

ST GEORGE COMMUNITY HOUSING BUSINESS PROFILE



ST GEORGE COMMUNITY HOUSING

ST GEORGE COMMUNITY HOUSING WAS ESTABLISHED IN 1985 TO REDUCE SOCIAL AND ECONOMIC DISADVANTAGE THROUGH THE PROVISION OF SECURE, AFFORDABLE AND SENSITIVELY MANAGED HOUSING FOR PEOPLE WITH LOW AND MODERATE INCOMES.

KEY INDICATORS

- VACANCY RATES 6.45 DAYS PER PROPERTY PER ANNUM
- RENTAL ARREARS 3.6% BENCHMARKED AT 4% BY HOUSING NSW
- COLLECTION VIA CENTRELINK 70-75%
- MAINTENANCE COSTS \$1,350 PER PROPERTY PER ANNUM
- CONSTRUCTION COSTS PER PROPERTY \$250,000

OUR CORE BUSINESS IS PROPERTY AND TENANCY MANAGEMENT WITH A NEW FOCUS ON

- DEVELOPMENT
- OWNERSHIP
- COMMUNITY RENEWAL

INDUSTRY OVERVIEW

The Community Housing Sector is relatively new to the property and finance markets. We fill the gap for Australians who want to move out of public housing and start the transition into the private market. Up until recently, the community housing provider's sole purpose was to maintain dwellings and tenancies on behalf of State Government housing departments.

New policies, regulations and title transfers have enabled growth providers such as St George Community Housing to transition to property owners and developers. The sector is rapidly growing in experience and sophistication, with registered growth providers obtaining Company Limited by Guarantee status in 2008, and operating in compliance with the Corporations Act.

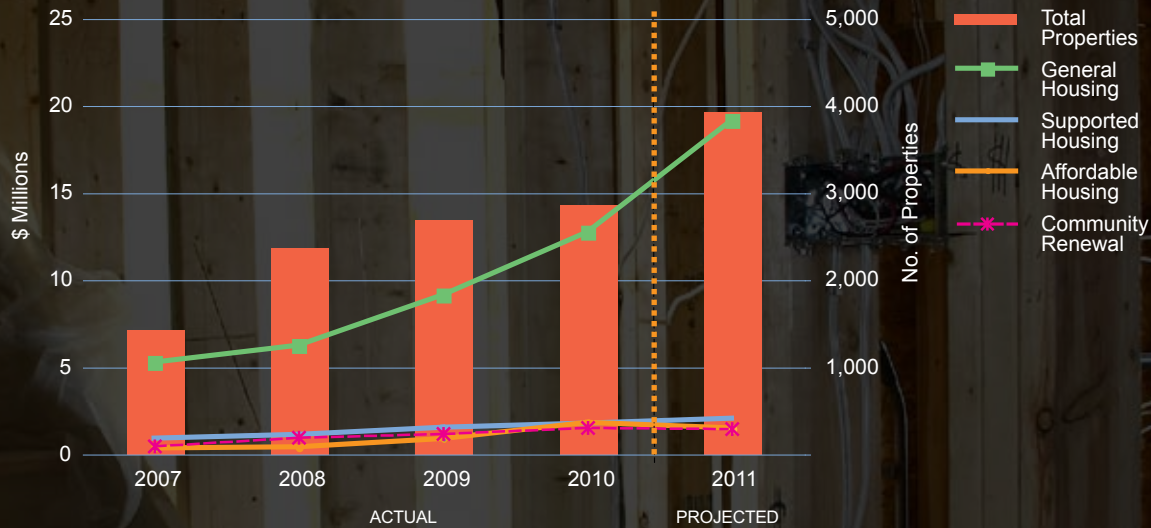
The outlook for the sector is prosperous and beneficial to all Australians as community housing tenants work towards ownership and greater participation in the communities in which they live.



FINANCIALS

Opportunities for further private sector investment lies in certain types of dwellings.

RENTAL INCOME BY TYPE OF HOUSING

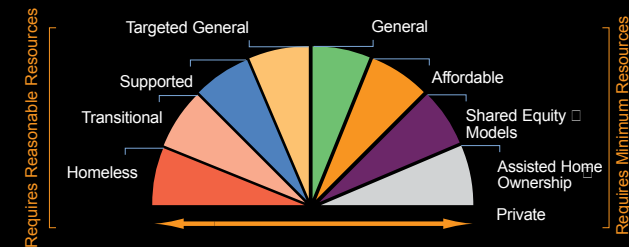


WE ARE THE FIRST COMMUNITY HOUSING PROVIDER IN AUSTRALIA TO PARTNER WITH A BANK AND A LARGE PROPERTY DEVELOPER, TO CREATE MORE AFFORDABLE HOUSING.

STAGE ONE OF THE COMMUNITY RENEWAL PROJECT AT BONNYRIGG, IN SYDNEY'S SOUTH WEST, WAS SUCCESSFULLY COMPLETED IN 2010

OUR PROFILE

WE PROVIDE HOUSING SOLUTIONS TO AUSTRALIANS WHO MOVE THROUGH THE HOUSING CONTINUUM

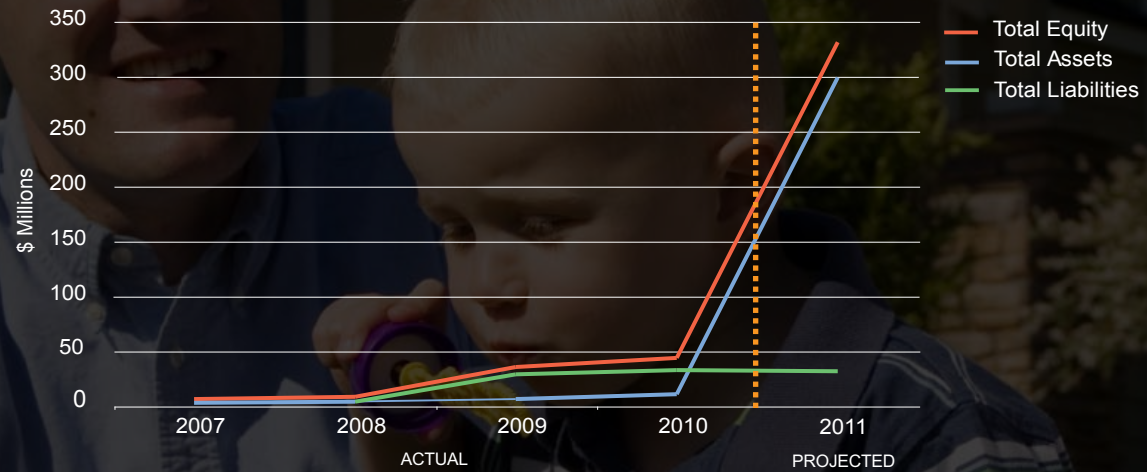


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FINANCIALS

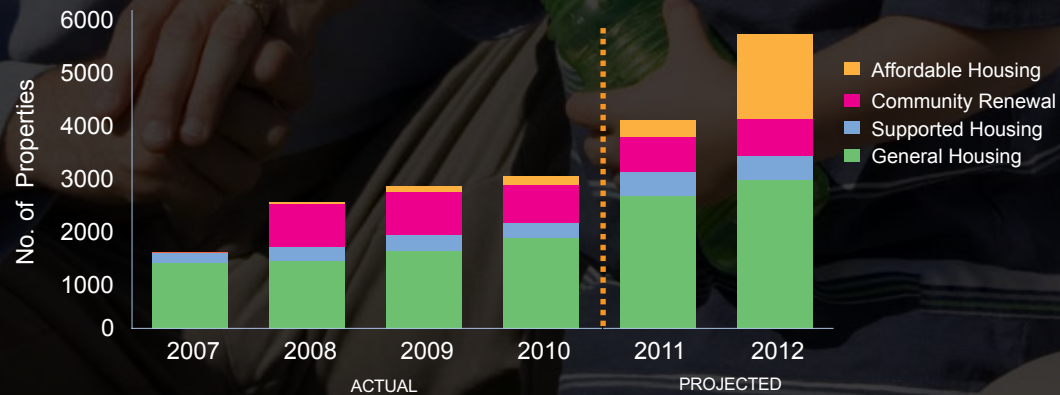
Our asset base is expanding as a result of gifted nation building dwellings.

BALANCE SHEETS



Growth opportunities are Key Worker Accommodation/Affordable Housing and Place Based Community Renewal.

TYPES OF HOUSING



ORGANISATION OVERVIEW

St George Community Housing (SGCH) is a large and respected Australian community housing provider.

While our portfolio has evolved over time, SGCH remains primarily committed to helping the most disadvantaged Australians, and seek to provide innovative responses to failures in the housing market. Established in 1985 as a generalist provider of transitional housing for low income households, we have since ventured into three other significant areas.

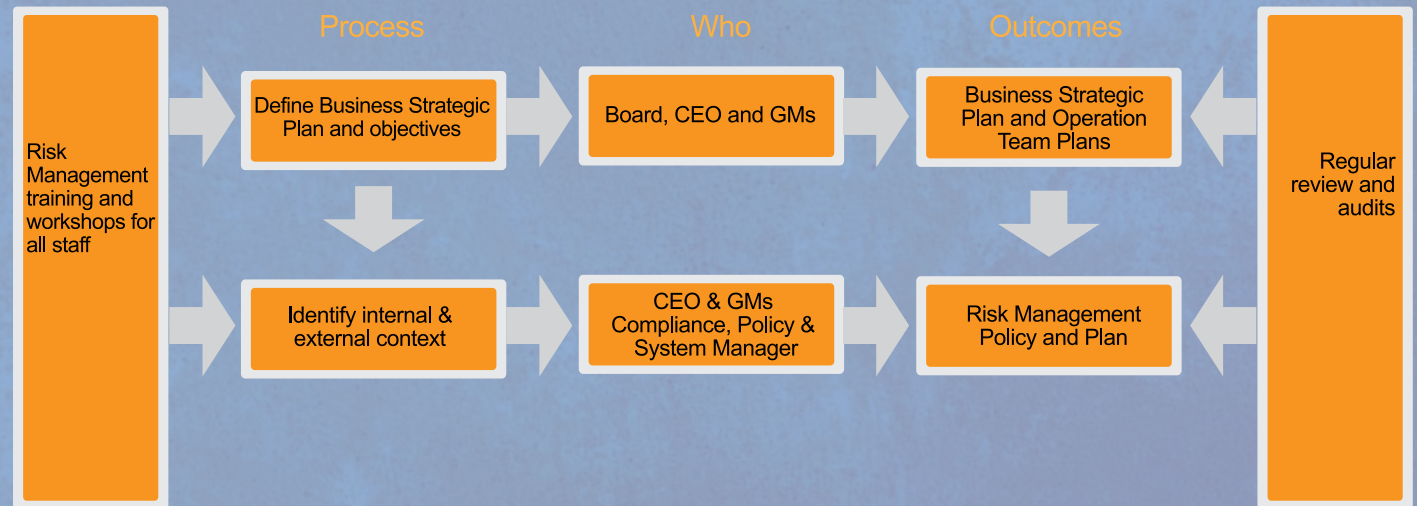


- The provision of a large portfolio of housing for individuals and families who need assistance from specialised support providers to sustain their tenancies and maintain stability and well being. This includes over 200 supported housing dwellings in the Port Jackson Supported Housing Program.
- Participation in the Bonnyrigg housing estate public private partnership (PPP). This is a place-based renewal program which spans an 18 year build period. It involves the relocation of tenants from 833 public housing dwellings, most back into Bonnyrigg. SGCH also runs programs to assist disadvantaged members of the community to participate in and contribute to community life. SGCH's partners in the PPP are Becton, Westpac and Spotless. In the future, the skills and experience learned from this very successful project will be applied to community renewal projects in other estates.
- The development of new affordable housing projects for low and moderate income households, struggling in the private rental market, but not entitled to assistance in the social housing system. This enables us to respond to the emerging problem of key worker housing, build our balance sheet and strengthen our cash flow to purchase more affordable housing. This improves our organisation's independence as a housing provider.

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RISK MITIGATION

We have a robust Risk Management Plan and mitigation strategies in place.
From 2011, SGCH will be AS/NZ ISO 31000 compliant



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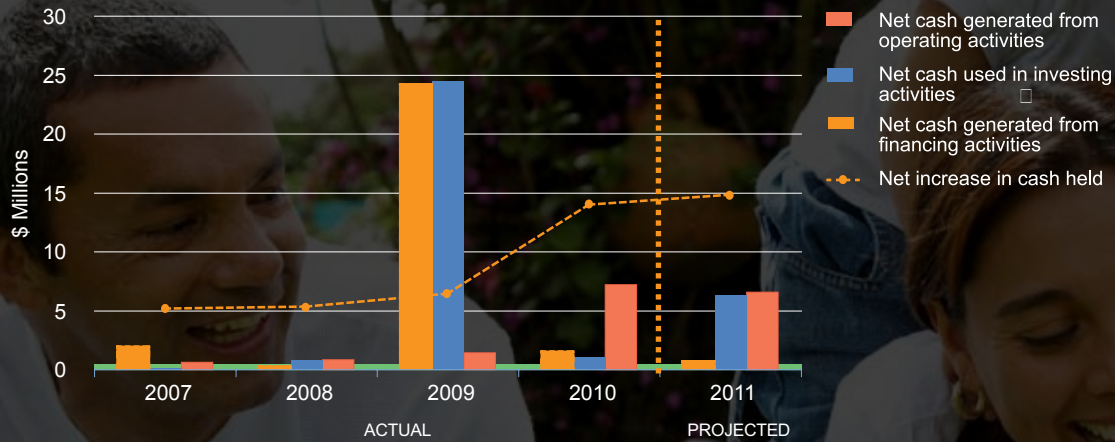


**SUPPORTIVE ENVIRONMENT,
ACCOUNTABLE PEOPLE
AND PRACTICES, RESPECT
FOR STAFF, PARTNERS
AND CLIENTS, INTEGRITY
IN OUR COMMUNICATIONS
AND MEETING OUR
RESPONSIBILITIES.**

FINANCIALS

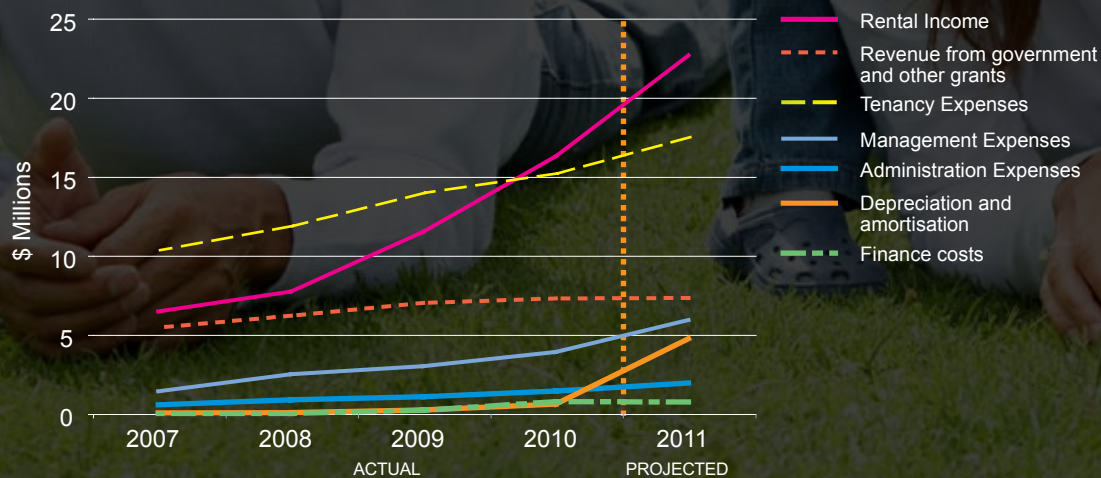
Our cash flow will increase significantly over the short to mid term.

CASH FLOW STATEMENTS



Our income will increase significantly as a result of winning 25% of available stock in the Nation Building Economic Stimulus Plan housing tender.

INCOME STATEMENTS



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BETTER LIVES, STRONGER COMMUNITIES THROUGH AFFORDABLE, QUALITY HOUSING.

INVESTMENT BENCHMARKS

- INTEREST COVER RATIOS
OF NO LESS THAN 1.3
- POST DEVELOPMENT PHASE
TARGET IS AN INTEREST
COVER RATIO OF 1.5.
- THE AMORTISATION PERIOD
ON TOTAL PROJECT DEBT
IS NO MORE THAN 20 YEARS
AFTER DRAW DOWN.

THE SGCH BOARD VOLUNTEER
THEIR TIME AND EXPERTISE
IN ACCOUNTING, FINANCE,
BUSINESS, MANAGEMENT AND
CORPORATE GOVERNANCE.



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