

PH5.1 MEASURES TO PROPERTY DEVELOPERS TO FINANCE AFFORDABLE HOUSING CONSTRUCTION

Definitions and methodology

This indicator presents an overview of measures to property developers to finance the construction of new affordable housing as reported by responding countries to the 2021, 2019 and 2016 OECD Questionnaire on Affordable and Social Housing (QuASH 2021, 2019, 2016). The scope of this indicator encompasses grants, subsidised loans or loan guarantees, tax relief, subsidised land or other types of support to property developers to finance the construction of affordable housing for low-income households. Dwellings can be intended for owner occupation, rent and/or other types of tenure.

Note that measures in this indicator do not include: demand-side subsidies that are provided directly to households to help them access affordable housing (see indicators PH2.1, PH2.2, PH3.1, PH3.2 and PH3.3) or supply-side supports towards the provision of social rental housing (see indicators PH4.1, PH4.2 and PH4.3).

Countries report a wide range of measures; the full list of measures and a summary of the main characteristics are provided in Table 5.1.1. Although it is difficult to identify a common thread among the reported measures, they generally aim to:

- increase the housing supply at rent/prices below market rates
- support low- to middle-income households, although not always exclusively.

This indicator also provides information on support introduced to help developers of affordable housing, which was introduced by governments in response to the COVID-19 pandemic.

Key findings

Measures financing the provision of new affordable housing can be distinguished according to the type of housing support (grants, tax relief, subsidised land, etc.) or the type of tenure they support.

The type of housing support provided to property developers ranges considerably across countries:

- Eleven countries provide *loans* (often at preferential rates) to property developers to support the construction of affordable housing: Australia, Austria, Canada, Croatia, the Czech Republic, France, Iceland, Ireland, the Netherlands, the Slovak Republic and Turkey.
- Ten countries provide *grants* to property developers to support the construction of affordable housing: Austria, Chile, Costa Rica, the Czech Republic, Ireland, Luxembourg, the Netherlands, Norway, Turkey and the United States.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

- Nine countries provide *tax relief* to property developers to support the construction of affordable housing: Australia, Chile, Colombia, France, Germany, Portugal, Spain, Turkey and the United States.
- Five countries provide *subsidised land* to property developers to support the construction of affordable housing: Canada, Germany, Israel, New Zealand and Switzerland.
- Several countries provide *other types of support*, such as density bonuses, subsidised development costs, or repayment of mortgage or rental deposits.

Measures may also target different tenure types:

- Property developers of *both affordable rental and owner-occupied housing* (e.g. tenure-neutral schemes) are eligible for support in 13 countries: Australia, Austria, Canada, Colombia, Germany, Ireland, the Netherlands, New Zealand, Portugal, South Africa, Spain, the United Kingdom and the United States. This includes loans (Australia, Austria, Canada, Ireland, the Netherlands), tax relief measures (Colombia, Portugal, Spain), grants (Austria, Ireland, the Netherlands, the United States), subsidised land (Canada, Germany, New Zealand) and other types of support.
- Property developers of *affordable rental housing* receive public support in 10 countries: Australia, Canada, the Czech Republic, France, Germany, Iceland, Norway, the Slovak Republic, Switzerland and the United States. In some countries, support for affordable rental housing requires dwellings to be maintained at affordable rent levels for a minimum time period (10 years in Australia and Canada and 15 years, subject to extension in the United States).
- Property developers of *affordable owner-occupied housing* receive public support in seven countries: Chile, Costa Rica, Croatia, Cyprus, Israel, Luxembourg and New Zealand (note that demand-side measures supporting home buyers directly are much more widespread; see PH 2.1 and 2.2). In Chile, several different grants as well as tax relief are available to property developers of affordable owner-occupied dwellings. In Israel, the government provides subsidised land to support the construction of affordable owner-occupied dwellings by private property developers. In Luxembourg, the government helps to finance the land acquisition, planning and construction for owner-occupied dwellings that are sold at an average of 20% below market prices. In New Zealand, the government underwrites or purchases new homes “off the plans” in exchange for the development of a higher number of affordable dwellings.

Table PH 5.1: Measures financing affordable housing development: Overview of existing measures

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Australia	Managed investment trusts	From 1 July 2019, Managed Investment Trusts (MIT) will be eligible to access a 15% concessional withholding tax rate on income and capital gains (attributable to investments in certain affordable and disability housing assets), that is distributed to non-resident investors. MIT investments in other forms of residential housing (i.e. housing that is not used to provide affordable or disability housing) will be subject to a final MIT withholding tax rate of 30%t (in line with the top corporate tax rate). MITs must invest in land primarily for the purpose of deriving rent.	affordable rental dwellings	Non-residents (Australian residents, including complying superannuation funds, that invest through a MIT are subject to tax at their relevant marginal tax rates).	<p><i>Eligibility for end users:</i> Eligibility for the concessional MIT withholding tax rate is subject to the tenancy of the dwelling, or its availability for rent, being managed by an eligible community housing provider. The states and territories then impose their own definitional requirements as to what an affordable dwelling is, which may or may not include household income thresholds or occupation type (commonly referred to as "key workers").</p> <p><i>Eligibility for dwellings:</i> Affordable housing is defined according to each state and territory's housing policies and a MIT's affordable housing investments would need to meet (at a minimum) the relevant conditions of each jurisdiction. This includes tenure and rent settings, and potentially other defining features (as set out in a jurisdiction's respective building codes) such as dwelling size, quality standards, energy efficiency, resilience to natural disasters, as well as density levels. Affordable dwellings are (as a rule of thumb) typically defined as properties rented at 20% below market value rents.</p>	Uncertain	Tax deduction	National/ Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Australia	Affordable Housing Bond Aggregator	The Affordable Housing Bond Aggregator (AHBA), operated by the National Housing Finance and Investment Corporation, provides finance to registered community housing providers (CHPs). The AHBA operates by using money borrowed from the Australian Government or by raising finance through the issue of bonds in the capital markets. This mechanism supports fundraising on a larger scale and on different terms to what would be possible for individual CHPs. This in turn supports cheaper and longer term finance for CHPs that enable them to improve housing outcomes for their clients.	both affordable owner-occupied and rental dwellings	Legal persons - community housing providers that are registered under a law of, or under a scheme administered by, a State or Territory	All AHBA Loan borrowers would need to meet the relevant conditions of each jurisdiction, including tenure and rent settings, dwelling size, standards relating to quality, energy efficiency, and resilience to natural disasters, as well as density levels. Affordable dwellings are typically understood to be at 20%t below market value rents and in practice this acts as a maximum rent for each affordable dwelling. Individual community housing organisations may choose to provide affordable dwellings at a higher quality or at lower prices than they would otherwise be required to by the relevant regulations.	Yes (varies by housing provider and by jurisdiction)	loan finance	National/Federal
Australia	Floor space incentives, under State Environmental Planning Policy (Affordable Rental Housing) 2009	Among other provisions, the State Environmental Planning Policy (Affordable Rental Housing) 2009 includes floor space incentives for villa, townhouse and residential flat building development projects in accessible locations where residential uses are already permitted, if the development includes affordable rental housing for 10 years and managed by a Community Housing Provider.	affordable rental dwellings	All types of property developers are eligible	Affordable rental housing is provided for very low, low and moderate income earning households. Different eligibility restrictions apply. Under a restriction on the title, dwellings must be used for affordable rental housing for 10 years and must be managed by a registered Community Housing Provider. A maximum price applies to dwellings built with support from this scheme.	Yes	density bonus	Regional/State

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Austria	Subsidy scheme of the provinces (Wohnbauförderung der Länder) for the construction of new owner-occupied dwellings	Subsidies schemes of the Austrian Provinces offer grants, soft loans and guarantees for the construction of new owner-occupied dwellings.	both affordable owner-occupied and rental dwellings (including collective living facilities e.g. for students or older people)	All types of property developers are eligible, though regulations differ across regions	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of quality/energy efficiency. Requirement for end users: permanent residents with Austrian or EU citizenship or recognized asylum seekers	Yes	grant, soft loan, guarantee	Regional/State
Canada	Rental construction financing initiative	The Rental Construction Financing Initiative (RCFi) provides low-cost loans encouraging construction of rental housing across Canada, targeting middle-class Canadians, where the need is clearly demonstrated.	affordable rental dwellings	Legal persons and government actors are eligible; natural persons uncertain	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size, quality/energy efficiency, accessibility and geographical area. Projects must maintain unit affordability for at least 10 years.	No	preferential loan	National/Federal
Canada	Affordable Housing Innovation Fund	The Affordable Rental Housing Innovation Fund (Innovation Fund) will support construction of new affordable housing by helping to spur innovation in the construction sector and encourage the development of new models and approaches while reducing reliance on long-term government subsidies.	both affordable owner-occupied and rental dwellings, as well as housing repairs and upgrades	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of quality/energy efficiency, accessibility and geographical location. Projects must maintain unit affordability for at least 10 years, and must use innovative design or financing models.	No	flexible: loans, equity capital investments, other innovative financing arrangements	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Canada	National Housing Co-Investment Fund	The National Housing Co-Investment Fund provides low-cost loans and/or financial contributions to support and develop mixed-income, mixed-tenure, mixed-use affordable housing. This housing must be energy efficient, accessible and socially inclusive. The National Housing Co-investment Fund prioritises projects that support partnerships between governments, non-profits, private sector, and others.	both affordable owner-occupied and rental dwellings, as well as other types of housing (e.g. shelters)	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of quality/energy efficiency, accessibility and geographical location. All projects must keep rents for a minimum of 30% of units below 80% of the Median Market Rental rate, for a minimum of 20 years.	No	preferential loan	National/Federal
Canada	Federal Lands Initiative	The Federal Lands Initiative is a CAD 200-million fund that supports the transfer of surplus federal lands and buildings to eligible proponents. This is available at discounted to no cost to be developed or renovated for use as affordable housing.	both affordable owner-occupied and rental dwellings, as well as other types of housing (e.g. mixed income, mixed tenure, shelters)	All types of property developers are eligible	Proposals to build or renovate surplus federal property into affordable housing must meet minimum requirements regarding affordability; accessibility; energy efficiency; evidence of community need; experience in the construction/renovation and operation of projects of similar size and scope; and financial viability.	No	subsidised land	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Chile	Extraordinary Reactivation Programme with Social Integration, D.S. No. 116 (V. and U.), 2014 (Programa Extraordinario de Reactivación con Integración Social, D.S. N° 116 (V. y U.), de 2014)	Provides subsidies to finance the acquisition of affordable housing.	affordable owner-occupied dwellings	Natural persons; legal persons	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size, location (e.g. only land within urban boundary and with access to services) and quality/energy efficiency. The project must not exceed 300 units. Eligible households: (i) a certificate of definitive permanency is needed for non-Chileans; (ii) households with any member owning a dwelling are not eligible; (iii) single-person households cannot apply alone.	Yes	grant	Joint (shared across levels of government)
Chile	Social and Territorial Integration Programme, D.S. N° 19 (V. and U.), of 2016 (Programa de Integración Social y Territorial, D.S. N° 19 (V. y U.), de 2016)	Provides subsidies to finance the acquisition of affordable housing. NB: Cross-posted in PH2.1	affordable owner-occupied dwellings	Natural persons; legal persons	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size, location (e.g. only land within urban boundary and with access to services) and quality/energy efficiency. The project must not exceed 300 units. Eligible households: (i) a certificate of definitive permanency is needed for non-Chileans; (ii) households with any member owning a dwelling are not eligible; (iii) single-person households cannot apply alone.	Yes	grant	Joint (shared across levels of government)
Chile	VAT Credit for Housing Construction (DL N°901/1975 Art. 21) (Crédito de IVA para la construcción de viviendas (DL N° 901/1975, Art. 21))	Construction companies are entitled to deduct 65% of VAT debit determined on the sale (net of land value) of new residential properties from their First Category Income Tax advance monthly payments. The deductible amount is limited to UF 225 per housing unit.	affordable owner-occupied dwellings	Construction companies	A maximum price applies to dwellings built with support from this scheme. The dwelling value shall not exceed UF 2,000. In the case of subsidized housing, the cap is UF 2,200.	No	tax relief	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Colombia	Tax relief for social interest housing and priority interest housing (Rentas exentas asociadas a la vivienda de interes social y la vivienda de interes prioritario)	Tax relief for social housing and priority housing.	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme.	Yes	tax relief	National/Federal
Colombia	VAT reduction for construction materials (Devolucion del IVA en materiales de construccion VIS)	The VAT paid to acquire construction materials for social housing projects can be reclaimed (Art. 850 Paragraph 2 National Tax Statute; Art. 66 of the Law 1607 of 2012).	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme.	Yes	tax relief	National/Federal
Costa Rica	National Housing Financing System	For property developers, the system provides financing at 0% interest for approved projects and a 50 % reduction in fees for the development of blue prints and permits.	affordable owner-occupied dwellings	Natural persons; legal persons	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size and quality/energy efficiency. For households, there are criteria related to income, size and prior housing conditions.	Yes	grant	National/Federal
Croatia	Financing loans for construction or reconstruction of family houses within the Programme of State Subsidised housing construction (POS)	This measure provides credit financing for the construction or reconstruction of family houses. It is part of the Program of State Subsidised housing construction (POS), implemented by the Agency for Transaction and Mediation in Immovable Properties	affordable owner-occupied dwellings	preferential loan	National/Federal

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Cyprus	Affordable housing provision by the Cyprus Land Development Corporation	The Cyprus Land Development Corporation (CLDC) is a Public Law Corporation, which builds dwellings and offers them at a low price and at favourable terms of payment to households with incomes below certain limits. It runs different schemes including a Medium-income housing scheme and Low-Income housing scheme. Beneficiaries of the Low income housing scheme also receive a subsidy from the state.	affordable owner-occupied dwellings	Cyprus Land Development Corporation	..	Yes	..	National/Federal
Czech Republic	Supported housing (Podporované byty)	Can support the development of affordable family housing, social housing or accessible residential buildings.	affordable rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size and quality/energy efficiency.	Yes	grant	National/Federal
Czech Republic	Rental housing (Nájemní byty)	Low-interest loan for construction of (blocks of) flats	affordable rental dwellings	All types of property developers are eligible	There are standards in terms of dwelling size and accessibility. For adults aged under 30 or above 65, or with disability or low income	Yes	preferential loan	National/Federal

Footnote by Turkey: The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus issue"; *Footnote by all the European Union Member States of the OECD and the European Commission:* The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

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France	Income tax credit to encourage rental investment (Dispositif de défiscalisation Pinel en faveur de l'investissement locatif intermédiaire)	This measure allows landlords who buy a new dwelling to get an income tax credit, if they agree to let the dwelling at an affordable rent for at least 9 years. The global amount of the tax credit can reach 21% of the total amount of the rental investment in Metropolitan France (29% in overseas territories). The rate of the tax credit is 12% for first 6 years, or 18% for first 9 years. Although the measure does not directly support property developers, it supports the development of new supply of rental housing by focusing on newly built dwellings.	affordable rental dwellings	Natural persons (taxpayers) who have permanent residence in France	A maximum investment of up to EUR 300,000 is eligible for the tax reduction. There are standards in terms of quality and geographical area.	No	Tax relief	National/Federal
France	Intermediate rental loan (Prêt locatif intermédiaire or PLI)	Loans from this scheme can finance the purchase, construction or rehabilitation of a dwelling to be let at affordable rent. It is available from the public bank Caisse des Depots et Consignations (CDC) or from other credit institutions signing an agreement with CDC. The loan has a low interest rate and long maturity.	affordable rental dwellings	Legal persons /companies	A maximum rental charge per square meter applies, varying across different areas.	Yes	preferential loan	National/Federal
France	Reduced value-added tax rate (TVA aux taux réduits de 5,5% et 10%)	A reduced VAT rate applies to newly built dwellings and to transformation of office spaces into residential dwellings in certain areas. The dwellings concerned must belong to a housing complex composed by a minimum of 25% of social housing	affordable rental dwellings	Natural and legal persons/companies	There are standards in terms of quality/energy efficiency density levels and geographical area.	No	tax relief	National/Federal
Germany	Special depreciation allowance for new rented housing (Sonderabschreibung für den Mietwohnungsneubau)	An allowance of 5% of acquisition or manufacturing costs per year for four years (in addition to the linear depreciation allowance of 2%).	affordable rental dwellings	All types of property developers are eligible	Restricted to the lower end of the rental market through limits on construction costs	No	Tax deduction	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Germany	Selling public properties at reduced prices (Verbilligte Abgabe von öffentlichen Liegenschaften)	Sale of plots at reduced prices by Institute for Federal Real Estate (BImA) (incl. for the purpose of constructing social housing)	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	Properties must be used to construct social housing.	No	Subsidised land	National/Federal
Iceland	Housing Financing Fund (HFF)	The role of the HFF is to provide mortgage loans to individuals, municipalities, companies and organisations to finance housing purchase and construction work, limited to social role	affordable rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are standards in terms of dwelling size and location.	Yes	loan	National/Federal
Iceland	Initial contribution (Stofnframlög)	The state and municipalities can provide initial contributions for the construction and purchase of affordable rental apartments.	affordable rental dwellings	..	A maximum price applies to dwellings built with support from this scheme. There are standards in terms of dwelling size and location.	..	loan	National/Federal
Ireland	Home Building Finance Ireland	Home Building Finance Ireland has been established to provide financing for commercially viable residential development projects outside of Dublin and for smaller builders and property developers, more generally.	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	Any proposals for HBFI financing must be commercially viable.	No	loan	National/Federal
Ireland	Serviced Site Fund (SSF)	The EUR 310 million Serviced Sites Fund (SSF) is being made available over the 2019 to 2021 period to facilitate affordable housing by supporting the delivery of infrastructure on local authority sites. At a maximum SSF investment of EUR 50,000 per home, it is expected that the Serviced Sites Fund will deliver at least 6,200 affordable homes. Local authorities will be using SSF funding to build affordable housing on land already owned by them.	both affordable owner-occupied and rental dwellings	Local authorities	A maximum price applies to dwellings built with support from this scheme.	Yes	grant	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
Ireland	Local Infrastructure Housing Activation Fund (LIHAF)	Local Infrastructure Housing Activation Fund (LIHAF) is a key element of Pillar 3 of Rebuilding Ireland: An Action Plan for Housing & Homelessness. The objective of the fund is to provide public off-site infrastructure to relieve critical infrastructure blockages. This will enable the accelerated delivery of housing on key development sites in Dublin and in urban areas of high demand for housing. The call for proposals for the EUR 200 million fund was announced on 26 August 2016, with a closing date of 14 October 2016.	both affordable owner-occupied and rental dwellings	Supports local authorities to fund infrastructure around private developments	..		grant	Regional/State
Israel	Tenant price programme (Mechir Lamishtaken)	Property developers compete for the lowest selling price per square meter. The land is offered with a large discount of up to 80%. In addition, subsidies and benefits are offered to the property developers and purchasers. Aimed at first-time buyers.	affordable owner-occupied dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size, location and quality/energy efficiency and density.	No	subsidised land	National/Federal
Luxembourg	Building subsidies for public property developers for affordable home ownership (Aides à la construction d'ensembles)	Through this scheme the government participates in the financing of land acquisition, planning and construction of dwellings by public property developers (e.g. "Fonds du Logement", "Société Nationale des Habitations à Bon Marché" and municipalities). Depending on the nature of the investment, the financial contribution of the Ministry of Housing to the construction of residential buildings (with a municipal management) ranges from 50% to 100% of the costs.	affordable owner-occupied dwellings	All types of property developers are eligible	Prices of subsidised dwellings must be on average 20% below market prices. The minimum standards of energy efficiency must be satisfied.	No	grant	National/Federal

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The Netherlands	Housing deals (Woondeals)	The housing deals (reached with the municipalities of the tightest housing markets), includes terms on acceleration of current development projects, availability of sufficient affordable housing and the rental sector.	both affordable owner-occupied and rental dwellings	Local governments are eligible if they are able to show that they have a sufficient need for support and have a specific plan for which they need support	Support is given on a broader scale to local governments for large developments (e.g. new neighbourhoods in green field developments), not on a house-by-house basis.	..	improve access to construction sites; expedite planning and construction procedures	Joint (shared across levels of government)
The Netherlands	Financing facility to transform urban locations (Transformatiefaciliteit binnenstedelijke transformatie)	The transformation facility offers short-term loans to finance the preliminary phase of housing projects, so that initiators can start the (re) development of these locations faster.	both affordable owner-occupied and rental dwellings	Legal persons/companies	Available in 50 municipalities with the largest housing shortage.	..	short-term loans	National/Federal
The Netherlands	Housing incentive (woningbouwimpuls)	The grant is a subsidy for municipalities to share the financial gap of public investments for housing developments. The financial gap is the difference between the public investments and public revenue of a development. Public investments are, for example, reallocation of businesses and industries, soil remediation, infrastructural investments and nitrogen measures. The public revenues exist of income through the sale of land or the cost recovery on private developers.	both affordable owner-occupied and rental dwellings	Local authorities	A maximum price applies to dwellings built with support from this scheme. The housing incentive is focused on larger developments (> 500 dwellings), of which at least 50% needs to be affordable, whereby affordable is defined as social rent (€739), mid-rent (€1.000) or affordable owner-occupied (€325.000). Projects must meet some specific requirements such as start of construction of the first dwelling within 3 years and the last dwelling within 10 years. A share of the affordable housing will be developed by social housing associations. They must obey to some laws on the allocation of social housing to low income households.	Yes	grant	National/Federal

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New Zealand	Land for Housing Programme	The government acquires land and sells that land to property developers (including iwi) who use their own capital to develop the land for housing. The property developers commit to delivering certain outcomes with respect to dwelling yield, development pace and the proportion of houses built for social housing and/or sold at affordable price points. In consideration, the government can defer settlement on the land for a period of time. With the Land for Housing programme, the government's objective is to make 20% of the dwellings available for public housing, and a further 40% at (or below) the KiwiBuild price points and offered to first home buyers.	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size and location. Some locations (Queenstown and Auckland) have price requirements / caps related to a dwelling's number of bedrooms. Eligible buyers (for KiwiBuild Houses) must: (i) be a New Zealand Citizen, permanent resident or a person who is "ordinarily resident in New Zealand"; (ii) be a first home buyer or 'second chancer'; (iii) be an owner occupier and reside in the property for three years; and (iv) meet the income bracket requirement.	Yes	subsidised land	National/Federal
New Zealand	Buying off the plans	The Buying off the Plans initiative involves the Government underwriting or purchasing new homes off the plans that the private sector or others are leading, in exchange for accelerating a greater number of affordable KiwiBuild dwellings.	affordable owner-occupied dwellings	Natural and legal persons/companies	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size and location. Some locations (Queenstown and Auckland) have price requirements / caps related to a dwelling's number of bedrooms. Eligible buyers (for KiwiBuild Houses) must: (i) be a New Zealand Citizen, permanent resident or a person who is "ordinarily resident in New Zealand"; (ii) be a first home buyer or 'second chancer'; (iii) be an owner occupier and reside in the property for three years; and (iv) meet the income bracket requirement.	Yes	de-risking developments through underwriting or outright purchase of KiwiBuild dwellings	National/Federal

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Norway	Grant for social rental housing (Tiiskudd til utleieboliger)	The scheme supports municipalities in providing rental housing for people who do not manage to acquire or maintain satisfactory living conditions by themselves.	affordable rental dwellings	All types of property developers are eligible. The municipality can buy, build new or rebuild property. The municipality may do so itself, or by entering into agreements with private actors. The Housing Bank can provide grants to municipalities. The Housing Bank can also provide grants to companies and others that are intended to rent out homes to disadvantaged.	There are standards in terms of quality/energy efficiency.	Yes	grant	National/Federal
Portugal	Controlled cost housing (Habitação de Custos Controlados)	This regime includes financial support from the State through funding concessions and tax benefits. The main development is for affordable rental dwellings, but some developments may be for affordable owner-occupied dwellings.	both affordable owner-occupied and rental dwellings	Legal persons/companies, local/regional authorities	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size and quality/energy efficiency. The Affordable Rent Program (PAA) must be applied to these dwellings for 25 years.	No	Tax deduction	National/Federal
Slovak Republic	Loan (úver)	Favourable long-term loan for the purpose of land, technical infrastructure and rental dwellings from the State Housing Development Fund	affordable rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of geographical area.	Yes	loan	National/Federal

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South Africa	National Housing Finance Corporation (NHFC)	The NHFC provides housing finance to intermediaries, mainly Retail Finance Intermediaries, Property Practitioners/Developers and Social Housing Institutions. The NHFC also supports and capacitates emerging housing intermediaries, through partnerships with other local and international organisations.	both affordable owner-occupied and rental dwellings	Access to development finance	National/Federal
Spain	Tax relief	Tax relief to property developers to finance the construction of affordable housing	both affordable owner-occupied and rental dwellings	All types of property developers are eligible	A maximum price applies to dwellings built with support from this scheme. There are also standards in terms of dwelling size.	Yes	Tax deduction	Local/municipal
Switzerland	Subsidised land lease	Some municipalities offer land to non-profit housing organisations on a leasehold basis and with a right to build on that land. The lease of the land is often subsidised, i. e. the non-profit organisation doesn't pay the market rent on the land (this is the subsidy-element). There are many different systems of such leaseholds and rights to build that vary across municipalities.	affordable rental dwellings	non-profit organisations/ co-operatives	Eligibility criteria vary across cities and communes	No	subsidised land	Local/municipal
Turkey	Urban Transformation (Kentsel Dönüşüm)	Urban transformation applications are made within the scope of law numbered 6306 and within the scope of municipality law numbered 5393. Within the scope of law numbered 6306, there are grants (rental assistance and interest support), tax, fee and fee exemptions, retrofitting and construction loan support.	..	All types of property developers are eligible	There are standards in terms of quality/energy efficiency and density. The basic condition for these supported houses is that it is a risky building with technical data.	No	grants (rental assistance and interest support), tax, fee and fee exemptions, retrofitting and construction loan support	National/Federal

	Measure name	Description	Tenure type	Types of property developers	Requirements applying to the dwelling and/or households	Income thresholds for end-users	Type of aid	Administrative level
United Kingdom (England)	Affordable housing guarantee scheme	The government launched guarantee schemes to facilitate the delivery of new private rented sector properties (build to rent) and affordable housing.	both affordable owner-occupied and rental dwellings	Legal persons/companies	The AHGS covered all forms of affordable housing tenure, although application to the scheme was limited to Registered Providers.	No	debt guarantee	National/Federal
United States	Low Income Housing Tax Credit program (LIHTC)	LIHTC allows states to distribute federal tax incentives for construction or rehabilitation of affordable rental housing. Tax credits reduce the federal income tax of investors who participate. The investor receives a tax credit paid annually over a 10- year period and cannot withdraw the investment for 15 years.	affordable rental dwellings	private and non-profit property developers	A maximum price applies to dwellings built with support from this scheme. Tenant incomes upon entry must be below a percentage of area median income elected by the property developer. States may include energy efficiency or disaster resiliency requirements in their competitive allocation plans. Projects may be awarded higher rates of tax credit for location in high-cost areas or very low-income or high-poverty neighbourhoods. States must set aside at least 10% of annual allocations for non-profit property developers.	Yes	tax relief	Federal, administered by state housing finance agencies
United States	HOME Investment Partnership Grant Program	HOME Investment Partnerships Program provides formula grants to states and localities that communities use - often in partnership with local non-profit groups - to fund a wide range of activities, including building, buying, and/or rehabilitating affordable housing for rent or home ownership or providing direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.	both affordable owner-occupied and rental dwellings, as well as a range of other measures	Grant is to state or local government which then select developers to be funded.	HOME funds per unit are limited by National Housing Act limits for elevator type projects in the area. All beneficiaries must have incomes below 80% of the area median income. In case of rental supply, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of area median income. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of area median income.	Yes	grant	Federal grant to local entitlement jurisdictions

Source: 2021 and 2019 OECD Questionnaire on Social and Affordable Housing (QuASH).

A handful of countries introduced additional support to finance affordable housing development in response to the COVID-19 pandemic

Five countries introduced additional support measures to support affordable housing developers in response to the COVID-19 pandemic. In Australia, the states of Queensland and Tasmania have increased support for the construction of social housing (see also PH4.3). In Tasmania, part of the COVID response fund is earmarked to provide grants to community housing providers, non-profit organisations and local councils with the aim of realising up to 1000 new social housing units. Queensland provides capital funding for the construction of social housing, predominantly family homes, and engages small and medium-sized construction enterprises in the tendering. Chile extended existing support measures to finance the acquisition of affordable housing. Costa Rica developed a programme allowing people affected by the pandemic to restructure their loans and reducing the risk of bankruptcy. New Zealand created a new fund to reduce risks for developers through underwriting dwelling sales, so as to progress developments that are stalled or at risk due to COVID-19. Finally, the United Kingdom provided direct support to companies that lost revenue due to COVID-19 in the form of loans.

Table PH.5.1.2. Emergency support measures to finance affordable housing development in response to the COVID-19 pandemic

Country	Name of measure	Type of support	New or adaptation?	Level of administration	Description
Australia	Community Housing Grants Program	Grant	New form of support	Regional/state	In June 2020, the Tasmanian Government announced additional investment of AUD 100 million from the Rebuilding Tasmania Infrastructure Investment COVID-19 Response to provide up to 1,000 new social housing homes. An Expression of Interest was released in September 2020 for community housing providers, not-for profit organisations and local councils to provide submissions. The AUD 100 million Works for Tradies aims to commence on more than 215 new social homes, supporting approximately 240 jobs in the construction sector.
Australia	Housing Construction Works for Tradies	Capital funding for new social housing	Adaptation of existing support	Regional/state	Capital funding has been utilised to deliver new social housing across Queensland. The department largely utilises existing land holdings to deliver on the program outputs with land acquisition required in some regions. Construction focuses predominately on building family homes (detached and duplex). Small to medium sized builders are being engaged in the following a formal tender processes.
Chile	Extraordinary Program of Reactivation with Social Integration, D.S. No. 116 (V. and U.), 2014 (Programa de Integración social y territorial)	Grant	Adaptation of existing support	National/federal	Includes the provision of new subsidies or the complement of the ones awarded by other programs (D.S.01, D.S.49) to finance the acquisition of affordable housing that is part of a housing project developed under the conditions of this pre-existing programme.
Costa Rica	Special Financing Facility Programme Central Bank of Costa Rica (Programa de Facilidad Especial de Financiamiento Banco Central de Costa Rica)	Financing facility	New form of support	National/federal	The programme offers developers affected by the effects of the pandemic the opportunity to restructure their existing loans under new conditions and reduce the risk of bankruptcy, via a financing facility.
New Zealand	Residential Response Fund	Special fund	New form of support	National/federal	The NZD 350 million Fund was designed to progress stalled or at risk developments, through the Crown sharing some of the increased COVID-19 related risks with developers. It was anticipated that the principal support mechanism would involve the Crown underwriting dwelling sales.
United Kingdom	Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs)	Loans	New form of support	National/federal	These schemes provide financial support to businesses across the UK that are losing revenue, and seeing their cash flow disrupted, as a result of the Covid-19 outbreak.

Source: Country responses to the 2021 OECD Questionnaire on Affordable and Social Housing (QuASH)

Data and comparability issues

Measures presented in this indicator generally complement but sometimes overlap with other policy measures described under other indicators in the policy section of the Affordable Housing Database. This is notably the case where countries have adopted programmes to fund the construction of new affordable housing, as well as other types of support under the same broad-based measures. For example, regarding the supply of affordable housing for owner-occupancy, in some cases a single measure/scheme can simultaneously subsidise both the development of new homes as well as the households purchasing these dwellings.

Sources and further reading

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