

Kensington

488 Macaulay Road, Kensington, VIC 3031

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6th June, 2006

Lawyers Conveyancing
Suite 6, 3 – 5 Hewish Road
CROYDON VIC 3136
Facsimile No. 9725 3316

Dear Sir/Madam,

VENDOR: _____

PROPERTY: _____

We wish to advise that we have received instructions to sell the above-mentioned property by auction on Saturday 15th July, 2006. We understand that you will be acting on behalf of the Vendor. The vendors contact numbers are: 9738 2105 (Rachael Home).

The property is offered for sale by auction, subject to the vendor's reserve price. The Rules for the conduct of the auction shall be as set out in Schedule 1 to the Sale of Land Regulations 2004, or any rules prescribed by regulation which modify or replace those Rules." This clause also conforms with the terms of the sale authority we hold on behalf of our mutual client. Please ensure it is the only clause you use dealing with the conduct of the auction.

The terms of the sale are to be payment of 10% deposit on signing of the Contract of Sale with the balance of the purchase money payable in 30/60/90 days or earlier by mutual agreement with vacant possession. The chattels in the property are all fixed floor coverings, electric light fittings and window furnishings, as inspected. Please confirm these inclusions with our mutual client before preparation of the Contract of Sale.

Please also confirm with the Vendor all actual approvals and formal proposals regarding any adjoining property that may be required to be disclosed in the Vendor's Statement.

Accordingly, once you have confirmed these instructions with the Vendor, would you please prepare and forward to us 4 copies of the Contract of Sale (one unbound copy suitable for faxing) incorporating the Vendor's Statement and all relevant certificates.

Please ensure that the documents are marked to the attention of **Natasha Watt** and reach the office promptly, preferably at least a week before the auction.

Please forward a separate copy of the Contract of Sale and Vendor's Statement to the Vendors prior to the auction for their approval. As we require accurate land measurements for the marketing of the property we request that a copy of Certificate of Title be faxed or sent to us as soon as possible.

Special Conditions

Please make specific provisions as follows:-

- ◆ for purchase in a company name and provide the necessary guarantee
- ◆ please enquire of your client whether there have been any building works undertaken as owner/builder, and whether the works have the appropriate insurance cover
- ◆ we request you investigate the situation regarding pool fencing and smoke alarms

Goods and Services Tax

Please ensure that the special conditions protect the vendor's interests in regard to recent taxation reforms, in particular, GST.

- ◆ Please seek advice from the vendor as to whether they are registered for GST or if he/she is required to be registered for GST
- ◆ If the sale of this property is subject to GST, we confirm that you will be communicating with the purchaser's solicitor to arrange for GST to be paid by the purchaser at the time of settlement. Please advise us as soon as possible by return mail if this is not correct.

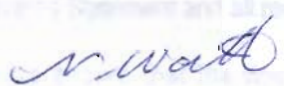
Section 27 of the Sale of Land Act

We seek your written advice as to whether serving of a Section 27 Statement will disadvantage the vendor having regard to recent taxation reforms, in particular, GST.


If our mutual client will not be disadvantaged, please provide a duly completed Section 27 Statement, in duplicate, with a purchaser acknowledgment section therein. We will arrange for the vendors to sign the Statements. Upon exchange of the Contract of Sale we shall pass a signed Section 27 Statement to the purchaser's solicitors.

Please do not forward a Section 27 Statement to us if the vendor will be disadvantaged by a GST liability arising from execution of the Statement.

Yours faithfully,
HOCKING STUART (KENSINGTON) PTY LTD



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EDWARD THOMAS
Director
Auctioneer



mu
WAYNE ELLY
Director
Auctioneer