

Our Ref: JH:204466
julie@philwil.com.au

31 August 2026

Mr. K Jones
<via email>

Email: klauswjones@gmail.com

Dear Mr. Jones,

Proposed Purchase of 84 Hutton Street, Thornbury VIC 3071
Property Address: 84 Hutton Street, Thornbury VIC 3071

We have reviewed the vendor statement (Section 32 Statement) and Contract and bring to your attention the following matters whether:

1. We note the vendor has completed a building and pest inspection report for the property. Upon review of the report dated 3 August 2026, we note there are numerous minor defects and no major defects stipulated in the report. We suggest you review the minor defect items in the report and if you prefer, engage relevant specialists if you require more information about the current condition of the property prior to the Auction on Saturday 5 September 2026.
2. If buying at auction you will not be able to make the contract subject to finance. If buying privately you may be able to make the contract subject to finance.
3. We also recommend before you sign the contract that you measure the property to ensure that the fences are located in accordance with the Title Plan. The contract provides that you accept the property as it is currently fenced.
4. When signing the contract please ensure all purchasers' names are written in full and spelled correctly.
5. The property is sold subject to lease. This means you are not entitled to possession at settlement, but at the earliest could obtain possession at the expiry of the lease in May next year. The terms of the lease include,
 - a. The lease is for a fixed term which commenced on 10 May 2026 until 9 May 2027.
 - b. The rental amount is \$5,040.00 payable monthly on the 10th of each month.
6. We note the following special conditions from the contract of sale:
 - a. Special Condition 1- States that you have conducting your own inspections and investigations of the structure, building and land and upon signing the contract you have accepted the property in its current condition and state of repair.

- b. Special Condition 1.4- States you cannot object or claim compensation from the vendor or re-negotiate the purchase price after signing the contract as you are deemed to have accepted the property as is.
- 7. There is a covenant that affects the property for all past, present and future owners which affects how the land can be used or developed. In this instance the covenant was registered over the land in 1920. The covenant affecting the property limits how you can use the land and states you cannot use the land for commercial purposes (i.e quarrying, brickmaking). We also note the covenant also restricts you to remove any sand, soil and earth from the land.
- 8. Land Tax
 - a. The vendor statement contains a land tax certificate that shows the vendor is exempt from land tax. You would not be liable to pay land tax this year. However, since you will not be able to move into the property until next year, due to the existing tenancy, you will be liable for land tax from 1 January next year and each calendar year thereafter for as long as you do not reside in the property.
- 9. Windfalls Gain Tax
 - a. We note The Certificate included with the Land Tax Certificate indicates that Windfall Gains Tax **may** be payable.

As of 1 July 2023, a Windfall Gain Tax (WGT) will apply to land that is subject to a government rezoning resulting in a taxable value uplift (TVU) to the land of more than \$100,000.

As the property you are purchasing may be subject to Windfalls Gain Tax, please refer to the attached factsheet.

10. Right of Carraige Way

We note there is a Right of Carraige Way, this means you are responsible for keeping the path in good condition and you cannot build structures, park permanently or put up a fence which restricts others from using the carriageway.

- 11. We recommend that you test all appliances on the property that will remain after settlement. You will purchase these in the condition that they are in on the date that you sign the contract.

Please let us know if you proceed to purchase the property.

Yours faithfully,

Julie Huynh
PHILLIPS & WILKINS