

Media Release

The Hon Richard Wynne MP
Minister for Planning
Minister for Housing



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AFFORDABLE HOUSING SCHEME TO EASE RENTAL CRUNCH

The Andrews Labor Government is tackling housing affordability with a new Australian-first rental scheme that will make at least 2,400 homes available to low to moderate income earners across the state.

The Affordable Housing Rental Scheme, delivered as part of the \$5.3 billion Big Housing Build, will offer eligible income earners an affordable rental property for at least three years, backed by the security of Government ownership.

Homes Victoria will begin market engagement next month to identify rental managers for the new properties across Victoria, with the first renters able to move in as early as the end of this year.

With many households experiencing rental stress and spending more than 30 per cent of their household income on rent, the Government is working to create new affordable options and encourage more private sector support.

Rents will be based on the location and number of bedrooms in properties. In metropolitan Melbourne, rents will be set at least 10 per cent below the median market rent of the area, as well as a cap set at 30 per cent of a median income in Melbourne. This will ensure that homes are affordable wherever they are located.

In regional Victoria, creating extra supply is the priority for the scheme. Rents will be set at the median market rental price for that area, as well as the same cap set at 30 per cent of a median income in regional Victoria.

Properties will be advertised through partner agencies and offered using an eligibility check and selection process. Eligible households on the Victorian Housing Register will be encouraged to apply for relevant properties.

At least 500 of the homes will be located in regional Victoria. Low and moderate income essential workers, including many healthcare workers and carers, will be eligible in areas of workforce shortage in regional Victoria.

The first affordable rental properties are expected to be available in regional Ballarat, Greater Geelong and Bendigo, while the first metropolitan Melbourne homes will be in Ascot Vale, Ashburton, and Heidelberg.

The Big Housing Build is delivering more than 12,000 new homes, creating an average of 10,000 jobs per year over the four years of the program.

Quotes attributable to Minister for Housing Richard Wynne

"The scheme will help sustain and grow affordable housing and ensure more Victorians have the safety, security and dignity of a home."

"The new Affordable Housing Scheme will offer an important new option to low- and moderate-income earners – including aged care, retail and hospitality workers - who need to find a secure rental."

"This Australian first program is a financially sustainable investment in boosting housing affordability and will encourage the rental market to provide more and better options for Victorians looking for a home to rent."

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