

24<sup>th</sup> June 2021

Kelli Small  
Chief Executive Officer  
Shire of Cocos (Keeling) Islands  
PO Box 1094  
Cocos (Keeling) Islands

Dear Kelli,

**RE: LOT 33 WEST ISLAND, COCOS (KEELING) ISLANDS - DEPARTMENT OF DEFENCE**

The Department of Defence ('Defence') seek continued tenure at their current location at Lot 33 West Island, Cocos (Keeling) Islands. Defence currently have a presence at this site under an agreement commenced in 1990 for 30 years (1 x 15 year initial term with 1 x 15 year option) and have been in holdover on that agreement since 2020 awaiting resolution of the proposed new form of agreement with the Shire.

**SITE AND LOCATION**

The site required is the same footprint formalised under the existing agreement, being Lot 33, West Island, Cocos Island, Cocos (Keeling) Islands. The area is believed to be 18.05 hectares, or 180,050 m<sup>2</sup>

**LEASE TERM REQUESTED**

An initial term of 10 years, with one further option of 10 years.

**SITE PLANS**

Site plans are unable to be provided for security reasons.

**WASTE MANAGEMENT**

The waste volumes and arrangements for the location under the new agreement are expected to be the same as for those under the current agreement. No change is expected.

**ECONOMIC AND SOCIAL OUTCOMES**

Continued use of the location will ensure continuance of protection of the national security interests of the Commonwealth.

**OUTCOME BASED MILESTONES TO INCLUDE IN THE LEASE**

Now that the terms of the new agreement have been agreed in principle, Defence is strongly motivated to obtain formal agreement to the lease and execute documentation to bind the parties as quickly as possible.

The commencement date is proposed to be 1<sup>st</sup> September 2021, which was determined relative to the date by which formal documentation can be provided to Defence for execution, to ensure

Commonwealth legislation (PGPA Act and the LA Act) is not breached when in entering into an agreement.

The termination date of the initial term will be 10 years after commencement.

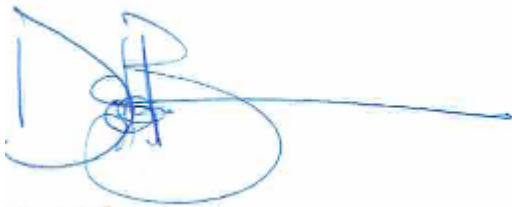
The termination date of the option will be 10 years after commencement of the option.

**MARKET VALUATION**

The Shire advises a market valuation of \$64,000 per annum would be applied to the site, which can be agreed subject to the formal approval of the relevant PGPA and LAA delegates, to be obtained prior to execution of the lease.

Should you have any questions regarding this matter please do not hesitate to contact me on 0438-520-335, or by email at david.breen@ap.jll.com.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'David Breen', with a long horizontal line extending to the right.

David Breen  
Senior Property Manager WA  
Corporate Solutions