

**Glen Ora Estate Pty Ltd**

ACN 004 118 674

**Incorporated 14 July 1925**

Our Reference: RDS/LTM

Lot Owners  
21 May 2018

4 CORONATION STREET  
WEST BRUNSWICK VIC 3055

TEL: (03) 9387 9466

MOB: 0411 471 850

EMAIL: liberia@optusnet.com.au

WEB: www.glenoraestate.com.au

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**RE: Solomon Heights, North Sunshine: Non-Recourse Finance Package**

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Dear Lot Owner,

A number of lot owners have raised the issue about the cost of construction and the method of finance.

The directors of Glen Ora are prepared to make available to any lot owner who wishes to proceed with our proposal the following finance arrangement, subject to a contract entered into between Glen Ora and individual lot owners prior to the commencement of any constructions:

1. The cost of construction of infrastructure (water, sewerage, gas, NBN, electricity, roads, and drainage) will be 100% financed by Glen Ora.
2. Our profit cost will be 30% of the total construction costs as enumerated above.
3. The 100% finance will be for three years from the date of the completion of the construction works, and interest will be charged at 7.5% per annum.
4. There will be no interest payments during the three-year period. The interest payments will be added on to the construction costs.
5. The monies will be due to be repaid in a lump sum at the end of the three years.
6. This finance arrangement will be secured by a registered mortgage between yourself and Glen Ora.
7. The lot owners are not required to inject fresh money into the construction.
8. The 100% finance offered by Glen Ora will be on a non-recourse basis. This means that Glen Ora's claim for the repayment of any funds will be limited to the value of the property (ie. your interest in the land).
9. No personal liability will be imposed upon any land owner for the repayment of the finance agreement.
10. If you sell your land during the three-year period, the full amount owed under this finance agreement will be due to be repaid on the date of settlement, namely the construction costs, 30% profit costs, and interest at 7.5% per annum.
11. There will be no early repayment penalty, and you will only be liable for the interest accrued from the date of completion of construction to the date of settlement. The

new owner will not be liable for any finance charges. Upon payment in full of the monies due to Glen Ora, the mortgaged will be discharged and there will be no further funds owing from you to Glen Ora.

12. **You are not obliged to enter into any agreement with Glen Ora**, nor is Glen Ora obliged to provide you with any infrastructure services, save and except for roads and drainage. You are only liable if you join this scheme.

We believe that this is a very attractive proposal and does not expose the lot owner to any personal liability. It should enable you to readily realise the maximum potential of the equity in your property. The Directors believe that there should be free market forces operating at Solomon Heights.

If you have any doubts, please feel free to contact us or obtain independent advice from an accountant or other persons.

Yours Faithfully,



R D Silverstein  
Director, Glen Ora Estate Pty Ltd