



# National Rental Affordability Scheme (NRAS)

## Information for tenants

### What is NRAS?

The National Rental Affordability Scheme (NRAS or the Scheme) is a long term commitment by the Australian Government to invest in affordable rental housing. NRAS provides people on low to moderate incomes with an opportunity to rent homes at a rate that is at least 20 per cent below market value rent.

NRAS homes are **not** social housing — they are affordable private rental homes.

Homes can range from studio apartments right through to family homes, and are located where affordable rental accommodation is most needed, especially in areas where employment, schools and other services are available nearby.

NRAS homes may remain in the Scheme for up to 10 years provided they continue to meet eligibility requirements.

NRAS tenants have the same rights given to all tenants under the relevant residential tenancy law in the State or Territory where the property is located.

### Who is eligible to rent an NRAS property?

NRAS rental homes are available to low and moderate income Australians – people who may find it hard to pay market rental rates.

To be eligible to rent an NRAS property, potential tenants:

- will need to provide the tenancy manager with evidence of their gross income for the previous 12 months before the day they enter the dwelling, both with their initial application and every year afterwards; and
- must not exceed the income limits for their household type by more than 25 per cent over two consecutive eligibility years.

The total income of all tenants of an NRAS rental property is used to calculate the overall household income for that property.

## How can I apply to rent an NRAS property?

The Australian Government **does not** select or manage NRAS tenants or maintain a waiting list for homes supported by NRAS. You can apply to rent an NRAS property through an NRAS approved participant or their tenancy manager in your State or Territory. The list is available on the [Department of Social Service website](#).

If you live in Queensland, Potential tenants need to register with the Queensland Government. To register, complete the [National Rental Affordability Scheme \(NRAS\) tenant application form](#) or contact 13 QGOV (13 74 68).

## Who manages the NRAS tenancy?

NRAS tenancy managers are selected by the NRAS approved participant and may be a real estate agent, a housing organisation or other approved manager. An NRAS approved participant may also manage tenancies itself rather than engaging a third party to do so.

The NRAS tenancy manager is required to perform functions such as:

- assessing initial and on-going tenant eligibility through appropriate written evidence, such as payslips, employer contact details etc., and determining the gross household income for the 12 months prior to the day on which the household would become tenants;
- maintaining waiting lists for NRAS homes;
- determining the rents charged to tenants;
- providing appropriate property management and maintenance functions; and
- managing the on-going tenancy.

## What are the income limits for NRAS tenants?

The gross income limits for eligible households to rent NRAS homes are specified in the NRAS Regulations. Note that because these levels are subject to indexation, current levels are different to the figures that were initially specified in the Regulations. Information on current, indexed thresholds is available below. For NRAS purposes, a household is considered to be all tenants of the dwelling. Therefore, the income of all residents will be included in the assessment of the gross income of the household.

The 2018-19 household income eligibility limits are:

Household composition	Household income limit (\$)	Existing tenant income limit (\$)
One adult	50,489	63,112
Two adults	69,804	87,225
Three adults	89,119	111,399
Four adults	108,434	135,543
Sole parent with one child	69,852	87,315
Sole parent with two children	86,600	108,250
Sole parent with three children	103,348	129,185
Couple with one child	86,552	108,190
Couple with two children	103,300	129,125
Couple with three children	120,048	150,060

After you have commenced tenancy in an NRAS dwelling, if your annual household income exceeds the applicable household income limit by 25 per cent or more in two consecutive eligibility years, you will cease to be an eligible tenant. This does not necessarily mean that you will be evicted; it just means that the approved participant will no longer be entitled to receive incentives under the Scheme in relation to your rental dwelling. You will still have rights under your lease and the residential tenancy laws of your State or Territory.

There is no asset test used to determine tenant eligibility, except in Queensland. For more information contact the Queensland Government on 13 QGOV (13 74 68).

In other States or Territories, where a tenant receives a one-off lump sum payment (for example, a lottery win or inheritance), only the income earned from investing the lump sum would be assessed as income, that is, income from interest or dividends.

Your continuing eligibility needs to be assessed each year by the approved participant. The approved participant will request evidence of your annual income; they may also request other information, including the number and ages of people living in the house. They require this information to satisfy the Australian Government that they continue to meet all conditions of allocation under the Scheme in relation to your rental dwelling.

## What rights do I have as a tenant?

All NRAS approved participants must comply with the residential tenancy law and tenancy and property management regulations in the State or Territory in which the property is located.

As with any rental property, you should sign a rental agreement or lease, which will be subject to the laws of the State or Territory in which the property is located.

If you have any problems with your tenancy, you should first speak with your tenancy manager. If you are unable to resolve an issue:

- you are encouraged to contact the relevant State or Territory agency which is responsible for administering residential tenancy laws;
- you can also find tenant advisory services in your State or Territory.

Any eviction must also be in accordance with the applicable State or Territory residential tenancy laws and the terms of your lease.

**Note:** The Australian Government is not involved in placing tenants or any on-going tenancy management issues.

## More information

For more information visit: [www.dss.gov.au/nras](http://www.dss.gov.au/nras).