ASIC FOI 243- 2023

Sterling New Life Lease

Some Key Points You Need to Know

Ownership and Management

Your Sterling New Life home will be owned by an individual property landlord who has appointed Rental Management Australia Pty Ltd to provide management services for the residence. Whilst you live in the property, Rental Management Australia Pty Ltd must always be the property manager.

Occupancy Rights

There is no minimum age required to live in a Sterling New Life home. All residents should be capable of independent living in the residence.

Long Term Lease

You will receive security of tenure for 40 years by way of an initial 5 year lease plus seven options of 5 years each for the exclusive occupancy of the residence. You are granted the right to use the common areas on a shared basis with the other resident/s, where applicable.

Long Term Lease – Rent and Investment Amount

To secure a Sterling New Life Lease, an investment is required in the Sterling Income Trust. The investment amount is set at a price sufficient to ensure that the rental payments in the Sterling New Life Lease can be fully covered by income from the investment amount. If the investment income does not cover the rent, rental arrears will be recouped from the redemption of capital. **AT NO TIME CAN THE MANAGER REQUEST THAT YOU HAVE TO MAKE ANY CASH PAYMENT OR ANY ADDITIONAL SUM TOWARDS RENT. THE RENT PAYMENT CAN ONLY BE MADE FROM THE INCOME RECEIVED FROM THE STERLING INCOME TRUST OR FROM CAPITAL INVESTED.**

Other Upfront Costs

A $1,000 refundable deposit is payable upon signing of a Reservation Form. When the "Offer to enter into a Sterling New Life Lease agreement" ("Offer") is signed, this deposit becomes non-refundable except if a special condition of the Offer is unable to be satisfied.

Security of Occupancy

A Sterling New Life Lease gives you the security of tenure and ensures that your home is maintained to a continually high standard by the owner with only minimal ongoing cash contributions to property costs by you.

Your interests are protected
Your Sterling New Life Lease and options totalling 40 years, provides a secure and legally binding interest that is protected by your Residential Tenancy Agreement.

Do I own the land?
No. The land is owned by an individual owner.

Resident's Ongoing Costs

There is minimal cash outlay required from you for property maintenance expenses. The owner pays for the rates, land tax, property insurance, repairs and ongoing maintenance.

There is also no out of pocket outlay required from you to pay for rent. The income distributions from the Sterling Income Trust are used to pay your rent.

You are responsible for:

- Contents Insurance and workers compensation insurance if you wish to employ your own trades people or domestic assistance.
- Personal use of gas, electricity, phone, internet, and any other services provided to the residence.
- Any other costs not specifically the responsibility of the owner.

Maintenance of the Residence

You are responsible to keep the residence and its fixtures and fittings in good repair, fair wear and tear excepted. The resident is responsible for some of the internal maintenance and cleaning of the home. The owner is responsible for structural repairs, external maintenance of the building and some of the internal maintenance in accordance with the residential tenancy agreement.

Under What Circumstances Can a Residence Contract be Terminated?

The Sterling New Life Lease Agreement may be terminated in the following circumstances:

(a) Upon one hundred and eighty (180) days written notice by the resident.

(b) Upon one hundred and eighty (180) days written notice from the trustees of the estate of the resident.

Resale Marketing

When notice of termination is received from the resident, the resident can apply to redeem the investment in the Sterling Income Trust, where the resident's original investment has been held. The redemption of the investment is not contingent upon the resale of a Sterling New Life Lease on the resident's home. There are certain redemption conditions within the Sterling Income Trust Product Disclosure Statement.

If the Resident Decides to Sell

As the houses, villas and apartments are held under a lease, they are not actually "sold" in the legal meaning of the word. Rather, the lease is terminated and the residence re-leased to the new resident. Your original investment in the Sterling Income Trust pursuant to the Sterling New Life Lease, plus any surplus distributions re-invested into the Sterling Income Trust, less any accrued rent or expenses, is returned to you.

Residents' Vehicle Parking

Each home has a designated carport or garage.

Pets

Generally you are permitted to keep pets. There may be exceptions where the strata provision of the building include a "No Pets" clause. Guide dogs for the blind and hearing impaired are permitted.

Optional Services

Sterling New Life provides an independent lifestyle where residents are responsible for their own wellbeing with minimal ongoing out of pocket property costs. There are many support and care organisations providing services in the community such as for house cleaning, ironing, general maintenance, provision of meals, personal care assistance and medication supervision. We can assist you with contact information for some of these service providers upon request. It is your responsibility to arrange these independently as required.

Importance of Reading Residence Documents

The above summary sets out some key provisions in an abbreviated form only. For full details you should refer to a copy of the Sterling New Life Lease Agreement and the Pre Contractual Disclosure Booklet, which is provided before you enter into a commitment to purchase. The information in this summary is believed to be correct at the time of printing and is subject to change without notice.

FOR FURTHER INFORMATION PLEASE CALL 1300 665 890

sterlingnewLife

19 Lyall Street, South Perth WA 6151
PO Box 478 South Perth WA 6951
Phone: (08) 6102 7265 Fax: (08) 6315 2690
Email: offer@sterlingfirst.com.au
Visit our website www.sterlingnewlife.com.au