



Australian Government



National Housing Finance  
and Investment Corporation

# National Housing Infrastructure Facility FACT SHEET



## What is the National Housing Infrastructure Facility?

The National Housing Infrastructure Facility (NHIF) is a \$1 billion facility that provides finance for eligible infrastructure projects to unlock and accelerate new housing supply, particularly affordable housing.

The NHIF offers concessional loans, grants and equity investments and is administered by the National Housing Finance and Investment Corporation (NHFIC) on behalf of the Australian Government.

## What are eligible infrastructure projects?

Critical housing-enabling infrastructure projects are eligible for NHIF finance and can include new or upgraded infrastructure for services such as stormwater, sewerage, water, gas and electricity; site remediation works including the removal of hazardous waste or contamination; and telecommunications and transportation (including roads).

The NHIF can also be used for onsite and linking infrastructure and for both 'greenfield' and 'brownfield' sites.

Eligible infrastructure projects do not include housing itself or community infrastructure such as parks, childcare centres or libraries.

## Partnership with NSW Land and Housing Corporation

NHFIC announced a \$100 million agreement with NSW Land and Housing Corporation (LAHC) in August 2020, allowing LAHC to access NHIF loans and grants to fund critical infrastructure. The agreement will support infrastructure works to enable the delivery of 781 new social and affordable homes at significant development sites across Sydney.

## Who can apply for the NHIF?

- Registered community housing providers
- State or territory governments or government-owned development corporations or utility providers
- Local governments or their investment corporations or utility providers
- Special purpose vehicles that have at least one eligible foundation member (as above).

**To be eligible for the NHIF, an applicant must demonstrate that without NHFIC financing, its project would be unlikely to proceed or would proceed only at a much later date or with less new affordable housing.**

## Benefits of NHIF funding

Eligible applicants can apply for finance for a NHIF concessional loan, NHIF grant, NHIF equity investment or a combination of these financing options. Where the application is for a grant, NHFIC will give priority to proposals that also seek other forms of NHFIC finance as part of a blended financing arrangement

The terms of NHIF financing are flexible with a range of concessions available to suit project circumstances. For example, NHFIC may provide, but is not limited to, the following loan concessions:

- Longer loan tenor than offered by commercial financiers
- Lower interest rates than offered by commercial financiers
- Extended periods of capitalisation of interest beyond construction completion
- Deferral of loan repayments or other types of tailored loan repayment schedules
- Lower or different fee structures than those offered by commercial financiers
- Commercial structuring – flexibility in debt structuring e.g. sub debt.

## How to apply

- ✓ Consider the [NHIF Guidelines](#)
- ✓ [Submit an EOI](#) via the NHFIC website
- ✓ NHFIC Origination team will be in touch to discuss the EOI
- ✓ Submit a formal NHIF application if eligible
- ✓ NHFIC assesses the application and determines key financing terms and conditions
- ✓ NHFIC provides formal notification of the outcome in writing

## Example of how NHIF funding can support local government

Lakes Edge City Council applies for NHIF funding for **sewer infrastructure** – to provide sewerage treatment and effluent recycling services for the community to facilitate future land development and population growth in the region.

Development in the Lakes Edge region would be **unable to proceed without the provision of NHIF funding** and it is expected that **a minimum of 500 new homes would be delivered** following the completion of the sewer works.

Lakes Edge City Council **submits an EOI** through the NHFIC website, which is followed by further discussions with the NHFIC team and a formal application is lodged. After assessment, NHFIC agrees to an **80% concessional loan of \$22 million and a 20% grant**, with a loan **tenor of five years and interest capitalised for five years**.

The NHIF loan will be repaid through developer contributions and grant funding through the state's Treasury department.

## Capacity Building Program Grants

Registered community housing providers can access tailored assistance from a panel of approved professional advisory service providers to help with applications for NHIF funding. Visit the [NHFIC website](#) for more information.

## Questions?

For more information on the NHIF, please visit the [NHFIC website](#). You can also email the team at [inquiries@nhfic.gov.au](mailto:inquiries@nhfic.gov.au).