

Marketing and Sale of NRAS Dwellings

Under the National Rental Affordability Scheme (NRAS) Guidelines, Approved Participants (such as Quantum) must ensure that advertising and promotion of NRAS dwellings is compliant. Quantum also has certain requirements with regard to the sale process of NRAS Dwellings.

Compliant Marketing

Marketing of NRAS dwellings must at all times give accurate information about the Scheme and not overstate the potential financial benefits. There can be no suggestion that the investment in the purchase of an NRAS dwelling is endorsed by the Australian, State or Territory Governments, nor any reference to a Government guarantee of profitability.

The Government may withdraw NRAS Allocations in cases of misleading or false advertising. If there is any uncertainty as to whether your marketing complies, please contact Quantum and a review can be undertaken for you.

Marketing Agents are also expected to make themselves aware of the Quantum Scheme, the fees and charges involved and the process by which an investor receives the Incentive Payment such that false and misleading information is not given to prospective purchasers.

Details on where this information can be accessed are given at the end of this document.

The following are examples of **unacceptable** NRAS marketing:

- ✗ “Government guaranteed”
- ✗ “Cashflow Positive” – without a disclaimer as to personal financial circumstances
- ✗ “Endorsed by the Australian Government”
- ✗ “\$10,000 cash per annum”
- ✗ “100,000 cash”
- ✗ Using the Australian, State or Territory Government logos or coat of arms in any advertisement

The following are examples of **acceptable** NRAS marketing:

- ✓ “National Rental Incentive currently \$11,114.33 pa and indexed to the rental component of CPI”
- ✓ “Government financial incentive for eligible dwellings”
- ✓ “Cashflow positive*” with disclaimer “*Depending on individual financial circumstances”
- ✓ Providing a link to the information for investors on the Department of Social Services website:
<https://www.dss.gov.au/housing-support/programmes-services/national-rental-affordability-scheme/national-rental-affordability-scheme-information-for-private-individual-investors>

Disclosure and Acknowledgement

Agents selling and marketing Quantum NRAS dwellings must provide all prospective purchasers with a copy of Quantum's current Product Disclosure Statement (PDS) prior to them entering into a contract to purchase. If the purchaser decides to proceed, the Application Form must be completed, and this must then be supplied to Quantum.

Marketing agents should ensure that the form is fully completed before sending to Quantum.

Note that the PDS form makes reference to project "Special Conditions". This is because some allocations from the "Shovel Ready" round of NRAS have special conditions on them, such as building design elements and discounts to rent of greater than 20%.

Special Conditions for NRAS projects from Shovel Ready Round onward should be obtained from the Quantum Compliance Team and provided to the potential investor with the PDS.

The Special Conditions report ID must be entered onto the PDS Form and the prospective purchaser must initial to confirm receipt.

Sale Process

The process for the sale of an NRAS property must include the following:

1. Provide prospective purchaser with Quantum's Product Disclosure Statement (PDS) and the "Project Special Conditions" which apply for the NRAS dwelling of interest.
2. Prospective purchaser completes the application form at the rear of the PDS. Marketing agent checks the form to ensure that it is complete and the discount to market rent has been disclosed.
3. Prospective purchaser enters into an Offer and Acceptance contract for a property.
4. Marketing Agent sends the completed PDS form to Quantum (preferably by scanning and emailing the form to enquiries@quantumhousing.com.au).
5. Marketing Agent advises Quantum when sale of property becomes unconditional.
6. Completed Change of Ownership Form to be sent to enquiries@quantumhousing.com.au.
7. Quantum sends a Sign-Up pack to the purchaser containing our NRAS Agreement and payment nomination form.
8. Property sale occurs and any supply fees payable to Quantum are paid.

Re-Sale of NRAS Properties

Where an Active NRAS dwelling (one where the 10-year incentive period has commenced) is being sold, the following also apply in addition to the sale process above:

- The owner must be informed of their obligation to provide written notice to Quantum of their intent to sell their NRAS Dwelling.
- Ensure the Property Manager and the Tenant are advised of the Vendors intent to sell.
- Quantum must be informed when a property has been listed for sale by the marketing agent and will provide a written confirmation that the dwelling is NRAS accredited and of the length of the remaining NRAS term.
- Quantum must be notified if the Prospective purchaser intends to be an Owner Occupier or otherwise remove the property from the Scheme.
- Quantum must be notified of the final settlement date for the property.

Further Information

For further information regarding Marketing and Sale of NRAS Properties:

- The Federal Government NRAS website: <https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme>
- NRAS legislation, regulations and policy guidelines, available here: <https://www.dss.gov.au/housing-support/programmes-services/housing/national-rental-affordability-scheme/national-rental-affordability-scheme-legislation-regulations-and-policy-guidelines>
- Quantum's Product Disclosure Statement. Request a copy through our website: <http://www.quantumhousing.com.au/>
- Quantum's suite of Fact Sheets, available on our website here: <http://www.quantumhousing.com.au/about-nras/fact-sheets.html>
- Contact Quantum Housing Group: enquiries@quantumhousing.com.au or (08) 6169 1603.

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