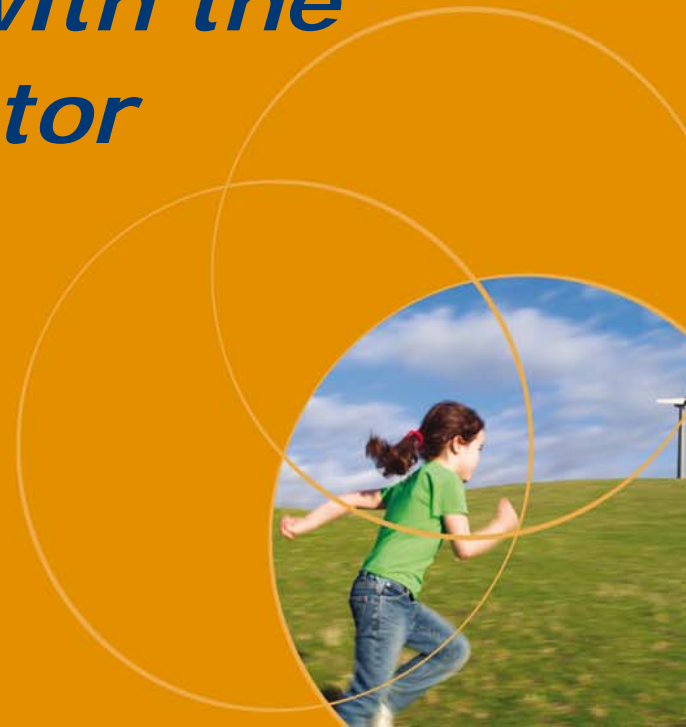


Community Sector Banking (CSB)

*Creating solutions with the
community sector*



COMMUNITY
SECTOR
BANKING

A new model for affordable home ownership

Presented by

Greg Peel

CEO - Community Sector Banking



The affordable housing market

- . Housing affordability low to moderate income and key worker issue
- . A national issue in both metropolitan and regional areas
- . Excessive rental and multiple family dwellings
- . Positive responses but need to leverage respective comparative advantage from the public, private and community sector
- . The demand side
- . The UK experience





COMMUNITY
SECTOR
BANKING

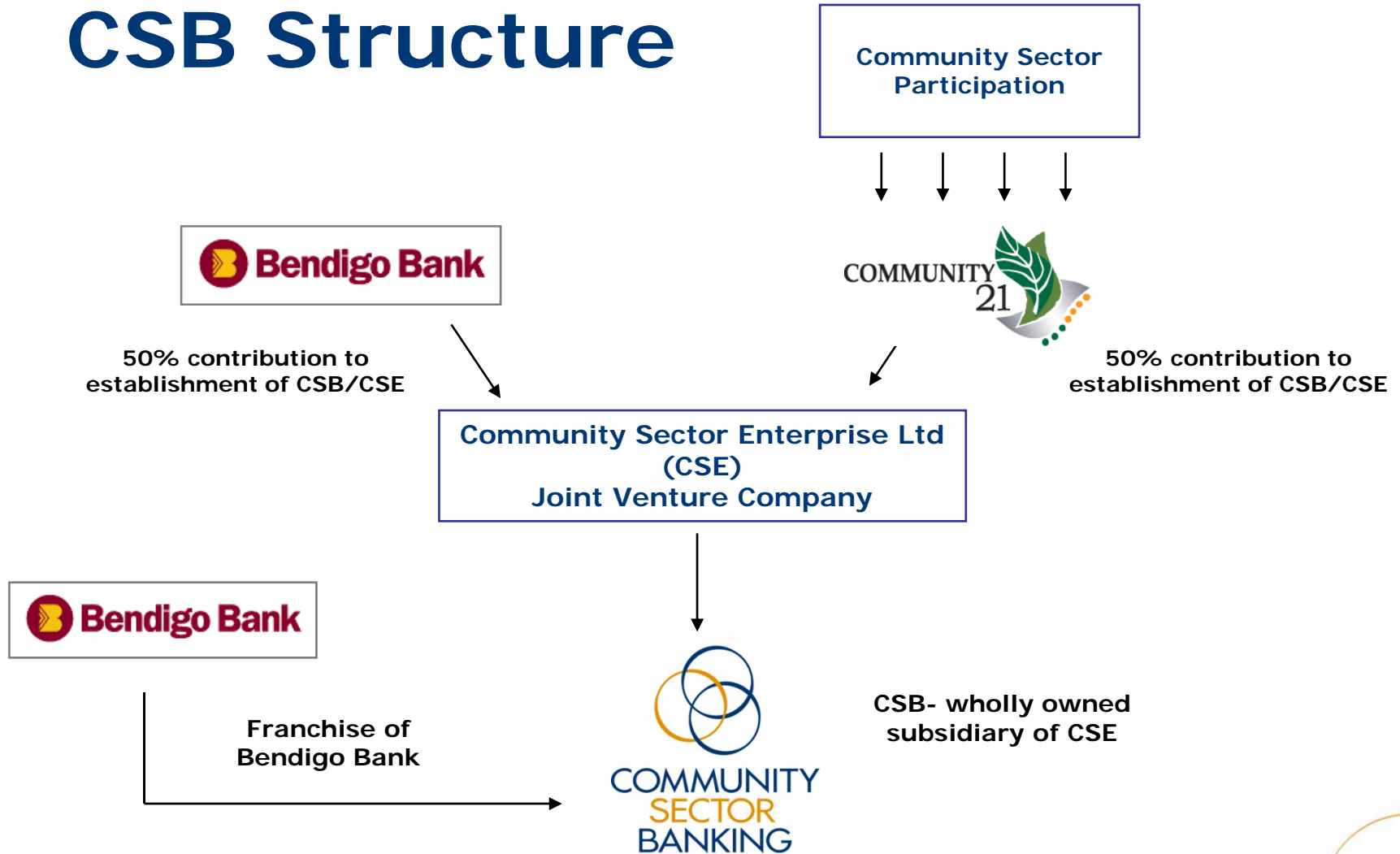




COMMUNITY
SECTOR
BANKING



CSB Structure

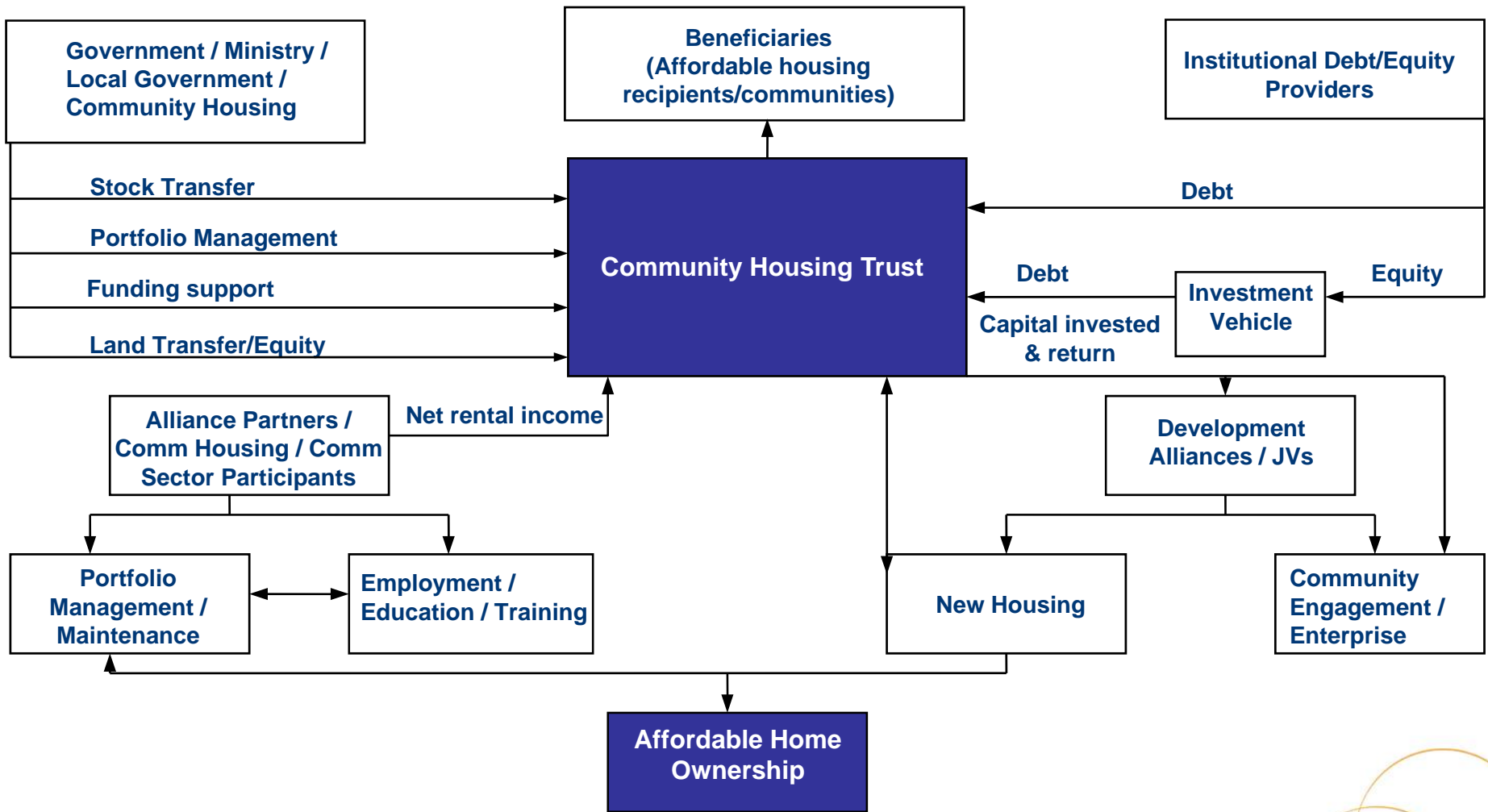


Mission Statement

- To bring together Australian community sector organisations.
-
- To aggregate demand and, in partnership with Bendigo bank, undertake commercial and consumer banking activities to collectively build the capacity of the community sector



Affordable Housing Model



Affordable Housing Model

Government

- Stock transfer
- Portfolio management
- Funding support
- Land transfer



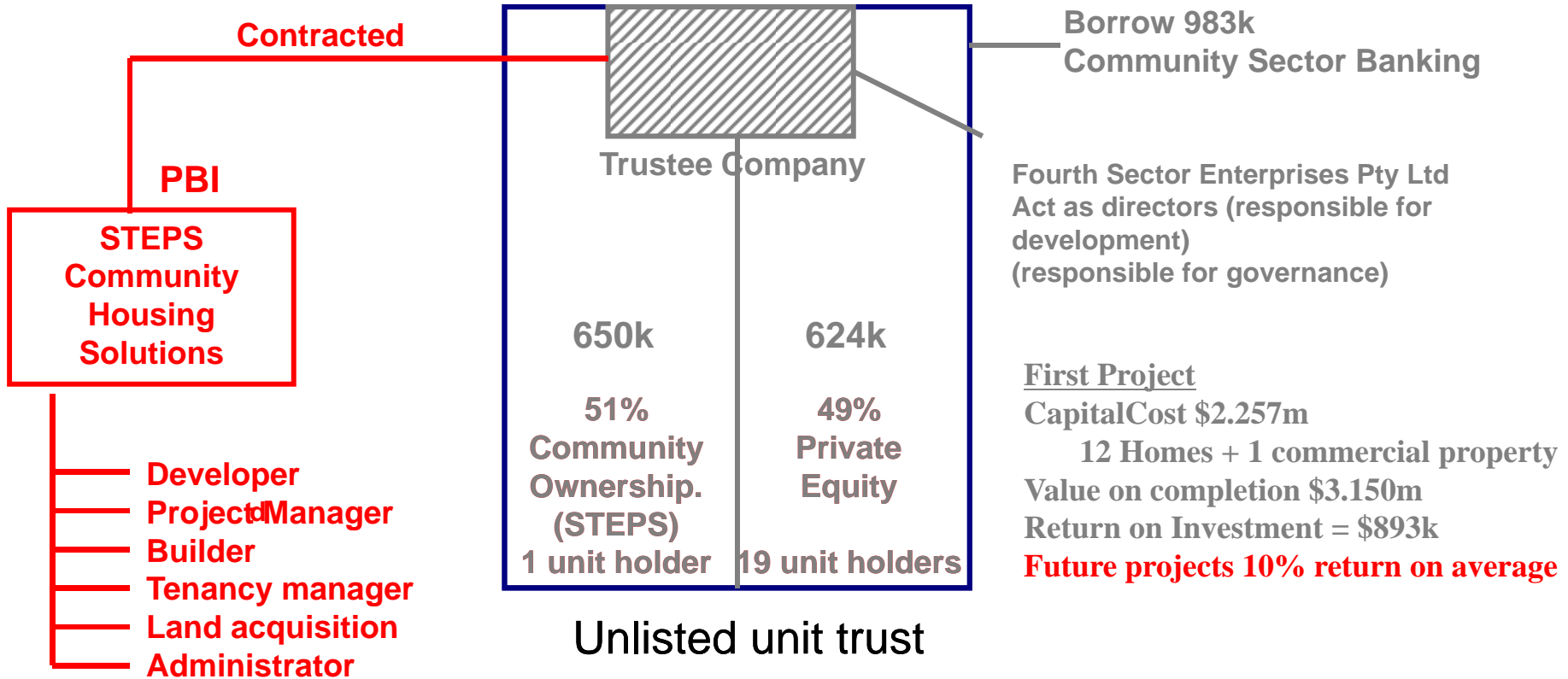
Corporate Sector

- Debt / equity
- Project allocation

Community Sector

- Portfolio management
- Employment / education
- Demand management
- Relationship management
- Developer

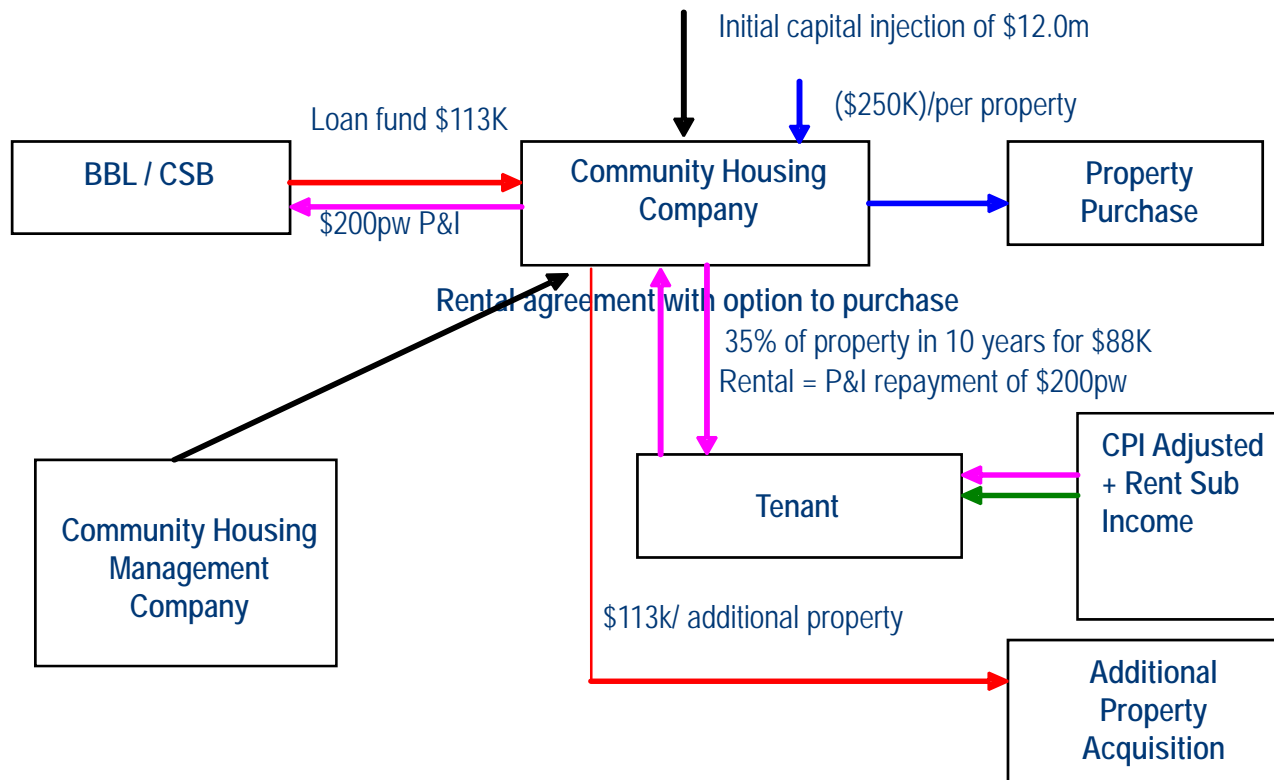




Capital Raising with assistance from KPMG. (Information Memorandum)
Assumes 3% capital growth per annum
Build 20, sell 3 per annum (This will need to vary if you want to improve income)
Rental yield – approx 6% per annum
No distributions – until third year



Rent-Buy Model



Rent-Buy Model Features

- Increased outcomes
- Opportunity for home ownership
- Protection of economic value of the housing company
- Allows tenant to participate in future value
- Addresses the demand for housing



How it works

- Initial Injection of funding from Government, developers obligation
- Stock is build with rental income stream
- Rent agreements attach a future contract of sale
- Income stream is leverage through notional loans for each tenant
- Tenancy Management is undertaken by Community Sector
- Pro active wealth creation stratgies



Summary

- transfer government assets in a vehicle that has greater leverage potential
- better manage existing capital
- utilise Government and philanthropic support to promote private investment
- address the demand for affordable housing through appropriate wealth creation strategies.



CSB Contacts

- Further information on CSB products and services can be found on our website:

www.csbanking.com.au

- Contact details for our Business Development Managers in each state are also on the website

OR

- Contact the CSB Helpline on 1300 550 603

