Government of South Australia
Department for Housing and Urban Development

# Consultation feedback and response summary

## Introduction and background

The South Australian Government has established the $500 million Apartment Fast-Track Fund Program (the Program) to increase housing supply in key strategic areas across Greater Adelaide by providing government-backed purchase guarantees for eligible off-the-plan apartment developments.

## Consultation

Industry consultation on the Program opened on 1 June 2026 and closed on 19 June 2026. A Discussion Paper was prepared to provide an overview of the proposed Program design, including its objectives, eligibility criteria, key parameters and fee structure, and to seek stakeholder feedback on these elements.

Seven submissions were received on the Discussion Paper. Submissions were received from stakeholders representing local government, planning and development interests. Targeted consultation sessions were also undertaken with two key industry bodies.

## Summary of feedback and our response

| Key themes raised | Stakeholder feedback | Response |
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| **Intent** | All stakeholders were supportive of the Program's intent. | No changes required. |
| **Eligibility of project types, stages and development opportunities** | Stakeholders sought greater clarity regarding the types of projects eligible under the Program, including:<br>• developments with older approvals<br>• projects in the planning pipeline<br>• underutilised sites<br>• adaptive reuse opportunities<br>• build-to-rent developments<br>• student accommodation<br>• medium-density housing<br>• mixed-use developments. | Developments with older approvals and projects in the planning pipeline are eligible under the Program, provided they have development approval and meet all other eligibility requirements.<br>While the Program Guidelines do not explicitly exclude particular development types (other than minimum number of dwellings – detailed below), the Program is primarily focused on supporting apartment developments that deliver long-term housing outcomes. |
| **Planning objectives, quality and outcomes** | It was suggested that supported projects should demonstrate consistency with strategic planning objectives and deliver positive outcomes relating to housing diversity, affordability, accessibility, sustainability and design quality. | The Program is primarily focused on supporting apartment developments that deliver long-term housing outcomes.<br>Consideration of broader planning, design and development outcomes will largely occur through existing planning and development assessment processes associated with obtaining development approval. |

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| **Location** | Most stakeholders advocated for the Program to extend beyond the CBD, noting that limiting the Fund to the CBD would reduce its effectiveness. | The Program is open to developments across South Australia however developments located within the Adelaide CBD, North Adelaide and the Port Road precinct will be prioritised. |
| **Price Cap** | Some stakeholders indicated that the proposed $1 million dwelling value cap does not reflect current market conditions (construction and sales) and may exclude otherwise suitable projects which are increasingly demanded i.e. 2+bed, 2-bath, 1-car apartments. | The dwelling value cap has been increased from $1 million to $1.5 million to better reflect market conditions for apartments, particularly within the Adelaide CBD. |
| **Dwelling mix** | It was noted that the proposed approach to dwelling selection may create unnecessary complexity. | To provide greater flexibility, the government will undertake valuations for more dwellings than are proposed for guarantee. This will allow some dwellings to continue to be marketed and sold off the plan while assessment and administrative processes are completed. |
| **Discount** | Some stakeholders indicated that the proposed minimum 10 per cent discount on dwellings purchased by government may be too high and could affect project feasibility. | No change has been made to the discount requirement. Further engagement with stakeholders operating an analogous program suggests a discount of this size is unlikely to affect project feasibility or demand for the Program. |
| **Eligible lenders** | It was suggested that credible financiers outside the major banking sector should also be eligible under the Program. | The Program does not restrict participation to particular lender types. Any lender may be considered, provided they satisfy the Program's eligibility and assessment requirements including having a registered ASIC Financial Services Licence number. |

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| **Fees** | Some stakeholders indicated that the proposed fee structure may discourage participation, particularly from smaller and medium-sized developments. | Fees have been set to support the Program's cost-neutral operation. Administrative costs are not expected to vary significantly between developments of different sizes.<br>Fees amounts and rates will be periodically reviewed. |
| **Six-month construction requirements** | Some stakeholders raised concerns that the requirement to commence construction within six months may not align with typical planning, financing and sales timeframes. | A key objective of the Program is to support projects that are ready to proceed (or 'shovel ready'). As such, eligible projects are expected to have development approval in place and be capable of commencing construction within six months. |
| **Transparency and reporting** | Stakeholders sought transparency regarding:<br>• eligible project types<br>• Program processes, timeframes and expectations<br>• reporting on Program outcomes and performance<br>• the intended use of dwellings acquired by government<br>• risk management arrangements. | The Program Guidelines and landing page will clearly outline eligibility requirements, processes, expectations and timeframes.<br>Reporting and governance arrangements are currently being developed, including consideration of information that may be publicly reported.<br>Additional guidance material will be published to support understanding of the Program, as required. |

## New Parameters

In finalising the Program, the government has introduced additional parameters that were not included the Discussion Paper. For transparency, these changes are summarised below.

| New parameter | Reasoning |
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| **Minimum development size** | Developments must have a minimum of 20 dwellings.<br>This change aligns with the intent of the Program – that is, to support larger scale developments that meaningfully contribute to the State's housing supply. |
| **Maximum underwrite value cap** | A $50 million overall underwrite value cap, applied per development, has been introduced to:<br>• recognise the increased per dwelling limit (outlined above);<br>• ensure a range of developments (including multiple large developments) can be supported under the overall Fund limit of $500 million; and<br>• manage the government's exposure to individual projects. |