



Compass Special Conditions 5% Rental Guarantee – 12 Months

Background to Promotion – Terms and Conditions

1. Mirvac (WA) Pty Ltd (**Seller** or the **Promoter**) offers to the Buyer who settles a Contract by the Settlement Date, the 5% Rental Guarantee (**Promotion**) in accordance with these terms and conditions and the Special Conditions set out in the Contract.
2. The Promotion commences at [8am] on 29 August 2018 and ends at [5pm] on 30 June 2019 (AWST) as amended at the Promoter's absolute discretion (**Promotion Period**).
3. The Promotion applies to a selection of ten (10) apartments in the Compass development at the Promoter's absolute discretion. Please speak to a sales agent for details.
4. The Promotion is limited to 10 apartments in the Compass development and is only available for sales made directly through a Mirvac sales consultant or Mirvac's approved external sales consultants.
5. Under the Promotion, the Promoter will offer the 5% Rental Guarantee to the Buyer during the Guarantee Period if the Buyer settles the Contract by the Settlement Date on a Contract exchanged unconditionally during the Promotion Period.
6. These terms and conditions and the Special Conditions set out in the Contract apply to the Promotion and the Buyer enters into the Promotion and the Contract on complete acceptance of these terms.

5% Rental Guarantee

7. Subject to the Buyer complying with these Special Conditions, if the Buyer settles this Contract by the Settlement Date, the Seller will pay to the Buyer, the Guaranteed Return during the Guarantee Period.
8. If Settlement is extended beyond the Settlement Date, whether at the request of or due to the default of the Buyer, the Seller is not obliged to provide the 5% Rental Guarantee to the Buyer, but the Seller may do so in the Seller's absolute discretion.

Appointment of Leasing Agent and Tenancy Agreement

9. Promptly after the Contract Date, and in any event at least three months prior to Settlement, the Buyer must appoint a leasing agent for the Property (who must be an Approved Leasing Agent).
10. The Seller agrees that the Buyer's leasing agent may advertise the Property for lease prior to Settlement.
11. The Buyer must:
 - (a) use reasonable endeavours to enter into a Tenancy Agreement with effect from the Settlement Date, or as soon as possible after the Settlement Date;
 - (b) act reasonably to enter into a Tenancy Agreement with a tenant for the Property proposed by the Buyer's leasing agent at a reasonable rent, which rent may be less than the Guarantee Amount; and
 - (c) provide the Seller with any information reasonably requested by the Seller in relation to the leasing of the Property and authorises the Seller to obtain any information from the Buyer's leasing agent.
12. During the Guarantee Period, the Buyer must instruct the Buyer's leasing agent to provide to the Seller:
 - (a) no later than 7 days after the end of each monthly period of the Tenancy Agreement, a statement setting out the rent paid by the tenant under the Tenancy Agreement for the preceding month, or
 - (b) where a Tenancy Agreement has not been entered into, a monthly report no later than 7 days after the end of the preceding month setting out information regarding potential tenants presented by the leasing agent to the Buyer during the preceding month, including but not limited to:
 - (1) a summary of the rental history of any potential tenants;
 - (2) the rent any potential tenants were prepared to pay;
 - (3) the length of any lease the potential tenants were prepared to enter into; and
 - (4) the disclosure of the reason why the proposed tenants have not been accepted by the Buyer.
13. The Seller is not required to pay the Guaranteed Return to the Buyer and all of the Seller's obligations under these Special Conditions in relation to the Guaranteed Return will cease if:

- (a) the Seller does not receive the statement referred to in clause 12 of these Special Conditions;
- (b) the Tenancy Agreement terminates prior to the expiry date of the Tenancy Agreement
- (c) in the Seller's reasonable opinion, the Buyer:
 - (1) is acting unreasonably in accepting a tenant or is unreasonable in its requirements in selecting a tenant, including without limitation the rent requested for the Property having regard to the market rent for the Property; and
 - (2) delays in appointing a leasing agent or causes or contributes to a delay in securing a tenant.

Payments

- 14. All payments of the Guaranteed Return to be made by the Seller to the Buyer under these Special Conditions must be paid into an account nominated by the Buyer.
- 15. From Settlement to the commencement of the Tenancy Agreement, the Seller must pay to the Buyer the Guaranteed Return, monthly in arrears, within 10 Business Days after the end of each monthly period.
- 16. Upon the Buyer entering into the Tenancy Agreement with a tenant:
 - (a) the Seller will prepare a Payment Schedule and provide the Payment Schedule to the Buyer; and
 - (b) from the commencement of the Tenancy Agreement to the expiry of the Guarantee Period or the earlier termination of the Tenancy Agreement, the Seller must pay to the Buyer the Guaranteed Return in the instalments and by each date set out in the Payment Schedule.

Property unavailable for use

- 17. If at any time during the Guarantee Period for any reason it is not possible for the Property to be occupied or offered for lease under a Tenancy Agreement, including but not limited, due to renovation works or destruction or damage to the Property, or where the Property is occupied other than under a Tenancy Agreement, the Buyer is not entitled to receive the Guaranteed Return until it becomes possible for the Property to be occupied or offered for lease.

Rights exclusive to Buyer

- 18. The Buyer's right to receive the 5% Rental Guarantee (and, for the avoidance of doubt, be paid the Guaranteed Return) under these Special Conditions cannot be transferred to any other party.
- 19. If the Buyer sells the Property prior to the expiration of the Guarantee Period, the Buyer's right to receive the Guaranteed Return will terminate on the date of settlement and may not be assigned or otherwise transferred to the incoming buyer of the Property or any other party.

Disclosure of the 5% Rental Guarantee

- 20. The Buyer is required to disclose these Special Conditions to the Lending Institution.
- 21. The Buyer consents to the Seller releasing information regarding these Special Conditions to the Lending Institution without further reference to the Buyer, and upon the Seller receiving a request from the Lending Institution.

Definitions

- 22. In these Special Conditions:
 - (a) **Approved Leasing Agent** means any of the leasing agents specified in Item 3 of the Schedule, as may be varied by the Seller from time to time by notice to the Buyer.
 - (b) **Guarantee Amount** means the guarantee amount specified in Item 1 of the Schedule.
 - (c) **Guarantee Period** means the guarantee period specified in Item 2 of the Schedule.
 - (d) **Guaranteed Return** means:
 - (1) from Settlement to the commencement of the Tenancy Agreement, the Guarantee Amount; and
 - (2) from commencement of the Tenancy Agreement to the expiry of the Guarantee Period or the earlier termination of the Tenancy Agreement, an amount equal to the Guarantee Amount less the Rental Return (so that if the Rental Return is equal to or exceeds the Guarantee Amount, the Guaranteed Return payable is nil).
 - (e) **5% Rental Guarantee** means the Guaranteed Return.
 - (f) **Lending Institution** means any lending institution providing finance to the Buyer to assist with the purchase of the Property.
 - (g) **Payment Schedule** means a payment schedule setting out:

- (1) all amounts paid by the Seller to the Buyer from Settlement;
 - (2) the Rental Return payable from the commencement of the Tenancy Agreement; and
 - (3) each instalment of the Guaranteed Return (calculated on a daily basis from Settlement) payable by the Seller and the timing for those payments.
- (h) **Rental Return** the monthly amount to be paid by the tenant under the Tenancy Agreement, being limited to the gross rent only, without any deduction for fees or rental expenses.
- (i) **Tenancy Agreement** means a residential lease of the Property for a term of 12 months.

SCHEDULE

1. Guarantee Amount	\$ per annum (inclusive of GST, if any) <i>(insert amount)</i>
2. Guarantee Period	A period of 12 months commencing on the date on which Settlement occurs.
3. Approved Leasing Agents	Leasing Property WA Ray White Claremont Abel Property

Signature of Buyer

Signature of Buyer

Signature of Seller - Mirvac attorney

Signature of Seller - Mirvac attorney