

## FINANCIAL ARRANGEMENTS

At The Pines, we operate under a Deed of Loan and License arrangement. The process for acquiring a Unit at The Pines is outlined below.

Step 1: Choose your unit.

Step 2: Fill in the Registration Form and pay your Holding Deposit of \$1000. The Deed of Loan and License will be issued to you within 24 hours. If you do not proceed to Step 3 your Holding Deposit will be refunded, less \$200

Step 3: Return the signed Deed within 10 business days together with the Processing Fee of \$15,000. Your Holding Deposit will form part of the Processing Fee.

Step 4: Full settlement of the Loan amount to be paid within 42 days after the Deed is executed by both you and The Pines. Your Processing Fee will form part of the Loan.

Should settlement not be possible within 42 days of execution of the Deed, you will be allowed up to six months to settle, however interest at the rate of St George Bank Overdraft Rate plus 1% is payable for any days past the Settlement Date.

Occupation of the unit will not be granted before settlement is completed in full although reasonable access will be allowed to enable you to move in your furniture prior to settlement occurring.

A "Cooling Off" period of ten business days is allowed after the Deed is executed provided that you have not already taken up occupancy of the unit. The Processing Fee is not refunded if the Deed is terminated outside of the "Cooling Off" period.

### *Repayment of loans*

When your license is terminated the Loan is adjusted depending upon whether you have taken the Capital Guarantee Option or the Deferred Management Fee Option.

#### Capital Guarantee - Peace of Mind Option

Your Loan is repaid to you:

- less the cost of restoring the Unit to the same condition as at your License commencement date.

- less the re-letting fee (2.5% of the Price of the new Loan amount that the next resident pays for the same Unit).

## Deferred Management Fee – 100% Capital Gain/Loss Option

You will be paid the purchase price paid by the next incoming resident:

- less a Deferred Management Fee (DMF) of 2.5% per annum of the purchase price paid by the next incoming resident for each year that the license operates (calculated daily)
- less the cost of restoring the Unit to the same condition at your License commencement date.
- Less the re-letting fee (2.5% of the Price of the new Loan amount that the next resident pays to The Pines for the same Unit).

## Other Charges

Should there be any outstanding repair or service charges, then these will also be deducted from the final payout.

## *Payout*

The Pines will pay out your loan at the earlier of 6 months from the license expiry date and/or 14 days after The Pines has received a new loan from a new resident for the unit, whichever occurs first.

## *General Services Levy*

There is a General Services Levy (GSL) applicable to each Unit. This covers the cost of operating the Resort, including grounds maintenance, common area cleaning, property repairs and maintenance, insurance, water, rates, land tax (if any) common area lighting and cleaning, operation of the Clubhouse, Resort administration, etc.

GSL will be set up to 30 June 2015. Thereafter, a budget will be prepared and presented to residents for their consideration and approval. This process will then occur each year.

The GSL is the same for every unit and is calculated daily and payable monthly in advance only by direct debit.

## *Personal Services*

Personal services such as linen, domestic assistance, meal preparation, transport, care etc can be arranged by the Resort Manager and are charged direct to the resident by the Service Provider.