



**Te Tūāpapa Kura Kāinga**  
Ministry of Housing and Urban Development

# **Residential Development Underwrite (RDU)**

## **Information Document**

**3 October 2024**

## About us

Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development (HUD) is the Government's primary advisor on housing and urban development. We provide advice on policy and legislation, collect and share data and insights to inform decisions, fund a range of programmes to deliver more housing and urban development where it is most needed, regulate Community Housing Providers (CHPs), and monitor Kāinga Ora – Homes and Communities and the Tāmaki Regeneration Company (TRC). You can learn more about the role of HUD by visiting [www.hud.govt.nz](http://www.hud.govt.nz).

## Important Information

This document provides key information about the Residential Development Underwrite (RDU) that will help developers understand:

- what the RDU is;
- whether developers should apply or not;
- what developers need to know before applying;
- how to complete the application;
- what information is important to us when assessing applications; and
- the process we will use to make decisions.

The information in this document is being made available in advance of applications opening on 7 October 2024, to allow residential developers more time to consider and prepare. Please note the information in this document is subject to being amended in accordance with the Terms and Conditions attached as Appendix A.

If developers intend on submitting an application or have a specific question, please let us know by emailing [RDU@hud.govt.nz](mailto:RDU@hud.govt.nz). Please note that applicants are responsible for any costs associated with the preparation of RDU applications.

## The opportunity

*What is the Residential Development Underwrite (RDU)?*

The RDU is a new, time-limited, Government initiative to help the residential construction sector recover from the effects of the downturn. It will help maintain capacity in the sector, help grow housing supply, and support developments to be ready for when buyers return to the market as the economy recovers.

An underwrite is an effective tool to encourage more building activity, where the finance is provided by banks and other lenders.

HUD is inviting applications from experienced residential developers who can maintain construction pipelines for residential developments but need an underwrite on some of the houses to help confirm financing. The RDU will only be approved for developments that deliver significant housing supply, matched for that location, and are at low risk and cost to the Crown.

There are two overarching objectives of the RDU (the RDU Objectives), which are:

1. **Primary objective:** maximising overall housing supply, while minimising the risk and cost to the Crown.
2. **Secondary objective:** accelerating development of Government owned land (to reduce the Government's holding costs and support faster recycling of the Government's investment in that land).

*How does the RDU work?*

The RDU acts as the pre-sales needed for residential developers to secure development finance for consented, costed and ready-to-commence projects.

Developments that have the potential to deliver the most houses for the least risk and net cost to the Crown will be prioritised. This means the lower, the better, for both the underwrite price of the houses and the proportion of houses in the development that need to be underwritten to satisfy (evidenced) finance conditions. Developments needing 100% of houses to be underwritten will not be accepted.

It is expected that developments in the main centres (Auckland, Hamilton, Tauranga, Wellington, Christchurch) will best meet the RDU Objectives. However, developments in other locations that align with the assessment criteria will also be considered.

Successful applicants will enter into a RDU contract that commits HUD (subject to the terms of the underwrite being complied with) to purchase the underwritten houses if the developer is unable to sell to market buyers, after an agreed marketing and sales period. This contract will include an agreed discounted 'underwrite price' for each underwritten house, set at below the market value to incentivise developers to sell to the market. Developers can sell the homes to any purchaser and there is no price cap on sale price.

The market value of the houses is set by a registered valuation. Developers will provide a recent registered valuation. HUD will then have the developer's valuation peer reviewed and may commission its own valuation as part of our assessment process. In cases where there is a registered valuation from both HUD and the Developer, the lower of the valuations is used to set the market value of the houses.

When proposing the underwrite discount percentage in an application, developers should consider evidenced funders requirements, the level of developer equity, the overall development feasibility, and the risk of the underwrite being triggered.

HUD will monitor construction and sales progress over the term of an underwritten development. Developers will need to provide HUD with a comprehensive sales and marketing plan and evidence of best efforts to sell houses to market buyers.

If an underwrite is triggered following the agreed time period and satisfying the sales and marketing conditions, HUD will purchase the underwritten houses and

on-sell the houses either as market, affordable or social housing.<sup>1</sup>

### *How do developers apply?*

HUD is accepting applications from 1 October 2024 onwards. Developers will be able to apply through the application portal located here:

<https://www.hud.govt.nz/our-work/residential-development-underwrite>. The application process consists of an online application, completing the applications templates and uploading organisation and development specific documents.

Applications sent by post, courier, fax or hard copy delivered to our office **will not be accepted**. The developer accepts that by submitting an application it is bound by the Terms and Conditions attached as Appendix A.

### *What are the responsibilities of a successful applicant?*

If a developer's RDU application is successful, they will:

- complete the design of the development (including engineering design and building consent design);
- obtain development funding ;
- manage the construction of any works required to complete the development (including all infrastructure required and to Healthy Homes standard) within agreed milestones;
- manage the process of marketing and selling all houses developed (within agreed parameters); and
- regularly report and meet with HUD on development, marketing and sales progress.

## Eligibility criteria

### *Who should apply?*

Developers should consider applying for a RDU if their development meets the RDU Objective of maximising housing supply while minimising the risk and net cost to the Crown, and the eligibility criteria.

HUD will only accept applications that meet **all** the of the eligibility criteria and provide all the necessary documents listed below.

If developers are unsure if their development meets the RDU Objectives or eligibility criteria and would like to talk to someone please email [RDU@hud.govt.nz](mailto:RDU@hud.govt.nz).

ELIGIBILITY CRITERIA
<b>The developer must:</b>
<ol style="list-style-type: none"><li>1. Be an established residential developer with a proven track record of successfully building and selling houses of a similar size and scale.</li><li>2. Have ownership or use of the land (or an option to do so) and have all</li></ol>

<sup>1</sup> HUD may on sell the houses to any purchasers including Community Housing Providers or other housing providers.

<p>required resource consents for residential housing.</p> <p>3. Be able to provide satisfactory evidence underwrites are needed for the development to proceed within 6—12 months (for example evidence that reasonable attempts have been made to market the development, finance approval is conditional on securing presales, and there are workers/subcontractors available).</p> <p>4. Be willing to provide a recent market valuation from a registered valuer.<sup>2</sup></p>
<p><b>The development must:</b></p>
<p>5. Have a minimum of 30 houses. If the development is to be staged, the stage subject to the underwrite must have a minimum of 30 houses.</p>

*Due diligence*

Before assessing applications, HUD will conduct a due diligence exercise. If any issues arise during this process, an application's progression may be affected.

## Assessment Framework

The assessment framework, comprised of the criteria and corresponding percentages below, aims to help HUD advance proposals that closely align with the RDU Objectives.

We encourage developers to self-assess their proposal against this framework and the detailed description for each criteria.

During the assessment, all information provided will be assessed to determine the likelihood of triggering an underwrite within each criteria.

#	CRITERIA	DESCRIPTION
1	Risk and net cost to the Crown (35%)	<ul style="list-style-type: none"> <li>Evidence and assessment of the development feasibility</li> <li>Commercial and risk assessment of the developer's proposed underwrite discount relative to market value of the houses</li> <li>Commercial and risk assessment of the proportion of houses in the development or stage that the developer has applied to be underwritten</li> <li>Commercial and risk assessment of the average price of the underwritten houses</li> <li>Commercial and risk assessment of the developer's submitted case studies (examples of previous completed developments) with a particular focus on the sales risk of the developments.</li> <li>Level of developer equity contributed to the development</li> </ul>

<sup>2</sup> Registered market valuations may be required to be updated.

		<ul style="list-style-type: none"> <li>Commercial and risk assessment of the volume and proportion of presales already achieved</li> </ul>
2	Project Readiness (25%)	<ul style="list-style-type: none"> <li>HUD's level of confidence in the development programme</li> <li>Evidence of development finance availability</li> <li>How fast construction can commence</li> <li>How soon houses will be delivered to the market, relative to the nature of the development (house type)</li> <li>Evidence the developer has the internal key personnel with appropriate skills, experience and availability to successfully complete the development</li> <li>Evidence of the ability to contract contractors in alignment with programme timeframes</li> </ul>
3	Volume and nature of supply (20%)	<ul style="list-style-type: none"> <li>Total volume of houses in the development or applicable stage</li> <li>Evidence of market demand for the typology and design</li> <li>Assessment of the type of housing, either apartments, townhouses/terraces or standalone dwellings</li> <li>Predominant typology</li> </ul>
4	Location (20%)	<ul style="list-style-type: none"> <li>Evidence and assessment of the purchaser capacity to purchase houses when completed at the location</li> <li>Evidence and assessment of the current undersupply of housing within the location</li> <li>Evidence and assessment of the population growth within the location</li> <li>Evidence and assessment of the future decline in housing developments</li> <li>Assessment of location proximity to amenities and transport</li> </ul>

## Our assessment process

We are anticipating a high level of interest in the RDU. To effectively allocate our resources, we've designed assessment process that prioritises development projects aligning closely with the RDU Objectives.

We recognise that developers may need time to update costings, valuations, and other elements to produce a quality proposal. We urge developers to invest in the time and effort needed to produce a high-quality proposal.

Our assessment process will focus on advancing proposals that best match the RDU Objectives, rather than the order in which we receive submissions.

Developers will receive updates from HUD on whether their application is

progressing to the next stage.

For proposals that strongly align with RDU Objectives, we anticipate the following indicative timeframes. However, timeframes may be longer for lower-aligned applications or if we need to request additional information.

Please note that HUD does not commit to finalising assessments or communicating decisions within a specific timeframe.

<b>STAGE</b>	<b>DESCRIPTION/STEPS</b>	<b>EXPECTED TIMEFRAME</b>
<b>Triage</b>	Application triaged based on alignment with the RDU Objectives. We will assess information developers have submitted, data available to HUD and the results of due diligence checks.	2 weeks
<b>Assessment</b>	Assessment completed against the Assessment Criteria.	8 weeks
<b>Approval</b>	Approval processes and final decision-making.	4 weeks
<b>Contracting</b>	Agreement and execution of the underwrite agreement.	4 weeks
<b>Contract management</b>	Ongoing contract management and reporting on the progress of the development and sales.	Ongoing

### *Required documents*

Below are the documents which must be included in applications to be accepted:

<b>DOCUMENTS TO SUPPORT APPLICATIONS</b>
<b>Mandatory documents and supporting evidence</b>
<ol style="list-style-type: none"> <li>1. Developer Profile [template provided]</li> <li>2. All required resource consent documents</li> <li>3. Record of Title or supporting evidence of option to develop</li> <li>4. Key contractors' information [template provided]</li> <li>5. Evidence of bank or third-party finance requirements and terms</li> <li>6. Development feasibility [template provided]</li> <li>7. Dwelling schedule [template provided]</li> <li>8. Evidence and analysis of market demand for houses (explaining typology and location choice)</li> <li>9. Development programme showing detailed timeline/schedule for end-to-end project</li> </ol>

10. Geotechnical report
<b>Documents that will need to progress application</b>
11. Recent registered market valuation 12. Product specification document (such as the list of appliances etc specified for the homes)
<b>Additional documents (if applicable)</b>
13. Master plan or land use plans of the development 14. Staged master plan 15. Engineering Plan Approval 16. Building Consent plans and copy of the building consent approvals 17. Additional evidence to support that an underwrite is needed 18. Certificate of incorporation 19. Quantity surveyor's report or contractors' price submissions 20. Details of any mortgages or security held over the land 21. Flooding/natural hazard reports 22. Recent LIM report

*Probity*

HUD's procurement team will actively manage probity internally. If any applicant has concerns regarding procedural matters, they are entitled to contact and request a probity review at [procurement@hud.govt.nz](mailto:procurement@hud.govt.nz).



# Appendix A – Terms and Conditions

## 1. Preparing an Application

- a. Applicants are to use the Application Form provided and include all information requested by HUD.
- b. By submitting an Application the Applicant accepts that it is bound by these Terms and Conditions).
- c. Each Applicant will:
  - i. examine the Information Document and any documents referenced in the Information Document and any other information provided by HUD;
  - ii. if appropriate, obtain independent advice before submitting an Application; and
  - iii. satisfy itself as to the correctness and sufficiency of its Application.

## 2. Applicant's Questions

- a. Each Applicant should satisfy itself as to the interpretation of the documents that relate to the RDU. If there is any perceived ambiguity or uncertainty Applicants should seek clarification from HUD.
- b. All requests for clarification must be made by email to HUD's Point of Contact. HUD will respond to requests in a timely manner.
- c. If HUD considers a request to be of sufficient importance to all Applicants it may provide details of the question and answer to other Applicants and in such a case the question and answer shall become part of the Frequently Asked Questions. In doing so HUD may summarise the Applicant's question and will not disclose the Applicant's identity. The question and answer may be emailed to participating Applicants. An Applicant may withdraw a request at any time.
- d. In submitting a request for clarification an Applicant is to indicate, in its request, any information that is commercially sensitive. HUD will not publish such commercially sensitive information. However, HUD may modify a request to eliminate such commercially sensitive information, and publish this and the answer where HUD considers it to be of general significance to all Applicants. In this case, however, the Applicant will be given an opportunity to withdraw the request or remove the commercially sensitive information.

## 3. Submitting an Application

- a. Each Applicant is responsible for ensuring that its Application is received by HUD. HUD will acknowledge receipt of each Application.
- b. HUD intends to rely on the Applicant's Application and all information provided by the Applicant (e.g. in correspondence). In submitting an Application and communicating with HUD each Applicant should check that all information it provides to HUD is:
  - i. true, accurate and complete and not misleading in any material respect; and

- ii. does not contain intellectual property that will breach a third party's rights.

- c. In submitting an Application you warrant that the Point of Contact is authorised to submit the Application.

## 4. Assessment panel

- a. HUD will convene an assessment panel comprising of members chosen for their relevant expertise and experience. In addition, HUD may invite independent advisors to assess any Application, or any aspect of any Application.

## 5. Third party information

- a. Each Applicant authorises HUD to collect additional information, except commercially sensitive pricing information, from any relevant third party (such as a referee or a previous or existing client) and to use that information as part of its assessment of the Applicant's Application.
- b. To facilitate discussions between HUD and third parties each Applicant waives any confidentiality obligations that would otherwise apply to information held by a third party, with the exception of commercially sensitive pricing information.

## 6. HUD clarification

- a. HUD may, at any time, request from any Applicant clarification of its Application as well as additional information about any aspect of its Application. HUD is not required to request the same clarification or information from each Applicant.
- b. The Applicant must provide the clarification or additional information in the format requested. Applicants will endeavour to respond to requests in a timely manner. HUD may take such clarification or additional information into account in assessing the Application.
- c. Where an Applicant fails to respond adequately or within a reasonable time to a request for clarification or additional information, HUD may cease assessment the Application and may eliminate the Application from the process.

## 7. Assessment and advancement

- a. HUD will base its initial assessment on the Applications submitted in response to the invitation.
- b. In deciding which Applicant/s to advance HUD may take into account any of the following additional information:
  - i. the results from due diligence;
  - ii. any matter that materially impacts on HUD's trust and confidence in the Applicant; and
  - iii. any relevant information that HUD may have in its possession.
- c. HUD will advise Applicants if they will be advanced in the process or not. Being advanced does not constitute acceptance by HUD of the Applicant's Application, or imply or create any obligation on HUD to enter into negotiations with, or any underwrite Contract with, any Applicant/s. At this stage in the process HUD will not make public the names of the Applicants that will be advanced.

## 8. Applicant's debrief

- a. HUD will offer Applicants who have not been advanced in the process a debrief. Each Applicant will have 30 Business Days from the date of offer

to request a debrief. When an Applicant requests a debrief, HUD will provide the debrief within 30 Business Days of the date of the request.

- b. The debrief may be provided by letter, email, phone or at a meeting. The debrief will:
  - i. provide the reasons why the Application was or was not successful;
  - ii. explain how the Application performed in relation to each question
  - iii. indicate the Application's relative strengths and weaknesses
  - iv. seek to address any concerns or questions from the Applicant; and
  - v. seek feedback from the Applicant on the process.

## 9. Issues and complaints

- a. An Applicant may, in good faith, raise with HUD any issue or complaint about the process at any time. An Applicant may also raise an issue with the probity contact identified in the Information Document.
- b. HUD will consider and respond promptly and impartially to the Applicant's issue or complaint.
- c. HUD and Applicant each agree to act in good faith and use their best endeavours to resolve any issue or complaint that may arise in relation to the RDU.
- d. The fact that an Applicant has raised an issue or complaint is not to be used by HUD to unfairly prejudice the Applicant's ongoing participation in the RDU process or future contract opportunities.

## 10. HUD's Point of Contact

- a. All enquiries regarding the RDU must be directed by email to HUD's Point of Contact. Applicants must not directly or indirectly approach any representative of HUD, or any other person, to solicit information concerning any aspect of the RDU or the process of assessment of Applications.
- b. Only the Point of Contact, and any authorised person of HUD, are authorised to communicate with Applicants regarding any aspect of the Information Document. HUD will not be bound by any statement made by any other person. HUD will not be bound by any statement, written or verbal, made by any person including the Point of Contact unless that statement is subsequently incorporated into the underwrite Contract entered into between the Applicant and HUD.
- c. HUD may change the Point of Contact at any time. HUD will notify Applicants of any such change. This notification will be sent by email.
- d. Where an Applicant has an existing contract with HUD then business as usual communications, for the purpose of managing delivery of that contract, will continue using the usual contacts. Applicants must not use business as usual contacts to lobby HUD, solicit information or discuss aspects of the RDU or the assessment of an Application.

## 11. Conflict of Interest

- a. Each Applicant must complete the Conflict of Interest declaration in the Application Form and must immediately inform HUD should a Conflict of Interest arise during the process of assessing an Application. A material Conflict of Interest may

result in the Applicant being disqualified from participating further in the process.

## 12. Ethics

- a. Applicants must not attempt to influence or provide any form of personal inducement, reward or benefit to any representative of HUD in relation to the RDU or the assessment process.
- b. An Applicant who attempts to do anything prohibited by paragraphs 10.a, 10.d. and 12.a. may be disqualified from participating further in the RDU or the assessment process.
- c. HUD reserves the right to require additional declarations, or other evidence from an Applicant, or any other person, throughout the process to ensure probity of the process.

## 13. Anti-collusion and bid rigging

- a. Applicants must not engage in collusive, deceptive or improper conduct in the preparation of their Applications or other submissions or in any discussions with HUD. Such behaviour will result in the Applicant from being disqualified from participating further in the process. The Applicant warrants that its Application has not been prepared in collusion with a Competitor.
- b. HUD reserves the right, at its discretion, to report suspected collusive or anti-competitive conduct by Applicants to the appropriate authority and to give that authority all relevant information including an Applicant's Application.

## 14. Confidential Information

- a. HUD and the Applicant will each take reasonable steps to protect Confidential Information and, subject to paragraph 14.c. and without limiting any confidentiality undertaking agreed between them, will not disclose Confidential Information to a third party without the other's prior written consent.
- b. HUD and the Applicant may each disclose Confidential Information to any person who is directly involved in the RDU application process on its behalf, such as officers, employees, consultants, contractors, professional advisors, assessment panel members, partners, principals or directors, but only for the purpose of participating in the RDU.
- c. Applicants acknowledge that HUD's obligations under paragraph 14.a. are subject to requirements imposed by the Official Information Act 1982 (OIA), the Privacy Act 2020, parliamentary or constitutional convention and any other obligations imposed by the law. HUD will not be in breach of its obligations if Confidential Information is disclosed by HUD to the appropriate authority because of suspected collusive or anti-competitive tendering behaviour. Where HUD receives an OIA request that relates to an Applicant's Confidential Information HUD will consult with the Applicant and may ask the Applicant to explain why the information is considered by the Applicant to be confidential or commercially sensitive.

## 15. Confidentiality of information

- a. For the duration of the process of assessing an Application, or the end of the procurement process, the Applicant agrees to keep the Application strictly confidential and not make any public statement to any third party in relation to any aspect of the Application, the process of assessment or the award of any Contract without HUD's prior written consent.
- b. An Applicant may disclose information relating to the RDU to any person described in paragraph 14.b. but only for the purpose of participating in the process of applying for an RDU. The Applicant must take reasonable steps to ensure that such recipients do not disclose Confidential Information to any other person or use Confidential Information for any purpose other than the Application process.

## 16. Costs

- a. Each Applicant will meet its own costs associated with the preparation and presentation of its Application and any negotiations.

## 17. Ownership of documents

- a. The Information Document, the Application and all other documents relating to the RDU (the RDU Documents) and the contents of any of them remain the property of HUD. All Intellectual Property rights in the RDU Documents and the RDU remain the property of HUD or its licensors. HUD may request the immediate return or destruction of any or all RDU Documents and any copies. Applicants must comply with any such request in a timely manner.
- b. All documents forming the Application will, when delivered to HUD, become the property of HUD. Applications will not be returned to Applicants at the end of the process.
- c. Ownership of Intellectual Property rights in the Application remain the property of the Applicant or its licensors. However, the Applicant grants to HUD a non-exclusive, non-transferable, perpetual licence to retain, use, copy and disclose information contained in the Application for any purpose related to the RDU process.

## 18. No binding legal relations

- a. Neither the Information Document, nor the application and assessment process, creates a process contract or any legal relationship between HUD and any Applicant, except in respect of:
  - i. the Applicant's declaration in its Application;
  - ii. the Applicant's statements, representations and/or warranties in its Application and in its correspondence with HUD;
  - iii. the standard terms and conditions set out in paragraphs 10 to 23;
- b. Each exception in paragraph 18.a. is subject only to HUD's reserved rights in paragraph 20.
- c. Except for the legal obligations set out in paragraph 18.a. no legal relationship is formed between HUD and any Applicant unless and until a Contract is entered into between those parties.

## 19. Elimination

- a. HUD may exclude an Applicant from participating in the RDU process if HUD has evidence of any of the following, and is considered by HUD to be material:
  - i. the Applicant has failed to provide all information requested, or in the correct format, or materially breached a term or condition of the RDU process;
  - ii. the Application contains a material error, omission or inaccuracy;
  - iii. the Applicant is in bankruptcy, receivership or liquidation;
  - iv. the Applicant has made a false declaration
  - v. there is a serious performance issue in a historic or current contract delivered by the Applicant;
  - vi. the Applicant has been convicted of a serious crime or offence;
  - vii. there is professional misconduct or an act or omission on the part of the Applicant which adversely reflects on the integrity of the Applicant;
  - viii. the Applicant has failed to pay taxes, duties or other levies;
  - ix. the Applicant represents a threat to national security or the confidentiality of sensitive government information; and
  - x. the Applicant is a person or organisation designated as a terrorist by New Zealand Police.

## 20. HUD's additional rights

- a. HUD may:
  - i. amend, suspend, cancel and/or re-issue the Information Document, or any part of the RDU process (including any change to the timeline or any requirements specified in the Information Document) by giving reasonable notice to each Applicant Point of Contact and/or posting the change on HUD's website;
  - ii. accept or reject any Application, or part of an Application;
  - iii. accept or reject any non-compliant, non-conforming or alternative Application;
  - iv. decide not to enter into a Contract with any Applicant;
  - v. liaise or negotiate with any Applicant without disclosing this to, or doing the same with, any other Applicant;
  - vi. provide to or withhold from any Applicant information in relation to any question arising. Information will usually only be withheld if it is deemed unnecessary, is commercially sensitive to an Applicant, is inappropriate to supply at the time of the request or cannot be released for legal reasons;
  - vii. amend the proposed Contract at any time, including during negotiations with an Applicant; and
  - viii. waive irregularities or requirements in the process where it considers it appropriate and reasonable to do so.

## 21. New Zealand law

- a. The laws of New Zealand shall govern the Information Document and the RDU process and each Applicant agrees to submit to the exclusive jurisdiction of the New Zealand courts in respect of any dispute.

## 22. Disclaimer

- a. HUD will not be liable in contract, tort, equity, or in any other way whatsoever for any direct or indirect damage, loss or cost incurred by any

- Applicant or any other person in respect of the RDU process.
- b. Nothing contained or implied in the Information Document, or the RDU process, or any other communication by HUD to any Applicant shall be construed as legal, financial or other advice. HUD has endeavoured to ensure the integrity of such information. However, it has not been independently verified and may not be updated.
- c. To the extent that liability cannot be excluded, the maximum aggregate liability of HUD is \$1.

## 23. Precedence

- a. Any conflict or inconsistency between the Terms and Conditions, Information Document, Application and any other document shall be resolved by giving precedence in the following descending order:
  - i. Terms and Conditions;
  - ii. all other Sections of this Information Document;
  - iii. the Application; and;
  - iv. any additional information or document provided by HUD to Applicants through HUD's Point of Contact.
- b. If there is any conflict or inconsistency between information or documents having the same level of precedence the later information or document will prevail.

## 24. Key definitions

In relation to the Information Document and these Terms and Conditions the following words and expressions have the meanings described below.

**Application** The Application an Applicant submits in reply to the RDU. It comprises the Applicant's Application and all other information submitted by an Applicant.

**Applicant** A person, organisation, business or other entity that submits an Application in relation to the RDU. The term Applicant includes its officers, employees, contractors, consultants, agents and representatives. The term Applicant differs from a supplier, which is any other business in the marketplace that does not submit an Application.'

**Application Form** The form and declaration prescribed by HUD and used by an Applicant in relation to the RDU, duly completed and submitted by an Applicant as part of its Application.

**Business Day** Any week day in New Zealand, excluding Saturdays, Sundays, New Zealand (national) public holidays and all days from Boxing Day up to and including the day after New Year's Day.

**Competitors** Any other business that is in competition with an Applicant either in relation to the development the subject of its Application or in general.

**Confidential Information** means Information that:

- a. is by its nature confidential;
- b. is marked by either HUD or an Applicant as 'confidential', 'commercially sensitive', 'sensitive', 'in confidence', 'top secret', 'secret', 'classified' and/or 'restricted';

- c. is provided by HUD, an Applicant, or a third party in confidence; and
- d. HUD or an Applicant knows, or ought to know, is confidential. Confidential information does not cover information that is in the public domain through no fault of either HUD or an Applicant.

**Conflict of Interest** A Conflict of Interest arises if an Applicant's personal or business interests or obligations do, could, or be perceived to, conflict with its obligations to HUD under in relation to its Application or the assessment of its Application or in the provision of the goods or services. It means that the Applicant's independence, objectivity or impartiality can be called into question. A Conflict of Interest may be:

- a. actual: where the conflict currently exists;
- b. potential: where the conflict is about to happen or could happen; or
- c. perceived: where other people may reasonably think that a person is compromised.

**Contract** The written contract/s entered into by HUD and successful Applicant/s relating to an RDU.

**GST** The goods and services tax payable in accordance with the New Zealand Goods and Services Tax Act 1985.

**HUD** is the government agency that has issued the call for Applications for an RDU. The term HUD includes its officers, employees, contractors, consultants, agents and representatives.

**Intellectual Property** All intellectual property rights and interests, including copyright, trademarks, designs, patents and other proprietary rights, recognised or protected by law.

**Point of Contact** HUD and each Applicant are required to appoint a Point of Contact. This is the channel to be used for all communications during the process. HUD's Point of Contact is via the email RDU@hud.govt.nz. The Applicant's Point of Contact is identified in its Application.

**RDU** means the residential development underwrite described in the Information Document.

**Terms and Conditions** The terms and conditions that apply to the RDU and any Application as described in the Appendix to the Information Document.