



Former Family First candidate accused of delaying payments to investors in housing scheme

Some of you may have seen a recent 7:30 report on the ABC network covering the topic of NRAS and delayed payments.

<http://www.abc.net.au/7.30/content/2016/s4591307.htm>

We would like to point out that this story was in relation to a specific NRAS participant, Ethan Affordable Housing and is not reflective of other NRAS participants such as Affordable Housing Consulting. In total, there are over 100 separate participants and each operate under different business models.

Ethan Affordable Housing was until recently a non-for-profit organisation which can receive the NRAS incentive as cash however we are unable to comment about the circumstances referred to in the media report. The report implied that there was a significant period between when Ethan's incentives were approved by the Department and when investors were paid for both the Federal Government and State Government component.

All Federal Government NRAS contributions are paid to AHC by the way of a refundable tax offset certificate (RTO), therefore we do not receive any cash payments from the Federal Government. As soon as the RTO's are issued by the Government we reconcile this against our records and then make the certificates available to investors as soon as possible, usually within 3 business days. The 15/16 payments were issued by the Federal Government on the 29th September 2016, these were reconciled and made available to Investors on the 30th September 2016. The date that the Federal Government approved the RTO can also be found on the certificate itself.

In regards to the State Government NRAS contribution, this is paid as a cash payment to AHC, normally within 2-4 weeks of the Federal Government approving and issuing the RTO. All funds are held in a statutory trust account which is regulated by Consumer and Business Affairs and is independently audited on an annual basis, this account does not accrue any interest.

Once payment is received into AHC's trust account we will again reconcile the payment against our records and then remit the investors payment into their nominated bank account. This usually occurs within 3 business days of us receiving the funds. For the 15/16 State payment, this was received by AHC on the 31st October 2016 with the payments being made to investor accounts on the 2nd November 2016.

AHC believes strongly in the NRAS scheme and the benefits that it can provide to low-moderate income earners, private investors and the supply and demand of affordable housing and the construction industry throughout Australia.

If you would like to more about the NRAS scheme, please feel free to follow the below links.

<https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme>

www.affordablehousingconsulting.com.au

Regards
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