
APPENDIX ITEM 9.18

22 November 2012

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

STAGE 5 SALES PROCESS

Stage 5 of Catalina is scheduled to title in April 2013 and comprises of a total of 63 lots.

Within the stage there will be a total of 37 lots released to the public, and 26 medium density lots proposed to be allocated to builders for the sale of house and land packages. The attached plan shows those lots proposed for public release highlighted in blue, and those proposed to be allocated to builders highlighted in yellow. Your approval is sought the release process of the medium density builders allocation and public release lots.

Medium Density Builders Allocation

In September 2011 the TPRC Council approved the tender procedure for medium density lots. This process requires suitably qualified building companies to tender for packages of medium density lots, with builders being ranked in accordance with the approved selection criteria, with the highest ranked builder receiving the first selection. The sale procedure represents a fair and efficient methodology for the sale of medium density lots and has yielded good results for all releases that have occurred to date.

It is recommended that 26 medium density lots in stage 5 are marketed in 6 packages of between 2 and 10 lots each under Put Options. The option period will expire on the issue of titles, with settlement being required 28 days from the issue of title. It is proposed to use the previously approved selection criteria to assess tenders.

The lots identified to be sold under the medium density tender process have been selected in order to achieve a uniform streetscape in medium density precincts, and capitalise on the costs efficiencies of constructing multiple dwellings, leading to increased affordability to end users.

Public Release

The sale procedure – Private Purchaser Lots, was approved by TPRC Council in September 2011. The procedure addressed sales methods available to the TPRC including public auction, public tender or private treaty sales processes. The procedure also addressed Foreign Investment Review Board and ongoing sales. To date all public releases have utilised the online private treaty procedure which has to date yielded positive sales results. The procedure has also overcome the lack of onsite sales office presence and provided a fair and equitable process for allocation of lots in the initial releases when demand has been very high, particularly for traditional stock. As the project now has an established sales office, and is moving into a more mature phase of its marketing and sales life cycle it is recommended that the Stage 5 Public Release be undertaken from the sales office. This methodology is further expected to improve sales results due to increased contact between the sales professional and purchaser at the time of lot selection.

It is proposed the lot release process will occur in the following manner:

- Public advertising to occur a minimum of 7 days prior to a release, advising the public that a release is to occur. Public advertising may utilize a variety of mediums, including state wide press, local press, website, direct mail or signage.
- Prospective purchasers will be allocated preference to a lot in order of their attendance at the sales office prior to the release occurring.
- SPG will manage a register of the order in which purchasers present themselves to the sales office, should queuing in advance of the sale release date and time occur.
- No lots shall be placed on hold or reserved for any purchaser prior to the scheduled release date and time as advertised.
- On selection of a lot purchasers will be required to execute an offer and acceptance immediately.
- Only purchasers that are able to sign an offer and acceptance which is either cash unconditional or subject to finance will be allocated a lot on the first 2 days following the release date.

Other elements specified in the adopted sale procedure September 2011 for private purchasers will remain unchanged, including lot release information, public notice period and contract acceptance. It is furthermore recommended that the commercial terms remain unchanged, being the requirement of the purchaser to pay a \$5,000 deposit.

Should you wish to discuss further do not hesitate to contact me.

Yours sincerely,



JUSTIN CROOKS
PROJECT DIRECTOR

The particulars of this plan are supplied for information purposes only and shall not be taken as representation in any respect on the part of the Vendor or as its agents accuracy of any of the details mentioned herein nor as to the accuracy of any of the boundary and area measurements of any of the Lots more particularly delineated on the map contained herein all of which may be subject to change by the Vendor at any time without notice. This plan remains the property of CLE.



LEGEND

- Builder Release
- Public Release

