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Date 9 / 4 / 18

Kew Residential Services Development Agreement Seventh Deed of Variation

Development Victoria established under section 5 of the Development Victoria Act
2003 (Vic) ABN 61 868 774 623
and

Kew Development Corporation Pty Ltd
ACN 119 766 264
and

Walker Group Holdings Pty Ltd
ACN 001 215 069



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Kew Residential Services Development Agreement Seventh Deed of Variation

Dated 9 / 4 / 18

Parties

Name	Development Victoria established under section 5 of the Development Victoria Act 2003 (Vic) ABN 61 868 774 623
Address	Level 9, 8 Exhibition Street, Melbourne, Vic 3000
Short name	State

Name	Kew Development Corporation Pty Ltd ACN 119 766 264
Address	Level 21, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000
Short name	Developer

Name	Walker Group Holdings Pty Ltd ACN 001 215 069
Address	Level 21, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000
Short name	Guarantor

Background

- A. This Deed is supplemental to an agreement titled 'Kew Residential Services Development Agreement' entered into between the State, the Developer and the Guarantor dated 27 October 2006 as varied by:
- A.1 Deed of Variation between the State, the Developer and the Guarantor dated 28 August 2009;
 - A.2 Deed of Release between the State, the Developer and the Guarantor dated 28 August 2009;
 - A.3 Second Deed of Variation between the State, the Developer and the Guarantor dated 13 June 2012;
 - A.4 Third Deed of Variation between the State, the Developer and the Guarantor dated 8 April 2013;
 - A.5 Fourth Deed of Variation between the State, the Developer and the Guarantor dated 18 June 2014;

- A.6 Fifth Deed of Variation between the State, the Developer and the Guarantor dated 30 March, 2016; and
- A.7 Sixth Deed of Variation between the State, the Developer and the Guarantor dated 9 December, 2016.

(Principal Agreement)

- B. The State, the Developer and the Guarantor have agreed to further vary the Principal Agreement on the terms and conditions set out in this Deed.

The Parties Agree

1. Definitions and interpretation

- 1.1 Capitalised terms which are used but not expressly defined in this Deed have the meanings given in the Principal Agreement.
- 1.2 The provisions of clauses A1.2 (Construction), A1.11 (Delegation), A4.2 (Interpretation of Agreement), A7.1 (Representations and Warranties), A7.3 (Reliance on Representations and Warranties), A25 (Disputes), A26 (GST), A28 (Confidentiality and Publicity), A29 (Communications) and A30 (Miscellaneous) of the Principal Agreement form part of this Deed as if set out at length in this Deed.

2. Variation of Principal Agreement

With effect from the date of this Deed, the Principal Agreement is varied as follows:

2.1 New Definitions

The following new definitions are inserted into the Principal Agreement:

- (a) **'Seventh Deed of Variation'** means the document titled 'Seventh Deed of Variation' between the State, the Developer and the Guarantor.

2.2 GST

In accordance with clause A26.5 of the Principal Agreement, the State and the Developer agree that subject to the State confirming that the benefits of using the Margin Scheme have been fully exhausted through the development of Stages 1 to 7, the State is not required to use the Margin Scheme for the purpose of calculating the GST payable on the supply of all Lots in Stage 8 and Stage 9.

2.3 Stage 9 Payment

Clause D1.5 is deleted and replaced with the following clause:

'D1.5 Stage 9 Payment

- (a) The State and the Developer agree that the Developer will Market and Sell Stage 9 as a Vacant Lot.
- (b) The Developer agrees that notwithstanding any other provision of Schedule 12, that the State will be paid an amount of \$320,000 from the sale of Stage 9.

2.4 Project Term

2.4.1 Clause A5.1 is deleted and replaced with the following clause:

'A5.1 Project Term

- (a) The Project Term commences on the Operative Date and, subject to clause A5.2, expires on the earliest to occur of:
 - (i) the date when all Sale Lots forming part of the Project are the subject of a Dealing and the State has received the Guaranteed Land Payment and Revenue Share Land Payment in respect of all Dealings in accordance with Part D;
 - (ii) an agreement between the parties to end the Project Term; and
 - (iii) 31 December 2020.
- (b) For avoidance of doubt, 'Sale Lots' include Additional Sale Lots on a Plan of Subdivision of Stage 8 and Stage 9 registered prior to the date referred to in clause A5.1(a)(iii).'

3. General

The parties acknowledge and agree that:

- 3.1 the provisions of the Principal Agreement (as expressly varied by this Deed) continue in full force and effect;
- 3.2 the provisions of the Principal Agreement shall be read and construed so as to give effect to the provisions of this Deed, and in the event of conflict or inconsistency the latter shall prevail; and
- 3.3 except where specified in this Deed, each of the obligations of the State and the Developer are separate and independent and are not subject to any pre-conditions unless expressly specified in this Deed.

4. Consent and Acknowledgement of Guarantor

- 4.1 The Guarantor acknowledges and consents to the provisions of this Deed and the variation of the Principal Agreement made by this Deed.
- 4.2 The Guarantor acknowledges that the guarantee in Part E of the Principal Agreement continues in full force and effect following execution of this Deed and extends and applies to the Developer's obligations under this Deed.

5. Legal costs

- 5.1 Except as otherwise expressly provided in this Deed or the Development Agreement, each party shall pay their own legal costs in relation to the preparation, negotiation and execution of this Agreement.



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- 5.2 The Developer must pay or reimburse the State 50% of the legal costs incurred by the State in the drafting of this Agreement (**Legal Costs Reimbursement**).
- 5.3 The State will provide the Developer with a tax invoice for the Legal Costs Reimbursement (which will include all information reasonably necessary to verify the total legal costs incurred and the amount of the Legal Costs Reimbursement) (**Tax Invoice**). The Developer must pay the Legal Costs Reimbursement to the State within 10 Business Days following receipt by the Developer of the Tax Invoice.



Signing Page

Executed by the parties

SIGNED by: **DEVELOPMENT VICTORIA** in accordance with the Development Victoria Act 2003 (Vic) the official seal of Development Victoria is affixed in the presence of:




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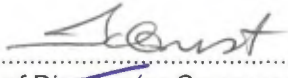

.....
Gregory Anderson
Chief Executive Officer


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Angela Skandarajah
General Counsel

Executed by **Kew Development Corporation Pty Ltd ACN 119 766 264** in accordance with section 127 of the Corporations Law in the presence of:

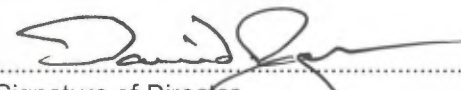
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.....
Signature of Director
DAVID RYAN
.....
Print full name


.....
Signature of Director (or Company Secretary)
IAN GRIST
.....
Print full name

Executed by **Walker Group Holdings Pty Ltd ACN 001 215 069** in accordance with section 127 of the Corporations Law in the presence of:

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)


.....
Signature of Director
DAVID RYAN
.....
Print full name


.....
Signature of Director (or Company Secretary)
IAN GRIST
.....
Print full name