

## AGREEMENT ADDENDUM

Dated 21 / 6 ..... 2018

### Background

- (A) **The States of Jersey, acting through the Minister for Treasury and Resources (the Guarantor); and Andium Homes Limited (Andium Homes)** whose registered office is 33-35 Don Street St Helier Jersey JE2 4TQ, each a **Party** and together the **Parties** entered into the agreement (**the Agreement**) dated 22 July 2014 for the purpose of setting out the contractual commitments of the Guarantor and Andium Homes in supplement to the social Housing (Transfer) (Jersey) Law 2013.
- (B) The Parties wish to amend the Agreement pursuant to the Ministerial Decision MD-H-2018-0020: social housing rents – revised annual rent adjustment policy of 29 October 2018, on the terms set out in this agreement addendum (**the Addendum**).
- (C) The Addendum is the first amendment to the Agreement.
- (D) References in the Addendum to the Agreement are to the Agreement as previously amended or varied.

The Parties agree to the terms and conditions set out below:

### Amendments

1. The Agreement is amended as follows:
  - 1.1. The following clauses are inserted:
    - 2.1.3 relating to the period from 1 October to 31 December 2018, there shall be no increase to the Annual Return Amount.
    - 2.1.4 relating to each subsequent quarter ending on a Quarter Date after 1 January 2019, the minimum percentage increase shall be 1.75% and the maximum percentage increase shall be 3.25%, irrespective of the percentage increase in the Jersey RPI.
    - 2.1.5 relating to each subsequent quarter ending on a Quarter Date after 1 January 2019, the sum payable shall be, the amount payable in respect of each Quarter of the previous year increased by Jersey RPI as of September of that previous year, and the sums payable in respect of a Quarter shall be paid on the date falling fourteen days after the end that Quarter.
  - 1.2. The following clauses are amended:
    - 2.1.2 Before the word “relating, add “until 30 September 2018,”

2.2 After the words "and so forth", add", although after 30 September 2018 this shall be subject to clauses 2.1.3 to 2.1.5".

2.3 For the second sentence, replace with:

"The illustration shows two examples:

- (a) One based on RPI of 3.6% up to and including Q.3 2018,
- (b) Thereafter applying clauses 2.1.3 and clauses 2.1.4, above."

### Amendments to Schedule 1

2. Schedule 1 is amended as follows:

2.1. The last two lines of the illustration "RPI @ 3.6%" shall be replaced by the following lines:


RPI 3.6% up to Q.3 2018, then 0.0% Q.4 2018, and 3.25% thereafter					
[Make no changes in table for 2014-17]					
2018	7760.3	7760.3	7760.3	7760.3	31,041.2
2019	8012.5	8012.5	8012.5	8012.5	32050.0
2020	8272.9	8272.9	8272.9	8272.9	33091.6
2021	8541.8	8541.8	8541.8	8541.8	34167.2

2.2. The last two lines of the illustration "RPI @ 2.5%" shall be replaced by the following lines:


[Make no changes in table for 2014-17]					
2018	7435.9	7435.9	7435.9	7435.9	29,743.6
2019	7621.8	7621.8	7621.8	7621.8	30,487.2
2020	7812.4	7812.4	7812.4	7812.4	31,249.6
2021	8007.7	8007.7	8007.7	8007.7	32030.8

### No other change

3. Except where expressly provided in the Addendum, all of the terms and conditions of the Agreement remain unchanged.

Signed by .....  ..... Date *21<sup>st</sup> June 2019*

Minister for Treasury and Resources

Signed by ..  ..... Date *7<sup>th</sup> May 2019*

Chairman, Andium Homes Limited