

Melbourne Wholesale Fruit and Vegetable Market at Epping

Key Terms – Store 140B Lease

This document sets out the key terms of the Lease. This document is not intended to cover all of the terms which will be contained in the Lease nor is it intended to be binding on the parties.

Issue	Description
Premises	<p>Store 140B in the Trading Floor Complex marked on a plan attached to the Lease.</p> <p>The Landlord also grants to the Tenant a right to use an additional part of the Trading Floor Complex as licensee in connection with the business the Tenant conducts from the Premises. The licensed area is marked on a plan attached to the Lease.</p>
Term and options	<p>The Tenant will be offered a range of terms, being a minimum of 3 years and increasing by half-yearly increments to a maximum of 15 years.</p> <p>The Tenant will have an option to choose the length of the initial term.</p> <p>The Tenant will be granted options for further terms based on the length of their initial term, so that the Tenant will have the option of:</p> <ul style="list-style-type: none"> (a) 2 further terms of 3 years each where the initial term is less than 5 years; and (b) 2 further terms of 5 years each where the initial term is 5 years or greater. <p>The Tenant must give the Landlord notice that it wants a new lease not more than 9 months, and not less than 6 months, before the Termination Date. When the Tenant gives that notice, and on the Termination Date, the Tenant must not in breach of the lease about which the Landlord has given the Tenant a notice and has not persistently breached the lease throughout the Term.</p>
Commencement Date	<p>The commencement date will be determined in accordance with the Agreement for Lease.</p>
Rent	<p>The Base Rent for the first year of the initial term is set out in the Agreement for Lease. It will be varied in accordance with the Agreement for Lease.</p> <p>The Tenant must pay the rent monthly in advance on the first day of each month during the term (commencing on the Commencement Date) as directed by the Landlord.</p> <p>However, the Tenant will not be required to pay rent for:</p> <ul style="list-style-type: none"> (a) the first 2 months of the initial term if the initial term of the Lease is 10 years; (b) the first 6 months of the initial term if the Tenant and the tenant of Store 140A have provided written confirmation to the Landlord that the Landlord is not required to install a dividing wall to separate the two premises; and (c) the first 8 months of the initial term if both the initial term of the Lease is 10 years or more and the Tenant and the tenant of Store 140A have provided written confirmation to the Landlord that the Landlord is not required to install a dividing wall to separate the two premises .
Rent Review	<p>Rent will be increased to the greater of CPI and 4% on the first, second and third anniversary of the commencement date and the greater of CPI and 2.5% on the fourth anniversary of the commencement date.</p>

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	<p>If the lease is renewed under the option, the rent will be increased to the greater of the rent determined by a market review and 2.5%</p> <p>At the commencement of any holding over period the rent will be initially increased by 4%.</p>
Security Amount	<p>The Tenant must give the Landlord an amount equal to the rent for the first 6 months of the Lease (plus GST) in the form of a bank guarantee or insurance bond.</p> <p>The Landlord may draw on the security amount if the Tenant does not comply with any of its obligations under the Lease (without giving notice to the Tenant).</p> <p>If the Landlord draws on the security amount, the Tenant must immediately give to the Landlord a replacement bank guarantee or insurance bond for the security amount.</p> <p>The Landlord will return any unused part of the security amount to the Tenant as soon as practicable after:</p> <ul style="list-style-type: none"> (a) the Lease ends; (b) the Tenant has vacated the Premises; and (c) the Tenant has performed all of its obligations under the Lease.
Permitted Use	<p>The Tenant is entitled to use the Premises for the wholesale sale of fruit and vegetables and ancillary office.</p>
Outgoings	<p>The Lease is semi-gross in nature.</p> <p>The Tenant must also pay for:</p> <ul style="list-style-type: none"> (a) all services consumed or provided to the Premises (eg gas, electricity, water etc) including those which the Landlord elects to supply; (b) all rates, taxes and other outgoings which are specifically referable to the Premises; and (c) if the Tenant elects to utilise the Landlord's central cooling plant or central heating plant, the cost of that service that the Landlord specifies from time to time.
Compliance	<p>The Tenant must comply with, and make sure that its employees, agents and contractors comply with:</p> <ul style="list-style-type: none"> (a) the Landlord's requirements in relation to the Premises (including the electricity, refrigeration and hot water capacities and load weight limits for the Premises); (b) any rules, guidelines or policies issued by the Landlord in respect of the market land from time to time (including the Operating Rules); and (c) any rules, guidelines or policies issued by the Landlord in respect of site management including the Landlord's safety measures, environmental management plan and occupational health and safety plan. <p>The Tenant will be in default under this lease where:</p> <ul style="list-style-type: none"> (a) the Landlord gives the Tenant notice that the Tenant has failed to comply with, or the Tenant has failed to procure that the Tenant's Agents comply with, the Operating Rules and the Tenant fails to comply or procure compliance within the timeframe specified in that notice; or (b) the Tenant or the Tenant's Agents fail to comply with the Operating Rules on

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	4 or more occasions within any 12 month period.
Insurances	<p>The Tenant must, at its own cost, effect and maintain at all times during the term with insurers acceptable to the Landlord insurance for:</p> <ul style="list-style-type: none"> (a) public liability; (b) the Tenant's fixtures, stock, produce and other items in the Premises for which the Tenant is responsible against loss or damage for their full replacement value; (c) business interruption insurance; (d) any person employed by the Tenant as required by any law relating to workers' compensation; and' (e) any other insurance required by Law. <p>All of the Tenant's insurances must note the interests of the Landlord, any mortgagee of the Landlord and any other person the Landlord nominates.</p> <p>The Tenant must provide evidence of the insurance:</p> <ul style="list-style-type: none"> (a) immediately after it is taken out; (b) within 20 business days of each anniversary of the commencement date; and (c) at such other times when reasonably required by the Landlord.
Tenant's Repair and Maintenance	<p>The Tenant must (subject to the exceptions set out in the Lease):</p> <ul style="list-style-type: none"> (a) maintain, replace, repair and keep the Premises in good and substantial repair, working order and condition, to the same standard and condition as at the earlier of the Commencement Date and the date that the Tenant first accessed the Premises; (b) maintain, repair and keep the Tenant's fixtures, fittings, plant and equipment in good and substantial repair, working order and condition; and (c) keep the Premises fitted out in accordance with and to the standards approved by the Landlord.
Tenant's works	<p>The Tenant must not carry out any works to the Premises, the Trading Floor Complex or the services without the Landlord's approval and then only in accordance with the Lease.</p>
Assignment and Subletting	<p>The Tenant must not assign, sublet, part with or share possession of, grant any mortgage, charge or otherwise deal with the Premises or the Lease without the prior written consent of the Landlord.</p> <p>The Landlord will not unreasonably withhold its consent to the Tenant assigning the Lease where the Tenant and the proposed assignee comply with specific requirements which are be set out in the Lease.</p> <p>A change in control of the Tenant entity is treated as proposed assignment requiring the Landlord's prior written consent.</p> <p>If the Tenant sublets any part of the Premises to a third party, the Landlord may increase the rent by not more than 7.5%.</p>
Termination by the Landlord	<p>The Landlord may terminate the Lease if:</p> <ul style="list-style-type: none"> (a) change in control of the Tenant entity occurs to which the Landlord has not consented;

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	<p>(b) the rent or other payments remain unpaid for 14 days after written notice from the Landlord;</p> <p>(c) an insolvency event of the type specified in the Lease occurs in respect of the Tenant, and the Tenant fails to prove to the Landlord within 7 days after written notice from the Landlord that it is no longer subject to the insolvency event; or</p> <p>(d) the Tenant continues not to comply with any other obligation under the Lease (which can be remedied) within a reasonable time after the written notice from the Landlord.</p>
Termination by Either Party	Either party may terminate the Lease if the Premises are wholly or substantially damaged or destroyed and reinstatement by the Landlord does not start within a reasonable time or is not likely to be completed within 9 months.
Holding Over	<p>If the Tenant occupies the Premises after the termination date without objection from the Landlord, it does so as a monthly tenancy at one twelfth of the Rent which the Tenant was paying immediately before the Termination Date increased by 4%.</p> <p>Either party may end the tenancy during a holding over period by giving one month's prior written notice.</p>
Make Good obligations	<p>At the end of the Lease, the Tenant must vacate the Premises and:</p> <p>(a) reinstate the Premises to the same standard and condition as at the earlier of the Commencement Date or the date the Tenant first accessed the Premises;</p> <p>(b) return it to the Landlord in a state of repair which complies with the Tenant's obligations under the Lease;</p> <p>(c) remove the Tenant's fixtures, fittings, stock and produce from the Premises; and</p> <p>(d) give the Landlord any access cards or identification cards for the Premises.</p>