

# PROPERTY TRUST DEED

Date of Deed and Execution

Name: \_\_\_\_\_

## GC Legal

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### Document Version: 1.03/07/2018

The parties to this deed agree to the terms and conditions set out in the deed.

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# Parties to the Deed

A) Address of property

B) Property Trustee Company- Legal Owner

C) SMSF - Beneficial owner

D) Lender

E) Governing Law

## Recitals:

The property trustee intends to or has acquired an investment property, using funds borrowed from a lender under a limited recourse borrowing arrangement ( L.R.B.A) pursuant to section 67a and section 67b of the Superannuation industry Supervision Act 1993 and as described in the schedule under section A 'Property' as the legal owner of the said property and as reflected in the contract of sale. The Super Fund (referred to as a SMSF) is the beneficial owner of this property.

The funds objective is to acquire a commercial or residential property for investment purposes as consistent with section 62 (sole purpose test), 66 (acquisition of assets from related parties) ,67a ( LRBA), 67b ( Single Acquirable Asset) 71a(In house assets), and section 109 ( arm's length dealings) of the SIS Act 1993.

## Provisions:

- 1 This Property Trust is hereby declared and established by execution of this deed by the parties to this deed.
- 2 The Property will at all times be held by the property Trustee upon trust for the super ( SMSF) Beneficiary, who has funded all of the property purchase costs and is thereby entitled to all present and future, income, profits and gains.
- 3 The Property Trustee must act only as directed by the SMSF Trustee and not within any other capacity. The Property Trustee warrants that they have not provided any of the property purchase costs and that the real beneficiary is the SMSF. The Property Trustee may enter into a contract to purchase real property, construct real property or in pursuit of a sale of said real property pursuant to the instructions and directions of the Beneficiary being the SMSF.
- 4 The Property Trustee or the Trustee's successors or assigns will execute and deliver, when called upon by the Beneficiary, a transfer of the Property to the Beneficiary for nil consideration.
- 5 The property trustee may only transfer legal title of the property; referred to in section A of the schedule; to the beneficiary ( SMSF) once the beneficiary ( SMSF) has repaid any outstanding debts or loans taken out by the beneficiary (SMSF) in respect of the purchase of the said property, ensuring that the property is not subject to a mortgage, charge or any other encumbrance.

## Definitions:

- A Self-managed super fund is defined in the Superannuation industry supervision act (SIS Act) in section 19
- LRBA - as defined by the SIS Act under sections 67a & 67b
- The parties wish to enter into a limited recourse borrowing arrangements with an established lender

# EXECUTION AS A DEED

This document has been executed as a Deed on the date set out in the Schedule.

## EXECUTED BY

THE PROPERTY TRUSTEE –

as Trustee for pursuant to s127 (1) of

The Corporations Act 2001 (Cth) by being

Signed by a sole director who is also a

Secretary, two directors or a director and

Secretary:

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Director/Member

## EXECUTED BY

SMSF TRUSTEE –

as Trustee for pursuant to s127 (1)

Of the Corporations Act 2001 (Cth) by being

Signed by a sole director who is also a

Secretary, two directors or a director and

Secretary:

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Director/Member

# SCHEDULE

Date:

**A. Property Address:**

**B. Legal Owner:**

*as Trustee for*

**C. Beneficiary:**

*as Trustee for*