Investing For Financial Gain & Social Return: NFP Housing Provider Perspective
Access Housing
• Social & affordable rental landlord
• Property developer (debt & equity)

Key Question
Can social impact investment drive the supply of new affordable rental housing?
• Preventative services
• Bricks and mortar

SIB has the potential to change the character of new supply to a limited extent
Example: Access CCIN

- 30% SH; 70% Key Worker housing (@ 75% market rent)
- 7 year fund structure
- Anticipated returns

Key selling point for the investor is the “tenant” profile – average hard working, moderate wage earners in the retail and service sectors etc …

Could an SIB / incentive be sufficient for the investor(s) to accept a different tenant mix – say 25% of its key worker homes being allocated to people with mental illness or people exiting prisons?

Could Govt provide rental guarantees, guarantees re tenant liabilities and “additional” yield paid on a success fee basis (over and above the anticipated returns)?
SIB discussion is valuable – brings into focus a key role of Govt
• To send the right market signals & provide “incentives” to address areas of market failure or market difficulty

If we apply that argument to social and affordable housing supply then its interesting to contrast Nation Building Housing Stimulus (traditional Govt cap-ex program) with NRAS (supply side incentive using a blend of tax credits and grants)
• Nation Building = $6.2b 20,000 homes
• NRAS = $4.0b 38,000 homes

Social Housing System
• Net loss of 50,000 dwellings
• Traditional Govt cap-ex programs have systematically failed to keep pace with need and demand
• New incentive based approaches need to be the fundamental driver of new supply from both a value for money and volume / scalability perspective.
Access Housing Affordable Housing Development Projects