

Cascades Fact Sheet

PROPERTY MAXIMISER® - INVESTOR OPTION

Full details are in the Free Information Kit and Prospectus – call today for this or visit www.CascadesOnTheLake.info

What is Property Maximiser® ?

Property Maximiser® is where the purchaser of a villa or apartment who also invests into Cascades Capital Limited (taking advantage of the 18% return) can (1) elect to utilise the investment to meet the villa or apartment 10% deposit obligations and (2) at settlement elect to utilise the investment as part payment of the villa or apartment . With *Property Maximiser®* the amount invested cannot be less than 10% of the villa or apartment purchase price and cannot exceed 20%.

Of course you can invest further funds as an investment however they will not form part of *Property Maximiser®*.

You must read the Cascades Capital Limited prospectus in full prior to making any investment. Full details of *Property Maximiser®* is also in the Cascades Capital Limited prospectus.

How do I elect to use *Property Maximiser®*?

Various alternatives exist here – (1) you may have already entered into a contract to purchase a villa or apartment (and noted the provisions in the Sales Contract enabling you to utilise *Property Maximiser®*), or (2) desire to purchase a villa or apartment and utilise *Property Maximiser®*, or (3) made an investment into Cascades Capital Limited and then decide you want to purchase a villa or apartment and utilise *Property Maximiser®*. In all cases (prior to prospectus drawdown) we will work with you to meet your needs. Contact us to discuss all options. Of course you can complete the villa or apartment Register of Interest in the Cascades Capital Limited prospectus and we will contact you regarding the purchase of a villa or apartment and the utilisation of *Property Maximiser®*.

How can entering into *Property Maximiser®* satisfy my deposit obligations under the contract to purchase a villa or apartment?

If you invest between 10% and 20% of the villa or apartment contract price in the Cascades Capital Limited prospectus you can elect to utilise the Union Equities Deposit Bond to secure your 10% deposit obligations under the contract rather than being limited to cash or bank guarantee. In this manner you optimise funds utilisation – an 18% return rather than no interest on the deposit paid.

Further, the investment is sole security for the Union Equities Deposit Bond (no other security is required and neither Union Equities or Cascades Vista Pty Ltd will have any further recourse for the deposit). In summary Union Equities takes a mortgage over your investment in Cascades Capital Limited and issues the Union Equities Deposit Bond to satisfy the developer, Cascades Vista Pty Ltd's deposit requirements.

What happens at settlement?

Once the new titles are issued for the villa or apartment settlement will occur. At settlement, where the Union Equities Deposit Bond has been used, release of the Bond occurs and the title to the lot is transferred to you. At this point you have the choice of either paying the full amount of the purchase price and continuing with the investment in Cascades Capital Limited until redemption or alternatively, you may elect to assign the investment back to the developer Cascades Vista Pty Ltd as part payment of the purchase price.

Please read the Cascades Capital Limited Prospectus for full details regarding the investment and *Property Maximiser®*.

In summary your investment works for you in everyway. It can be utilised to secure your villa or apartment deposit, and when your villa or apartment title is delivered to you at settlement the investment can be utilised as part payment.



See The Back of This Fact Sheet For: -

- 1. *Property Maximiser®* Example!**
- 2. The 20% Model Advantage!**

Property Maximiser® Example

1. You enter into a contract to purchase a villa or apartment for \$360,000 (which price includes the furniture package of \$25,000).
2. Instead of paying the 10% deposit by way of cash into a trust account, or by way of a bank guarantee, you invest between \$36,000 and \$72,000 into the Cascades Capital Limited prospectus offer.
3. You allow your investment in Cascades Capital Limited to be mortgaged by Union Equities Pty Ltd who then issue the developer of Cascades, Cascades Vista Pty Ltd, with the Union Equities Deposit Bond. This satisfies your deposit requirement on your villa or apartment to be purchased.
4. You decide to invest \$72,000 into Cascades Capital Limited (being the maximum 20% of the Residence contract price of \$360,000 which can be invested through *Property Maximiser®*). During the development the \$72,000 will earn you monthly interest at 8% per annum, being \$480 per month paid to your nominated bank account.
5. At completion of the building and transfer of the villa or apartment title to you, you elect that the invested \$72,000 forms part payment of your villa or apartment settlement amount. You provide the residual amount of \$288,000, the Union Equities Deposit Bond is released (as your deposit requirements have been satisfied by settlement) and you assign the \$72,000 investment in Cascades Capital Limited to the developer, Cascades Vista Pty Ltd.
6. If you elect to use the \$72,000 as part payment of your villa or apartment, then at settlement the 8% per annum monthly interest ceases to be paid and the 10% per annum deferred interest stops accruing.
7. When all other investors in Cascades Capital Limited are repaid you will be paid your 10% per annum deferred interest. For example, if your \$72,000 was invested for 12 months (between drawdown of the funds as per the prospectus) and settlement of your villa or apartment, you would be paid a cash amount of \$7,200 (being \$72,000 at 10% per annum for 365 days).

The 20% Model Advantage

Leverage 20% now and have a positive cash flow from day 1 – Both by investment into Cascades Capital Limited and then your retreat villa or resort apartment.

Cascades Capital Limited Investment

1. As an example a property investor purchasing a \$360,000 villa or apartment (which price includes the furniture package of \$25,000) as an investment property (or lifestyle investment) decides to leverage their home or other assets by \$72,000 (at say an interest rate of 7% per annum) and invest the \$72,000 into Cascades Capital Limited, utilising *Property Maximiser®* as already explained.
2. Each month they will receive \$480 from the investment in Cascades Capital Limited to meet the \$420 interest on the \$72,000 borrowed.
3. At settlement of their villa or apartment they will only have to settle \$288,000 – with the \$72,000 assigned to the developer, the option as explained in *Property Maximiser®*. This means only borrowing at a conservative 80% of the villa or apartment price of \$360,000 (which includes the furniture package of \$25,000).
4. They then receive their 10% per annum deferred bonus as in no.7 above when all investors are repaid.



Residence Investment

5. A Cascades Fact Sheet detailing the benefits of the Positive Cash Flow model is available – essentially where a property investor or lifestyle property investor purchasing a villa or apartment in Cascades, taking into account income, interest, costs and taxation, ‘makes money’ from investment commencement (a positive cash flow without capital growth). Of course capital growth of the villa is in addition.