

“The Island Eco Resort” Q & A

The following “Question and Answer” sheet has been prepared to help you understand how the Island Eco Resort will be managed as well as to guide you through the “Contract of sale” documentation. In summary your Villa purchase entitles you to a 200 year lease of the land upon which your villa sits. It also entitles you to access to all the communal property and facilities as well as exclusive rights for you and accompanying guests to the Country Club.

<p>How do I rent my villa?</p>	<p><i>All villa rentals will be arranged through the Resort management company which will organise bookings, advertising as well as cleaning in between visitors. In return for these services the management company is entitled to 12.5% of the rental fee plus a cleaning charge. Your villa will be inspected both before and after the rental period to ensure firstly that it meets the Resort standard and secondly that it is returned to the owner in good condition.</i></p>
<p>What is the forecast rental for the villa?</p>	<p><i>The seasonal forecast room rates are on the website www.theislandecoresort.com.au under accommodation and are subject to change</i></p>
<p>How will I receive my rental income?</p>	<p><i>Your rental income will be paid monthly into your nominated bank account. Statements will be sent to your postal address on a monthly basis.</i></p>
<p>Can I sell my villa?</p>	<p><i>Yes. Your villa may be sold at any time.</i></p>
<p>Can I book my own villa if it is in the rental pool?</p>	<p><i>An owner may book their own villa and introduce guests at any time provided that sufficient notice has been given to management. Cleaning and service charges apply to ensure that the villa is in an appropriate condition for rental after the owners or guests leave.</i></p>
<p>Is my villa fully furnished?</p>	<p><i>Yes. The villa will be furnished as part of the sale price.</i></p>
<p>Is finance available?</p>	<p><i>Yes. To date several finance companies have expressed an interest in providing finance for the villas settlement.</i></p>

Who pays for insurance?	<i>The management company shall be responsible for insuring the villas and communal facilities as well as public liability for the registered villa owners, their accompanying guests and those renting villas through the Resort management.</i>
What other benefits are anticipated?	<i>Management will endeavour to approach local businesses and service providers apply for preferential treatment or discounts for the villa owners and resort guests.</i>
Who will clean and service my villa?	<i>The management company has engaged a professional property servicing and cleaning company to undertake this activity. This allows the management to ensure that a high level of service and cleanliness is achieved to maximise your rental return.</i>
Can my villa be used for permanent occupation?	<i>No. The permit for the resort prohibits permanent occupation.</i>
Are my guests required to pay fees when visiting the Resort?	<i>Guests accompanying a registered owner and staying within the Resort are exempt from paying fees. Guests and owners staying in a villa will be required to pay a cleaning and linen fee on departure.</i>
Can Resort guests access all the Resort's facilities?	<i>Visitors to the Resort may only use the common facilities located at the front of the Resort. Access to the Country Club is restricted to the registered owners of the villas and guests accompanying a registered villa owner.</i>
Are there annual fees?	<i>Yes. Annual fees are charged to maintain the grounds and communal facilities. The fees also include maintenance of the exterior of the villa. An annual budget shall be used to determine maintenance costs for the year and apportioned to each villa.</i>
Is stamp duty payable on the purchase price of the villa?	<i>No stamp duty is payable. Your purchase entitles you to a 200 year lease of the footprint of your building as well as access to all the common facilities.</i>
Understanding the "Contract of sale"	<i><u>A number of documents form the "Contract of sale".</u> Particulars of sale- Defines the villa type purchased and conditions of sale. Lease conditions: - Outlines the conditions of the 199 year lease between the villa owner and Piecor Pty Ltd, the land owner and developer. Sub lease:- Describes the relationship between the Resort management company and the villa owners Resort Rules: - A summary of the rules and regulations. Master plan: - Specifies the location of all resort buildings and landscaping.</i>