

The Rose Lifestyle Village

Summary of Contractual Details

Purposes of this summary

To assist you in quickly understanding the nature of the various documents contained in this Prospectus Folder we provide the following summary. This summary, however, is very general only and therefore you should seek the advice of a Solicitor or other qualified person concerning the various documents.

Overview

You will become the resident of a unit or townhouse which may be separate from other buildings or attached to two or three other townhouses. In each case you will be entitled to use the various facilities and communal assets of the Village. You will also be able to request that we provide further services from time to time at a charge such as: cleaning, meals preparation, laundry etc.

Lease

The Lease describes the Premises you are taking and the Rent payable during the Term. You must pay the full Lease Price and execute the Lease prior to being given the keys to your residence. The Lease is for a period of seventy (70) years and may be assigned in accordance with the provisions of the Lease. Rent is payable monthly on the 15th day of each month. In addition to payment of Rent you are required to pay, as of and when they fall due, charges for Utilities consumed in the Premises.

Service Agreement

One of the conditions in the Lease requires you to sign a Service Agreement with Aljor Constructions Pty Ltd. As Manager of the Village and this starts from the commencement of the Lease. Under the service agreement the Manager must provide certain services and facilities to you. You agree to certain restrictions on your use of those facilities and your property. We consider that the restrictions are fair and reasonable in all the circumstances and are intended to promote a harmonious Village community. You must pay a maintenance charge on the 15th day of each month (or the next business day). The Manager can also charge additional fees for further services which you request that it provide to you.

Marketing Agreement

One of the conditions in the Lease requires you to sign a Marketing Agreement with Aljor Constructions Pty Ltd. as Manager of the Village. The Maintenance charge will be insufficient to cover all expenses and therefore the Manager is entitled to a Deferred Management Fee. This is only payable following the Assignment of your Lease. The Deferred Management Fee is equal to 3% of your Lease price multiplied by each year (or part year) during which you Lease the Premises. There is a maximum of 10 years (i.e. 30%) on that Deferred Management Fee. In addition, if the period for calculation of the Deferred Management Fee is less than 12 months then the fee is calculated at one quarter of a percent for each month.

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Assignment of your Lease

Upon various events occurring i.e. you notifying that you wish to leave the Village, the Manager is authorized to handle the assignment of your Lease. Initially the Manager shall attempt to assign your Lease at the list price (being a price established from time to time). Following assignment, all of the proceeds are paid to a custodian, being a firm of Mildura Solicitors. The custodian then pays to the Manager the deferred Management fee, any increase between the Lease Price and the Sale Price, an administration fee reflecting the Manager's executive time and the overheads involved in administering the assignment of the Lease and the costs and expenses of the assignment which include any agent's fees, legal fees, reinstatement or make good costs, etc. The balance of the proceeds is then immediately due and payable to you or to your estate. There is no time delay or deferral on the payment of those funds to you or your estate.