

**HABITAT FOR HUMANITY GREATER AUCKLAND LIMITED
SOCIAL HOUSING FUND**

INFORMATION DOCUMENT

Dated 30 September 2014

ISSUE OF DEBT SECURITIES

When deciding whether to invest, careful consideration should be given to the matters raised below which can be found on the following pages:

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WORDS AND EXPRESSIONS USED IN THIS INFORMATION DOCUMENT

"Habitat for Humanity Greater Auckland Limited" is abbreviated to **"HFH Greater Auckland"**.

"FMA" means Financial Markets Authority

"Loan Agreement" means the form of loan agreement at the end of this Information Document, that must be completed in accordance with instructions in this document and signed by persons wishing to invest money in HFH Greater Auckland's Social Housing Fund.

References to **"we"** or **"us"** in this document refer to HFH Greater Auckland.

IMPORTANT NOTICE

(The information in this section is required under the Securities Act (Charity Debt Securities) Exemption Notice 2013)

WARNING

Prospective investors are advised that HFH Greater Auckland, in making this offer of debt securities, is not subject to the normal offer document and independent supervisor requirements under the Securities Act 1978. This is because a general exemption from those requirements has been granted to all charities.

Accordingly, the information required to be disclosed in respect of this offer is less than the information that would normally be disclosed in a registered prospectus and investment statement.

Also, there is no independent supervision of your money and the normal mechanisms for redress if you encounter difficulties in securing repayment of your money is not available.

The Financial Markets Authority has not examined or approved this particular offer.

The general exemption was granted on the basis that prospective investors in charities are not necessarily seeking a commercial investment opportunity, but instead wish to support the charitable purpose of the charity. The particular charitable purpose of HFH Greater Auckland is discussed in this document.

If the investment risk or return, or if repayment of your investment, is important to you, you should consider seeking financial advice before subscribing to this offer.

FINANCIAL ADVISORS

A list of authorised financial advisors appears on the FMA's internet site. The address of FMA's internet site is www.fma.govt.nz.

WHO IS HFH GREATER AUCKLAND?

We are affiliated through Habitat for Humanity New Zealand Limited to Habitat for Humanity International Inc of the United States of America.

Habitat for Humanity is a global not for profit organisation founded on Christian principles.

Our Mission Statement is:

*Seeking to put God's love into action by bringing people together
to build homes, communities and hope.*

In New Zealand the Habitat for Humanity organisation operates through a national company, Habitat for Humanity New Zealand Limited, and nine regional affiliates. We are one of the affiliates. Habitat for Humanity Northland Limited is a subsidiary of HFH Greater Auckland.

We and all other Habitat for Humanity affiliates in New Zealand are limited liability companies that have charitable status. Apart from a small paid staff, HFH Greater Auckland's work is carried out by unpaid volunteers.

WHAT CHARITABLE WORK DO WE CARRY OUT IN NEW ZEALAND?

Our work in New Zealand involves providing homes for low income families and carrying out essential home maintenance and repairs on homes owned by low income families. Our programme for carrying out essential repairs is called "A Brush With Kindness".

Providing Homes

We do not simply give homes away. We work in partnership with the families in need to build the homes that are then sold to those families. Our transaction documents for the sale of homes to these low income families involve those families, first, renting their Habitat for Humanity homes for a five year trial period. Subject to the selected families meeting their partnership obligations, each family then enters into a long term sale and purchase agreement with us at the end the five year tenancy period. A substantial proportion of the rental payments made during the tenancy period are then credited against the purchase price payable under the sale and purchase agreement. Payments are fixed at an affordable level for each family. Interest is charged at a rate up to but not exceeding the rate of inflation. Each family is required to commit 500 hours of "sweat equity" to the building of their home or another Habitat home.

During and after the five year tenancy period we provide family support services to all families who are progressing to home ownership. These services include budgeting and financial literacy courses, house maintenance and life improvement skills programmes. At the date of this Information Document, we have built 97 homes in Auckland and 39 homes in Northland. Over the next 12 months we plan to build a further 9 houses in Auckland and 2 houses in Northland.

A Brush with Kindness

Our "A Brush With Kindness" home repair programme was instituted in late 2011, and has to date undertaken repairs and renovations to over 50 homes owned by low income families in Auckland and Northland. This programme provides essential home maintenance and repair services for existing home owners struggling to maintain their homes. It is targeted at the elderly, disabled and single parent families.

WHAT SORT OF INVESTMENT IS THIS?

This is an offer to invest in the HFH Greater Auckland Social Housing Fund. The securities being offered under this document are debt securities, being unsecured loans to HFH Greater Auckland recorded by a loan agreement. Any money invested in our Social Housing Fund will be used to provide homes for low income families and to carry out essential home maintenance and repairs on homes owned by low income families as described under "**What Charitable Work Do We Carry Out In New Zealand?**".

Any person may invest money in our Social Housing Fund. The minimum investment amount is \$5,000. The minimum term for any investment is five years. Investors may, if they wish, select a longer period.

We will be responsible for the administration of your money in our Social Housing Fund.

If you wish to invest money in our Social Housing Fund you will need to complete the Loan Agreement at the end of this Information Document, in accordance with instructions that are set out below.

WHAT RETURNS WILL YOU GET?

It is important to note that an investment with us is for a charitable purpose and you will receive between 0% and a maximum of 3% interest on your loan for the entire investment term. Within the range 0% and 3% you can nominate the rate of return you wish to receive.

Interest at the nominated rate will be payable on 31 March and 30 September in each calendar year.

The loan principal will be repayable at the end of the loan term stated in the Loan Agreement. All loans made to us must be for a minimum term of five years.

HFH Greater Auckland is the entity legally liable to repay your investment. As at the date of this Information Document the rate of return cannot be quantified and will be subject to the interest rate entered on the Loan Agreement and approved by us.

An investment with us may have tax consequences due to our charitable nature. We suggest that if you are considering making an investment with us you should seek independent professional advice prior to investing.

WHAT ARE YOUR RISKS?

There are a number of risks associated with investing in our Social Housing Fund. You are subject to the risk of us becoming insolvent and being unable to meet our financial obligations. If this occurs you may not recover some or all of the amount loaned to us.

The principal risk that may affect the solvency of HFH Greater Auckland is considered to be as follows:

Borrower/Liquidity Risk: We face liquidity risk where some or all of our debtors fail to meet their payment obligations. This includes the families obliged to make repayments for houses that they purchase from us or for repairs carried out under the "A Brush With Kindness" programme.

We mitigate the specific risk of debtors failing to meet their payments through a strict selection criteria of the families that are to receive a loan to buy a house or credit for repair works. We require completed budgets and character references prior to interviewing any applicants for a house or involvement in the "A Brush With Kindness" programme. All payments are constantly monitored and arrears are not allowed to accrue without appropriate action being taken.

Consequence of Insolvency

Should we become insolvent:

- you will not be required to pay any additional money to us under any circumstances; and
- your claim and other investors' claims will rank equally with any of our other unsecured creditors and behind the claims of any of the secured creditors of HFH Greater Auckland.

TERMS AND CONDITIONS OF THE OFFER

Investments with us must be for a minimum amount of \$5,000 and can be for any greater amount.

The minimum investment period is five years.

You will receive between 0% up to a maximum of 3% interest on your investment depending on the rate of interest you enter on the Loan Agreement.

When you have made an investment with us, we will, if you request, send, without fees or charge, a copy of our most recent audited financial statements that comply with generally accepted accounting practice.

We do not charge commission or any other charge on interest payable on our investment.

You can make an investment by completing in the attached Loan Agreement your full name, the interest rate you wish to receive, the principal sum you wish to invest, the term you select (within the limitations set out above) your residential address, date of birth, IRD number, bank account details and identification documents and sending or delivering the completed Loan Agreement together with your cheque (made payable to "Habitat for Humanity Greater Auckland" and crossed "not transferable") to the address below.

DISPUTE RESOLUTION SCHEME

The Financial Services Providers (Registration and Dispute Resolutions) Act 2008 requires that HFH Greater Auckland be a member of a dispute resolutions scheme.

HFH Greater Auckland is a member of Financial Services Complaints Limited (<http://www.fscl.org.nz>) dispute resolution scheme.

OTHER MATERIAL INFORMATION

On our website (at www.habitat.org.nz/ga) you can view copies of:

- the form of our transaction documents;
- the form of contracts used for the "A Brush With Kindness" programme;

- our up to date audited financial accounts that comply with the Financial Reporting Act 1993.

Requests for further information may be made by contacting us at:

Habitat for Humanity Greater Auckland Limited
8 Ormiston Road
East Tamaki
Auckland

Ph: 09 271 3357
Fax: 09 271 3359
Email: warren@habitat.org.nz
Web: www.habitat.org.nz

Habitat for Humanity Northland Limited
50b Kioreroa Rd
PO Box 829
Whangarei

Ph: 09 438 2250
Email: northland@habitat.org.nz
Web: www.habitat.org.nz

4. keep confidential all details of this Loan Agreement.

The Borrower warrants that they/he/she have read and understood the terms of the Information Document.

EXECUTION

SIGNED on behalf of
HABITAT FOR HUMANITY GREATER AUCKLAND LIMITED
as Borrower by:

Director

Director

SIGNED by the Lender)
in the presence of:) _____

(Signature of Witness)

(Name of Witness)

(Occupation of Witness)

(Address of Witness)

INSTRUCTIONS TO INVESTORS FOR COMPLETING THIS AGREEMENT

1. Fill in your full name(s), your residential address, date of birth, IRD number(s) and the bank account details for the payment of interest (if any) on the Principal Sum.
2. Complete the sum which you wish to invest in our Social Housing Fund, being not less than \$5,000. This is the Principal Sum.
3. State the interest rate which you wish to receive – between 0% and 3%.
4. State the term, being not less than five years, that you wish to invest in the Social Housing Fund.

Please then bring the Loan Agreement and the Information Document into our offices at 8 Ormiston Road, East Tamaki, Auckland for execution or post your signed and witnessed Loan Agreement to Habitat for Humanity , 8 Ormiston Road, East Tamaki, Auckland 2016 with copies of:

- your passport and utility bill; or
- driver's licence, credit card and utility bill,

in order for us to verify your identify.

We will complete the Term Commencement and Term Expiry Dates, take your payment and return to you the signed original copy of the Loan Agreement.

Staff to Complete

- | | | |
|----|------------------|----------|
| 1. | Passport sighted | Yes / No |
| 2. | Driver's licence | Yes / No |
| 3. | Credit card | Yes / No |
| 4. | Utility bill | Yes / No |

(note: either 1 and 4 or 2, 3 and 4)

Copies must be taken and attached to HFH file copy of agreement.

Lender known to Directors/Staff Yes / No

If yes – note Director/Staff member's name: _____

Basis of relationship (ie family friend, GV trip attendee): _____

Signed (staff member or director)

Date: