



Dear Investor,

We are writing to you to provide a further update in relation to the process of receiving payment of your 2013/14 NRAS Incentive.

This delay is not something that we could have foreseen or avoided and you will find a more detailed explanation of the background in the attached FAQ's. On a positive side, some small Approved Participants have had their claim approved and paid.

Our previous update which was issued on the 17th November outlined that the changes to the NRAS legislation were approved and came into effect as of the 4th November. At that point the Department commenced assessing dwellings for payment of 2013/14 NRAS incentive payment and that they anticipated that this process could take up to 2 months.

Affordable Housing Consulting (AHC), your NRAS Approved Participant, has double checked and reviewed all of our dwellings and advised the Department that we believed our dwellings were complaint and ready for assessment as of the 10th December, 2014. Some investors would have been part of this process which included providing documentation such as your emergency services levy for over 450 dwellings in order to reconcile lot numbers to street addresses.

Yesterday afternoon AHC received advice from the Department that it had completed an initial review of a sample of 94 AHC NRAS properties and it had identified some issues with the compliance. AHC has been provided a list of thirteen dwellings with a detailed explanation of compliance errors. In many cases AHC believes that it has already recently provided additional supporting documentation that the Department has failed to take into account in its review and of the remainder we see relatively straight forward administrative solutions. A further 28 dwellings have also been identified by the Department as having similar compliance issues and we will work constructively with the Department to achieve resolution.

Working through the entire list of nearly 900 properties may take several iterations back and forth with the Department to finalise. Due to constraints with the ATO, the Department is unable to make partial payments.

In addition to this update the Department are posting regular updates on their website which can be found by clicking [HERE](#)

In order to minimise the disruptions to AHC's compliance activity caused by investor calls and emails, we have provided an expanded set of FAQ's which can be found by clicking [HERE](#) and will be providing more regular email updates as to the status of the incentive claim.

King regards,

A handwritten signature in blue ink, appearing to read 'Geoff Crane', is written over a light blue rectangular background.

Geoff Crane
Operations Manager