Policy: Affordable Housing (HN Freehold Properties)		
Policy number: 1.1.1 Version: 3.1	Date approved: October 2026	
Authorised by: Board		
Date developed or last reviewed: October 2018 March 2024 July 2025 September 2026 (schedules updated)	Reviewed by: Issues Risks and Opportunities Committee Policy and Compliance Committee Regional Manager Tenancy	Date of next review: September 2027

Policy Context:	
National Regulatory System for Community Housing	Performance Outcome 1 Tenant and Housing Services Performance Outcome 6 Management
Other requirements	NSW Affordable Housing Ministerial Guidelines 2023/2024 NSW Affordable Housing Ministerial Guidelines – income eligibility tables 2025/2026 Housing Australia 2026/2027 Affordable Housing Income Published Thresholds

1. Purpose

The Homes North Affordable Housing Policy provides guidance to staff who are involved in the allocation and administration of Affordable Housing through Homes North.

The policy also provides guidance and assistance on Affordable Housing to existing tenants, applicants, and the general public.

2. Scope

This policy applies to all freehold properties available as Affordable Housing products with Homes North.

3. Policy Statement

The Homes North Affordable Housing Policy has been developed according to the NSW Affordable Housing Ministerial Guidelines.

The aims of Homes North's Affordable Housing Policy are:

- to facilitate access to affordable rental housing for low to moderate income households
- to facilitate access to affordable rental housing for social housing tenants, or eligible applicants, in line with a range of funded programs.
- to create sustainable affordable housing tenancies

4. Eligibility

Affordable Housing is a separate program designed for low and moderate-income households in the general community and has different eligibility criteria (including income criteria) to Homes North's social housing programs. To achieve the policy aims, the eligibility criteria seek to attract applicants who meet certain household income parameters, and who will be able to sustain a tenancy.

Income eligibility is measured using the income bands described in the NSW Affordable Housing Ministerial guidelines 2026/2027 and must also operate in alignment with Housing Australia 2026/2027 Affordable Housing Income Published Thresholds. Income eligibility limits within both of these guidelines are updated annually and therefore the current financial year income eligibility limits are applied.

Eligible social housing tenants and eligible applicants from the general community (who may not be eligible for social housing) will be encouraged to apply. Allocations from the Housing NSW register (Pathways) will comply with Homes NSW policy and procedures relating to renting Affordable Housing.

4.1. Eligibility criteria:

To be eligible to join the Homes North Affordable Housing Register, applicants will need to demonstrate that they:

- Are permanent residents of Australia and live in New South Wales
- Meet the current financial year Income Eligibility criteria as set out in the NSW Affordable Housing Ministerial Guidelines 2023/2024 (noting these limits are updated by the NSW Government annually).
- Have satisfactory rental references covering at least the past 3 years. If this does not apply (for instance if the applicants have not been renting properties for this period) other evidence may be accepted at the discretion of the Regional Manager Tenancy. Homes North Community Housing may attempt to gain information from other sources if references are not available if the request complies with Privacy Act obligations.
- Have the capacity to sustain an Affordable Housing Tenancy, which is measured by the capacity to comply with the terms of a residential tenancy agreement, which includes:
    - Paying rent on time, maintaining property, and not causing nuisance and annoyance.
- The rent is not more than 40% of the household's gross annual income (before tax).

4.1.1. Eligibility Criteria Table

Criteria	Description	Evidence	Additional Information	Mandatory
1. Residency	Be a resident of New South Wales and an Australian Citizen or Permanent resident	As per Housing Pathways evidence		✓
2. Income eligibility	Low to moderate income	Proof of income	As defined in NSW Affordable Housing Guidelines 2023/2024 as applies for the current financial year.	✓
3. Sustaining a successful tenancy	Be able to sustain a successful tenancy, without support or with appropriate support in place.	combination of written and verbal references, must include one written reference	Other evidence maybe accepted at discretion of the Regional Manager Tenancy	✓

Applicants who do not meet all three criteria are not eligible for the program and will not be admitted to the Affordable Housing register.

5. Affordable Housing Program Register

Homes North is committed to ensuring transparency and equity of access to the Affordable Housing Program.

To be considered for the program, applicants will need to complete an application form. Questions on the form will address the eligibility criteria listed above.

Homes North will maintain a register of approved applicants.

Offers of housing will be made to the longest-waiting applicant, and those most in need.

Interest in applying for the program will be garnered through various channels, including:

- Promotion in local papers
- Social Media
- Use of Real Estate internet sites
- Regular information in local free newspapers
- Distribution of information through multi-agency meetings
- Reviews of the Housing NSW register

6. Allocations

The allocation process will align with expectations regarding fairness and accountability as per NSW Affordable Housing Ministerial Guidelines in the:

- Application of allocation procedures, and
- Where possible, enabling of choices for applicants

Prioritisation of applicants is primarily based on waiting time. However, Housing Options team members will also consider other factors that may limit the sustainability of a tenant for a particular property, such as achieving a suitable balance of older and young people and families, as well as consideration of the immediate housing need of an applicant.

Different affordable housing projects may be subject to localised allocation strategies to ensure specified local community needs for housing are met.

It is important to the success of the program that the applicant be able to exercise a level of choice. Therefore, applicants will remain active on the Affordable Housing Register regardless of declining offers.

7. Rent Setting and Review

In accordance with NSW Housing Ministerial Guidelines, rent is set between 75 to 80 percent of the market rent for the property, considering factors such as size, age and location of the property.

8. Tenure and Ongoing Eligibility

Tenants will be placed on an initial fixed term lease for a period of 24 months.
Should the tenant breach the Tenancy Agreement, by a proven breach, during the term of the lease, action will be taken to terminate the tenancy through the NSW Consumer, Administrative and Tenancy Tribunal (NCAT). Exceptions may be made for minor and/or one-off breaches that are rectified and/or do not re-occur. Such exceptions will be at the discretion of the Regional Manager Tenancy.

At the end of this period, a further fixed term lease may be offered, depending on a number of factors, including:

- Compliance with the tenancy agreement (including property care, payment history, any nuisance and annoyance complaints etc.). If there have been repeated minor alleged breaches of the tenancy during the fixed term that are not sufficiently serious to have taken NCAT action for termination, the lease will only be renewed in cases where the tenant agrees to rectify minor alleged breaches.
- Ongoing income eligibility of the tenant.
- Changes to the program including any strategic direction or legislative requirements, or updates to the Ministerial Guidelines.

Existing tenants are able to earn up to 25% above the maximum eligibility income for moderate income before becoming ineligible for affordable housing as per the NSW Affordable Housing Ministerial Guidelines.

9. Eligibility Review

The NSW Affordable Housing Ministerial Guidelines require Homes North to review eligibility and market rents regularly. Homes North reviews market rents and eligibility for our Affordable Housing program annually.

10. Right to Appeal

Applicants and tenants have the right to appeal any decision Homes North makes regarding provision of housing.

Homes North has an Appeals Policy in place to manage appeals from applicants and tenants in relation to decisions about their eligibility, housing allocation, or proposed housing allocation or rent setting.

The NSW Affordable Housing Ministerial Guidelines and Housing Australia 2026/2027 Affordable Housing Income Published Thresholds are provided in the Appendix page and are updated annually.

The income eligibility tables are updated annually by the Centre for Affordable Housing and are available on the NSW Government website under “renting affordable housing” and the latest income eligibility tables for this financial year are attached to the end of this policy.

Documents related to this policy	
Related policies	Privacy Transfer Allocations Appeals
Forms or other organisational documents	Exchange of Information

APPENDIX A

NSW Affordable Housing Guidelines Income Thresholds 2026-2027

The income thresholds for New England North West (as outlined in the NSW Affordable Housing Ministerial Guidelines) are applied from the reference table as below.

Household income eligibility limits for rest of NSW: 2026/2027

Household Type	Very Low	Low	Moderate
Single	$34,100	$54,600	$81,900
Single + 1	$44,300	$71,000	$106,500
Single + 2	$54,500	$87,400	$131,100
Single +3	$64,700	$103,800	$155,700
Single +4	$74,900	$120,200	$180,300
Couple	$51,200	$81,900	$122,900
Couple +1	$61,400	$98,300	$147,500
Couple +2	$71,600	$114,700	$172,100
Couple +3	$81,800	$131,100	$196,700
Couple +4	$92,000	$147,500	$221,300

Please see the attached document for full income eligibility limits for affordable housing for 2026/2027 (Appendix B)

Housing Australia 2026/2027 Affordable Housing Income Published Thresholds

Housing Australia is required to update the household income thresholds for affordable housing, annually, in accordance with Funding Agreements, using data from the Australian Bureau of Statistics (ABS).

The 2026/2027 thresholds have been calculated using the same methodology applied in previous years, based on the ABS median annual household equivalised gross income, escalated to 2025-26 dollars using the Australian Consumer Price Index (CPI).

The 2026/2027 affordable housing income thresholds are set out in the table below (for New South Wales).

Household income thresholds for affordable housing 2026/27	Single	Couple	Family household
New South Wales	72,631	108,947	152,525

NSW Affordable Housing Ministerial Guidelines

Income eligibility limits for affordable housing

On this page

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2. Calculating household income eligibility limits by household size (#toc-calculating-household-income-eligibility-limits-by-household-size)

3. Household income limits by household sizes (#toc-household-income-limits-by-household-sizes)

4. Ongoing eligibility - income limits for existing tenants of affordable housing (#toc-ongoing-eligibility---income-limits-for-existing-tenants-of-affordable-housing)

5. Maximum income eligibility limits for National Rental Affordability Scheme (NRAS) properties (#toc-maximum-income-eligibility-limits-for-national-rental-affordability-scheme-nras-properties)

1. Income bands by percent of median income - 2026/27

This information is based on the Appendix found in the **NSW Affordable Housing Ministerial Guidelines (/departments-and-agencies/homes-nsw/social-housing-resources/nsw-affordable-housing-ministerial-guidelines)** .

For further information about affordable housing, please see **Understanding affordable housing (/housing-and-construction/social-affordable/affordable-rental-housing/understand)** , **Manage affordable housing (/housing-and-construction/social-affordable/affordable-rental-housing/manage)** and **Renting affordable housing (/housing-and-construction/social-affordable/affordable-rental-housing/renting)** .

Further information can be found at **Social and affordable housing - Housing SEPP** (https://www.planning.nsw.gov.au/policy-and-legislation/housing/housing-sepp/social-and-affordable-housing)
For the legislation, please see **State Environmental Planning Policy (Housing) 2021** (https://legislation.nsw.gov.au/view/html/inforce/current/epi-2021-0714#sec.13)

Affordable housing income bands by percentage

Income bands	% of median income	Annual income range (Sydney) 2026-27	Annual income range (Remainder of NSW) 2026-27
Very Low	50% median	$64,700	$57,000
Low	50% - 80% median	$103,500	$91,100

Moderate	80% - 120% median	$155,200	$136,700

2. Calculating household income eligibility limits by household size

Affordable housing income limits by household size

Household members	Gross annual household income		
	Very low	Low	Moderate
Sydney			
Single adult	$37,800	$60,400	$90,700
Each additional adult (18 years or over)	Add $18,900 to the income limit	Add $30,200 to the income limit	Add $45,400 to the income limit
Each additional child (under 18 years)	Add $11,300 to the income limit	Add $18,100 to the income limit	Add $27,200 to the income limit
Remainder of NSW			
Single adult	$34,100	$54,600	$81,900
Each additional adult (18 years or over)	Add $17,100 to the income limit	Add $27,300 to the income limit	Add $41,000 to the income limit
Each additional child (under 18 years)	Add $10,200 to the income limit	Add $16,400 to the income limit	Add $24,600 to the income limit

Affordable Housing income limits by household size and region

3. Household income limits by household sizes

These two tables show maximum income limits for a range of different household sizes and combinations.

Household income eligibility limits for Sydney region: 2026/27

Household income eligibility limits for rest of NSW: 2026/27

Affordable housing ongoing income limits for existing tenants

4. Ongoing eligibility - income limits for existing tenants of affordable housing

Ongoing eligibility income limits for affordable housing tenants by household size and region: 2026/27

Ongoing eligibility income limits for Sydney affordable housing tenants: 2026/27

Ongoing eligibility income limits for affordable housing tenants in the rest of NSW: 2026/27

5. Maximum income eligibility limits for National Rental Affordability Scheme (NRAS) properties

Where dwellings receive Government financial assistance under the National Rental Affordability Scheme, the eligibility of tenants will be determined against the set income limits applied by the Australian Government's Department of Social Services (DSS).

Household income limits are indexed annually on 1 May in accordance with the NRAS tenant income index. Eligible tenants' income must be equal to or less than the initial income limit when they become a tenant of an NRAS dwelling. The initial and ongoing maximum income limits for NRAS properties can be located on DSS' NRAS website:

National Rental Affordability Scheme income limits
(https://www.dss.gov.au/housing-support-programs-services-housing-national-rental-affordability-scheme-living-in-an-nras-property/nras-household-income-indexation)

More information about NRAS can be found on the DSS website at:

National Rental Affordable Scheme website
(https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme)

Income limits for affordable housing 2026-2027
(/sites/default/files/noindex/2026-07/income-limits-for-affordable-housing-2026-2027.pdf)
PDF 209.68KB
File last updated on: 04 September 2026.

Income limits for affordable housing 2025-2026
(/sites/default/files/noindex/2025-09/income-eligibility-limits-affordable-housing-2025-2026.pdf)
PDF 147.29KB
File last updated on: 26 September 2025.

Income eligibility limits affordable housing 2024-2025
(/sites/default/files/noindex/2025-05/income-eligibility-limits-affordable-housing-2024-2025.pdf)
PDF 129.2KB
File last updated on: 26 September 2025.

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