

Sydney Harbour Federation Trust (“The Trust”)

Expressions of Interest - Guidelines for Agents

Commercial Properties

The Trust recognises the important role that agents can play in marketing the often little known properties of the Trust to clients. Subject to the guidelines and conditions in this information sheet, the Trust is therefore willing to pay introduction fees to agents who introduce their clients to the Trust’s commercial properties.

This information sheet applies only to commercial properties held by the Trust and no fees are payable to agents for:

- (a) *introductions to tenants of the Trust’s residential properties; or*
- (b) *to properties where the tenant receives a rental discount under the Trust’s draft Community Use Policy; or*
- (c) *For leases of less than 12 months, (commission rates will be agreed by separate negotiation between the Trust and the agent).*

Payment of an introduction fee by the Trust is subject to two key conditions, namely:

- a) the introduction must have come about as a direct result of the marketing efforts of the agent solely determined by compliance with the Trust’s Expression of Interest process; and
- b) the introduction leads to the signing of a lease agreement with the Trust.

Broadly, the following procedure will apply in dealings between the Trust and agents:

- 1) An Expression of Interest from a prospective tenant that has arisen out of an introduction from an agent must be submitted to the Trust clearly identifying the introducing agent. The prospective tenant must confirm in writing that his expression of interest arose as a result of the marketing activities of the agent.
- 2) In no circumstances will the Trust pay more than the one full introduction fee per lease, calculated in accordance with the table below.
- 3) The Trust will immediately verify from its records that the prospective tenant is not on the Trust’s mailing list or other records of interested tenants. If the prospective tenant is already on the Trust’s records, the Trust will point this out to both the principal and the agent and will not recognise a claim to an introduction fee from the agent.
- 4) If the introduction from the agent leads to a lease being signed with the Trust by the prospective tenant in the Expression of Interest, the Trust will pay to the agent a one-time payment fee based on a percentage of the first year’s Gross Rent (excluding any extraordinary items such as lease incentives, rent free periods etc.) as defined in the lease agreement. The fee will be payable on lease signing. The fee scale is as follows:

Value of First Year’s Gross Rent (excluding extraordinary items)	One-Off Fee Payable (on lease signing)
Up to \$100,000	10.0% (subject to a minimum fee of \$2,500)
\$100,001 - \$250,000	\$10,000 + [(first year’s Gross Rent - \$100,000) x 7.5%]
\$250,001 - \$500,000	\$22,250 + [(first year’s Gross Rent - \$250,000) x 5.0%]
\$500,001 - \$1,000,000	\$34,750 + [(first year’s Gross Rent - \$500,000) x 2.5%]
Above \$1,000,000	\$47,250 + [(first year’s Gross Rent - \$1,000,000) x 2.0%], subject to a maximum fee of \$100,000

- 5) If no lease agreement is signed, there will be no fee payable *regardless* of the reason for the non-signing of the lease.
- 6) Regardless of the source of the introduction, The Trust will only engage in negotiations with principals. The identity of principals must be stated in all cases.
- 7) The Trust will not accept agents' mailing lists, client contact lists or any other form of multiple name lists. The Trust will only accept written individual Expressions of Interest from principals.

This document has been prepared for information purposes and expressions of interest only. The Trust will not be bound by anything in this document, nor will any legal relationship arise between the Trust and agent until a formal agency agreement is executed.