

**Community Managed Co-Operative
&
Common Equity Housing Ltd**

AGREEMENT

Table of Contents

AGREEMENT	3
RECITALS	4
1. DEFINITIONS.....	6
2. PREMISES.....	8
3. TERM	8
4. REVIEW OF SCHEDULES	8
5. TENANT SELECTION AND TENANCY AGREEMENTS	8
6. RENT PAYABLE BY THE TENANTS TO THE COMPANY.....	9
7. DISBURSEMENT OF RENT COLLECTED AND PAYMENT BY THE COMPANY TO THE CO-OPERATIVE	9
8. RENT REVIEW.....	9
9. SERVICE OF NOTICES.....	10
10. DISPUTE RESOLUTION.....	10
11. OBLIGATIONS OF THE COMPANY	11
11.1 Issuing Shares:.....	11
11.2 Service Provision.....	11
11.3 Tenancy Agreements	11
11.4 Maintenance.....	12
11.5 Payments	12
11.6 General.....	13
12. OBLIGATIONS OF THE CO-OPERATIVE	13
12.1 Use of the Premises	13
12.2 Reports.....	14
12.3 General.....	14
13. ARREARS MANAGEMENT	15
14. RIGHT TO ATTEND DIRECTORSqMEETING	15
15. NOTICE BY THE CO-OPERATIVE OF A BREACH BY THE COMPANY	15
16. NOTICE BY THE COMPANY OF A BREACH BY THE CO-OPERATIVE	16
17. TERMINATION OF THIS AGREEMENT BY THE CO-OPERATIVE	16
18. TERMINATION OF THIS AGREEMENT BY THE COMPANY	17
19. EFFECT OF TERMINATION OF THIS AGREEMENT	17
20. PERIODIC REVIEW	17
21. INDEMNITIES	18
22. SECURITY OF TENURE.....	18
23. VARIATION OF THE FIRST SCHEDULE OF THIS AGREEMENT BY MUTUAL CONSENT	18
FIRST SCHEDULE	19
Allocated Premises and Common Areas	19
FIRST SCHEDULE	20
Reserved Allocations	20
SECOND SCHEDULE	21
THIRD SCHEDULE	22
FOURTH SCHEDULE	23
FIFTH SCHEDULE	24

AGREEMENT

This Agreement is made on the _____ day of _____ 20 _____

BETWEEN

**COMMON EQUITY HOUSING LIMITED
(ABN 97 006 546 658)**

Level 1 112 Balmain Street Richmond 3121
(hereinafter referred to as %The Company+)

as a Registered Housing Association and service provider

AND

**Community Managed Co-operative
(ABN _____)**

(hereinafter referred to as %The Co-operative+)

as a shareholder of the Company and service recipient.

RECITALS

Whereas the intention of the parties in making this Agreement is to define the mutual obligations, expectations, rights and responsibilities between the Co-operative and the Company in accordance with the International Principles of Co-operation and the requirements of the Housing Registrar and to clarify:

- a) the contractual agreement between the Company and the Co-operative with respect to the properties listed in the attached first schedule and the minimum standards of service provision to the Co-operative by the Company;*
- b) that security of tenure is of paramount importance to the Company, the Co-operative and the Tenants and underlies the spirit of this Agreement;*
- c) that the Company and the Co-operative work together to further the interests of the Co-operative and the Company;*
- d) that this Agreement presumes that:*
 - i) the Co-operative is meeting its obligations under the Co-operatives Act 1996 or any subsequent Act; and*

- ii) this Agreement presumes that the Company is meeting its obligations under the Corporations Act 2001 or any other subsequent Act;*
- e) that the Company, as a Registered Agency, requires the Co-operative to provide specific information so as to meet its contractual and legal obligations;*
- f) that the Company provide a minimum level of service delivery, as required by Performance Standards pertaining to Housing Agencies under the Housing Act to the Co-operative in an efficient and effective manner;*
- g) that best efforts will be made between the parties to this Agreement to resolve all disputes and avoid litigation;*
- h) that the Company and the Co-operative will consult in regard to the maintenance and asset management of the premises under this Agreement;*
- i) that the parties recognise the Victorian Community Housing sector is in a period of change; both parties agree to work collaboratively to accommodate the changing environment.*

IT IS AGREED:

1. DEFINITIONS

"Agreement" means this agreement between the parties.

"Asset Inspection" is the process where the Company inspects each Premises within every 3 year period, provides a report setting out a 3 year projection of maintenance works, cost estimations and the responsible party for these works and their costs as determined in accordance with this Agreement.

"Company" means Common Equity Housing Limited.

"Co-operative" means _____ Co-operative Ltd.

"Eligibility Criteria" means income and asset limits and bedroom allocation policy adopted by the Company.

"Housing Act" means the *Housing Act* 1983 (Vic).

"International Principles of Co-operation" means:

1. voluntary and open membership;
2. democratic member control;
3. member economic participation;
4. autonomy and independence;
5. education, training and information;
6. co-operation among co-operatives; and,
7. concern for community.

"Laws" means any Act or Regulation of the Commonwealth or the State of Victoria.

"Maximum Rent" means, the maximum rent for each particular Premises set out in column 3 of the First Schedule of this Agreement, as reviewed in accordance with clause 8 of this Agreement.

"PAC" means the Policy Advisory Committee, a subcommittee of the Company's Board of Directors.

"Program Directives" means the *"Handbook of Directives for the CERC Program"*, as approved by the Board of CEHL, and its successor documents.

"Premises" has the meaning given to that term in clause 2.

"Quarter" has the meaning given to that term in clause 7 (d).

"Registered Agency" has the meaning given to that term in the Housing Act.

“Shareholder” means any Co-operative that owns a share in the Company, including the Co-operative as a signatory to this Agreement.

“Tenant” means a person with whom the Company enters into a Tenancy Agreement.

“Tenancy Agreement” is the residential lease for a Premise between the Company and a tenant which sets out the obligations, rights and responsibilities of the Company and the Tenant.

“Tenant Rent” is the rent paid by the Tenant to the Company.

“Term” means the term of this Agreement, as determined in accordance with clause 3.

2. PREMISES

This Agreement applies to all the premises as listed by address in the First Schedule to this Agreement (Premises).

3. TERM

The Term of this Agreement shall be for the period specified in the Second Schedule commencing and ending on the commencement date and termination date specified in the Second Schedule.

4. REVIEW OF SCHEDULES

Schedules attached to this agreement will be reviewed and renegotiated when required or at least once every 12 months.

5. TENANT SELECTION AND TENANCY AGREEMENTS

During the Term, the Company:

- a) must enter into Tenancy Agreements for the lease of each of the Premises to persons who are:
 - i) members of the Co-operative;
 - ii) who are nominated by the Co-operative and notified to the Company by the Co-operative in writing; and,
 - iii) who fulfil the Eligibility Criteria;
- b) must not enter into a Tenancy Agreement with any person other than a person described in clause 5(a) above;
- c) must not use the Premises for any purpose other than as specified in clause 5 (a) above;
- d) The parties agree to negotiate in good faith to agree to an amendment to clause 5 if at any time during the Term any Law obliges the Company to enter into Tenancy Agreements with persons other than those described in clause 5 (a) above;
- e) Each Tenancy Agreement must:
 - i) comply with the *Residential Tenancies Act 1997*;
 - ii) be in a form to be agreed to by the Co-operative; and,

- iii) not require the tenant to pay any amount in excess of the Maximum Rent, (but excluding any amount for the payment of utilities, services or amounts which become payable as the result of a breach of the Tenancy Agreement by the tenant).

6. RENT PAYABLE BY THE TENANTS TO THE COMPANY

The rent paid by tenants shall be calculated in accordance with Common Equity Housing Ltd's rental guidelines and will not exceed the maximum rents set by CEHL. Tenants on low incomes will qualify for reduced rents.

7. DISBURSEMENT OF RENT COLLECTED AND PAYMENT BY THE COMPANY TO THE CO-OPERATIVE

Under this Agreement the Company will collect all rents due under the Tenancy Agreements for all Premises.

The Company will account for rent collected and provide monthly reports to the Board of Directors of the Co-operative detailing rent collected and action being taken to recover overdue rents.

The Company will provide to the Co-operative a monthly report detailing all expenditure against categories listed in Schedule 4 and end of month balances within any reserve, within 10 working days of the end of each month.

Within 10 working days of the end of each quarter during the Term (being the 3 month periods ending on 31 March, 30 June, 30 September and 31 December), the Company will make available to the Co-operative an agreed percentage of the rent collected from Tenants during the relevant quarter, as specified in Schedule 4.

Where the co-operative chooses not to operate its own bank account, the Co-operative Fund will be retained by CEHL and used to pay expenses authorised by the co-operative, and/or to maintain a petty cash account accessed by board members.

8. RENT REVIEW

- a) All rents are subject to review to take effect from the first day of June each year, or such later date at the sole discretion of the Company;
- b) The review shall be calculated in accordance with cost of living increases.

Subsequent to the review, the Company at its sole discretion may review the Maximum Rent and determine that a lesser amount shall be payable in lieu thereof; and,

- c) The Company must give 90 days written notice of any rent increase.

9. SERVICE OF NOTICES

Any notice required or authorised by this Agreement shall be sufficiently served on either the Company or the Co-operative respectively if addressed to the Company or the Co-operative and left at or sent to its registered office for the time being or the last known mailing address of either the Company or the Co-operative, as the case may be. Where a notice is posted by prepaid post to the Co-operative it shall be deemed to have been received by the Co-operative 5 working days after the date on which it was so posted.

Either party shall notify the other in writing within 10 working days of any change of address of its registered office or any change of its mailing address.

10. DISPUTE RESOLUTION

The Company and the Co-operative will make every attempt to negotiate a settlement of disputes in relation to this Agreement:

- Stage 1** The Company, through assigned staff, and the Co-operative, through its Chair or delegated member, will use their best endeavours to reach a solution. If no resolution is reached then;
- Stage 2** the Managing Director of the Company to meet with Directors of the Co-operative to resolve the dispute. If no resolution is reached then;
- Stage 3** the dispute is referred to an independent and agreed mediator, with both parties agreeing to assist the mediator to reach an acceptable solution. The Company will meet the reasonable costs of an agreed Mediator. In the absence of an agreement as to the mediator to be appointed, a mediator will be appointed by the Law Institute of Victoria. If no resolution is reached then;
- Stage 4** the dispute is referred to an arbitrator, appointed by the Law Institute of Victoria. The decision of the arbitrator is final and binding on both parties. The arbitrator will make an order with respect to costs. A party may only appeal the decision of the arbitrator on a matter of law to a competent court.

It is acknowledged between the parties that during stages 1 to 3, the parties will try to resolve the dispute between them without recourse to legal representation.

The above process does not interfere with the power of the Housing Registrar to investigate any breaches of the Performance Standards by the Company and order appropriate remedies, including an order to transfer land to another agency.

11. OBLIGATIONS OF THE COMPANY

11.1 Issuing Shares:

The Company shall:

- a) Issue one ordinary Company share to the Co-operative upon entering this Agreement. This entitles the Co-operative to one vote as a shareholder and the right to nominate a candidate to stand for election to the Company Board;
- b) Provide to the Co-operative, as shareholder, the following:
 - i) access to the record of the CEHL Board Meeting and monthly Financial Statements;
 - ii) a quarterly newsletter of major changes and topical issues; and,
 - iii) the Company's Annual Report to Shareholders.

11.2 Service Provision

The Company shall:

- a) Provide a standard set of tenancy management and routine property maintenance services. The services offered are listed in the Fifth Schedule.
- b) ~~Extra services~~, beyond the standard set as listed in Fifth Schedule, can be purchased by the co-operative.

11.3 Tenancy Agreements

The Company shall:

- a) provide all Tenants who are to occupy the Premises with the Tenancy Agreement in a standard form and a Condition Report on the Premises in a standard form;
- b) promptly exercise its rights and duties as a landlord under the Tenancy Agreement; and in accordance with CEHL and Co-operative policies;
- c) not interfere with the right of Tenants to quiet enjoyment of the Premises; and
- d) comply with the *Residential Tenancies Act* in respect of the Premises.

11.4 Maintenance

The Company shall:

- a) maintain the Premises in good order and condition and in a fit state for habitation (fair wear and tear excepted) except where the maintenance is required by reason of the tenant failing to comply with their obligations under their Tenancy Agreement;
- b) respond in an appropriate manner to all maintenance requests lodged by tenants and in compliance with the responsibilities and timelines contained in the *Residential Tenancies Act*;
- c) maintain common areas and facilities as listed in the Fifth Schedule except where the maintenance is required by reason of the co-operative failing to comply with their obligations under the current Fifth Schedule;
- d) respond to authorised requests from the co-operative in relation to prioritising and implementing the cyclical maintenance program;
- e) without limiting clause 11.4(a), repair and make good any damage to the Premises resulting from the neglect or any deliberate or careless act by the Company, or any person on the Premises with the consent of the Company other than the Tenant;
- f) conduct an inspection of the Premises at least once each year, to ensure tenants are meeting their obligations under their tenancy agreements; and the responsibilities of the co-operative outlined in Fifth Schedule are being fulfilled; and,
- g) complete an asset inspection every three years and then provide:
 - i) a report to the Co-operative within 2 months of completing the asset inspection which report is to include any identified maintenance work; and,
 - ii) negotiate with nominated co-operative members to ensure the capital works upgrades plan, as set out in the Third Schedule to this Agreement, is updated periodically.

11.5 Payments

The Company shall:

- a) ensure all maintenance contractors are paid within 14 days of submitting authorised invoices for work that has been satisfactorily completed;
- b) meet all administrative costs associated with managing tenancy agreements, including any costs associated with VCAT applications or the obtaining of necessary warrants;

- c) allocate to the Co-operative on a quarterly basis the agreed Co-op fund as contained in Schedule 2;
- d) make other payments due to the Co-operative within 14 days of receiving appropriate invoice or statement from the Co-operative.

11.6 General

The Company shall:

- a) commit to consultation with the Cooperative as an essential part of its decision making process, particularly when there is a change of fundamental importance. Such changes include but are not restricted to:
 - i) any new system of determining the Tenant and Maximum Rents;
 - ii) changes affecting Co-operative or Company viability;
- b) make staff from the Company available upon request to attend at least once each year either a Directors meeting or a General meeting of the Co-operative;
- c) provide to the Co-operative timely assistance, advice, resource material and/or relevant training following queries from the Co-operative relating to but not limited to the following matters:
 - i) financial systems and record keeping, and
 - ii) rights and responsibilities as defined under the *Co-operatives Act*.
- d) apply any legally valid policy developed by the co-operative which does not undermine the viability of the co-operative itself.
- e) apply policies developed by PAC, or considered best practice, when the co-operative has not developed a relevant policy.

12. OBLIGATIONS OF THE CO-OPERATIVE

The Co-operative shall:

12.1 Use of the Premises

The Co-operative shall:

- a) not assign nor sublet any premises or any part thereof, to any person without the approval of the Company;
- b) not permit or authorise any renovation, alteration or addition to the premises, demolish any part of the premises, install any fixture or erect any new

buildings on the premises without the previous written consent of the Company;

- c) notify the Company of any structural or malicious damage to the Premises or any damage likely to render the Premises unfit or unsafe for habitation as soon as practicable after becoming aware of any such damage. Such notice shall be in writing or confirmed in writing as soon as possible thereafter.

12.2 Reports

The Co-operative shall:

- a) provide within 28 days of being requested by the Company to do so, information required by the Housing Registrar or other government or statutory authorities in order for the Company to be able to meet its legal and contractual obligations;
- b) provide summary information regarding the expenditure of the cooperative's funds, for reporting purposes, within 28 days of the end of each quarter;
- c) For cooperatives which only handle petty cash CEHL will have a record of purchases from the coop fund
- d) provide a copy of an annual financial statement to the Company within 28 days of conducting the Co-operative's Annual General Meeting.

12.3 General

The Co-operative shall:

- a) provide all reasonable assistance to the Company to meet the requirements of the Housing Registrar as amended from time to time;
- b) apply the company's member/tenant selection procedure and criteria;
- c) develop legally enforceable policies and procedures which address the effective working of the Cooperative and its financial viability;
- d) effectively undertake the responsibilities accepted and outlined in Schedule Five;
- e) follow relevant Program Directives, and their successor documents, in relation to all the responsibilities it agrees to undertake;
- f) allow Company representative to attend two meetings of the Co-operative each year.

13. ARREARS MANAGEMENT

The Company and the Co-operative will negotiate and agree a Rent Arrears Management Policy. The Company must comply with the agreed Rent Arrears Management Policy in relation to the Tenancy Agreements.

Provided tenant consent is granted, the Company will consult before commencing any action through the Victorian Civil & Administrative Tribunal against any individual tenant.

14. RIGHT TO ATTEND DIRECTORS' MEETING

If the Company receives a written complaint alleging improper practice of a serious nature within the Co-operative in relation to the Cooperatives Act, any other relevant legislation or the Program Directives, from a current member of the Co-operative, a statutory officer, registered auditor or legal authority, the Company shall call for a meeting of the Directors of the Co-operative upon giving the Co-operative 14 days notice to the Directors of the Co-operative to that effect and the Co-operative agrees to allow representatives of the Company to attend the meeting.

15. NOTICE BY THE CO-OPERATIVE OF A BREACH BY THE COMPANY

- a) The Co-operative may serve written notice on the Company if it considers that the Company is in breach of any terms of this Agreement;
- b) The notice must specify the breach and how to remedy the breach or make compensation;
- c) If, after 14 days from receiving the notice, the Company does not remedy the breach, the Managing Director of the Company, or their delegate, must meet with the Co-operative to discuss the breach and the possible remedies;
- d) If the matter remains unresolved 7 days after this meeting, the Co-operative may make a formal submission to the Board of the Company and the Board of the Company must provide a written response to the Co-operative within 30 days of receiving the submission from the Co-operative;
- e) If following a written response from the Board of the Company, the Co-operative is not satisfied that an appropriate remedy is in place, then it may invoke the dispute procedure commencing at Stage 3 of Clause 10 of this Agreement.

16. NOTICE BY THE COMPANY OF A BREACH BY THE CO-OPERATIVE

- a) The Company may serve written notice on the Co-operative if it considers that the Co-operative is in breach of any terms of this Agreement.
- b) The notice must specify the breach and how to remedy or compensate the Company for any loss it has suffered as a result of the breach.
- c) If, 28 days from receiving the notice, the Co-operative does not remedy the breach to the satisfaction of the Company, the Company may serve a notice on the Directors of the Co-operative requiring them to meet with the Company's Managing Director, or their delegate, on a date not earlier than 21 days after the service of the notice, to discuss possible remedies of the breach and the Directors of the Co-operative must meet on the date specified in the notice with the Managing Director of the Company for this purpose.
- d) If the Directors of the Co-operative fail to meet with the Managing Director of the Company, or their delegate, on the date specified in the notice, or if after 14 days from the date of the meeting the Company is not satisfied with the Co-operative's response to the breach set out in the notice, the Company may invoke the dispute procedure commencing at Stage 3 of Clause 10 of this Agreement.

17. TERMINATION OF THIS AGREEMENT BY THE CO-OPERATIVE

- a) The Co-operative may remove a Premises from the First Schedule of this Agreement by giving written notice to that effect to the Company effective from the date of the service of the notice, where circumstances render the Premises destroyed totally or to the extent that they are unsafe, or unfit for human habitation except where the Co-operative is in default under Clause 12 of this Agreement or where the Tenant is in default under the Tenancy Agreement,
- b) Where the Company has failed to meet its obligations, the Co-operative may invoke the disputes procedure under Clause 10 of this Agreement.
- c) The Co-operative may terminate this Agreement by providing written notice of intention to terminate to the Company, where the Co-operative has voted to no longer continue to operate as a Co-operative. In this circumstance, the Company will be obliged to honour the term of all existing tenancy agreements whilst alternative management arrangements are being negotiated.

18. TERMINATION OF THIS AGREEMENT BY THE COMPANY

- a) The Company may remove any of the Premises listed in the First Schedule from this Agreement by giving written notice to the Co-operative effective from the date of the service of the notice, where the Premises have been destroyed totally or to the extent that they are unsafe, or where any Statutory Authority deems the Premises unfit for human habitation;
- b) Where the Co-operative has otherwise failed to carry out its obligations set out in Clause 12 of this Agreement, and the Company has followed processes set out in Clause 10 of this Agreement and the matter remains unresolved, then the Company may give the Co-operative notice that it is terminating this agreement for any or all of the Premises listed in the First Schedule on the date specified in the notice which is not to be less than 28 days from the date of the service of the notice, and the First Schedule of this Agreement shall be deemed to have been accordingly amended. The notice shall be deemed to be withdrawn where the Co-operative remedies the default or makes compensation in money for the breach (as the case may be) prior to the expiry of the period specified in the notice for the termination of the agreement.

19. EFFECT OF TERMINATION OF THIS AGREEMENT

In the event that this Agreement is terminated by either the Company or the Co-operative, the Company shall inform all Tenants within 7 days of such termination. Upon such termination all of the Tenants shall remain Tenants of the Company on the same terms as the existing Tenancy Agreement whilst alternative management arrangements are being negotiated.

20. PERIODIC REVIEW

Within 6 years of the operation of this Agreement, the Company and the Co-operative will undertake a formal review process to ensure that the terms, obligations and intent of this Agreement are being satisfactorily performed by the parties.

The review will be conducted in a manner and form agreed by the parties and will undertake to review, but not be limited to, the following matters:

- ~ Compliance with this Agreement
- ~ Upkeep of the premises by both the Company and the Co-operative
- ~ Service provisions by the Company
- ~ Co-operative's performance of agreed responsibilities

- “ Financial performance of both parties
- “ Obligations under the Co-operatives Act, the Residential Tenancies Act and all other relevant Acts;

and in the absence of either party agreeing to the conduct of the review, either party may initiate a dispute process in accordance with Clause 10 of this Agreement.

21. INDEMNITIES

- a) The Co-operative will, and hereby does, indemnify the Company against all liability which might otherwise attach to the Company as a result of any injury, damage or loss (personal or proprietary) suffered by any person, where such injury, damage or loss has been caused by or contributed to by any breach of this Agreement by the Co-operative or its employees, agents, invitees, where such injury, loss, or damage occurs on the Premises.
- b) The Company will, and hereby does, indemnify the Co-operative against all liability which might otherwise attach to the Co-operative as a result of any injury, damage or loss (personal or proprietary) suffered by any person, where such injury, damage or loss has been caused by or contributed to by any breach of this Agreement by the Company or its employees, agents, invitees, where such injury, loss, or damage occurs on the Premises.

22. SECURITY OF TENURE

The Company and the Co-operative acknowledge to each other that security of tenure is of paramount importance and underlies the spirit of this Agreement; asset development or redevelopment must be balanced against maintaining security of tenure for Co-operative members.

23. VARIATION OF THE FIRST SCHEDULE OF THIS AGREEMENT BY MUTUAL CONSENT

The Company may at any time, with the consent of the Co-operative, vary the First Schedule of this Agreement by adding premises and or by removing premises from the First Schedule of this Agreement and the First Schedule of this Agreement shall be deemed to have been accordingly amended and the parties shall execute any document necessary to give effect to the amendment

SECOND SCHEDULE

Term of this Agreement: **Thirty Years**

Commencement Date:

Termination Date:

Further Terms: **Subject to:**

- a) **satisfactory performance, and**
- b) **mutual review**

THIRD SCHEDULE

A proportion of rents will contribute to a general pool of funds managed by the Company for the following aspects of premises maintenance, improvement and rehabilitation:

- Complete replacement of stairs, patio and porch;
- Roof replacement and major repair;
- Major rewiring;
- Restumping;
- Underpinning and associated works;
- Sewage replacement;
- Stormwater replacement;
- Hot/cold water pipe replacement;
- Full re-cladding;
- Rising damp rectification;
- Complete joinery upgrade;
- Structural flooring replacement above 8 square meters; and,
- Major repair of driveways, crossovers, sheds and garages.

FOURTH SCHEDULE

FINANCIAL DETAILS

Percentages in the following table refer to the proportion of the total rent due under the tenancy agreements for all properties listed in the first schedule.

At the commencement of this Agreement the percentages are as follows:

	Percentage
Retained by the Company	
Responsive Maintenance	
Cyclical Maintenance	
Common Facilities Maintenance	
3 rd Schedule Upgrade v	
Vacancies/Bad Debts	
Community Development Fee (Resourcing, Assistance, Conferences etc provided by CEHL)	
Forwarded to Cooperative:	
Co-op Fund	

The Co-op fund will be made available to the Co-operative on a quarterly basis to meet costs associated with operating a Co-operative. The Co-operative would need to meet their non housing expenses from this fund including costs of meetings, venue hire, administration expenses etc.

FIFTH SCHEDULE

Where not specifically addressed under legal requirements or other agreements with CEHL, the Co-operative has the right to develop policy relating to the tenancy management, property maintenance of the Co-operative's portfolio and smooth running of the co-operative itself. In developing appropriate policy however, CEHL will ask the co-operative to consider existing PAC policy guidelines and the best-practice advice available from CEHL staff.

Policies adopted by the Co-operative and issued to CEHL will be followed by the CEHL staff.

Where no policy has yet been adopted by the Co-operative, CEHL staff will act in accordance with the CEHL PAC policies or other best-practice guidelines.

Definitions:

Core Services are provided to the Co-operative by CEHL on a regular basis and are fully funded by the basic management fee.

Additional Services are services beyond the Core Services, provided by CEHL at the Co-operative's request. Additional management fees will be charged for these services, such fees to be negotiated in accordance with the size of the co-operative and any agreed time allocated.

Co-operative responsibilities are those tasks (including additional services not contracted to CEHL) that remain the responsibility of the co-operative board.

CO-OPERATIVE LIAISON AND ADMINISTRATION

Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Provision of monthly reports regarding all CEHL staff activities to the Co-operative board	Regular on-site attendance for _____ hours per _____		Advising CEHL staff as soon as practicable of action taken or decisions made regarding the property, tenants or operation of the cooperative.
Attendance of CEHL staff at each Board meeting as required			Notifying CEHL staff immediately of any action taken or decisions made arising from CEHL staff requests or reports
Attendance of CEHL staff at each Co-operative general meeting if required			Providing regular information to general members about their activities and any policies adopted.
Maintaining communication with nominated Co-operative board members regarding issues which need to be determined between board meetings			

COOPERATIVE DEVELOPMENT AND SUPPORT			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Provision of information, cooperative building and training sessions			Hold and minute regular Board and General members meeting of the co-operative
Facilitate the development of the co-operatives rules and registration with Consumer Affairs or advice on application and adaption of current rules			Make minutes of meetings available to all members
Advice on adherence to Co-operatives Act 1996 and other legislative requirements			Develop policies and procedures in consultation with members
Advice and assistance in setting up systems required to meet program directives and reporting to CEHL			Include members in consideration of major expenditure, changes to established systems or responses to issues effecting the smooth running of the co-operative
Support and assistance in policy development and implementation			Keep records required under Co-operatives Act 1996 and other relevant legislation
Ongoing advice on operation of the co-operative as required			Ensure members privacy is protected.

FINANCIAL SERVICES			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Preparation of a draft annual budget	Administration of the Co-operative Fund		Approval of Annual Budget
Processing approved payments	Petty Cash management		Approval of proposed cyclical maintenance expenditure
Receipting rental income	Researching opportunities for financial grants		Consideration of significant maintenance requests
Production of monthly financial reports comparing actual against budget	Assistance writing grant applications		Consideration of recommendations for budget variations
Advice regarding potential impact of changes to income or expenditure	Administration of the Co-operative Fund		Approval of use of any surplus funds
Production of financial reports for CEHL monitoring requirements			Allocation of Co-operative Fund expenditure

ESTABLISHING NEW TENANCIES			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Informing Co-operative board of impending vacancies	Identifying applicants for interview from CEHL referral list.		Offering information to applicants about the co-operative and expectations of members
Ensure vacant properties are prepared for re-letting	Conducting rental reference checks		Promptly interviewing prospective tenants
Providing tenancy and maintenance information to selected tenants			Selecting new tenants and approving their application for membership without delay. Inducting new tenant members into the premises and co-operative activities including providing them a copy of the co-operative's rules.
Ensuring all required tenancy documents are signed and filed			Supporting new tenant members during the move-in and establishment period
Establishing rental payment arrangements			
Provision of occupancy reports for CEHL monitoring purposes			

RENT AND ARREARS MANAGEMENT:			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Calculating initial and interim rental charges and advising tenants			Adoption of an Arrears Management Policy
Assisting tenants to establish and update rental payments			Assistance collecting Annual Rent Review forms
Maintaining rental payment records			Consideration of extraordinary rent repayment requests
Issuing payment records to each tenant on a monthly basis			Assistance establishing repayment agreements where appropriate
Collation and checking of Annual rent review forms			
Issuing payment reminders in accordance with Co-operative policies			
Monthly Rental Arrears reports presented to the board			
Establishing Catch-Up Agreements with tenants repaying arrears			

Advice to the board of pending legal action			
Undertaking legal action where required			
Provision of Arrears reports for CEHL monitoring requirements			

MAINTENANCE SERVICES			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Establishing routine facility maintenance contracts (lift, boiler, etc)	Provision of an after-hours maintenance call service		Orientation of new tenants and contractors to the building (including OH&S and emergency procedures).
Identifying appropriate tradespeople for responsive repairs	Regular cleaning service for common areas		Assistance arranging building access for tradespeople working in common areas
Receiving responsive maintenance requests and issuing work orders	Regular grounds & car park maintenance		Assistance screening maintenance requests where possible
Checking quality of repairs via tenant feedback sheets and random spot-checks	Regular on-site handyman attendance		Allocation of monitors for specific building facilities (e.g. waste management)
Monitoring maintenance expenditure against approved budget and identifying issues for discussion to Co-operative board.			Approval of Annual Planned Maintenance List

Compiling planned maintenance lists from Annual Inspections and CEHL Property Officer reports. Priority recommendations will also be included where estimates exceed budget allocations.			Consideration of extraordinary maintenance requests
Obtaining quotes where necessary			
Arranging approved planned maintenance			
Processing requests for tenant-funded maintenance			
Issuing monthly reports to the Co-operative Board of work orders issued in each maintenance category and identifying outstanding planned maintenance.			
Processing maintenance accounts and arranging payments to contractors			
Keeping full property maintenance records for each unit and common areas			

ASSET MANAGEMENT AND IMPROVEMENT			
Core services provided by CEHL	Additional Services	Fee	Cooperative's responsibilities
Complete an asset inspection every three years			Nominate a co-operative member to liaise with CEHL Property Officer
Report to the co-operative within 2 months of completing the asset inspection. The report is to include any identified maintenance work			Inform CEHL Property Officer of any property defects listed in the Third Schedule.
Consult with Co-operative members in setting priorities			Assist to organise inspections of premises
Negotiate with nominated Co-operative members to ensure the capital works upgrades plan, as set out in the Third Schedule to this Agreement, is updated periodically			Contribute to determining priorities based on inspection reports
Provide advice to nominated Co-operative members on maintenance matters they may have responsibility for.			

By the execution of this Agreement, the parties herein agree to the terms of this Agreement.

THE COMMON SEAL of COMMON)
EQUITY HOUSING LIMITED was)
hereunto affixed in accordance with its)
Constitution by authority of a resolution)
of its Board of Directors in the presence of:)

.....
Director

.....
Director/Authorised Signatory

THE COMMON SEAL of)
.....)
COMMUNITY MANAGED CO-OPERATIVE)
was hereunto affixed in accordance with its)
Rules, in the presence of:-)

.....
Director

.....
Director