DRAFT HEADS OF AGREEMENT

<u>Terranora Group Management Pty Ltd and Tweed Shire Council</u> (RISE Estate)

Proposed Heads of agreement based on the RISE Concept Plan approval being granted by the NSW Minister for Planning

Abbreviations used.

- TGM means Terranora Group Management Pty Ltd.
- TSC means Tweed Shire Council.
- RISE means the land the subject of a Major Project Application MP08-0234 to the NSW Minister for Planning being the Concept Plan.

| NO. | TWEED SHIRE COUNCIL | TERRANORA GROUP MANAGEMENT |
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| 1. | Council will transfer the closed roads being Lot 4 DP 822786 and Lot 1 DP 1012180 to Terranora Group Management Pty Ltd when alternative legal access to the high level reservoir site has been provided. | TSC will make arrangements with TGM to assess the value of the closed road land against the land that TGM intends to dedicate to TSC as detailed herein. |
| 2. | Council will close the Crown road reserve between the Tietzel land and the Terranora Group Management land and the Crown road reserve from Cobaki Road to the Tietzel land (Old Coach Road) when the Concept Plan is approved. | Terranora Group Management will dedicate roads within RISE as public roads on a road opening/road closing basis in lieu of purchasing the closed roads. |
| 3. | Council will grant water supply headworks credits for the value of the land and approval/survey/ legal costs relating to the water reservoir sites should the value of the proposed total land swaps be in TSC's favour. | Terranora Group Management will transfer the two reservoir sites to Tweed Shire Council following approval of the Concept Plan. |
| 4. | Council will grant headworks credits for water supply based on a target reduction in consumption of 60% once the proposed IWCM system is approved by TSC. TSC will accept the ongoing maintenance of the proposed Sewer Pump Station to be located adjacent to Cobaki Road. | Terranora Group Management will implement IWCM including: Collect roof water in common rainwater tanks and provide a reticulation system to all premises (non potable). Collect general runoff in dams and reticulate the water to parks and reserves (non potable). Initiate the ongoing management of the IWCM system by the proposed Community Title Scheme Body Corporate. |
| 5. | If the planned Cobaki Parkway from Piggabeen Road to the Boyd Street Overpass to Queensland is not dedicated by Leda Developments Pty Ltd within the required timeframe under the Concept Plan, Tweed Shire Council will compulsorily acquire the corridor and apply credits for acquisition costs, compensation and construction by TGM in accordance with Tweed Road Contribution Plan, Section 94 Plan No. 4 rates. | Terranora Group Management will meet the cost of acquisition, compensation and construction of a two lane road and bridge over Cobaki Creek from Piggabeen Road to the Boyd Street Overpass to Queensland, subject to Council applying TRCP Section 94 Plan credits, should it be necessary at the appropriate time. |
| 6. | Council will grant sewer headworks credits for the sewer rising main and sewer pump station from the site to the Gollan Drive Pumping Station and Tweed Shire Council will meet the marginal cost of any increased pipe size or pump capacity required to accommodate other land holdings as depicted in the draft Bilambil Heights Local Area Structure Plan provided to TSC by TGM. | Terranora Group Management will construct the sewer rising main and sewer pump station from the site to the Gollan Drive Pump Station at the appropriate time. |
| 7. | Council will apply the general water and sewer rates to the project and assume responsibility for the ongoing maintenance of the sewer and water supply system throughout the estate excluding the proposed IWCM recycled water system. | Terranora Group Management will implement a Community Title Scheme over the RISE site with the Body Corporate to be responsible for ownership and maintenance of all internal roads (excluding the spine road and the two roads to the Tietzel land). The Body Corporate will also be responsible for the ongoing maintenance of the proposed IWCM recycled water system. |