

**Glen Ora Estate Pty Ltd**

ACN 004 118 674

**Incorporated 14 July 1925**

Lot Owners at Solomon Heights

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**BY EMAIL**

Sunday, 3 March 2019

**RE: INDICATIVE COSTS OF FEDERAL GOVERNMENT OFFSETS**

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Dear Lot Owner,

We have recently received from our environmental consultants the current indicative costs of obtaining environmental offsets in compliance with a Strategic Assessment Agreement (SAA) entered into between Glen Ora and the Commonwealth that allows for development of the southern section. Our environmental consultants have access to the required environmental offsets from their clients. Glen Ora will not receive nor will it receive any financial benefit directly or indirectly from their clients, or from our consultants. Glen Ora is still making its own enquiries to see if it can source its own environmental offsets for both the northern and southern section at a lower cost to lot owners.

The following costs must be paid in full prior to the commencement of any construction works. The current cost estimates are:

- Northern section: \$25000 per lot, plus GST
- Southern section: \$17000 per lot, plus GST.

At this current stage, the northern section is not included in the SAA and cannot yet be developed. With sufficient interest, Glen Ora will seek to amend the SAA to include provisions for development of the northern section. The arrangements set out below are only applicable to lot owners in the southern section, but the same arrangements will apply for development of the northern section if it should proceed.

### **The Applicable Mechanism**

As previously communicated, Glen Ora will develop the roads and infrastructure on a staged basis. Glen Ora does not propose to proceed with the construction of the roads and infrastructure without obtaining the following:

- A. Final clearance approval from the Commonwealth Department of Environment and Energy to proceed with clearance.
- B. A financial agreement entered into between Glen Ora and at least 90% of the lots affected in each road to proceed with construction of the roads and installation the required infrastructure.
- C. Completion of satisfactory arrangements between lot owners and Glen Ora for payments made between Glen Ora and the lot owner for the payment of all infrastructure costs.

All monies received on account of environmental offsets and infrastructure costs will be placed in a solicitors trust account and will only be used for the purpose of securing the

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offsets and costs associated with obtaining the offsets. It will not exceed the above estimates if all these agreements are completed within the next 24 months.

If less than 90 % of the adjoining lot owners of any road agree to pay their contribution, the construction will not proceed, and all trust monies, free of deduction, will be returned to the parties that have made the contribution and that road will be constructed.

I attached the proposed staged plan for development of the Southern section. The numbers of each stage are not necessarily the order in which the roads will be developed. Once again, if there is a variation to the SAA to incorporate the northern section, the same arrangements will apply.

As of today, we are still waiting for:

1. The Commonwealth to permit clearing and grading of the roads: A decision is due within the next 60 days.
2. Response from Council to our request to obtain a long term lease at a nominal rental for the roads in the north.

Yours Faithfully,

A handwritten signature in blue ink, appearing to read 'R D Silverstein', with a stylized flourish at the end.

R D Silverstein  
Director, Glen Ora Estate Pty Ltd