



Government  
of South Australia

Department for Housing  
and Urban Development

# For Consultation **Apartment Fast-Track Fund**

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## Treasurer and Minister's Foreword

Dear Stakeholder,

In October 2025, the Labor Government announced its election commitment to establish a \$500 million Apartment Fast-Track Fund that will unlock more apartment developments in the Adelaide Central Business District (CBD) and accelerate the delivery of more homes for South Australians.

We announced:

- Through the fund, the South Australian Government would guarantee up to 50 per cent of dwellings in eligible off-the-plan developments.
  - Developers would be required to meet strict eligibility criteria, including having planning approval in place, being financially sound and having a proven track record delivering apartment projects.
  - The initiative is targeted at shovel-ready developments within the Adelaide CBD that can deliver housing quickly, helping to support jobs in the construction sector and increase housing supply in the short-term.
  - For developments to be eligible, they must be capable of commencing construction within six (6) months of receiving the Government guarantee.
- An establishment fee of \$50,000 and an annual facility fee of 1 per cent on the guaranteed value would apply to successful applicants.
  - At the end of the project, in the unlikely event that the dwellings remain unsold, the developer could call upon the guarantee, and the Government will purchase them at a discount of 10 per cent of market value.

The Government committed to undertaking targeted consultation with industry prior to finalising the fund parameters, eligibility requirements and fee structures.

We now enclose a Discussion Paper outlining our proposed approach to the pre-sale guarantee for your views and feedback.

Thank you for helping us build South Australia.

**Hon Tom Koutsantonis, Treasurer and  
Hon Nick Champion, Minister for Housing  
and Urban Development**



## Key Terms

- **Applicant** means a developer that has submitted an Application.
- **Application Fee** means the fee payable upon the making of an Application to participate in the Program.
- **Application** means the provision of documentation to apply to participate in the Program, following receipt of an invitation to apply.
- **DHUD** means the Department for Housing and Urban Development.
- **Establishment Fee** means the fee payable upon acceptance into the Program.
- **Expression of Interest** means the initial online form completed by a developer to express their interest in nominating a Project to participate in the Program.
- **Facility Fee** means the annual fee calculated monthly by reference to the total value of Guarantees issued in respect of a Project.
- **Fund** means the \$500 million apartment fast track fund established by the Government to support the Program.
- **GAP** means the Guarantee Advisory Panel responsible for providing a recommendation to the Treasurer on the Applications to the Program.
- **Guarantee** means a financial guarantee issued by the Government for a Project under the Program.
- **Program** means the Apartment Fast-Track Fund Program whereby the South Australian Government may guarantee up to 50 per cent of dwellings in eligible Projects utilising the Fund.
- **Program Documents** means the legal documentation successful Applicants are required to execute to secure their participation in the Program.
- **Project** means an off-the-plan apartment development seeking support under the Program.

## Proposed Eligibility Criteria

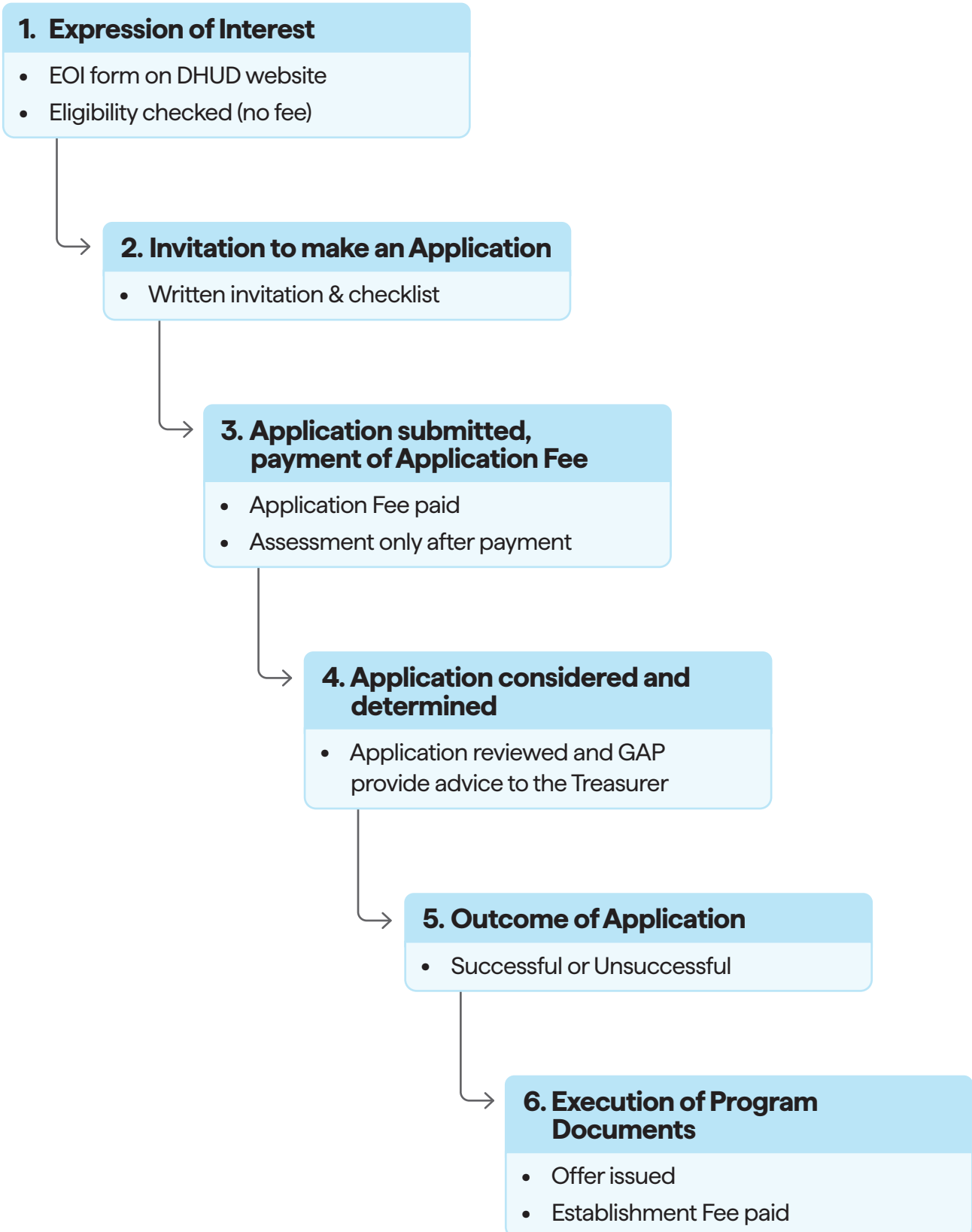
It is proposed that off-the-plan apartment development projects (a Project) seeking support of the Apartment Fast-Track Fund Program (the Program) will be required to meet the following eligibility criteria and assessed by Government:

- The Project, being an off-the plan apartment development, must be located within the Adelaide Central Business District in South Australia.
- The Project must have a valid Development Approval issued under the *Planning, Development and Infrastructure Act 2016*.
- The Project must be capable of commencement within six (6) months of acceptance into the Program, following execution of the Program Documents.
- The developer must have had demonstrable previous success with off-the-plan apartment projects.
- The developer must have the capacity, capability and credibility to deliver the Project.
- The Project must be designed to be delivered at an appropriate standard and quality.
- The developer must have a credible financier for the Project.
- The developer must be in a sound financial position.
- The maximum eligible dwelling value must be no more than \$1 million.

In addition to these eligibility criteria, it should be noted that:

- the Treasurer, acting on recommendation of the Guarantee Advisory Panel (GAP), will determine which dwellings within the Project the Government will Guarantee. Whilst an Applicant can identify its preferred dwellings, it is important for the Government to consider the Project as a whole and ensure it is guaranteeing a diverse range of dwelling options within a Project. This assists in mitigating risk;
- it is a requirement of the Guarantee that the dwellings are offered to the Government for a purchase price that is a minimum 10% discount on market value (based on an independent market valuation). The applicable discount to the purchase price (if higher than 10%) will be determined based on a risk assessment undertaken by Government, which assessment can include factors such as the location of the Project, the dwellings to be constructed and market conditions. The purchase price will be determined at the time an offer to join the Program is made. The applicable discount rate will not be negotiable by the Applicant.

# Proposed Application Process



## 1. Expression of Interest

Interested developers will be asked to complete an Expression of Interest form housed on the DHUD website. This form will be available for completion at any time and will ask a series of questions to confirm objective eligibility criteria are met. No fee is applicable at this time.

This is a beneficial administrative step for both the developer and Government as it will ensure that a proposed development (and developer) meet the relevant requirements of the Program prior to collating and providing the detailed application information.

Government will communicate with interested developers as appropriate, including if it determines that the development does not meet eligibility criteria or additional information is required prior to issuing an invitation to apply.

## 2. Invitation to make an Application

Following consideration of an Expression of Interest, if all objective eligibility criteria are satisfied, the Government may invite an interested developer to submit an Application. The Government will be under no obligation to invite every interested developer to submit an Application following receipt of an eligible Expression of Interest.

An invitation to apply will be communicated in writing (via the contact details provided in the Expression of Interest) and the interested developer will be provided with a checklist of information to be collated and supplied for the purposes of submitting the official Application. It is anticipated the information required will be aligned with the type of information progressed to a financier for the purposes of obtaining a loan.

It is proposed that the period to make an Application, following receipt of an invitation to apply, will be time limited. This is currently proposed to be twenty (20) business days, with that period able to be extended when appropriate.

## 3. Application submitted, payment of Application Fee

The interested developer (now an Applicant) will collate the required information within the specified period and provide it to the Government in the requested manner and form.

Upon receipt of the Application information, the Application Fee will become payable. The Application will not be considered until the Application Fee has been paid and confirmed received.

#### **4. Application considered and determined**

Upon receipt of the Application Fee, the GAP will begin its assessment of the Application.

During this process, the GAP may communicate with Applicants as necessary, including but not limited to where further information, meetings or a site visit is required.

Once complete, the GAP will prepare a recommendations report for consideration by the Treasurer.

#### **5. Outcome of Application**

Following the Treasurer's consideration of an Application, the Applicant will be advised of the outcome in writing as soon as reasonably practicable.

If unsuccessful, the Applicant can request a 'debrief' to discuss the strengths and weaknesses of the Application. This will also provide the Applicant with an opportunity to provide feedback on the process.

If successful, an offer to join the Program will be made. The offer to join the Program will identify what dwellings the Government is willing to attach the Guarantee to and the proposed purchase price (noting the minimum 10% discount on the market valuation).

The Applicant will have a period of twenty (20) business days to confirm, in writing, if they accept (or decline) the offer on the terms proposed by the Government.

If the offer is accepted, the Establishment Fee will be payable. Progress to preparing any Program Documents will only commence once the Establishment Fee has been paid and confirmed received.

## 6. Execution of Program Documents

Upon receipt of the Establishment Fee, the Government will prepare the Program Documents for execution by the Applicant and the Applicant's financier, as necessary.

A standard set of Program Documents are being prepared for use and are anticipated to be comprised of:

- » A Tripartite Agreement between the Applicant, the Applicant's financier and the Government. This will provide legal recognition of the Government's Guarantee to purchase dwellings if they are unable to be sold prior to, or upon, completion. The financier is a party to this agreement to acknowledge the Government's guarantee. The Tripartite Agreement will be prepared by the Government.
- » An individual sale contract, including special conditions required by the Government, for each dwelling the subject of the Guarantee. The sale contract will be based on the Applicant's standard off the plan sale contract with the inclusion of prevailing special conditions (which will address matters such as the Applicant's obligation to pay fees, actively market the property in an effort to locate another purchaser and report on sales activity). The individual sale contracts will be prepared by the Applicant.
- » A Deed of Rescission for each dwelling the subject of the Guarantee. This will be signed in counterparts by both the Applicant and the Government at the time of executing the individual sale contracts. Once an Applicant has found a purchaser for a Guaranteed dwelling, they will issue a Rescission Notice for acceptance by the Government. If accepted, the Rescission Notice will have the effect of rescinding the relevant sale contract. The Deed of Rescission will be prepared by the Government.

It is noted details relating to the Program Documents are provided for information only to assist with consultation and may be subject to change.

An Applicant will be required to commence the Project within six (6) months following execution of the Program Documents.

# Proposed Fees

Fees associated with the Program will ensure the Program is self-sustaining and that no cost is borne by the taxpayer for the purposes of providing the Guarantee. The Application Fee and Establishment Fee in the Program will be attributed to staffing, valuation and legal costs arising from the facilitation of the Program.

## 1. Application Fee

A non-refundable Application Fee will be payable on receipt of an Application. The Application fee is payable in recognition of the upfront costs associated with the consideration of each Application. These costs include (but are not limited to) costs associated with property valuations, searches and financial assessments.

The Application Fee is proposed to be \$20,000 on 1 July 2026. The Application Fee will be indexed each year by the Government's standard fees and charges indexation rate.

It is noted that this approach is aligned with the New South Wales Pre-Sale Finance Guarantee Program.

## 2. Establishment Fee

The Government's election commitment announcement contemplated there would be a \$50,000 Establishment Fee associated with each accepted Application.

The Establishment Fee is charged in recognition of the costs associated with preparation of the legal documents required to be executed for the purposes of securing the Guarantee.

In recognition of the proposed implementation of an Application Fee, the Establishment Fee on 1 July 2026 is proposed to be \$30,000.

The Establishment Fee will be indexed each year by the Government's standard fees and charges indexation rate.

## 3. Facility Fee

The Government's election commitment announcement contemplated that there would be an annual facility fee of 1 per cent on the guaranteed value of successful applications. This remains the intention.

However, for the avoidance of doubt, it is proposed that the Facility Fee will be charged monthly on a pro-rata basis, based on the outstanding commitment amount.

Where a Project has not commenced within six (6) months, as is required by the Eligibility Criteria, the Government will have the discretion to either increase the Facility Fee in recognition of the delay or otherwise cancel the Guarantee.

# Proposed Administration of Applications and Guarantee

It is proposed that DHUD will administer the Program and will be responsible for working with interested developers and Applicants and managing and considering Applications.

## Guarantee Advisory Panel

It is proposed that the GAP will be established as an internal across government oversight panel to consider and make recommendations to the Treasurer on Applications.

It is proposed the GAP will consist of representatives from the Housing and Treasury portfolios, as well as the Premier's Delivery Unit.

The role of the GAP is to:

- consider Applications on their merits against the eligibility criteria;
- recommend what dwellings forming part of an Application will be the subject of the Guarantee;
- recommend the value of the Guarantee to be offered to an Applicant;
- recommend the discount rate to be applied to the Project (and therefore the purchase price based on the independent valuation); and
- provide those recommendations to the Treasurer for consideration and determination.



## Terms and Conditions

Terms and Conditions will also be prepared for the purposes of the Program.

It is intended that the Terms and Conditions will apply to any interested person and/or body that engages with the Program. By submitting an Expression of Interest, a developer commences engagement with the Program and agrees to be bound by the Terms and Conditions as published from time to time.

The obligations intended to be identified in the Terms and Conditions may include but are not limited to:

- acknowledgement that engagement with, and potential participation in, the Program attracts confidentiality obligations. That is, no public statements can be made in relation to the Program in the absence of the Government's express consent;
- an Applicant's obligations to declare conflicts of interest as they may relate to the Program, as well as obligations to keep the Government informed in relation to changes in the Applicant (i.e. if ownership or legal control is changed or varied);
- the Government's discretion in its consideration of Expressions of Interest and Applications, including its right to ask for further information and have access to the proposed development site (i.e. for the purposes of undertaking a valuation);
- acknowledgement that the Program is subject to the *Freedom of Information Act 1991*; and
- independent advice should be obtained by any person and/or body intending to engage with the Program.

The final Terms and Conditions will be published and made publicly available upon the commencement of the Program.

# Feedback

The Government invites feedback on the proposed Program, including feedback on the fund parameters, eligibility criteria and fee structures.

Feedback should be directed to DHUD in writing with a subject line 'Apartment Fast-Track Fund feedback' to:

[\*\*DHUD.HousingPolicy@sa.gov.au\*\*](mailto:DHUD.HousingPolicy@sa.gov.au)

Consultation will be open from Monday 1 June 2026 to close of business Friday 19 June 2026.







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