

# Cascades Fact Sheet



## 7% SALE & LEASE BACK OPTION BEL VISTA CAIRNS HIGHLANDS MANAGEMENT

**Full details are in the Free Information Kit and Prospectus – call today for this or visit [www.CascadesOnTheLake.info](http://www.CascadesOnTheLake.info)**

### **Seven Percent (7%) Sale and Lease back - Investor Option - For a Limited Time Only**

#### **The benefits of a 7% Lease?**

The developer of Cascades, Cascades Vista Pty Ltd (Cascades) has appointed Bel Vista Cairns Highlands to manage Cascades as part of the Bel Vista Resorts and Residences Group. Details on Bel Vista Cairns Highlands can be seen on the **back** of this Fact Sheet and in the free Information Kit.

Cascades recognises that some property investors may want the security of an assured and regular income for the first two years, to take away any perceived risk of return while Bel Vista Cairns Highlands is establishing its occupancy and tariff rates - thus the benefit of a Sale and Lease Back Agreement. Others however may not want a lease back and instead may want to enjoy the upside returns from the commencement of operation with the predicted good occupancy and nightly rates being forecast.

Where an investor wishes to take a lease a formal agreement will be entered into between the villa or apartment purchaser and Cascades whereby the 7% per annum payments are made in arrears on a monthly basis.

#### **What is the 7% lease paid on?**

The 7% per annum lease is paid on the purchase price of the villa or apartment plus the amount paid for the furniture pack (a requirement if you wish to have your residence managed by Bel Vista Cairns Highlands).

#### **Summary Conditions include: -**

1. 7% return on the purchase price paid to the villa or apartment purchaser by the developer of Cascades for a period of two years from the date of settlement.
2. The villa or apartment purchaser shall be required to make the villa or apartment available to Bel Vista Cairns Highlands for letting and shall not be entitled to any returns other than the lease amount for a period of two years from the date of settlement.
3. The villa or apartment purchaser shall not be permitted to withdraw from the lease arrangement part way through the two year period (without agreement) and must make the villa or apartment available to Bel Vista Cairns Highlands for the full term of two years.
4. The villa or apartment purchaser shall also be required to purchase a custom Bel Vista Cairns Highlands furniture package. Note - a furniture package is

available for purchase from Cascades, full details of which are contained in the Contract and Disclosure Documents.

5. Where there is a lease the villa or apartment purchaser shall not be entitled to use the villa or apartment free of a letting fee as would be the case where no lease applied.
6. The villa or apartment purchaser shall be liable for and required to pay for the rates and body corporate fees and any other costs of owning the villa or apartment which they would normally pay.
7. Payment will be made by Cascades or Bel Vista Cairns Highlands to the villa or apartment purchaser monthly in arrears.
8. Where a villa or apartment purchaser is purchasing a dual key apartment and making it available to Bel Vista Cairns Highlands for letting, the villa or apartment purchaser has the further option of taking the 7% lease option on one only of either the one bedroom apartment or the studio apartment. The investor would then receive the lease amount in respect of that part of the dual key apartment where the lease applies and the normal returns from the apartment not subject to the lease. This arrangement is ideal for the lifestyle investor who may desire to use the apartment form time to time for their own use.
9. Where the lease applies Cascades shall be entitled to receive the full amount of any letting fees received in respect of the villa or apartment including the amount received over and above the amount paid to the villa or apartment purchaser pursuant to the lease.
10. The villa or apartment purchaser shall be required to sign a standard form of lease setting out the full terms of the lease.

#### **Worked example:**

Purchase price apartment with furniture package : \$360,000  
Lease of 7% return to Residence purchaser : \$25,200  
Multiplied by 2 years equals total guaranteed amount to the Residence purchaser of \$50,400.

#### **The Strength of the Lease**

The Sale and Lease Back Agreement is provided by Cascades Vista Pty Ltd the owner and developer, not a third party company or entity. **NOTE : The payment of the lease amount is independent of the revenue earned from the retreat villas and/or resort apartments.**

# Bel Vista Cairns Highlands - Residential Resort Management

## Overview

- All across the world, the corporate and leisure accommodation industries are moving towards serviced apartments, particularly dual key apartments. Investors target to acquire quality strata titled apartments in strategic locations such as Cascades where they can stay for short periods whenever they like – without having to pay a levy fee, subject to bookings. The investor gets a cash flow positive, passive property investment that has relatively low holding costs that they can afford to keep in order to ride the capital growth.
- The Cairns Highlands region is one of the hot spots to live and invest in Australia today, with world class nature attractions it offers the fundamentals for strong capital growth and investment returns.

## Operational Features

- Cascades will be managed by Bel Vista Cairns Highlands, a management company exclusively incorporated for this purpose, and associated with the development directors of Cascades Vista Pty Ltd.
- Bel Vista Cairns Highlands will have a licence arrangement with the Bel Vista Resorts and Residences Group who will act as a central booking agency for a number of associated resorts and residences.
- Bel Vista Cairns Highlands will be contracting experienced onsite managers to ensure that those seeking to make their villa or apartment available to Bel Vista Cairns Highlands for letting can optimise their yield.
- Marketing and promotions will be undertaken directly by Bel Vista Cairns Highlands and through the central booking and marketing group Bel Vista Resorts and Residences. Bel Vista Resorts and Residences have formed allegiances with world wide reservations and booking agencies.
- The decision by Cascades Vista Pty Ltd to place Cascades into management by Bel Vista Cairns Highlands compared to other 'named brands' was based on such 'named brands' having a reputation in the market place of not allowing flexibility of villa or apartment use by owners and owners / investors not being satisfied with their investment return.
- The Bel Vista Cairns Highlands target is to optimise yield to the owner / investor. The larger 'named brands' generally have to amortise substantial overhead costs which lowers investor yields compared to that of Bel Vista Cairns Highlands and the Bel Vista Resorts and Residences Group generally.
- Bel Vista Cairns Highlands, and through their agreement with Bel Vista Resorts and Residences, plan to position themselves between the large hotel groups with large hotel overheads and a heavy emphasis on marketing and the more traditional family owned

management rights operator concentrating on low overheads.

- Bel Vista Cairns Highlands plan for a carefully contained overhead allocation with a 'sleek' modern day internet and electronic marketing strategy to maximise returns.

## Owner/Investor Options

Owners/investors will have the flexibility of a number of options as to their property:

1. Live in it – provided it is not your principal place of residence - furnish it yourself or utilise the Cascades Furniture Pack in case you may wish to make your villa or apartment available for letting to Bel Vista Cairns Highlands at some future date.
2. Manage the property on a furnished or unfurnished permanent letting basis through another agent.
3. Elect to purchase a Cascades Furniture Pack and have your property professionally managed by Bel Vista Cairns Highlands when you are not staying at your villa or apartment.

## Review

- Cascades offers a management option for investors and lifestyle investors alike with a skilled and experienced management team in Bel Vista Cairns Highlands committed to optimising investment yields whenever an owner is not enjoying their property for personal pleasure and leisure.
- Owners wishing to make their villa or apartment available to management for letting must purchase an exclusive upmarket custom designed furniture package to Bel Vistas standards.
- Owners are permitted to manage the letting of the villa or apartment themselves.
- Bel Vista Cairns Highlands charter is to optimise investment yield for those owners electing to have their villa or apartment made available for letting and to provide a level of service second to none to owners and guests.
- Bel Vista Cairns Highlands welcomes owner occupiers and short term guests and all lengths of stay in between.
- A major benefit of ownership is that owners may enjoy their investment by staying at no room rental charge whenever they like.
- Full service is available to owners as well as guests. Bel Vista's branding tag line 'exclusive living, leisure and pleasure' sums up the Bel Vista image which is style and quality whilst enjoying the best life has to offer.

