



Embargoed to Friday, 29 July

MEDIA RELEASE

Unlocking \$1.5 trillion in superannuation funds for affordable housing

Unlocking superannuation funds for investment in new affordable housing is critical to addressing housing stress in Australia's capital cities and high need regional areas over the next decade, a major housing conference will hear in Sydney today (29 July).

Housing and finance experts are calling on the Commonwealth Government support an independent finance body that would give not-for-profit community housing providers the size and security they need to attract large-scale investment from Australian superannuation funds.

The Affordable Housing Financial Intermediary model would be not-for-profit and independent, accessing wholesale investors through the Australian bond market.

It would aggregate the debt of individual housing providers, allowing them to borrow at a scale necessary to unlock investment from superannuation funds at low cost over the long term.

NSW Federation of Housing Associations CEO, Wendy Hayhurst, said attracting large scale institutional investment was critical to establishing the community housing sector as a third tier of the Australian housing market – between the private property development industry and public housing.

“All Governments have made it clear they do not want to take on more debt, so leveraging private funding makes perfect sense,” Ms Hayhurst said.

“Australian superfunds have \$1.5 trillion tied up in capital. The not-for-profit superannuation sector alone can provide access to \$200 billion in investment.

“Submissions from super funds to the Federal Government Affordable Housing Working Group said they were eager to provide a reliable long term funding sources for community housing with Commonwealth support to create the necessary financial structures.

“Countries around the world have embraced non-profit housing as a critical component of a well functioning housing market but it's a sector that is still under developed here in Australia.

“There's huge potential for it to grow and be a real solution to housing affordability.”

The [Affordable Housing Financial Intermediary Proposition Paper](#) was developed with funding from the NSW Government's Industry Development program.

The Affordable Housing Financial Intermediary will be launched at the 2016 NSW Affordable Housing Conference in Sydney today by Piers Williamson, head of the UK's Housing Finance Corporation, which currently holds £4.2 trillion in bonds for UK housing associations.

Media contact: Jenny Stokes 0478 504 280