

**LANDS BUILDING AGREEMENT**

No. 76 of 1978

ANALYSIS

1. Short title.
2. Interpretation.
3. Ratification of the Agreement.
4. Exemption from stamp duty and registration fees.

AN ACT to ratify and give effect to an agreement between the Minister administering the Crown Lands Act 1976 and the Motor Accidents Insurance Board with respect to certain land of the Crown situated at numbers 134, 136, and 138 Macquarie Street in the City of Hobart and the buildings erected or to be erected thereon known as the Lands Building.

[20 December 1978]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1—This Act may be cited as the *Lands Building Agreement Act* Short title. 1978.

Interpretation.

2—In this Act—

“ Agreement ” means the Agreement a copy of which is set out in the Schedule;

“ Board ” means the Motor Accidents Insurance Board;

“ Minister ” means the Minister for the time being administering the *Crown Lands Act 1976*.

Ratification of the Agreement.

3—The Agreement is hereby approved and ratified and accordingly the Minister and the Board shall be deemed to have all the necessary power and authority to enter into the Agreement and to carry out and give effect to its provisions.

Exemption from stamp duty and registration fees.

4—(1) No stamp duty is payable in respect of the Agreement or any instrument made or executed for the purpose of giving effect to the Agreement.

(2) No fees are payable under the *Real Property Act 1862* in respect of the registration of any transfer, lease, or other instrument made or executed for the purpose of giving effect to the Agreement.

SCHEDULE

(Section 2)

THIS AGREEMENT made the fourth day of December One thousand nine hundred and seventy eight BETWEEN THE HONOURABLE GEOFFREY DONALD CHISHOLM being and as the Minister for the time being administering the *Crown Lands Act 1976* (hereinafter called “ the Minister ” which expression shall include his successors in office) of the one part and THE MOTOR ACCIDENTS INSURANCE BOARD constituted a body corporate under the Motor Accidents (Liabilities and Compensation) Act 1973 (hereinafter called “ the Board ”) of the other part

INTERPRETATION

In this Agreement the following terms shall have the meaning assigned to them as herein set forth:—

- A. “ the said land ”—the land and hereditaments comprising Lots 1, 2, 3, 4 and 5 in the copy plan of Survey annexed hereto and which 5 lots together are known as numbers 134, 136 and 138 Macquarie Street, Hobart in Tasmania.

- B. "The Lands Building"—the buildings erected and to be erected on the said land.
- C. "Stage I"—the building which stands erected on the said land at the date hereof.
- D. "Stage II"—the building presently being erected on the said land.
- E. "Certificate"—the Certificate of Practical Completion of the Works issued by the Superintendent under the General Conditions of Contract upon the completion of Stage II.
- F. "Lease"—the Lease from the Board as Lessor to the Minister as Lessee of the Lands Building.
- G. "the Contract Papers"—shall mean the following documents plans and specifications that is to say:—

Contract Documents—Stage II

Lift Service Contract—Stage I

Warranties—Stage I

Variation Notices—Stage II

Site Instructions—Stage II

Variation Prices—Stage II

Agreed Variations—Stage II

Consultants Agreements—Stage II

Combined Specifications and Bill of Quantities Vols 1 and 2

Plans Drawings Nos Z01—Z34

Plans Drawings Nos 04—66

each of which has been endorsed with words to the following effect namely "These papers are part of the contract papers referred to in the Agreement dated the fourth day of December 1978 relative to "The Lands Building" and signed by the parties thereto," and as those documents plans and specifications shall or may be varied from time to time in accordance with any original provision therein and together with all notices and certificates which in accordance with any original provision therein shall be given or issued and together with all other (if any) documents plans and specifications or any of them which relate to the erection and completion of Stage II.

NOW IT IS HEREBY AGREED as follows:—

1. The Minister as Vendor in exercise of the powers conferred upon him by the Crown Lands Act 1976 and all other powers him thereunto enabling hereby agrees to sell and the Board by way of and as an investment to the making of which the Treasurer of the State of Tasmania has consented and approved and pursuant to all powers it thereunto enabling hereby agrees to purchase free from encumbrances ALL THAT the said land but subject to and together with all easements (if any) affecting the same together with the chattels set forth in the Schedule hereto and together with the benefit of all warranties and service contracts relating thereto.

2. (i) The purchase price shall be the sum of Ten Million Eighty Five thousand Three hundred and thirty two dollars (\$10,085,332·00) payable as follows:—
 - (a) The sum of Five million and forty two thousand six hundred and sixty six dollars (\$5,042,666·00) (hereinafter called “the First Payment”) on or before the 31st day of January, 1979; and
 - (b) The balance of the said sum of Ten Million and eighty five thousand three hundred and thirty two dollars (\$10,085,332·00) namely the sum of Five million and forty two thousand six hundred and sixty six dollars (\$5,042,666·00) following the completion of Stage II as evidenced by the issue in due course in accordance with the contract papers of the relevant building-contract of the Certificate and within one calendar month of the delivery as hereafter provided to the Board by or on behalf of the Minister of a copy of the Certificate, and
- (ii) The Minister hereby covenants that he will forthwith following issue of same cause a copy of the Certificate to be delivered to the Board.
3. (a) Upon the first payment the Minister shall supply to the Board a good marketable documentary title being a Transfer by way of Grant to the said land free from encumbrances.
- (b) The Minister shall pay the Board’s legal costs arising from the sale and purchase and the lease in accordance with the Solicitors’ Remuneration Rules 1973 as amended.
4. Subject as hereinafter provided the Minister shall be entitled to remain in the present occupation of the said land.
5. Upon receipt of and simultaneously with the First Payment the Board shall grant to the Minister a Lease of the said land and chattels which Lease shall include the following provisions:—
 - (a) A term of fifteen years from the 16th day of December 1978.
 - (b) An initial rental payable by the Minister to the Board with respect to Stage I of \$453,840·00 per annum payable in advance as from the 16th day of December, 1978 by equal monthly payments of \$37,820·00 and an initial rental for Stage II of \$453,840·00 payable in advance as from the date of the Certificate by equal monthly payments of \$37,820·00 making a total rental payable in respect of the Lands Building of \$907,680·00 per annum payable in advance by equal monthly payments of \$75,640·00 PROVIDED that if the issue in due course of the Certificate is delayed beyond the 15th day of December, 1981 then the initial rental for Stage II shall be whatsoever rental at the date of issue of the Certificate is then or becomes pay-

able with respect to Stage I such initial rental for Stage II to be paid monthly in advance at the same time as payment of rent for Stage I is payable AND the first payment of initial rent for Stage II shall be a proportionate amount with respect to any broken month.

- (c) An option for the Minister by notice in writing to the Board given not less than twelve (12) months before the expiration of the first term of fifteen (15) years and not earlier than twenty four (24) months before the expiration of that term to renew the first term for a second term of fifteen (15) years commencing immediately upon expiration of the first term AND a similar option for the Minister by notice in writing given not less than twelve months before the expiration of the second term of fifteen (15) years and not earlier than twenty four (24) months before the expiration of that term to renew the second term for a third term of fifteen years commencing immediately upon expiration of the second term AND the said second term and the said third term shall (upon exercise by the Minister of his options) be upon all the terms and conditions of the Lease but there shall be no option to renew for any term beyond the third term abovementioned.
- (d) A right for the Board to review at 3 yearly intervals during the currency of the Lease the rental payable the first such review to be made as at the 16th day of December, 1981 and thereafter each three years and upon any such review a right for the Board as Lessor to adjust the said rental and to give the Minister notice in writing of the rental to become payable consequent upon such review and adjustment AND the Minister will pay the rent so adjusted accordingly PROVIDED that upon each such review the rent shall be adjusted so that it shall be the greater of the following namely:—
- (i) the rental current immediately prior to the date for review;
 - (ii) the amount the Board would receive if the said purchase price of \$10,085,332.00 was invested by it at the then current long term Bond Rate of the Commonwealth of Australia;
 - (iii) the then current rental value of The Lands Building as determined by agreement between the parties to the Lease or in the event of failure to so agree then as determined by Arbitration pursuant to the provisions of the Arbitration Act, 1892.

(e) That the Minister shall:—

- (i) fully maintain and make good internally and structurally, and regularly service, keep in repair, replace, and renew all floor coverings, fixtures, fittings, plant, machinery, and equipment, of every nature;
 - (ii) pay all rates taxes and other outgoings including land tax and all electricity and telephone charges payable by the Board as owner or the Minister as occupier of the Lands Building; and
 - (iii) insure in the names of the Board as owner and the Minister as Lessee The Lands Building and all plant machinery and equipment and the said chattels to the full insurable value and keep on foot during the term of the Lease and any renewal thereof in the Tasmanian Government Insurance Office against damage by fire, explosion, earthquake and extraneous perils, and public risk
- 6. The Minister at the cost of the Minister as such and without cost to the Board shall ensure due completion of Stage II in accordance with the contract papers AND will carpet or otherwise cover the floors of the same AND will provide and instal partitions therein of a quality at least in conformity with those in Stage I and will instal or cause to be installed in accordance with the relevant contracts plans and specifications all planned fittings fixtures services machinery plant equipment and facilities AND will indemnify and hold indemnified and harmless the Board with respect to all claims actions suits and demands by any building contractor or any sub-contractor or any supplier or workman or by any other person whomsoever arising out of whether directly or indirectly or in any way connected with the erection or completion of Stage I or of Stage II or either.
- 7. Stages I and II together shall at all times during the occupancy thereof by the Minister be named and known as "The Lands Building".
- 8. (a) The Minister doth hereby covenant and agree that he will if required by the Board at any time following the expiration of five years from the date of due issue in accordance with contract of the Certificate repurchase the said land and chattels upon the Board giving to the Director-General of Lands notice in writing requiring that the Minister re-purchase the same.

- (b) In the event that the Board shall require the Minister to re-purchase the said land and chattels then completion of the sale to and purchase by the Minister shall be effected within three months of the date of the notice abovementioned to the Director-General of Lands and on completion the full purchase price shall be paid PROVIDED that if the Minister shall within three months of the date of the notice abovementioned inform the Board in writing that he so elects then the purchase price may be paid by three equal yearly instalments the first such instalment to be paid to the Board on or before the expiration of three months from the date of the notice abovementioned to the Director-General of Lands and the two subsequent instalments to be paid respectively on or before the expiration of one year and of two years thereafter AND completion shall take place on payment of the full purchase money.
- (c) In the event that the Board shall before the expiration of ten years from the date for due issue in accordance with Contract of the Certificate require the Minister to re-purchase the said land and chattels then the purchase price shall vary according to the date on which the notice to the Director-General of Lands referred to in Clause 8 (a) shall be given, as follows:—
- (i) If the said notice is given before the expiration of 5 years and 6 months from the aforementioned date for due issue of the Certificate, the purchase price shall be \$10,085,332·00.
 - (ii) If the said notice is given after 5 years and 6 months from the aforementioned date for due issue of the Certificate and before the expiration of 7 years and 6 months from that date, the purchase price shall be \$10,085,332·00 PLUS a sum equal to 3½% per annum of \$10,085,332·00 calculated from the expiration of 5 years from the aforementioned date down to the date of giving the aforesaid notice.
 - (iii) If the said notice is given after the expiration of 7 years and 6 months from the aforementioned date for due issue of the Certificate and before the expiration of 10 years from that date, the purchase price shall be the greater of either:—
 - (x) \$10,085,332·00 plus a sum equal to 3½% per annum on \$10,085,332·00 calculated from the Expiration of 5 years from the date for due issue of the Certificate in accordance with Contract for erection of Stage II down to the date of giving of the aforesaid notice to the Director-General of Lands; or

- (y) the market value of the said land and chattels as established by agreement between the Valuer-General and one or more Registered Valuers acting for the Board or (in the absence of such agreement) as established by Arbitration.
 - (iv) If the said notice is given after the expiration of 10 years from the aforementioned date for due issue of certificate the purchase price shall be the market value as established by agreement between the Valuer-General and one or more Registered Valuers acting for the Board or (in the absence of such agreement) as established by Arbitration.
 - (d) Should the Minister at the date on which is given the notice to the Director-General of Lands referred to in Clause 8 (a) be a tenant of The Lands Building then notwithstanding the giving of that notice the Minister shall continue a tenant of The Lands Building upon all the terms and conditions upon which he held same at the date of giving such notice AND such tenancy shall (unless terminated by the Board) continue down to payment in full by the Minister of the purchase moneys notwithstanding that the term current at the date of giving such notice may (but for this provision) in the meantime expire PROVIDED THAT in the event that the Minister elects to pay the said purchase price by instalments as aforementioned then and as from the date of payment of an instalment the rental otherwise payable by the Minister under the Lease shall be reduced pro rata.
 - (e) In the event that Board should give the notice referred to in Clause 8 (a) then upon completion of the contract for re-purchase the Minister shall pay the scale legal costs and all other costs reasonably incurred by the Board as Vendor upon such re-purchase, AND The Board as Vendor shall on receipt of the full purchase price:—
 - (i) supply a good marketable documentary title free from encumbrances;
 - (ii) consent to the said land being vested at the option of the Minister in Her Majesty the Queen by registration of a Notification under Section 13 of the Lands Resumption Act 1957 or any Act in substitution therefor.
9. Notwithstanding the transfer of the said land to the Board the provisions of this Agreement other than those relating to the first payment and the transfer of title to the Board shall following such transfer remain in full force and effect to the intent that those provisions shall not merge in the transfer.

10. This Agreement shall come into effect when the same is ratified and approved by the Parliament of the State of Tasmania but the same shall be wholly conditional upon such ratification and approval by Parliament and in default of such ratification the same shall be wholly void and of no effect whatsoever.

IN WITNESS whereof the parties hereto have hereunto set their hands and seals the day and year first hereinbefore written

SCHEDULE

ALL floor coverings, partitions, venetian blinds, light fittings, fire-detection and fire-safety fittings and equipment, air-conditioning and air heating machinery and equipment, lifts and pneumatic fittings machinery and equipment.

SIGNED SEALED AND DELIVERED by THE
HONOURABLE GEOFFREY DONALD CHISHOLM } GEOFF CHISHOLM
in the presence of:—

G. V. JONES, Ministers Secretary.

THE COMMON SEAL OF THE MOTOR
ACCIDENT INSURANCE BOARD was here-
unto affixed in the presence of:—

F. C. MITCHELL, Chairman.

(L.S.)

V. H. KERIN.

I, as Treasurer, and pursuant to section 8 (5) of the Motor Accidents (Liabilities and Compensation) Act 1973 hereby consent to the Motor Accident Insurance Board investing its reserves to the extent and in the manner as set out in the above written agreement.

NEIL BATT, Treasurer.

On behalf of the Board it is acknowledged that, notwithstanding the provisions of clauses 5 (a) and 5 (b) it is intended and agreed that the term of fifteen years under the lease shall not commence, and the liability to pay rent shall not arise until payment in full by the Board of the First Payment of five million forty two thousand six hundred and sixty six dollars.

DATED the fourth day of December 1978.

THE COMMON SEAL OF THE MOTOR
ACCIDENT INSURANCE BOARD was here-
unto affixed in the presence of:—

F. C. MITCHELL.

(L.S.)

V. H. KERIN.

Owner: Naval Military and Air Force Club of Tasmania	PLAN OF SURVEY by Surveyors S. Lewis & R.S. Gane of land situated in the CITY OF HOBART Section A. SCALE = 1:400	Registered Number: D6435 Effective from: _____ Recorder of titles
Title Reference: C.T. 2766 - 78		
Grantee: Part of 0-1-31, Robert Pitcairn Part of 0-1-9 Granted to C.Swanston, Part of 0-1-11 ₁₀ Gtd. to W.G.Elliston.		

