases.

I consider the rents achieved at Manjimup, Augusta and Northam airports to be comparable although towards the high end of a rental rate that would apply to the Denmark Airport when taking into consideration the larger communities they service, the availability of onsite fuel in the case of the Manjimup and Northam Airports and the high tourist traffic associated with the Augusta Airport. This is reflected in the rates adopted for the subject property.

Site area Lots 1 and 2			
Area (m <sup>2</sup> )		195 m <sup>2</sup>	
Value range (/m <sup>2</sup> )	\$2	to	\$3
Resultant values	\$390	to	\$585
<b>Adopted value</b>			<b>\$487.50</b>
Site area Lots 3 to 7			
Area (m <sup>2</sup> )		210 m <sup>2</sup>	
Value range (/m <sup>2</sup> )	\$2	to	\$3
Resultant values	\$420	to	\$630
<b>Adopted value</b>			<b>\$525</b>
Site area Lots 8 and 9			
Area (m <sup>2</sup> )		225 m <sup>2</sup>	
Value range (/m <sup>2</sup> )	\$2	to	\$3
Resultant values	\$450	to	\$675
<b>Adopted value</b>			<b>\$562.50</b>

## 8 Assessment

Subject to the qualifications and assumptions contained within the body of this report, we assess the Market Value exclusive of GST of the subject property, for Market Rent purposes, as at 5 February 2020, to be:

### Market Rent

**Valuer** Mark Eaton  
AAPI CPV 65084  
WA Licence No. 44021  
**Entity** Director  
**Office** Bekenstein Pty Ltd ATF The Harrogate Family Trust  
trading as Acumentis Albany

**Counter signatory** Tony Gorman  
FAPI CPV 64979  
WA Licence No. 42002  
Director

Quality Assurance procedures are undertaken prior to the report being released, requiring internal compliance and verification checks and confirms that the report is a genuine authorised Acumentis document.

The counter signatory verifies that this report is genuine and endorsed by Acumentis. The opinion of value expressed in this report has been arrived at by the prime signatory alone.

This rental assessment is for the private and confidential use only of Claire Thompson and the Shire of Denmark and for the specific purpose for which it has been requested. No third party is entitled to use or rely upon this report in any way and neither the valuer nor Acumentis shall have any liability to any third party who does.

Only an electronically signed valuation submitted through a digital valuation instruction broker system, a signed hardcopy original of this valuation, a scanned version of a signed hardcopy original of this valuation or an electronic version of this valuation signed with an electronic signature should be relied upon and no responsibility or liability will be accepted for unauthorised copies of the valuation.

No part of this valuation or any reference to it may be included in any other document or reproduced or published in any way without written approval of the form and context in which it is to appear.

Neither the valuer nor Acumentis has any pecuniary interest giving rise to a conflict of interest in valuing the property.

This rental assessment is current at the date of the rent review only. The rental value assessed herein may change significantly and unexpectedly over a period of time including as a result of general market movements or factors specific to the particular property. I do not accept liability for losses or damage arising from such subsequent changes in value including consequential or economic loss.



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## Annexures

Annexure 1	Instructions
Annexure 2	Title and Plan Search
Annexure 3	Denmark Airport Proposed Lease Hangar Blocks Plan
Annexure 4	Proposed Lease Terms and Conditions Document



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**ANNEXURE 1 INSTRUCTIONS**



# Shire of Denmark

*Discover Denmark*

ABN 24 355 062 623

953 South Coast Highway, Denmark

PO Box 183, Denmark WA 6333

Ph. (08) 9848 0300 Fax: (08) 9848 1985

Email: [enquiries@denmark.wa.gov.au](mailto:enquiries@denmark.wa.gov.au)

Website: [www.denmark.wa.gov.au](http://www.denmark.wa.gov.au)

**PURCHASE ORDER 16281**

## CONFIRMATION ORDER

Please quote this order number on all invoices and correspondence

To : **ACUMENTIS  
SUITE 6, 57-59 LOCKYER AVENUE  
ALBANY WA 6330**

Page 1 of 1  
Date 22/01/2020  
Required By 22/01/2020  
Fax to 08 9388 2701  
Supplier No. 52555

**Deliver to:**

Quantity	Please Supply	Unit Value	Line Value Inc GST
1.00	Annual Rental valuation for 9 hangar lots in the Denmark Airfield Leasehold Area	\$1,540.00	\$1,540.00
<b>Order Value</b>			<b>\$1,540.00</b>

**Note:**

Authorising Officer Signature:

\_\_\_\_\_  
**Claire Thompson - Executive Assistant**

**IMPORTANT NOTES TO SUPPLIER:**

The Shire of Denmark requires that any items and/or plant conveyed to any of its premises or work locations is done so in accordance with the current Chain of Responsibility legislation, as contained in the Road Traffic (Administration) Act 2008, Road Traffic (Vehicles) Act 2012 and the Load Restraint Guidelines 2004 Second Edition.

Please quote Purchase Order Number 16281 on your tax invoice and ensure that the GST component is shown separately. Your ABN must be shown, otherwise a "Statement By Supplier For Not Showing An ABN" must be forwarded with the Tax Invoice.



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**ANNEXURE 2 TITLE AND PLAN SEARCH**

WESTERN



AUSTRALIA

REGISTER NUMBER <b>300/DP405898</b>	
DUPLICATE EDITION <b>N/A</b>	DATE DUPLICATE ISSUED <b>N/A</b>

**RECORD OF QUALIFIED CERTIFICATE  
OF  
CROWN LAND TITLE  
UNDER THE TRANSFER OF LAND ACT 1893  
AND THE LAND ADMINISTRATION ACT 1997  
NO DUPLICATE CREATED**

VOLUME **LR3170** FOLIO **60**

The undermentioned land is Crown land in the name of the STATE OF WESTERN AUSTRALIA, subject to the interests and Status Orders shown in the first schedule which are in turn subject to the limitations, interests, encumbrances and notifications shown in the second schedule.



REGISTRAR OF TITLES

**LAND DESCRIPTION:**

LOT 300 ON DEPOSITED PLAN 405898

**STATUS ORDER AND PRIMARY INTEREST HOLDER:  
(FIRST SCHEDULE)**

**STATUS ORDER/INTEREST:** RESERVE UNDER MANAGEMENT ORDER

**PRIMARY INTEREST HOLDER:** SHIRE OF DENMARK OF PO BOX 183, DENMARK  
(XE L041875 ) REGISTERED 14/8/2009

**LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:  
(SECOND SCHEDULE)**

- 1. O045145 RESERVE 41390 FOR THE PURPOSE OF AERIAL LANDING GROUND REGISTERED 5/12/2018.  
L041875 MANAGEMENT ORDER. CONTAINS CONDITIONS TO BE OBSERVED. WITH POWER TO LEASE FOR ANY TERM NOT EXCEEDING 21 YEARS, SUBJECT TO THE CONSENT OF THE MINISTER FOR LANDS. REGISTERED 14/8/2009.

- Warning:
- (1) A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required. Lot as described in the land description may be a lot or location.
  - (2) The land and interests etc. shown hereon may be affected by interests etc. that can be, but are not, shown on the register.
  - (3) The interests etc. shown hereon may have a different priority than shown.

-----END OF CERTIFICATE OF CROWN LAND TITLE-----

**STATEMENTS:**

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: DP405898  
PREVIOUS TITLE: LR3115-955  
PROPERTY STREET ADDRESS: NO STREET ADDRESS INFORMATION AVAILABLE.  
LOCAL GOVERNMENT AUTHORITY: SHIRE OF DENMARK  
RESPONSIBLE AGENCY: DEPARTMENT OF PLANNING, LANDS AND HERITAGE (SLSD)

END OF PAGE 1 - CONTINUED OVER

ORIGINAL CERTIFICATE OF CROWN LAND TITLE  
QUALIFIED

REGISTER NUMBER: 300/DP405898

VOLUME/FOLIO: LR3170-60

PAGE 2

NOTE 1: O045144 CORRESPONDENCE FILE 02618-1986-01RO



# Deposited Plan 405898

<u>Lot</u>	<u>Certificate of Title</u>	<u>Lot Status</u>	<u>Part Lot</u>
300	LR3170/60	Registered	
301	LR3170/61	Registered	
302	LR3170/62	Registered	

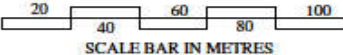
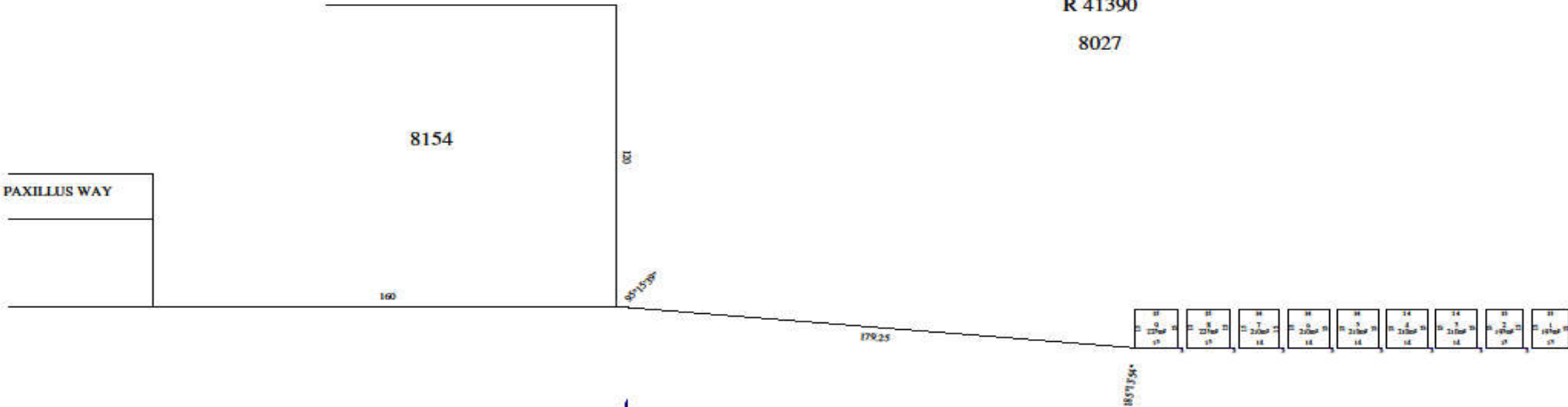




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**ANNEXURE 3 DENMARK AIRPORT PROPOSED LEASE HANGAR BLOCKS PLAN**

DENMARK AIRPORT  
 PROPOSED LEASE  
 HANGER BLOCKS



**DENMARK SURVEY & MAPPING**

**LICENSED SURVEYORS**  
 Andrew Le Foot PO Box 339 Tel : (08) 9848 2262  
 Mob : 0429 482 262 1/55 Strickland Street Fax : (08) 9848 2228  
 Stephen Bondin DENMARK WA 6333 Email : dsm@dmisnet.au  
 Mob : 0427 115 347 ABN : 62 801 497 860

**LOCATION:** RESERVE 41390 LOT 8027  
 EAST RIVER ROAD  
 DENMARK WA 6333

**CLIENT:** SHIRE OF DENMARK  
 PO BOX 183  
 DENMARK WA 6333  
 ATTN GARY BIRD

JOB: 1424 CAD/CON



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**ANNEXURE 4 PROPOSED LEASE TERMS AND CONDITIONS DOCUMENT**

FORM LC1

FORM APPROVAL NO. LAA-1022

WESTERN AUSTRALIA  
LAND ADMINISTRATION ACT 1997  
TRANSFER OF LAND ACT 1893 AS AMENDED

## LEASE OF CROWN LAND (L)

DESCRIPTION OF LAND (Note 1)

Reserve 41390 (Lot 8027) Lot 6

EXTENT

Whole

VOLUME

3115

FOLIO

955

LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS (Note 2)

LESSOR/LESSORS (Note 3)

SHIRE OF DENMARK OF SOUTH COAST HIGHWAY DENMARK

LESSEE/LESSEES (Note 4)

XXX

TERM OF LEASE (Note 5)

**Ten (10) Years Zero (0) Months Zero (0) Days**

Commencing from the first day of May in the year 2010

THE LESSOR HEREBY LEASES TO THE LESSEE the land above described subject to the encumbrances as shown hereon (Note 6)

for the above term for a rental of \$210 which shall be deemed to have been paid by the Lessee to the Lessor

**Shire of Denmark  
("the Lessor")**

**and**

**XXX**

**("the Lessee")**

**LEASE**

**RESERVE 41390 IS VESTED IN THE LESSOR FOR THE PURPOSE OF AERIAL LANDING GROUND WITH POWER TO LEASE FOR ANY TERM NOT EXCEEDING TWENTY-ONE (21) YEARS SUBJECT TO THE CONSENT OF THE MINISTER FOR LANDS AND THIS LEASE IS SUBJECT TO THE COVENANTS AND POWERS IMPLIED UNDER THE *LAND ADMINISTRATION ACT 1997* AND THE *TRANSFER OF LAND ACT 1893 AS AMENDED* (UNLESS HEREBY NEGATIVED OR MODIFIED) AND TO THE COVENANTS AND CONDITIONS CONTAINED HEREIN.**

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**THIS LEASE** is made the first day of May.2010

**BETWEEN** the Lessor named in Item 1 of the Schedule hereto and the Lessee named in Item 2 of the Schedule hereto.

**WHEREAS:**

The Lessor has agreed to lease and the Lessee has agreed to take on lease the land described in Item 3 of the Schedule hereto (which together with the buildings erections improvements fixtures and fittings thereon are collectively hereinafter "the Leased Premises") for the Term and on commencement date stated in Item 4 of the Schedule hereto.

**1. THE LESSEE COVENANTS WITH THE LESSOR:**

**TO PAY RENT**

To pay on or before the due date for payment the rent reserved at the times and in the manner stated in Item 5 of the Schedule hereto.

**TO PAY OUTGOINGS**

To pay and discharge on or before the due date for payment all present and future outgoings including all rates and taxes, charges, assessments, licence fees, duties, impositions, penalties and other outgoings whatever which now or at any time during the Term are assessed and charged upon or in respect of the Leased Premises or the use or occupation of the Leased Premises or any part of the Leased Premises and any amount for water, electricity or gas consumed in the Leased Premises.

**COMPLY WITH LEGISLATION**

At all times during the Term to duly and punctually comply with, observe and carry out and conform to the provisions of all statutes (State or Federal) and all subsidiary legislation now or hereafter in force and all requirements and orders of any authority, statutory or otherwise, which affect the leased premises or the use of the Leased Premises or which impose any duty or obligations upon the owner or occupier of the Leased Premises.

**TO REPAIR AND MAINTAIN**

All land maintenance and building maintenance repairs shall be at the expense of the Lessee including painting of internal surfaces, fire control and clean and free of refuse and vermin.

**NOTICE OF DAMAGE**

To inform the Lessor in writing of any damage to or defect in the Leased Premises likely to cause any injury to any persons thereon immediately the Lessee becomes aware of it.

**NUISANCE**

Not to allow anything to be done or to occur in or about the Leased Premises which is noxious, offensive or audibly or visually a nuisance.

## **NOT DAMAGE TREES**

Not to destroy, cut down, prune or damage any living tree on the Leased Premises without the Lessor's consent.

## **PAY LESSOR'S EXPENSES**

To pay to the Lessor on demand all sums of money which the Lessor may pay or expend in connection with performing, discharging or executing any requisition or works or abating any nuisance referred to in the preceding provisions of this Lease and which the Lessee fails to perform, discharge, execute or abate.

## **NO ASSIGNMENT**

Not to assign, mortgage, sub-let or part with the possession of or dispose of the Lease Premises or any part of the Leased Premises or the benefit at law or in equity of this Lease without the prior written consent of the Lessor and, if required by law, of the Minister for Lands having first being obtained.

## **INDEMNITY**

At all time to indemnify and keep indemnified the Lessor and its agents and employees against all claims which may be made by any person arising out of or incidental to the use of the Leased Premises by the Lessee or any of its officers, employees, agents, licensees or invitees.

## **PROPERTY INSURANCE**

The Lessee will insure and keep insured the Leased Premises under its own policies of insurance and the Lessee shall at its own cost meet all other costs not met by the insurer. The Lessor may determine to not seek reinstatement or replacement of any structure so insured.

## **PUBLIC LIABILITY INSURANCE**

To effect and keep effected in respect of the Leased Premises adequate public risk insurance in the names of the Lessor and the Lessee for their respective rights and interests in any amount not less than \$10,000,000 in respect of any one claim with an insurance company approved by the Lessor.

## **NOT TO INVALIDATE INSURANCES**

Not to do or permit or suffer to be done in, about or upon the Leased Premises any act or thing whereby any policy of insurance may become void or voidable.

## **PROOF OF INSURANCE**

To deliver to the Lessor on or before the expiration of each year of the Term and at any other time upon the request of the Lessor valid certificates of currency in respect of all such insurance policies issued by the insurance companies with which the policies have been effected by the Lessee.

## **TO YIELD UP**

At the expiration or sooner determination of the Term of the Lease to yield up the Leased Premises in such state of repair and condition as is consistent with the proper performance by the Lessee of the covenants contained in this Lease and to remove from the Leased Premises such fixture, fitting, plant, equipment or other property in or upon the Leased Premises as the Lessor shall require the Lessee to remove and the Lessee must on such removal forthwith make good any damage which is occasioned by such removal.

## **2. THE LESSOR HEREBY COVENANTS WITH THE LESSEE:**

### **NO INTERFERENCE BY LESSOR**

That subject to the terms and conditions of this lease the Lessee may use and occupy the Leased Premises during the term of the Lease without any interference from the Lessor or any person claiming any interest in the Leased Premises through the Lessor.

### **LEASE COSTS**

The Lessee shall at its own expense pay for all costs for the preparation stamping and registration of this Lease.

## **3. THE LESSOR AND THE LESSEE AGREE THAT:**

### **DEFAULT BY LESSEE**

If during the Term the Lessee makes default in the due performance or observance of any of the Lessee's Covenants and such default is not remedied within 30 days after notice thereof is given by the Lessor or if the Lessee is wound up or ceases to operate then the Lessor may terminate this lease and the rights of the Lessee under this lease provided that if the default is capable of being remedied by the Lessor, then the Lessor may in its discretion itself remedy the default or cause it to be remedied (for which purpose the Lessor by agents, workmen or otherwise has full power to enter upon the Leased Premises) and the costs and expenses incurred by the Lessor in remedying the default or causing it to be remedied are a debt payable by the Lessee to the Lessor on demand.

### **TERMINATION OF LEASE**

The Lessor may terminate this Lease by giving twelve (12) months' written notice to the Lessee, notwithstanding that the Lessee is not in default and notwithstanding that the term of the Lease has not expired and the Lessee may terminate this Lease by giving twelve (12) months written notice to the Lessor notwithstanding that the term of the Lease has not expired. Such termination by either party does not waive the rights of the Lessor and/or the Lessee to seek a payment for compensation.

If this lease is terminated by the Lessor in accordance with the above then the Lessor shall at their expense relocate any building or hangar as may be erected on the land to another site on Reserve 41390 and a new lease shall be offered for the remainder of the term of the original lease.

### **OPTION FOR RENEWAL**

Within six months of the expiry of the term, the lessor shall offer to the lessee a further term of ten years, subject to the lessee complying with all terms and conditions of this lease,

### **RENT REVIEW**

For any further term that may be agreed at the expiry of the initial ten year term, a review of the rent payable by the lessee shall be undertaken by a licensed land valuer, appointed by agreement of both parties, with such review to take effect upon commencement of any new lease.

Thereafter a rent review is to be undertaken every five year period.



It is noted that any such valuation shall be undertaken on the basis that the land specifically prohibits any commercial activities or use.

#### **HOLDING OVER**

If the Lessee remains in possession of the Leased Premises with the permission of the Lessor after the expiration or sooner determination of the Term the Lessee will hold the Leased Premises as a monthly tenant subject to all the covenants and conditions contained in this Lease as far as they are applicable to a monthly tenancy and the tenancy so constituted may be terminated by one month's notice given by either party which notice may be given so as to expire at any time.

#### **ARBITRATION**

Any dispute or difference arising between the parties in respect of any of the matters referred to in this Lease shall be referred to arbitration under the provisions of the Commercial Arbitration Act 1985.

#### **NOTICES**

Any notice to be served on the Lessee under this Lease is to be served by the Lessor by delivery to the Lessee at the Leased Premises.

#### **SPECIAL TERMS**

The Lessor and the Lessee will each comply with and observe and perform their respective obligations under any special term or condition shown at Item 7 of the Schedule hereto.

## The Schedule

1. Lessor Shire of Denmark of South Coast Highway, Denmark WA 6333.
2. Lessee XXX
3. Leased Premises XXX (As denoted on attached map)
4. Term of Lease Ten (10) years commencing on 1 May 2010 and expiring 30 April 2020
5. Annual Rent 210 Dollars (\$1.00 per m2) per annum plus GST for each year of the Term of Lease.
6. Rent Due Date
7. Special Conditions
  - 7.1 Upon expiry of the Term, a further lease period of ten years will be offered by the Lessor to the Lessee, subject to the Lessee having met and adhered to all terms and conditions of this lease.
  - 7.2 For any subsequent term that may be agreed to under Special Condition 7.1 the annual rent for the lease is to be reviewed after ten years, fifteen years and twenty years.
  - 7.3 This lease is acknowledged by the lessee as being for the specific purpose of developing private aircraft hangar facilities at the Denmark Airport and their use shall be in accordance with the provisions of Shire of Denmark Town Planning Policy No 25.
  - 7.4 The Lessee acknowledges that the leased premises are to be considered rateable land by the Shire of Denmark and will be responsible for the payment of all municipal rates as adopted annually by the Shire.
  - 7.5 The lessee acknowledges that the land shall be developed and completed to the satisfaction of the Shire of Denmark (being the erection of a suitable aircraft hangar) within two years from the commencement of the lease. In the event that such development has not occurred the lessee will be considered in default of this lease and will be required to vacate the premises within three months from receiving such notice from the lessor.
  - 7.6 The Lessee acknowledges that access to the site will be from the unmade road at the rear of the leased site and further that Council has no plans to upgrade this road to a constructed standard.
  - 7.7 Council reserves the right to review the rent applicable if additional facilities are constructed on Reserve 41390 that will directly benefit the lessee. Such review will be done in consultation with the lessees at the time of the development and will be conducted in accordance with the principles of Clause 3 Rent Review.

ATTESTATION SHEET

Executed by the parties as a Deed on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_

LESSOR SIGNS HERE

The Common Seal of        )  
SHIRE OF DENMARK        )  
was hereunto affixed        )  
in the presence of         )

\_\_\_\_\_  
Cr Ross Thornton  
Shire President

\_\_\_\_\_  
Mr Dale Stewart  
Chief Executive Officer

LESSEE SIGNS HERE

Signed

Signed

In the presence of

In the presence of

Name

Name

**INSTRUCTIONS**

1. If insufficient space in any section, Additional Sheet, Form B1 should be used with appropriate headings. The boxed sections should only contain the words "see page..."
2. Additional Sheets shall be numbered consecutively and bound to this document by staples along the left margin prior to execution by the parties.
3. No alteration should be made by erasure. The words rejected should be scored through and those substituted typed or written above them, the alteration being initialled by the persons signing this document and their witnesses.
4. Where issued, the Duplicate Certificate of Title is required to be produced or if held by another party then arrangements must be made for its production.

**NOTES****1. DESCRIPTION OF LAND**

Lot and Diagram/Plan/Strata/Survey-Strata Plan number or Location name and number to be stated.

Extent - Whole, part or balance of the land comprised in the Certificate of Title to be stated. If part, define by recital and/or sketch.

The Volume and Folio number to be stated.

**2. LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS**

In this panel show (subject to the next paragraph) those limitations, interests, encumbrances and notifications affecting the land being leased that are recorded on the certificate(s) of title:

- a) In the Second Schedule;
- b) If no Second Schedule, that are encumbrances. (Unless to be removed by action or document before registration hereof)

Do not show any:

- (a) Easement Benefits or Restrictive/Covenant Benefits; or
- (b) Subsidiary interests or changes affecting a limitation, etc, that is to be entered in the panel (eg, if a mortgage is shown, do not show any partial discharges or any document affecting either).

The documents shown are to be identified by nature and number. The plan/diagram encumbrances shown are to be identified by nature and relevant plan/diagram. Strata/survey-strata plan encumbrances are to be described as "Interests on strata/survey-strata plan".

If none show "nil".

**3. LESSOR**

State the full name of the Lessor/Lessors (REGISTERED PROPRIETOR) as shown in certificate of title and the address/addresses to which future notices can be sent.

**4. LESSEE**

State full name of the Lessee/Lesseees and the address/addresses to which future notices can be sent. If two or more state tenancy e.g. Joint Tenants, Tenants in Common. If Tenants in Common specify shares.

**5. TERM OF LEASE**

Must exceed 3 years.

Term to be stated in years, months and days or as the case may be. Commencement date to be stated. Options to renew to be shown.

**6. RECITE ANY EASEMENTS TO BE CREATED**

Here set forth any Easements to be created as appurtenant to the lease commencing with the words "together with" and/or any Reservations hereby created encumbering the lease commencing with the words "reserving to".

7. State amount of yearly rental in figures.

8. State term of payment.

9. Insert any Covenants required.

**10. LESSOR/LESSEE EXECUTION**

A separate attestation is required for every person signing this document. Each signature should be separately witnessed by an Adult Person. The address and occupation of the witness must be stated.

EXAMINED

**LEASE OF CROWN LAND (L)**

LODGED BY

ADDRESS

PHONE No.

FAX No.

REFERENCE No.

ISSUING BOX No.

PREPARED BY

ADDRESS

PHONE No.

FAX No.

INSTRUCT IF ANY DOCUMENTS ARE TO ISSUE TO OTHER THAN LODGING PARTY

TITLES, LEASES, DECLARATIONS ETC LODGED HERewith

1. _____	Received Items
2. _____	Nos.
3. _____	
4. _____	
5. _____	
6. _____	Receiving Clerk

Registered pursuant to the provisions of the TRANSFER OF LAND ACT 1893 as amended on the day and time shown above and particulars entered in the Register.