



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

**SELECT COMMITTEE ON ESTIMATES 2024-2025**

Ms Nicole Lawder MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),  
Miss Laura Nuttall MLA

**ANSWER TO QUESTION ON NOTICE**

Asked By: Jo Clay MLA

Addressed to: Minister for Housing and Suburban Development

Redirection: Treasurer

Reference: Budget Outlook Page 62

Hearing Date: 26/07/2024

In relation to: Treasury and Turner (Block 3 Section 57) Build to Rent

QON lodgement Date: 27/07/2024

Answer Due date: 08/08/2024

With regards to the land release at Turner (Block 3 Section 57);

- (1) What ACT Government funding is being accessed to fund the “affordable” rental dwellings?
- (2) What are the terms associated with the funding of these dwellings?
- (3) Will these be leased by a CHP or the developer?
- (4) What is the anticipated per dwelling subsidy provided by the ACT Government?
- (5) Who will be the ultimate asset owner of the affordable units?

**Andrew Barr MLA:** The answer to the Member’s question is as follows:

- 1) Funding for the affordable rental subsidy for Block 3 Section 57 in Turner was identified in the 2022-23 Budget, as part of the *Maintaining and growing affordable housing – Turner Build-to-Rent pilot* initiative. It is not part of a particular fund and is separate to the Affordable Housing Project Fund.
- 2) Funding will be provided once the developer has begun renting out the affordable homes. The affordable rental homes must be rented at less than 75% of market rent to eligible tenants. The funding will cover the gap between market rent and affordable rent. This supports the provision of affordable rental housing in a central location with access to transport and services. There will be regular reporting required to ensure the subsidy is

being appropriately applied. These requirements will be in place for 15 years from the affordable homes being rented.

- 3) The dwellings will be owned by the developer (Cedar Pacific Holding Pty Ltd) but operated by a Build-to-Rent operator Essence Communities. The requirement to rent the dwellings to eligible tenants at less than 75% of market rent applies.
- 4) The per dwelling subsidy will be based on the difference between market rent and affordable rent, determined by a valuer at the time of entering the first affordable rental lease (and updated regularly thereafter). It is estimated, based on previous rental averages for the area, to be around \$5 million over the 15-year period, depending on the number of affordable rental dwellings and the market valuations.
- 5) The developer (Cedar Pacific Holding Pty Ltd) will own the affordable units. There are restrictions which limit the ability of the developer to sell either the development or subdivide/unit title and sell individual units without the consent of the Territory. These restrictions are in effect for 15 years from completion of the development, which must happen within 5 years of the lease commencing.

Approved for circulation to the Select Committee on Estimates 2024-2025

Signature:



Date: 6.8.24

By the Treasurer, Andrew Barr MLA