

Federal agency lifts affordable housing finance to \$515m

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The federal government's housing agency vehicle has loaned \$15 million to community housing provider SGCH Group, taking the sum of affordable housing finance issued in the past year to more than half a billion dollars.



NHFIC chief executive Nathan Dal Bon announced the \$15m loan on Tuesday. **Supplied**

This is the second loan announced in less than a week by the [National Housing Finance and Investment Corporation \(NHFIC\)](#), which awarded \$7 million to housing and services provider UnitingSA.

UnitingSA will use the loan to fast-track developments, including nine two-storey townhouses designed for single parents and small families. SGCH will use the money to refinance its existing debt facility and as additional working capital.

NHFIC chief executive Nathan Dal Bon said the \$515 million in finance issued in loans was filling a [need for affordable housing](#).

“Not only are our loans supporting the delivery of more than 560 new dwellings directly, they are also enabling CHPs to use savings from our low-cost, long-term finance to invest even more in this much-needed housing,” he said.

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Mr Dal Bon said the loans to UnitingSA and SGCH showed the government body was assisting CHPs of all sizes, and there was a "strong pipeline" of potential transactions nationwide.

UnitingSA manages 382 properties housing more than 700 people throughout South Australia, and is the first tier-two housing provider to secure a loan from NHFIC. It aims to develop 120 new social and affordable homes in the next 10 years.

SGCH Group is one of Australia's largest community housing providers and has a portfolio of more than 6300 homes in the Sydney metropolitan region.

The new loan is estimated to save the company \$1.5 million in costs over the 10-year loan term.

"I look forward to building on this relationship, and upon the increasing recognition of social housing as social infrastructure," SGCH Group chief executive Scott Langford said.