

HOUSING PROVIDER FRAMEWORK LEASE AND PROPERTY MANAGEMENT AGREEMENT

SUMMARY OF KEY TERMS	
PARTIES	
Who are the parties to the Agreement?	The Director of Housing and the Agency specified in Item 2 of the Agreement Schedule .
TERM	
What is the term of the Agreement?	The Agreement commences on the Commencement Date specified in Item 5 of the Agreement Schedule . The Agreement expires on the first to occur of: <ul style="list-style-type: none"> (a) 31 December 2008, if the Agency is not registered under the <i>Housing Act</i> 1983 by that date (clause 28); or (b) the date which is 5 years and 1 day after the Commencement Date (clause 3.1.2).
PREMISES	
Which premises are subject to the Agreement?	The properties specified in Part 1 of Annexure A are subject to the Agreement. Clause 1 provides that references to the "Premises" in the Agreement are taken mean the properties specified in that Annexure.
Can the premises be changed throughout the Agreement?	Yes. Properties can be added to or removed from the definition of "Premises" if: <ul style="list-style-type: none"> (a) the Director and the Agency agree to do so under clauses 15.1 or 25.1; (b) the Director has a right to terminate the Agreement under clause 25.2; or (c) part of the Premises is damaged or destroyed under clause 29.3.
What is the permitted use of the Premises?	Clause 5.1 provides that the Agency must use the Premises for the sole purpose of providing residential accommodation to the Target Groups specified for each part of the Premises in Part 1 of Annexure A .
RENT	
What is the rent payable by the Agency?	The rent is \$2.00 (including GST) for the Term. The rent must be paid on or before the Commencement Date (Item 6 of the Agreement Schedule).
ASSET MANAGEMENT FUND FEE	
What is the Asset Management Fund Fee payable by the Agency?	The Asset Management Fund Fee payable by the Agency for the first year of the Term is the amount specified in Item 8 of the Agreement Schedule . The Asset Management Fund Fee must be paid by the Agency in 13 equal instalments in each year of the Term. The Director will nominate the dates in each month on which the payments are due.
How is the Asset Management Fund Fee reviewed ?	The Asset Management Fund Fee will be reviewed: <ul style="list-style-type: none"> (a) on 1 July in each year by CPI (clause 4.5.1); and

	<p>(b) on 1 January 2009 by no more than 10% (clause 4.5.2).</p> <p>The Asset Management Fund Fee may also be adjusted under clause 25.3 if properties are added or removed to the definition of "Premises."</p>
MAINTENANCE FUND FEE	
What is the Maintenance Fund Fee payable by the Agency?	<p>The Maintenance Fund Fee payable by the Agency (if any) for the first year of the Term is the amount specified in Item 7 of the Agreement Schedule.</p> <p>The Maintenance Fund Fee must be paid by the Agency in 13 equal instalments in each year of the Term. The Director will nominate the dates in each month on which the payments are due.</p>
How is the Maintenance Fund Fee reviewed?	<p>The Maintenance Fund Fee (if any) will be reviewed:</p> <p>(a) on 1 July in each year by CPI (clause 4.5.1);</p> <p>(b) on 1 January 2009 by no more than 10% (clause 4.5.2).</p> <p>The Maintenance Fund Fee (if any) may also be adjusted or removed altogether if:</p> <p>(c) the Maintenance Option set out in Item 11 of the Agreement Schedule changes (clause 10); or</p> <p>(d) properties are added or removed from the definition of "Premises" (clause 25.3).</p>
SUBLETTING THE PREMISES	
Is the Agency required to sub-let the Premises?	Yes. Under clause 6 , the Agency must use its best endeavours to ensure that the Premises is consistently occupied throughout the term by Sub-Tenants.
Who must the Premises be sub-let to?	<p>Part 1 of Annexure A will specify a Target Group for each property forming part of the Premises. The criteria for each Target Group is set out in Part 2 of Annexure A.</p> <p>Agencies must only sub-let properties forming part of the Premises to persons who satisfy the criteria for the Target Group relevant to that property (clause 6.2.1).</p>
What is the rent which should be charged under each sub-lease?	The Agreement does not prescribe a minimum rent which must be charged by the Agency. However, the rent payable by a Sub-Tenant must not at any time exceed the rent calculated using the Maximum Rent Formula set out in Part 2 of Annexure C (clause 6.4.1). However, for calculations Community Capacity Building will assume maximum rent.
MAINTENANCE AND REPAIRS	
What are the Agency's maintenance and repair obligations?	<p>All Agencies are required to comply with the maintenance and repair obligations set out in clause 7. Clause 7 requires the Agency to:</p> <p>(a) not damage the Premises in any way;</p> <p>(b) keep the Premises clean; and</p> <p>(c) maintain garden areas at the Premises.</p>

	The remainder of the maintenance and repair obligations vary depending on whether Maintenance Option 1 or Maintenance Option 2 applies to the Agreement. The Maintenance Option which applies is specified in Item 11 of the Agreement Schedule .
What are the maintenance and repair obligations if Maintenance Option 1 applies?	<p>Clause 8 governs the obligations of the parties if Maintenance Option 1 applies. Where Maintenance Option 1 applies, the Director has primary responsibility for repairs and maintenance and:</p> <p>(a) the Agency must not carry out any maintenance, repairs or other works (other than those required under clause 7) without the Director's consent (clause 8.1); and</p> <p>(b) the Director must carry out all repairs, maintenance and other works required to ensure the Premises are kept in good repair and in the same condition as they were in on the Commencement Date, fair wear and tear excluded (clause 8.2).</p>
What are the maintenance and repair obligations if Maintenance Option 2 applies?	<p>Clause 9 governs the obligations of the parties if Maintenance Option 2 applies. Where Maintenance Option 2 applies, the Agency has primary responsibility for repairs and maintenance and:</p> <p>(a) the Agency must carry out all repairs, maintenance and other works required to ensure the Premises are kept in good repair and in the same condition as they were in on the Commencement Date, fair wear and tear excluded (clause 9.2);</p> <p>(b) the Agency must not carry out any Major Works (as defined in clause 9.5.2) without the Director's consent (clause 9.5); and</p> <p>(c) the Director must carry out carry out all Structural Repairs and repair, maintain and or replace any item specified in Item 13 of the Agreement Schedule (clauses 9.3 and 9.4).</p>
Can the Maintenance Option change during the Term?	<p>Yes. The Maintenance Option can change if:</p> <p>(a) the Agency requests that the Maintenance Option change and the Director agrees to that request (clause 10.1); or</p> <p>(b) Maintenance Option 2 applies but the Director considers that the Agency has failed to comply with its obligations and therefore decides to change the Maintenance Option to Maintenance Option 1 (clause 10.2).</p>
WORKS BY THE DIRECTOR	
Can the Director carry out upgrade works at the Premises in addition to routine repairs and maintenance?	<p>An Asset Plan will be prepared for the Premises every three years.</p> <p>Under clause 11.2.3, the Director will endeavour to carry out the works set out in the Asset Plan, subject to the availability of funding and the need for work at other properties owned by the Director.</p>
COMMUNITY CAPACITY BUILDING (CCB) PROJECTS	
What is a CCB Project?	A CCB Project is a project which is agreed between the Director and the Agency and which aims to improve access to social housing, increase Sub-Tenant participation and decision making and/or improve outcomes for Sub-Tenants. Specific examples of CCB Projects are set out in clause 19.2 .

<p>How may CCB Projects must an Agency undertake?</p>	<p>The Agency must undertake at least one CCB Project in each financial year of the Term (clause 19.2.1). Each year, the Agency must submit for to the Director for approval a CCB Project Plan which sets out the nature of the proposed CCB Project (clause 19.3). Once approved, the Agency must carry out the CCB Project in accordance with the CCB Plan.</p>
<p>How much money must be spent on CCB Projects?</p>	<p>In each financial year, the Agency must plan to undertake one or more CCB Projects of a total cost of not less than the Annual CCB Budget.</p> <p>The Annual CCB Budget is an amount calculated using the Annual CCB Budget Calculation Guidelines contained in Part 1 of Annexure E.</p> <p>For the first year of the Term, the Annual CCB Budget also includes any amount held by the Agency on the Commencement Date for a purpose similar to a CCB Project (clause 19.14).</p>
<p>What if an Agency fails to complete a CCB Project?</p>	<p>If an Agency expends less than 75% of the Annual CCB Budget or fails to complete a CCB Project, the Director may require the Agency to:</p> <ul style="list-style-type: none"> (a) expend some or all of the Annual CCB Budget for another purpose (clauses 19.4.1.1 and 19.4.2.1); or (b) pay some or all of the Annual CCB Budget to the Director (clauses 19.4.1.2 and 19.4.2.2).
REPORTING	
<p>Which reports are due on a monthly basis?</p>	<p>The Agency must submit the a Four Weekly Financial Summary and Financial Statement once each month (clause 20.1.2).</p>
<p>Which reports are due every 3 months?</p>	<p>Where Maintenance Option 2 applies, the Agency must submit a Maintenance Report every three months (clause 20.1.4).</p>
<p>Which reports are due annually?</p>	<p>The Agency must submit the following reports annually:</p> <ul style="list-style-type: none"> (a) the Tenancy Data Report (clause 20.1.1); (b) the Annual Financial Report and Annual Financial Audit Statement (clause 20.1.3); (c) the CCB Project Report (clause 20.1.5); (d) the Corporate Governance Report (clause 20.1.6); and (e) the Management Environment Report (clause 20.1.7).
OTHER ISSUES	
<p>Who is responsible for insurance?</p>	<p>An Agency's insurance obligations vary depending on whether Insurance Option 1 or Insurance Option 2 applies. The Insurance Option applicable is specified in Item 12 of the Agreement Schedule.</p> <p>Where Insurance Option 1 applies:</p> <ul style="list-style-type: none"> (a) the Agency must maintain insurance for the Agency's property and insurance for all other risks a prudent tenant would maintain (clause 16.2.1); and (b) the Director must maintain public liability insurance for \$10 million

	<p>and director's liability insurance for \$5 million (clause 16.2.2).</p> <p>Where Insurance Option 2 applies, the Agency must maintain all of the insurances specified above itself (clause 16.3).</p>
<p>How can disputes be resolved between the parties?</p>	<p>Disputes must be resolved between the Agency and the Director in accordance with clause 31.</p> <p>A party must give notice to the other that a dispute has arisen. The parties must then meet an attempt to resolve the dispute (clause 31.1.1).</p> <p>If the parties cannot resolve the dispute within 21 Business Days, they may then appoint a mediator who will attempt to assist the parties to resolve the dispute (clause 31.2).</p>
<p>Note: This Summary is not a complete statement of the terms of the Agreement and does not in any way form part of the Agreement. In the event of any inconsistency between this Summary and the Agreement itself, the Agreement will prevail.</p>	