

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 33

Freeholding Update

FBM has continued to work to reach agreement with the Barunga West Council (BWC) on various conditions of the development approval. Recently it has become clear that there are still substantial challenges to be overcome by FBM, particularly in terms of the very high costs which are involved in satisfying all of BWC's conditions as those conditions have been specified to date.

Those requirements/conditions relate to;

- wastewater treatment (it now being clear that BWC will not entertain the possibility of augmenting (connecting to) the existing Port Broughton Community Waste Management System as an alternative to Fishermans Bay having its own stand-alone plant);
- construction of the sea wall to specifications designed to meet the most extreme weather conditions;
- management and disposal of stormwater to allow for the most extreme weather events;
- road and curbing design and construction to high standards (including a requirement to meet the "flush concrete edge beam standard");
- an "open space" cash contribution to council (this is council's legal right, and BWC has already "discounted" the amount to \$700,000, however FBM has asked that BWC waive the right completely, taking into account the fact that Fishermans Bay is an established settlement, rather than vacant land being developed);
- fire safety compliance issues with existing dwellings constructed close together.

The combination of;

- BWC's desire to provide a high standard of amenity and minimize future risks for residents of the township of Fisherman Bay and for BWC itself;
- the existing layout of dwellings and roads, and;
- the proximity of parts of the township to the sea;

is resulting in design features the cost of which FBM's financier may not agree to cover given the prices at which FBM has agreed to sell allotments to residents and the number of allotments to be sold under the conditional contracts. Due to the substantial increase to the budgeted costs of the project which will arise out of the requirement for these features, a deputation from FBM presented the company's position in detail to a meeting of BWC on 27 August, and asked the BWC to reconsider various aspects of the requirements as currently specified.

In putting its submission to BWC, FBM said;

"To improve the prospect of financing the project FBM need to achieve substantial cost savings, which will drive the amount of bonding required, and the structure of Bonding and release mechanisms must be reviewed to ensure the strongest Banking proposal."

FBM has now received a response from BWC. Unfortunately, the response rejects most of FBM's requests outright (including the request to waive the open space contribution), and requires further detail of others before BWC will consider whether it might agree to them.

FBM must now reassess its proposed financing arrangements to determine how it can obtain the agreement of its financier given the prices for which FBM has committed to sell allotments. FBM will keep you informed of any progress, and remains hopeful that it may be able to satisfy the requirements of its financier, meet State Commission Assessment Panel (SCAP) conditions and undertake the necessary infrastructure works and complete the subdivision.

1 OCTOBER 2019

Fisherman's Bay Management Pty Ltd – Office

Licence Fees 2020

Please be advised that the Licence Fees for 2020 will be subject to an increase of \$50.00. Invoices for Licence Fees for 2020 will be issued on 1 December 2019. These fees are payable by 31 January 2020. Late payments will incur a fee of **\$50.00** (incl. GST).

Action for Licence Fees 60 days Overdue:-

- Letter of Demand will be issued requesting payment within 14 days of the date of the letter.
- Notice to Remedy Default will be issued requesting payment in full of all the arrears of licence fees and legal costs within thirty (30) days of the date of the Notice.
- Notice of Termination will be issued advising a period of thirty (30) days from the date of the notice to remove all improvements and all contents therein from the shack site in the same manner as specified in Clause 7 of the Licence Agreement.

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

30 September 2019
31 December 2019
31 March 2019
30 June 2019

Invoice Payable Dates

31 October 2019
31 January 2020
30 April 2020
31 July 2020

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

Corynn Ireland

Secretary

FISHERMAN'S BAY MANAGEMENT PTY LTD
FB PIPELINE PTY LTD

1 OCTOBER 2019