

## Media Release

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### Mix and multiply the value of 1000 homes

Junction Australia applauds the State Government's bold announcement to build 1000 homes in 1000 days.

Junction Australia Chief Executive Officer Graham Brown said the not-for-profit organisation, which provides community housing across South Australia, looks forward to working with Renewal SA and other State Government agencies to help deliver the ambitious plan.

"Major redevelopment programs like this provides unique opportunities to leverage a wide range of positive outcomes for people, groups and communities," Mr Brown said.

"Experience over recent years has demonstrated that stimulating the construction industry has a significant economic stimulus effect and this creates employment opportunities.

"If the stimulus can be sustained over 4-5 years, employers can confidently employ young people as apprentices. This increased stability and predictability fosters hope and confidence in key workers that, in turn, provides people with capacity to build their own homes and start their own families."

While the creation of sustainable jobs is critical for SA's economic prosperity, it is also important to recognise that urban redevelopment programs of this scale need to be coupled with consideration of how communities can be revitalised, Mr Brown said.

"Having a place to call home is an essential foundation that a family can build their future on," Mr Brown said.

"The Government's aspiration to replace ageing public housing with more homes that meet contemporary needs in sought-after locations is very timely and can serve as catalyst for other exciting initiatives. Junction Australia is mindful of the need to assist South Australians to move off the public housing waiting list, toward home ownership, including people living with disability."

Mr Brown said this housing development program could have a 'mix and multiply effect'.

"This could include a blend of rental and full or partial home ownership options which are dispersed throughout sustainable communities and low income households and are assisted to move along the home ownership pathway," Mr Brown said.

Junction Australia has recently submitted an innovative Home Ownership Pathways Program (HOPP) proposal to State Government agencies.

Under the HOPP, low to moderate income households would become equity-share home-owners by taking out a more manageable mortgage to finance the construction of their own home whilst the State would continue to hold the land value in some type of 'Home Foundation' that is yet to be established.

Under the proposed scheme, the appreciated land value would be returned to the Home Foundation when the property is sold in the future so that another family could also be given the same opportunity to start their journey into home ownership. The home owner would also benefit from the appreciating value of their share within the home.

Mr Brown said HOPP could be targeted toward getting people off the public housing waiting list.

"In addition to creating jobs, this housing and urban redevelopment program has potential to revitalise communities and create a diverse range of housing options and opportunities in places where people want to live but may not have previously had the opportunity to establish a home," Mr Brown said.

Junction Australia is a trusted provider of quality, affordable housing and integrated community services that currently manages 1,700 properties across South Australia. We firmly believe that by working together we can take steps that enable people to navigate their way from 'Crisis to Connectedness'. Our clients are supported to overcome barriers, access opportunities and pursue their hopes and dreams.

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