



## NATIONAL RENTAL AFFORDABILITY SCHEME

By Media Release issued on 3 March 2008, the Prime Minister announced an expanded National Rental Affordability Scheme (Scheme). The Scheme will fund tax incentives for investors to build up to 100,000 new affordable rental properties. The new target of 100,000 properties doubles the Government's pre-election policy of 50,000 properties.

The Scheme aims to create a new 'asset class' of affordable rental properties, as there is currently very little investment from institutional investors in residential property in Australia.

Under the Scheme, the Commonwealth will provide private investors with tax credits of \$6,000 a year for ten years for new properties that are rented at 20 per cent below the prevailing market level.

The Prime Minister advised that the States and Territories have agreed to provide \$2,000 per home either through cash payments or in kind, such as via the provision of cut price land or concessions on stamp duty.

The Prime Minister's Media Release is available at:

[http://www.pm.gov.au/media/Release/2008/media\\_release\\_0112.cfm](http://www.pm.gov.au/media/Release/2008/media_release_0112.cfm).

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