



Community Housing Assistance Agreement Leasehold Portfolio Funding

NSW LAND AND HOUSING CORPORATION

ABN 24 960 729 253

(Corporation)

[PROVIDER'S NAME]

ABN «ABN»

(Provider)

Leasehold Portfolio Funding

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Agreed Terms

1. Background

- (a) The Provider is a Registered Community Housing Provider providing Community Housing.
- (b) The Corporation is entering into this Community Housing Assistance Agreement with the Provider for the purpose of providing Assistance under section 67I of the Act.
- (c) Pursuant to this Community Housing Assistance Agreement the Corporation has agreed to provide this Assistance in the form of Funding to assist the Provider with the provision of Community Housing.
- (d) This Community Housing Assistance Agreement is entered into pursuant to and incorporating the Common Terms.

2. Duration

This Community Housing Assistance Agreement commences on the First day of July 2011 and terminates upon written notice by the Corporation. Nothing in this clause limits clause 20 of the Common Terms.

3. Objectives

The objectives of the Corporation providing Assistance to the Provider under this Community Housing Assistance Agreement are to:

- (a) support the delivery of Community Housing by the Provider; and
- (b) support the leasing of properties from the private rental sector to be used for the delivery of Community Housing.

4. Assistance

If the Provider meets its obligations under this Community Housing Assistance Agreement, the Act and the Common Terms, the Corporation will provide the Provider with Assistance in the form of Funding in accordance with this Community Housing Assistance Agreement.

5. Provision of Funding

5.1 Funding Details

Subject to the terms of this Community Housing Assistance Agreement and the requirements of the Act, the parties agree that the Corporation will provide Funding to the Provider as set out in Schedule 2 in accordance with the Payment Methodology set out in Schedule 3, or as otherwise notified by the Corporation during the term of this Agreement.

5.2 Use of Funding

The Funding is to be used to support the leasing of Leasehold Properties from the private rental sector which will be used for Community Housing and for supporting the Provider's delivery of Community Housing.

6. Provider's Undertakings

6.1 General

In addition to all undertakings set out in the Common Terms, the Provider must (unless the Corporation otherwise consents) use its best endeavours to deliver the number of Agreed Leasehold Properties.

6.2 Portfolio Targets

The Portfolio Targets for this Community Housing Assistance Agreement are set out:

- (a) in the most recent Portfolio Target Schedule contained in Schedule 2 of the Common Terms; and
- (b) any further Portfolio Targets as agreed with the Corporation from time to time.

Nothing in this clause limits clause 4.1 of the Common Terms.

7. Reporting

7.1 Financial Management

The Provider shall:

- (a) account for all Funding received under this Community Housing Assistance Agreement in accordance with the relevant Australian Accounting Standards, all legislation applicable to the Provider and appropriate record keeping standards; and
- (b) prepare its accounting records in such a way as to differentiate the funding provided under this Community Housing Assistance Agreement from any other funding received from any other source.

7.2 Reporting Against Leasehold Properties

In addition to all reporting requirements in the Common Terms and the Act, the Provider must also provide the Corporation with the following reports in the format and within the time period specified by the Corporation:

- (a) a quarterly financial and data return for Leasehold Properties; and
- (b) an annual financial and data return for Leasehold Properties.

8. Status of Agreement

- (a) This agreement reflects the principles agreed between the parties in relation to the provision of the Funding by the Corporation to the Provider for the purposes of providing Community Housing.
- (b) The parties agree that clauses 1 and 2 are for background reference only and shall not, unless there is ambiguity, affect the interpretation of specific provisions in this Community Housing Assistance Agreement.

9. Common Terms

- (a) The parties acknowledge and agree to comply with their respective obligations under the Common Terms.
- (b) To the extent that there is any inconsistency between this document and the Common Terms, this document shall prevail unless otherwise indicated herein.

10. Goods and Services Tax

The parties agree that in respect of the supplies of the obligations by the Provider relating to the Funding specified in this Community Housing Assistance Agreement (**Supplies**) that:

- (a) the Corporation can issue tax invoices in respect of those Supplies;
- (b) the Provider will not issue tax invoices in respect of those Supplies;
- (c) the Provider warrants that it is registered under the GST Law and it will notify the Corporation if it ceases to be registered under the GST Law; and
- (d) the Corporation warrants that it is registered under the GST Law and it will notify the Provider if it ceases to be registered under the GST Law.

11. Defined Terms and Interpretation

11.1 Defined Terms from Common Terms

Terms defined in the Common Terms (as defined below) have the same meanings when used in this Agreement unless otherwise defined in this Agreement. Parties to the Common Terms referred to by short form name in this document are more fully described in the Common Terms.

11.2 Other Defined Terms

In this document:

Act means the *Housing Act 2001* (NSW).

Agreed Leasehold Properties means the number of Leasehold Properties specified in Schedule 1 that is used to calculate Funding in accordance with the Payment Methodology.

Common Terms means the document entitled '*Common Terms and Conditions to Community Housing Assistance Agreements*' entered into between the Provider and the Corporation.

Funding means the funding described in clause 5.1.

Leasehold Properties means the properties which the Provider leases from the private rental sector using the Funding provided under this Community Housing Assistance Agreement.

Payment Methodology means the formula set out at Schedule 3

Registered Community Housing Provider means a Community Housing Provider that is registered under section 67D of the Act.

11.3 One Agreement

The Provider has, by signing this document, entered into a Community Housing Agreement incorporating the Common Terms, the terms and conditions set out in this Community Housing Assistance Agreement and each Supplementary Agreement.

12. 2010-11 Funding

The parties acknowledge that the Provider received Funding in the 2010-2011 Financial Year and that this Funding was issued pursuant to the Community Housing Leasing Program Agreement for 2009-2010.

Signing Page

EXECUTED AS AN AGREEMENT

DATED:

THE CORPORATION

SIGNED by me Leonie King)
Executive Director, Community Housing Division)

As delegate of the New South Wales)
Land and Housing Corporation)
And I hereby certify that I have no)
Notice of the Revocation of such delegation)

THE PROVIDER

SIGNED BY «Account_Name_CAPS»

Pursuant to section 127 of the Corporations Act or in accordance with the Articles of Association

NAME	POSITION	SIGNATURE
_____	Director	_____
_____	Secretary or Director	_____

Schedule 1 - Agreed Leasehold Properties

PROVIDER'S NAME

Agreed Leasehold Properties 1 July 2011

Housing Product	Properties
Long Term Community Housing	
Crisis and Transitional Accommodation	
Agreed Leasehold Properties	

Schedule 2 - Funding

PROVIDERS NAME

The Corporation will allocate the following Funding to the Provider, subject to the Provider meeting the terms and conditions of this Agreement and requirements of the Act. The Funding is applicable at 1 July 2011 and may be subject to change during the term of this Agreement in accordance with any change to the Funding Methodology.

1. **A Management Grant** the amount of which is [DOLLAR RATE] per annum for each Agreed Leasehold Property.
2. **A Leasing Subsidy** which is determined and paid according to the methodology described in Schedule 3.
3. **A Leasehold Allowance** which is determined and paid according to the methodology described in Schedule 3.
4. **A Repairs and Maintenance Allowance** the amount of which is **\$295** per annum for each Agreed Leasehold Property.

Schedule 3 – Payment Methodology

The following describes the methodology used to determine the Funding payable to the Provider under this Agreement as at 1 July 2011. The Methodology and Funding may be subject to change during the term of this Agreement.

Management Grant

A Management Grant is payable to the Provider on a per-property basis according to the number of Approved Leasehold Properties.

The per-property amount is determined according to either a three-step payment scale **OR** as otherwise determined by the Corporation.

The three-step payment scale is structured as follows:

- \$2,465 per annum for each Agreed Leasehold Property where the number of Agreed Leasehold Properties is 75 or less.
- \$1,600 per annum for each Agreed Leasehold Property where the number of Agreed Leasehold Properties is greater than 75 and less than 155; or
- \$1,500 per annum for each Agreed Leasehold Property where the number of Agreed Properties is 156 or more.

Payment is made on a quarterly basis, payable in advance. There is no change to the per-property rate of payment if the number of Agreed Leasehold Properties increases above, or falls below a payment scale threshold during the course of the financial year.

Leasing Subsidy

The Leasing Subsidy is paid according to the difference between:

the total sum of rental payments made to landlords for all Leasehold Properties, **OR**, the total sum of median rents for the dwelling type, bedroom type and geographic area of each Leasehold Property as identified in Housing NSW's *Rent and Sales Report*, **whichever is the lesser**;

AND

the total sum of rental payments the Provider has received from tenants of all Leasehold Properties **LESS** the Leasehold Allowance.

(cont.)

The Leasing Subsidy is paid quarterly in advance. An adjustment is made to the Leasing Subsidy payment two quarters after the forward payment to reconcile the difference, if any, between the **Leasehold Allowance**

Two percent of the sum of all tenant rental payments over a financial quarter is retained by the Provider.

Repairs and Maintenance Allowance

A payment of \$295 is made at the commencement of quarter two of the financial year for each Agreed Leasehold Property. Unspent funds are retained by the Provider.