

## Overview

This policy explains how we will manage affordable housing and meet our responsibilities under law, other rules and our agreements.

## Scope

This policy applies to Exclusive Real Estate and its subsidiaries (we, our and us).

## Definitions

### Affordable housing

Affordable housing is housing for people on a very low, low or moderate income, who earn at least some of their income from regular paid employment.

### Market rent

Market rent is the rent that would be charged for the property if the rent wasn't discounted.

## Guiding principles

We will manage our affordable housing in line with the following laws, guidelines and agreements:

- Residential Tenancies Act 2010 (NSW)
- NSW Affordable Housing Ministerial Guidelines
- Our agreements with the owners of affordable housing such as councils and developers

## Eligibility

Each affordable housing program has rules that applicants need to meet to be eligible. The rules are different for each program.

All applicants must:

- Be an Australian citizen or permanent resident.
- Be a resident in New South Wales.
- Prove their identity.
- Be able to meet their responsibilities as a tenant, with or without support
- Be paying back any money that they owe to Housing NSW or a community housing provider.
- Usually, be 18 years of age or older.

### Income Limits

Income limits are different for each program and are reviewed each year. (NSW Affordable Housing Ministerial Guidelines) see: <http://www.housing.nsw.gov.au/centre-for-affordable-housing/for-managers-of-affordable-housing/household-median-incomes-2017-18>

### Assets

Applicants or household members cannot have assets that could help resolve their own housing needs. This includes a large amount of savings, property, shares or investments. This doesn't stop people from saving a deposit for a home.

### Housing need

Applicants must show they need housing and cannot resolve their own housing needs without help.

### Other requirements

Other rules may apply depending on the program. We will let people who are applying for housing know which rules apply.

- Connection to the area: Applicants might need to show that they have a connection to the area where the housing is. This may include family, social supports, education, training, or work in the area.

- Current housing arrangements: People that currently live in social or affordable housing or have lived in affordable housing in the past are not eligible for some programs.
- Current employment: There may be rules which prevent our employees, employees of the property owners, and their families from applying for housing. For properties that we own, or programs that allow employees to be housed, we may offer housing to employees if they meet the eligibility rules and if it is approved by our director.

## **Expressions of Interest**

When we have properties available, we will ask people to let us know if they are interested in affordable housing. We might put eligible people who aren't housed to our waiting list so that we can contact them if we have other properties available. In some circumstances, we may contact people from the NSW Housing Register to see if they are interested in affordable housing.

## **Assessment of applications**

We will look at information given to us to work out if a person is eligible for housing. If an application is missing information, we will contact the person and tell them what they need to give us to complete their application and by when. We cannot look at an application until we have all the information we need. If we do not receive all of the information by the date given, we will close the application.

If someone gives us information that isn't true or incorrect that could change their eligibility, we will take them off our waiting list and tell them why.

## **Waiting lists**

We will keep a waiting list of people who are eligible. We will tell people if we add them to our waiting list. We will manage our waiting list in line with the rules for each program.

We may ask people on the waiting list to update their details from time to time. They may also need to reapply after some time depending on the program rules.

## **Allocations to vacant properties**

We will allocate properties to people who meet the rules for each program.

We need to make sure that the programs can keep operating and that tenants can afford their rent. To do this, we will work out whether a person can pay the rent before we offer them housing.

For some programs, we may also try to allocate properties to people who are on the NSW Housing Register.

## **Property offers**

When we make an offer, we will:

- Make sure that the type and location of the property meets their needs. We will use information that people give us to work out if a property is suitable.
- Give people 24 hours to think about an offer.
- Explain their options.
- Tell people about the rules which apply to the property.
- Not count an offer if it doesn't meet their needs.

If a person rejects an offer, they might be moved to the bottom of the waiting list.

## **Start of Tenancy**

When a person accepts an offer, we will ask them to sign a tenancy agreement. The tenancy agreement will last for 6-12 months. The person must sign a tenancy agreement within 3 business days of accepting the offer, unless we agree otherwise.

The person will need to pay 2 weeks rent and a bond when they sign their tenancy agreement. The bond is equal to 4 weeks of rent.

If the person can't pay the bond when they sign the tenancy agreement, we will take it as a rejection and count it as an offer. Bonds will be managed in line with our legal duties.

## **Rent**

Rent is usually 74.9% of the market rent. Some programs may have different rules about rent. We will tell people how much rent they have to pay when we offer them a property. Tenants can pay rent each week or fortnight, as long as it is paid on time.

Affordable housing rents vary, and are set either as a discount to the market rent or as a percentage of a household's income.

Where rent is set as a discount of the market rent, the discount is usually between 20 and 25 per cent compared to the market rent for a similar property in the area.

Where rent is set as a proportion of a household's income, households may be charged between 25 and 30 per cent of their before tax income for rent, although providers may charge slightly more in some circumstances.

The method used to set rent is often determined by how a property was funded originally and the requirements of the funding contract. It is also influenced by the strategies managers use to ensure that affordable housing properties are available to a range of income groups balanced with a need to ensure rents cover the cost of managing the properties.

For more information about renting affordable housing, or to apply, please see <http://www.housing.nsw.gov.au/centre-for-affordable-housing/for-renters-of-affordable-housing>

## **During the Tenancy**

### **Review of market rent**

We will look at the market rent every year and any other time required by the rules. If the market rent is going to change, we will tell our tenants in line with our legal duties.

### **Continued eligibility**

Each program has different rules that tenants need to meet to be able to keep living in the property. The rules also say the maximum time that a person can live in a property.

We will look at a tenant's situation before their tenancy agreement ends and work out whether they can keep living in the property.

If a tenant meets the rules, we may sign a new tenancy agreement with them.

If a tenant doesn't meet the rules, we will explain their options to them and may end their tenancy.

If an affordable housing tenant wants to apply for social housing, they must follow the normal Housing Pathways application process.

### **Mutual Exchange and Transfers**

Tenants can apply for a transfer to other affordable housing properties if they meet the rules for that program.

Mutual exchange is not allowed.

## **Additional household members**

Tenants must ask for approval in writing if they want someone else live in the property. When we receive a request for someone else to live in the property, we will look at:

- Whether the household will still meet the rules for the program.
- Whether the property is suitable.

## **Succession**

We may approve succession for people who are eligible if they will be able to pay the rent. Read our Succession of Tenancy policy for more information.

## Ending a tenancy

We might end a tenancy if a tenant:

- Breaks the rules of their tenancy agreement
- Doesn't meet the rules for the program anymore

If we are going to end a tenancy, we will make sure that we meet our legal duties.

A tenant can end their tenancy agreement by telling us in writing and giving us the amount of notice needed by law.

## Ex-tenant debts and rent arrears

If a tenant leaves and owes us money, we will make a claim against their bond. We may apply for an order from the NSW Civil and Administrative Tribunal (CTTT):

- If the tenant disagrees with the claim for the bond
- If the money the tenant owes us is more than the bond
- If the amount owed is \$200 or more

If the amount owing is more than the limit for the CTTT, we might take other legal action to get the money back (e.g. local court)

## Appeals and complaints

Applicants or tenants can appeal decisions or make a complaint. Read our Appeals Policy or Complaints Policy for more information.

### External appeals

If a person is still not happy with our decision about their appeal, they may be able to lodge an appeal with the Housing Appeals Committee (HAC) or NSW Civil and Administrative Tribunal (NCAT) to look at our decision. An appeal with HAC or NCAT should be made within 3 months of our decision. A person should contact HAC or NCAT to seek advice on what they may appeal.

#### *Housing Appeals Committee (HAC)*

Free call: 1800 629 794

Phone: (02) 8741 2555

Office 5-6 Ground Floor

1-17 Elsie Street

Burwood NSW 2134

#### *NSW Civil and Administrative Tribunal (NCAT)*

Free call: 1300 006 228

Level 14 Civic Tower,

66 Goulburn Street

Sydney NSW 2000

# Affordable Housing



## **Relevant legislation, regulations or standards**

- NSW Affordable Housing Ministerial Guidelines
- National Rental Affordability Scheme (NRAS) Policy Guidelines
- Anti Discrimination Act 1977 (NSW)
- Residential Tenancies Act 2010 (NSW)

## **Related documents/resources**

- Policy: Appeals
- Policy: Complaints
- NSW Fair Trading <https://www.service.nsw.gov.au>
- Housing Appeals Committee (HAC) [www.hac.nsw.gov.au](http://www.hac.nsw.gov.au)
- NSW Civil and Administrative Tribunal (CTTT) [www.ncat.nsw.gov.au](http://www.ncat.nsw.gov.au)