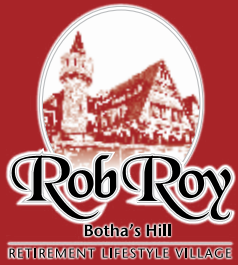


QUESTIONS & ANSWERS



QUESTIONS & ANSWERS

This question and answer sheet has been compiled as a guide to those who may be interested in purchasing an apartment or house at the Rob Roy (Botha's Hill) Lifestyle Village and is subject to change without notice. It does not override anything which will be contained in the official rules nor in any sale agreement for the purchase of an apartment or house at Rob Roy.

INTRODUCTION

Q1 What is the Rob Roy (Botha's Hill) Lifestyle Village?

A1 The Rob Roy (Botha's Hill) Lifestyle Village is an up market retirement village which has been constructed on the site of the well-known Rob Roy Hotel. The development comprises 59 apartments and 11 houses on a 6.8ha site in the first phase. A further 5 phases are planned consisting of apartments only.

Q2 When should I consider moving into a retirement estate?

A2 As a general rule, most people in retirement estates either tend to be retired or are still working but are approaching retirement and require a secure "lock-up-and-go" living environment. While some retirees, due to health reasons, may require the care facilities that a retirement estate offers, most are still very active and lead busy lifestyles. Some owners buy their retirement homes in advance of actual retirement and use them as investments for the time when they are ready to move to a retirement estate.

Q3 Who is the seller?

A3 The seller of the Rob Roy Lifestyle Village is Robroy (Botha's Hill) Lifestyle Village (Pty) Ltd, a private company which is registered as a retirement village and comprises of the following directors – both well known and respected individuals in the Durban property industry:

- Julian Beare, Managing Director of investment company, Beare Holdings (Pty) Ltd.
- Roy Alderdice, Director of the Alliance Property Group (Pty) Ltd.

Both directors have been extensively involved in retirement projects, and they therefore bring a wealth of experience in the development and running of retirement villages.

MANAGEMENT

Q4 What arrangements will be in place for the management of the Rob Roy?

A4 Rob Roy will be managed by the developers.

THE RESIDENTIAL UNITS

Q5 How many different sizes of apartments are there?

A5 There are a wide variety of apartments available. Each apartment has its own parking. Additional parking may be purchased.

Q6 Will I be permitted to install air conditioners, TV aerials and satellite dishes?

A6 The installation of air conditioners will be permitted subject to approval by the seller. There will be no need for TV aerials or satellite dishes as these will be provided from a central facility.

Q7 Who will be responsible for the maintenance of the interior and exterior of units?

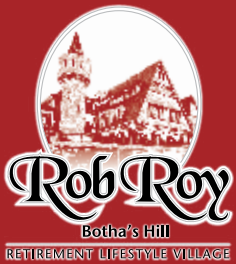
A7 The maintenance of the interior of each unit is the responsibility of the individual owner while the maintenance of the exterior is the responsibility of the Rob Roy levy fund.

Q8 What will happen in the event of power outages?

A8 Rob Roy has two large generators which will kick in immediately if power supply is interrupted. The generator is powerful enough to supply electricity to the entire development including all lighting, geysers and lifts. At Rob Roy you will never be in the dark!

Q9 Is solar heating being considered for the development?

A9 Yes, solar panels have been provided in all houses for the heating of water.



QUESTIONS & ANSWERS

FACILITIES AND AMENITIES

Q10 What facilities are there at the Rob Roy?

A10 Amongst the numerous facilities on offer at Rob Roy is a 22 bed Care Centre which is located within the Main Building. Other facilities include a residents' dining room, two lounges, auditorium, card room, pub, snooker room, heated indoor pool, croquet, gymnasium, childrens' play area, car wash facility, hobby workshops, library, a hairdresser, a small convenience shop and outside bar and restaurant area. A minibus for outings is provided. These facilities constitute approximately 35% of the total cost of the development which has been factored into the prices of the apartments and houses. Purchasers must therefore take these facilities into account when comparing Rob Roy with other retirement complexes.

Q11 Are laundry facilities available?

A11 Laundry facilities for washing and drying are available in the Main Building as well as the Mary Campbell Wing.

Q12 What social activities have been provided?

A12 Venues for the following social activities have been provided in the Main Building and hobby workshop areas:

- Art Classes
- Bridge Club
- Chess Club
- Embroidery Classes
- Snooker

The auditorium can be used for small plays, lectures and presentations, movies, major sports on TV, bingo, religious services and visiting choirs.

Q13 Will facilities be available for medical practitioners?

A13 Medical practitioners can consult with patients in their apartments/ houses or at the Care Centre.

Q14 Will I be able to use my golf cart to get around the estate?

A14 Yes. House owners will be able to use their own golf carts.

Q15 Will the kitchen, pub and shop be outsourced?

A15 No, however no rental for the floor space will be charge by the developers to ensure that the goods, and services offered by these facilities are reasonably priced. This cost is not part of the levy.

Q16 Is there a hairdresser?

A16 Yes. This has been outsourced.

Q17 Are there washing facilities available for motor vehicles?

A17 Yes. A wash bay with free re-cycled water is provided for this purpose.

Q18 Will housekeeping and meal services be available?

A18 Yes, both services are available and residents will have a choice of meals for which there is an additional charge. A housekeeping and assisted living service is provided, the cost of which is available on request.

Q19 What type of public, private or estate transport is available?

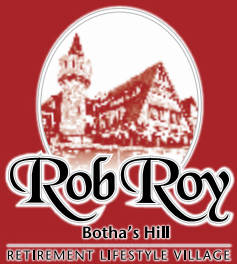
A19 The Rob Roy has purchased a minibus for transporting residents to local shopping facilities and for outings. The cost of acquiring the minibus has been borne by the Developer, but the running costs and replacement of the vehicle thereafter will be paid out of the levy fund.

Q20 Is satellite TV provided?

A20 Yes. A centralized satellite dish has been provided for the development which enables residents to pick up all DSTV channels in addition to the normal SABC channels, eTV and MNET.

Q21 Will internet access be available?

A21 Yes



QUESTIONS & ANSWERS

FINANCE

Q22 Can apartments/houses be rented out?

A22 Yes, provided tenants are over 60 years old. The Developer provides a rental service to residents and all tenants are required to be approved by the Rob Roy Management. In the event of the death of the life rights holder, the lease with the tenant will automatically terminate after 90 days of the death of the Life Rights holder.

Q23 Can I buy an apartment or house subject to the sale of my existing property?

A23 Yes.

Q24 Can a family member purchase a unit on behalf of their parents?

A24 Yes, provided that the parents remain the occupants of the unit. Once the surviving spouse passes away the unit must be sold and the proceeds will be paid back to the family member in terms of the resale formula. The proceeds do not form part of the parent's estate. Family trusts can also purchase on the same basis.

Q25 Under what circumstances will deposits be refunded?

A25 If any suspensive conditions in the purchase contract are not fulfilled, the deposit, with interest, will be refunded.

Q26 What levies are payable and what do they include?

A26 Details of the levies are included in the sales pack.

Q27 Am I responsible for paying the water and electricity accounts?

A27 Electricity and water consumed within all houses and apartments will be separately metered.

Q28 What guarantees are there that levies will not be increased dramatically in the future?

A28 In terms of the requirements of the Retired Persons Act within

whose ambit the Rob Roy falls, the Developer is required to disclose levies for the first 3 years and any shortfalls must be made up by the Developer during the first 2 years. Thereafter levies may increase in line with increased operating costs. In order to minimize the impact of future levy increases, the Developer has contributed R200 000 to the levy stabilisation fund.

Q29 What insurance cover do I need to arrange?

A29 The Developer has insured all buildings based on an independent valuation. The cost of this insurance is included in the levy. It is each resident's responsibility to insure their personal contents. Bay Union is the Rob Roy's preferred financial service provider for your personal domestic insurance needs. They provide the following tailor made insurance:-

- An up market product covering asset all risks and motor insurance including car hire following a claim.
- 24 hour road side assistance in the event of breakdown or accident.
- Up to 35% discount on standard premiums.
- All basic excess waived.
- All policy administration attended to "in house".
- Claims administration and payments attended to "in house" therefore ensuring speedy attention and settlement.
- Dedicated representative provided to deal with policy and claims issues who will pay regular visits to Rob Roy to give personal attention to residents on any queries.
- Representatives available to advise on life and investment planning and medical aid.
- Insurance also provided for works of art and travel insurance.

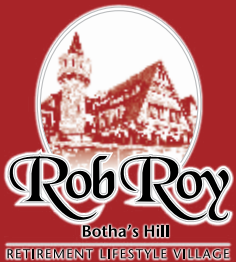
LIFE RIGHTS

Q30 What options to purchase are available at the Rob Roy?

A30 All units may only be purchased by way of life rights. 6 finance options are also available as follows:

Option 1: Cash

Option 2: Purchase subject to the sale of your existing property.



QUESTIONS & ANSWERS

Q31 What is a life right scheme?

A31 A life right confers on the holder and/or spouse the right to occupy an apartment or house for the holder and/or spouse's lifetime subject to the terms of the agreement, but without conferring the right to claim transfer.

Q32 Can you explain what the advantage is in buying into a life rights scheme?

A32 Refer to the Life Rights explanation in the next column

Q33 How am I protected as a holder of a life right?

A33 Holders of life rights are protected under the Housing Development Scheme for Retired Persons Act No. 65 of 1988. In terms of the Act, the holder of a life right shall have the same rights as those conferred on a tenant where the lease has been registered against the Title Deeds of the leased land. Such right shall be preferent to any other right irrespective of whether it is registered or not and irrespective of the time when such other right was registered.

Q34 Will members of the life rights holders' family be given any preference to purchase the life right?

A34 Upon the death of a life rights holder and / or the spouse, the life right will be offered to the immediate family provided that the family member is aged 60 or over.

Q35 What happens in the event of my selling my apartment or house through death or other circumstances?

A35 When the life right terminates through death or other circumstances, the right reverts to the Developer who is entitled to re-sell it. Upon such a re-sale, the outgoing occupant, or his/her estate, will be entitled to the selling price less expenses (5% contribution to the levy stabilization fund and 5% selling commission) less 50% of the net surplus arising between the original cost and the selling price less expenses.

Any cost incurred in the refurbishment of the apartments or houses will

be shared between the seller and the life right holder and will form part of the supplied formula.

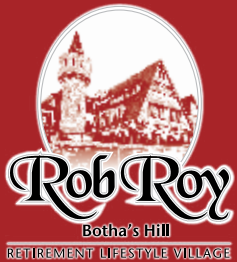
The following example illustrates how the formula works:

Selling price	R800 000
Less levy stabilization fund (5%)	R40 000
Less selling commission (5%)	R40 000
Net selling price:	R720 000
Less original cost	R600 000
Surplus	R120 000
Less 50% paid to the Developer	R60 000
Net surplus due to the life rights holder	R60 000
Add back original purchase price	R600 000
TOTAL DUE TO LIFE RIGHTS HOLDER	R660 000

The Developer's share of the surplus goes towards the ongoing involvement by the Developer in the scheme in such matters as:

- Protecting the Rob Roy brand name. The Developer intends to develop more retirement lifestyle villages in other towns and it is imperative that high standards are maintained and that the reputation of the Developer is protected.
- Not charging any rental for facilities such as the kitchen, two restaurants, the pub and the hairdresser. This will have the effect of reducing the cost of these services to residents.
- Retaining ownership of the Care Centre independently from the Lifestyle Village. Residents' levies will not be affected should the Care Centre not be profitable.
- Managing the Lifestyle Village thereby ensuring that the interests of all residents will be protected. Very often conflicts develop whereby certain residents on the Committee make changes to suit themselves.
- Paying 50% towards the refurbishment of any unit to be resold. This will ensure that the value of units is maximized.
- Building up a data base of purchasers to facilitate future re-sales.
- Providing limited loan finance to assist with the re-sale of life rights.

It should be noted that there are no prescribed regulations which govern the apportionment of funds from the re-sale of life rights. In some cases you get nothing back or you get back what you paid, whereas in others there is a percentage of refund. It depends to a large extent on what facilities the seller is providing and what role the Developer will play going into the future.



QUESTIONS & ANSWERS

SECURITY

Q36 What security measures have been provided?

A36 A solid brick wall, topped with electric fencing, has been constructed along the Mackenzie and Rob Roy Crescent boundaries of the development. Other boundaries have an electrified palisade concrete fence and all electric fencing has an alarm system which is linked to the gate house. Access to the site by residents and visitors will be via a single CCTV monitored access control point manned 24 hours a day. In addition there are 24 hour security patrols and all apartments and houses are linked to the security gatehouse. Rob Roy has a 5 star grading in terms of the Occupational and Safety Act.

Q37 Does each apartment and house have an effective emergency call system?

A37 Yes, an emergency medical response service is also available. The costs of this response service is included as part of the levy.

Q38 Are the apartments and houses linked telephonically?

A38 Yes, an internal telephone service has been provided linking all apartments and houses as well as all other facilities like the pub, kitchen, dining room etc. There is no charge for internal calls.

THE ROB ROY CARE CENTRE

Q39 Who owns the Rob Roy Care Centre?

A39 The Rob Roy Care Centre is owned and managed by Robroy (Botha's Hill) Lifestyle Village (Pty) Ltd as a separate business venture. The operating costs of the Centre will, therefore, not impact on residents levies.

Q40 Will residents of the Rob Roy have a preferential rate for the use of the Rob Roy Care Centre and will non-residents be able to use the facility?

A40 The Care Centre is open to non-residents, however, priority will be given to residents living at Rob Roy. As this facility is a commercial enterprise, costs are expected to be competitive with equivalent private

care facilities elsewhere. Residents will enjoy a discount off the normal fees paid by non-residents.

VISITORS

Q41 May I have my friends / family to stay and are there any conditions governing their stay?

A41 The Rob Roy is your home and visitors are welcome to stay. However for security purposes management must be advised.

GARDENING

Q42 Is there a garden area for my use and who looks after it?

A42 All houses have a garden area and while residents will be encouraged to do their own gardening, a garden service is provided by the Rob Roy Management.

Q43 Will there be an irrigation system?

A43 Yes, an irrigation system for the houses and the common property draws treated water from the treatment works, but is not suitable for drinking.

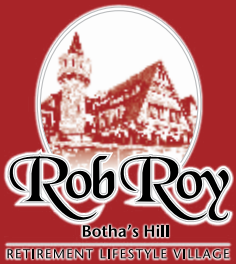
GENERAL

Q44 Will my daily char or a nurse be permitted to work for me?

A44 Daily chars and nurses may be employed by residents and will be screened for security purposes. No provision for permanent on site accommodation has been made.

Q45 Are pets permitted?

A45 Yes, one small dog will be permitted in the roof terrace apartments in the Main Building with roof gardens and in all the houses, on first occupation only. The dog may, however, not be replaced. Cats and noisy cage birds, eg parrots, will not be permitted.



QUESTIONS & ANSWERS

Q46 Are separate toilet, change-room and dining facilities provided for staff members?

A46 Yes, separate facilities are provided.

Q47 What are the regulations regarding smoking?

A47 No smoking will be permitted in common facilities as well as the Care Centre. Smoking in apartments and houses is a personal choice.

Q48 Will the Rob Roy be wheelchair friendly?

A48 The entire development is accessible to wheelchairs and lifts and ramps have been provided where appropriate.

Q49 If I or my spouse suffers from a diminished ability disease, will I still be able to purchase at Rob Roy?

A49 Yes, but you will be required to submit a medical report on the severity of your condition and whether the services offered at Rob Roy will cater for your needs.

Q50 How will I get my post?

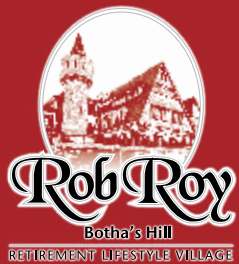
A50 Centralised post boxes are installed for the convenience of residents.

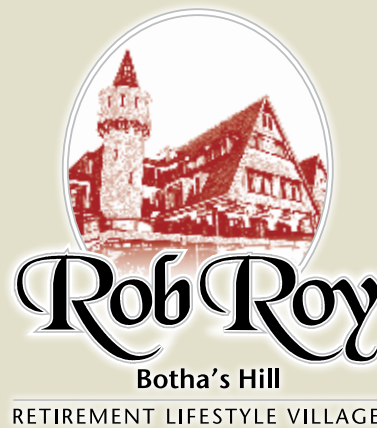
Q51 Will there be a newspaper delivery service?

A51 Yes

Q52 How do I get my groceries from my car to my apartment?

A52 Trolleys in the basement parking are provided to assist residents in conveying their groceries to their apartments.





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www.robroylifestylevillages.co.za

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