



What Is NRAS

The National Rental Affordability Scheme (NRAS) is a private investment scheme providing a National Rental Incentive to those who build and rent dwellings at 20 per cent or more below current market rates. Currently this incentive comes to around \$175 per week.

A quick Q&A With NRAS

Why invest in an NRAS property?

Approved NRAS investors will be eligible for tax-free incentives not available to conventional, individual residential property investors, with each approved dwelling attracting an annual National Rental Incentive for 10 years.

What are the commercial benefits of investing in an NRAS property?

NRAS creates a new residential property asset class for property investors and presents a new investment opportunity in the Australian market. It is intended as a commercial, profitable investment for participants while also increasing the supply of affordable housing in Australia.

The residential rental market represents a good long-term investment with the opportunity for significant capital gains. Investors in the Scheme can expect to benefit from the annual tax-free NRAS Incentive for 10 years, rental yields and capital gain.

How do returns on an NRAS investment dwelling compare with a conventional residential investment property?

Under NRAS, investors receive a tax free incentive of \$9,140 per annum (indexed annually) for 10 years for each approved dwelling rented at a 20 per cent reduction on market rent.

Compared with a conventional residential investment property, in certain markets, the addition of the tax-free Incentive can provide a better cash return to investors than charging market rent

Can small-scale or private investors participate in the Scheme?

As NRAS aims to encourage large-scale investment in affordable housing, it is not directly available to small-scale, private, individual investors in the rental property market. Investors could become involved by investing in entities that participate directly in the Scheme, for example, through a superannuation fund or property trust.

What are the characteristics of an NRAS dwelling?

The design and quality of NRAS dwellings compare favourably with any other private market non-NRAS dwelling. Typically, they are indistinguishable from other 'middle-market' dwellings.



Who can rent an NRAS dwelling?

NRAS aims to provide affordable rental housing for the nation's critical infrastructure workforce, such as teachers, nurses, police officers and paramedics, as well as other low to moderate income earners.

What are the income levels for NRAS tenants?

Income levels for eligible NRAS tenants are generous and accommodate a range of low to moderate income earners. The income limit for a single adult is \$42,718 per annum, increasing to \$101,561 per annum for a couple with three children. NRAS also allows for tenant salary increases of 25 per cent above the income limits.

Can I sell my NRAS property or remove it from the Scheme and rent it at market rates?

Investors no longer wanting to participate in the Scheme can sell their dwelling or cease their participation prior to completion of the 10 year NRAS term without incurring any early exit penalties.

Where can I get more information about the potential financial benefits of investing in NRAS?

The Australian Government has developed a free financial modelling tool for interested investors. You can view the Financial Modelling Tool by visiting this link

Please contact us at any time if you would like more information on the NRAS Scheme.

How can I benefit?

The benefits of the NRAS incentive to investors is a significant one. The return on investment in NRAS property outperforms any other market residential property so proves to be beneficial to both tenants and property owners.

With an NRAS property you continue to be eligible for all other tax deductions normally associated with property investment.

With an NRAS property your Property Managers and NRAS Compliance Management* are accredited and highly regulated.

With an NRAS property you will have a secure income stream that significantly increases your return on investment.

With an NRAS property your eligible tenants will be qualified and referenced.

Contact us now at www.nraseducation.com. Our workshops are open and accessible to any qualified investor, and are conducted every two weeks - simply visit our website to sign up

