



AFFORDABLE HOUSING ACTION PLAN

FACT SHEET – PRIVATE RENTAL

How will the Government's initiatives increase the supply of rental accommodation?

The Government acknowledges that the ACT has a very tight rental market. While the cyclical nature of the private rental market will mean that this tightness will ease to some extent over time, the Government's *Affordable Housing Action Plan* includes an innovative strategy to significantly increase the supply of private rental properties in the ACT.

The Government will work with institutional investors to develop and rent 200-400 private rental dwellings. The dwellings may be in a single development, or spread across a number of areas, with the overall size of the development (or developments) likely to be around 1,000 dwellings in order to achieve mixed tenure.

What will this initiative achieve?

This initiative will significantly increase the supply of rental properties, providing greater access to affordable rental accommodation for moderate income households. The additional affordable rental accommodation provided will add to that provided by the significant growth in the community housing sector.

How will the Government implement this proposal?

The ACT Government will make the land available and has sought expressions of interest from the market with the aim of forming partnerships to package financing, tenancy management and asset maintenance services. The Government is particularly interested in receiving proposals that incorporate shared equity and eventual sales to residents.

Why will investors be interested in this initiative?

The new proposal, which is perhaps the first of its kind in Australia, has the potential to be a genuine win-win, with a significant boost to private rental stocks easing an extremely tight rental market and with the capacity for investors to gain an adequate return on their investment.