

Manufactured home Estates/ Land Lease Communities (“LLC’S”)

A Land Lease Community is a gated residential community, for over 55's, operating under the land lease model. Residents are supported by specific State Government legislation. (Residential (Land Lease) Communities Act of 2013). The legislation sets out the rights and obligations for operators and consumers.

The resident acquires a home, which is sited on a land lot which is rented from the operator. Stamp duty does not apply on purchase, and the resident keeps all capital gain on sale. Rent may be partially offset by Commonwealth rent assistance for eligible persons.

Land lease agreements are simple and transparent, a modern solution that has evolved alongside the changing face of life after work. It offers flexibility and freedom as well as security and support for long, rich lives of camaraderie and community.

When purchasing a home, buyers will enter into a contract, much like other property contracts. They will also enter into a Residential Site Agreement, the lease for the land their home is on.

Unlike retirement villages, our land lease model means no exit fees or stamp duty and residents keep any capital gains.

The weekly site fee covers the rent of the land the house is on, use of shared amenities and the costs associated with the maintenance of common facilities, gardens, and grounds.

The operator

MHE Development Group will be the operator. This Group has extensive experience in seniors housing development and operations.

MHE intends to contract the following entities to assist:-

J&M Growth Pty Ltd

Principal Jim Hazel was until recently Chairman of Ingenia Communities Group, one of the largest operators in Australia. He was recently inducted into the Property Council of Australia's Hall of Fame for his work in senior housing. He has had exposure to numerous seniors housing developments over many years.

Andrew Giles

Andrew is a former CEO of the Retirement Villages Association of Australia. He too has extensive operating experience in the sector.

Anticipated Demand for the project

There are 4600 people over 50 in Berrigan Shire. Between 2016 and 2021 the Shire attracted over 1500 internal migrant arrivals, 24% originating from Greater Melbourne.

The project is strongly supported by Tocumwal Golf Club, which has 15000 members. A survey of members indicates strong interest in the project.

We believe that a combination of local and “golf imports” will generate sufficient demand to ensure the project’s success.

The Tocumwal Golf Club is undergoing an \$8 million upgrade to include new facilities including a 24 hour gym and pickleball. Community buyers will be members of the golf club.

The product

The community will comprise a range of housing, mainly 2bedroom 2 bathroom stand alone dwellings, with some larger 3 bedroom dwellings contingent on demand.

There will be extensive community facilities, largely in a central club house, and cart path access to the golf club. As mentioned, all buyers will be offered golf club membership as part of their purchase.

Home pricing likely to be in a range of \$480000 to 600000. Weekly site rent is anticipated to be \$180-\$200.

MHE Developments will contract a licenced builder to deliver the product.

The operator has responsibility for maintenance and upkeep of the community in line with its contractual relationship with residents. The look and feel and amenity of the community is fundamental to its long term success. MHE Developments is committed to deliver an outstanding outcome. The operator’s responsibilities in this regard are set out in the Act.(Residential (Land Lease) Communities Act 2013.