



Housing Australia

# Housing Australia Future Fund Facility and National Housing Accord Facility

## Fact Sheet

Developers, Builders, Financiers and Investors

January 2024

### What is the Housing Australia Future Fund and the National Housing Accord?

The Housing Australia Future Fund (HAFF) and the National Housing Accord are Federal Government initiatives to improve housing outcomes for Australians and will collectively support the delivery of 20,000 new social and 20,000 new affordable homes across Australia over five years.

The HAFF has been established to create a secure, ongoing pipeline of funding for social and affordable rental housing including housing to support acute housing need. The HAFF will be used to support the delivery of 20,000 social homes and 10,000 affordable homes under the Housing Australia Future Fund Facility (HAFFF). The HAFFF is the mechanism to support the delivery of these 30,000 homes.

The National Housing Accord (2022) brings together all levels of government, investors and the residential development, building and construction sectors to unlock quality, affordable housing supply over the medium term. The Accord includes a target to support the delivery of 20,000 affordable homes, with the Commonwealth supporting the delivery of 10,000 affordable homes and States and Territories supporting the delivery of the other 10,000 homes. The National Housing Accord Facility (NHAF) is the instrument through which Housing Australia will support via financing the Federal Government's commitment to deliver the 10,000 affordable homes.

The HAFFF and NHAF programs are delivered by Housing Australia. Housing Australia (formerly the National Housing Finance and Investment Corporation) was established through the *Housing Australia Act 2018* to improve housing outcomes.

### What is the current opportunity and key dates?

Housing Australia is seeking to finance new, quality, well located social and affordable housing so that more Australians can have a safe and affordable place to call home. Competitive, efficient and value for money applications are invited, which optimise the use of Government funding.

Housing Australia is calling for funding applications from eligible entities, to support eligible projects, through the First Funding Round under the HAFFF and NHAF program. The Call for Applications (CFA) for this First Funding Round opened on

15 January 2024. The application period closes 2.00pm AEDT (Australia Eastern Daylight Time) 22 March 2024.

It is Housing Australia's intention that applicants will be advised on the outcome of their applications in quarter 3 of 2024.

### Who is eligible to apply for funding?

The following entities are eligible to apply for funding:

- Registered charities, where they are either registered community housing providers (CHPs); or have a primary purpose of providing housing to Aboriginal and Torres Strait Islander people or to Australian Defence Force members or former members (veterans),
- State and Territory Governments and Local Governments,
- Special purpose vehicles (SPVs) with one of the other eligible entities (above) as a member.

In the case of SPVs, at least one of the members must be an eligible entity referred to in (a) and (b) above. The other members of the SPV do not need to be eligible entities, and therefore can include developers, investors, financiers, and other entities from the private, not-for-profit and non-government sectors. Housing Australia will require the eligible entity member (for example, if it is a registered charitable CHP to demonstrate that they have a meaningful participation role in the governance and operations of the SPV).

### What projects are eligible for funding?

To be eligible for funding, housing projects must deliver social and/or affordable housing.

Projects can include the construction or purchase of new homes, the renovation of existing residential dwellings that were otherwise uninhabitable, or the conversion of non-residential properties to residential dwellings.

To be eligible in Funding Round One, projects must:

- have commenced construction,
- have completed construction, or
- have demonstrated that they will be ready to commence construction within 18 months after Contract Close.

All projects must reach the operational stage by no later than five years after Contract Close.



## What type of funding is available?

The funding products that can be applied for under the HAFF and NHAFF are:

- Availability Payments (25-year term), and
- Concessional Loans (zero interest, 25-year loan term plus any Development Phase where applicable).

Upfront capital grants may also be made available by Housing Australia in exceptional circumstances where the proposed housing outcomes meet a high need, but the project is extremely financially challenging, for example housing in remote areas, housing for high need or particularly vulnerable cohorts, or housing for Aboriginal and Torres Strait Islander people.

## Will there be future funding rounds?

Housing Australia expects multiple funding rounds over the five-year program, subject to further decisions from the Federal Government.

After the First Funding Round, Housing Australia expects to be able to provide further information about the timing, frequency and scope of future rounds.

## Can I apply in more than one funding round?

Yes. Each funding round is separate. Applicants who are successful in Funding Round One, and those who don't apply or who are unsuccessful in the first round, will be able to apply in future potential rounds, subject to their eligibility.

## What is affordable housing for the purposes of the program?

Affordable Housing means dwellings that are provided at a rent that is 74.9% or less of the market rent for each dwelling to households meeting the income eligibility limits. These limits are based on median equivalised household incomes from the Australian Bureau of Statistics (ABS) and will be updated annually.

Of the 40,000 homes being financed by Housing Australia, 20,000 will be affordable homes. In setting rents for affordable housing, Applicants must have regard to the affordability of the dwelling for tenants. Affordable housing often involves the provision of housing for low income essential and frontline workers. This includes occupations such as police, nurses and cleaners. Applicants can specify other types of essential or frontline workers in their application. The CFA details the household income caps for proposed affordable housing tenants.

To be eligible for affordable housing, tenants will need to demonstrate to the CHP or other entity operating the housing that their household income is below the threshold/income cap. The income caps vary according to household composition across each State and Territory, and by metropolitan and non-metropolitan locations.

For more information visit [\*Housing Australia Future Fund Facility and National Housing Accord Facility\*](#) | [\*Housing Australia\*](#)

If you are an eligible applicant you can register through the [\*Housing Australia Portal\*](#) to progress your application.

## Where can I find more information?

View Frequently Asked Questions (FAQs) for more information.

Detailed information including the CFA documents, and Q&A facility are available to applicants within the Housing Australia Portal (HAP).

All contact with Housing Australia during the Call for Applications process is via the Q&A facility in the HAP. Should an Applicant have a technical enquiry related to the operation of the HAP, call 02 8925 1800 for support.

## How can developers, builders, financiers and investors participate?

Developers, builders, financiers and investors can participate by partnering and collaborating with eligible entities. These include State, Territory or Local governments, charitable registered CHPs, or charitable organisations improving housing outcomes for Aboriginal and Torres Strait Islander people or Australian Defence Force members or veterans.

Partnerships and collaborations can take many forms, including arrangements to provide finance or funding to Applicants to deliver or acquire dwelling, selling or leasing land or dwellings to Applicants, building dwellings for Applicants, or partnering with Applicants to deliver dwellings.

However, it is only the eligible Applicant who can apply for funding from the HAFF and NHAFF through the funding rounds. See 'who is eligible to apply for funding' above.

Special Purpose Vehicles (SPVs) can apply for funding. An SPV must include one of the eligible entities (for example, a charitable registered CHP) to be a member of the SPV and to meaningfully participate in the governance and operations of the SPV.

## Will Housing Australia help with introductions to CHPs?

Businesses and other organisations seeking to connect with CHPs can find a list of registered CHPs from the housing registrar in each jurisdiction. The links to each jurisdiction's list of registered agencies are provided below.

The Community Housing Industry Association (CHIA) and PowerHousing Australia are peak bodies representing CHPs and may be able to assist with connections to CHPs.

All jurisdictions (except Victoria and Western Australia)	<a href="https://nrsch.my.salesforce-sites.com/providersearch/">https://nrsch.my.salesforce-sites.com/providersearch/</a>
Victoria	<a href="https://www.vic.gov.au/registered-housing-agencies-victoria">https://www.vic.gov.au/registered-housing-agencies-victoria</a>
Western Australia	<a href="https://www.wa.gov.au/government/document-collections/housing-investors-and-partners-community-housing-organisations">https://www.wa.gov.au/government/document-collections/housing-investors-and-partners-community-housing-organisations</a>

