



We believe

everyone
deserves
a place to
call home

Landcom's approach to housing
affordability and diversity

August 2021



Creating more affordable
and sustainable communities

“Income and savings alone are not enough anymore. Unless you already have a property that has grown in value with the market it is nearly impossible to keep up.”

Eliza Owen,
Head of Research, CoreLogic

The challenge to finding home

Housing affordability is one of the most significant issues facing Australians. Safe, secure and affordable housing is essential to the wellbeing of individuals and adds to the vibrancy of our communities.

Housing costs have risen disproportionately to household incomes and this has had the most significant impact on those households in the very low, low and moderate income brackets.

Spending more than 30% of a household income on rent or mortgage repayments may place people at risk of housing stress.

This growing inequality reduces the capacity for these households to share in community prosperity.

Unfortunately, the current housing market for rental and home ownership is unaffordable to a growing number of people.



↑16.1% National*

Between July 2020 and July 2021, the value of dwellings nationally increased by 16.1%. This is the fastest pace of national annual growth since February 2004



↑18.2% Sydney ↑22.9% Regional*

Between July 2020 and 2021, the value of dwellings in Sydney increased 18.2% and in Regional NSW increased 22.9%



1.4 Million people*

are living in housing stress in NSW

*Source: CoreLogic Hedonic Home Value Index 2021

Who is being impacted?

Low to moderate income households are especially feeling the impact of securing affordable housing. These households include many key workers who provide essential services to our community such as nurses, retail workers, police, paramedics and childcare workers.

Quality of life for many key workers is decreasing due to long commute times caused by the lack of affordable housing within reasonable travel time to their workplace.

Securing affordable housing across the population for young people right through to retirees is becoming more challenging.

Research from the Grattan Institute indicated that in the early 1990s it would take 6 years to save a 20% deposit for an average home and today it takes

10 years. House prices have risen sharply relative to household incomes, meaning Australians are spending a greater share of their lifetime earnings paying off their home.

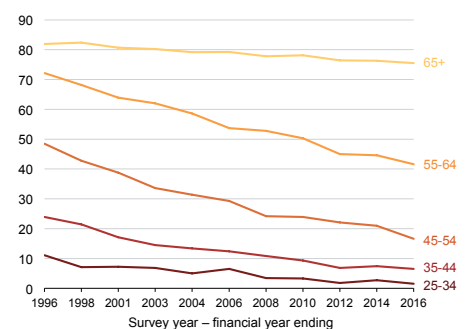
Over the past 25 years, there are now fewer Australians of any age that own their own home. And the number of people over the age of 55 owning their home has decreased by 30%.

The decrease of home ownership for retirees and those entering retirement with a mortgage reduces their living standards in retirement.

Landcom’s focus on low to moderate income households. Whether in affordable housing rentals, partial ownership models or market housing, recognises people’s circumstances change depending on their income levels,

household structure and specific living needs. Providing a diversity of housing options is paramount to contributing to affordability and other social benefits.

Percentage of Australian households that own their home outright, by age group

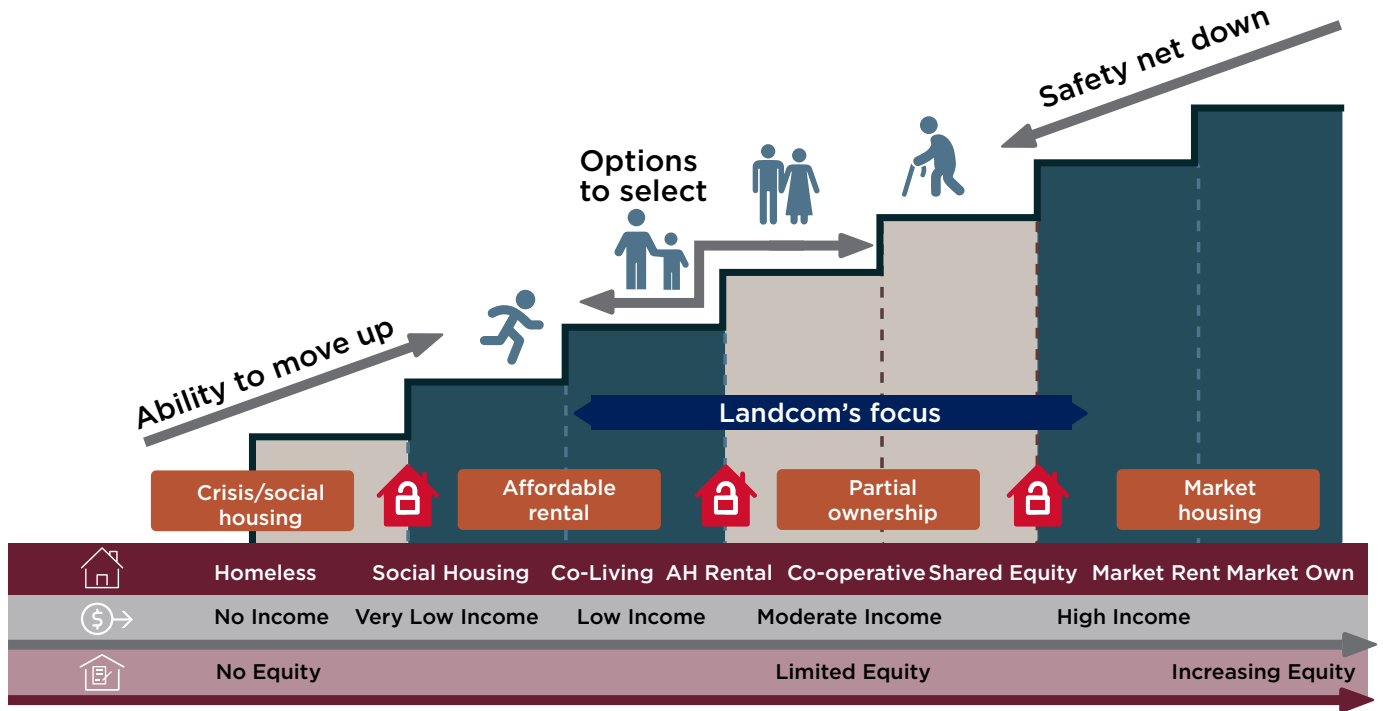


Notes: by age of household reference person. Chart shows data from all available surveys. Data for 65+ for 2005-06, 2007-08, 2009-10, 2011-12 is estimated using population shares of five-year age groups due to lack of data.

Source: ABS (2007), ABS (2011c), ABS (2013b) and ABS (2015d).

Source: Housing Affordability: Re-imagining the Australian Dream By John Daley & Brendan Coates (Grattan Institute).

Landcom Affordability and Diversity Model



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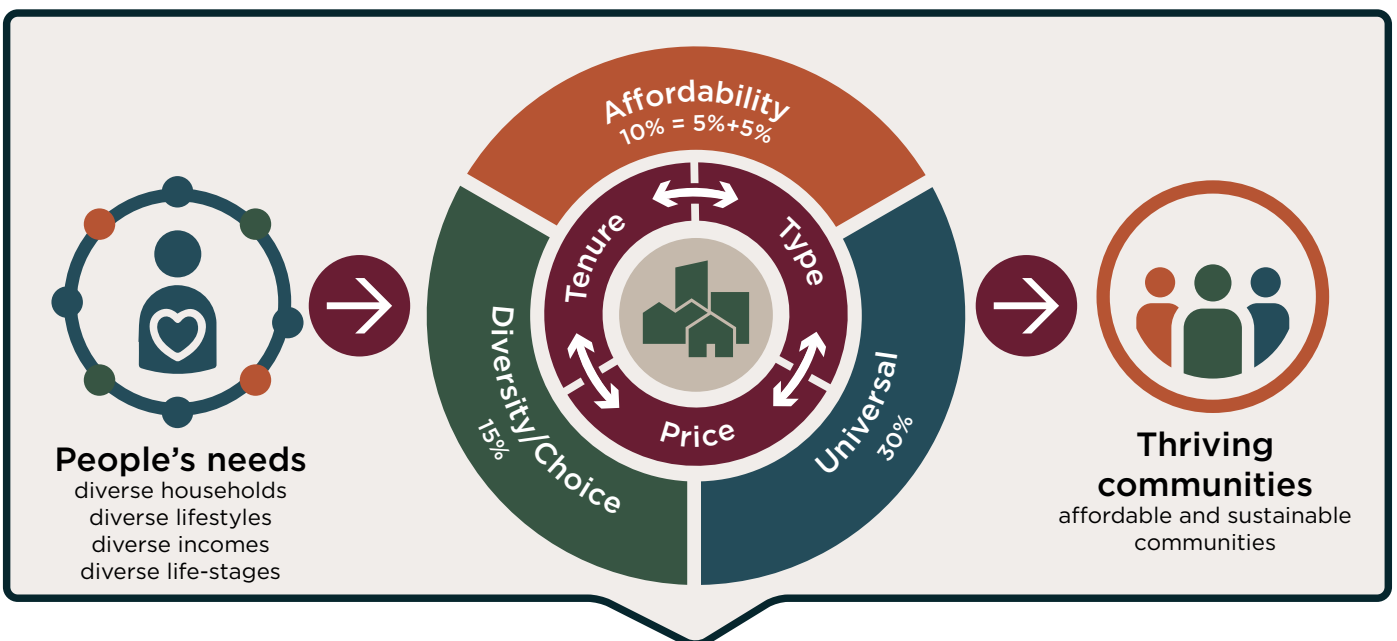
Landcom's focus on low to moderate income households whether in affordable housing rentals, partial ownership models or market housing recognises people's circumstances change depending on their income levels, household structure and specific living needs.

Landcom Housing Policy

Landcom's Housing Policy describes how Landcom will contribute to meeting NSW's housing needs. It identifies our commitments to ensure that the communities we deliver demonstrate leadership, showcase innovation, and contribute to ensuring that everyone in NSW has access to safe, secure and affordable housing.

“Providing a diversity of housing options is paramount to achieving greater affordability.”

John Brogden,
CEO, Landcom



Delivering Quality Places

Demonstrate

Advocacy and advice

What is affordable housing?



Affordable housing is housing that is appropriate for the needs of very low to moderate income households. It is priced (whether mortgage repayments or rent) so these households are able to meet their other essential living costs.

“There’s a shortfall of more than 200,000 social and affordable homes in NSW right now, and 50,000 households waiting for social housing.”

Mark Degotardi, CEO, NSW Community Housing Association



Affordable housing is not, cheap, or, poor, in its quality and design and should deliver the same standard of liveability as other homes. Well planned affordable housing is close to transport, education and employment and has easy access to shops, services and green and safe public open spaces.

Pictured left are the UDIA NSW Crown Group Awards for Excellence 2020 Affordable Development Finalists.

Diverse housing for a diverse community

As we move through life’s different stages our housing needs and financial circumstances can change. Landcom’s aim is to provide greater choice for people by way of locations, housing types and tenure models.

Providing the right mix of housing enables choice for people to downsize or upsize without leaving their neighbourhood and the people and places they know. Diversity enriches neighbourhoods and communities.

Diverse communities include single people, couples with and without children, extended families, retirees and downsizers.



Working in partnership

Delivering affordable and diverse housing is complex and needs a collaborative approach across government, industry and the community. At Landcom, we have been increasingly focussed on working in partnership with others including Local Councils, Community Housing Providers and Local Aboriginal Land Councils.

Through these partnerships, we are leading the change that needs to happen to create more affordable and diverse communities across NSW.