

FISHERMAN'S BAY MANAGEMENT PTY LTD

A.B.N. 64 009 806 258 A.C.N. 007 754 172

PROPERTY MANAGERS

TRUSTEE FOR FISHERMAN'S BAY PROPRIETORS

NEWSLETTER 34

Freeholding Update

Dear Licensees,

Since the October 2019 Freeholding Update, Fisherman's Bay Management Pty Ltd (FBM) has continued in its efforts to find a way to enable settlement of the sale of allotments to proceed. There have been ongoing challenges and delays.

Last year FBM continued with its attempts to obtain an approval from BankSA for a loan of sufficient funds to enable the conditions of the development approval to be satisfied. It became clear however that that lender was unwilling to lend an amount sufficient to cover the costs of all of the works to the standards required by the Barunga West Council and State Commission Assessment Panel (SCAP). FBM then made a further attempt to obtain finance by approaching five banks with a request for funding, using the services of a property and finance consultant with over twenty years' experience in the banking industry. Unfortunately, none of the banks approached were willing to provide the required amount of loan funds.

An alternative strategy was devised which it was hoped would avoid the need for the large amount of bank finance which had been sought. FBM has approached construction contractors seeking tenders to do all of the necessary works under an arrangement which would not require progress payments to the contractor in the usual manner. FBM is currently awaiting tender responses from these contractors, and hopes that a contractor will be willing to take on the project, under that arrangement, for a tender amount which makes the project financially viable. If so, FBM will consider this alternative, however it will need to take into account all relevant factors and risks to determine whether it will proceed in this way, rather than by obtaining finance in the way provided for in the sale contracts.

Given the ongoing difficulties which have been encountered, and the doubt as to how FBM will be able to complete the project, FBM has also approached the Member of Parliament for Narungga, Fraser Ellis, and relevant state government ministers, seeking from them whatever assistance they can provide.

An added recent complication is the resignation of Andrew Cole, the CEO of the Barunga West Council, who was of course very familiar with the subdivision project, and whose views were understood by FBM. FBM awaits the appointment of his replacement and hopes that the new CEO will work with it to facilitate completion of the project.

FBM will continue its attempts to satisfy the conditions of its sale contracts, or to find an alternative method to proceed with the sub-division, enabling it to complete all settlements.

In the meantime, some of the sale contracts specify 17 March 2020 as a date on which settlement may take place. In light of the above it is now clear that "deposit" of the plan of division, which is an essential condition to enable any settlements to take place, will not occur by that date. Consequently, under those contracts, if all of the conditions can be satisfied, the settlement date will be a later date. As with all of the contracts, there is a condition that the plan of division is "deposited" by 26 October 2020 at latest, as well as other conditions which, despite FBM's efforts to date, remain unsatisfied.

FEBRUARY 2020

FBM is unable to specify any settlement date at this stage, or to give any accurate indication as to when that date would be. Purchasers under the "17 March settlement" contracts will however be given at least 15 business days' notice (through their conveyancer or solicitor) before they will be required to settle, and FBM will continue to provide updates as and when it can so that all purchasers have sufficient notice when settlement is looking possible in the foreseeable future.

FBM regrets the uncertainty surrounding the proposed land division, but will continue in its efforts, and will inform you when there is further news.

Regards

Directors

FISHERMAN'S BAY MANAGEMENT PTY LTD

Fisherman's Bay Management Pty Ltd – Office

LICENCE FEES 2020

Licence Fee 2020 Invoice Issue Date	1 December 2019
Licence Fee 2020 Due Date	31 January 2020
Late Payment Fee	\$50.00
Notice to Remedy Default	\$40.00

FB Pipeline Pty Ltd – Office

Water Supply and Usage Fees 2019/2020

A fixed charge for supplying the service	\$104.00 Water Supply Charge - Quarterly
Water Usage	\$3.413 per kilolitre
Late Payment Fee	\$15.00 gst inc.

For all other Fees and Charges related to water supply please see our Price List located on our website www.fbmservices.net.

Invoice Issue Dates

31 March 2020
30 June 2020
30 September 2020
31 December 2020

Invoice Payable Dates

30 April 2020
31 July 2020
31 October 2020
31 January 2021

Payment Reference

Please ensure that you enter your invoice number as the payment reference, as there has been an increase in the number of payments that appear on our bank statements that have insufficient information to identify the payment.

Regards

CP Ireland

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Secretary

FISHERMAN'S BAY MANAGEMENT PTY LTD
FB PIPELINE PTY LTD