

Factsheet

Developer Fact Sheet – Updated 2 October 2025

Affordable Housing Price Variance

What is an affordable housing price variance?

In South Australia, sale prices of affordable housing are subject to a price limit, which is known as the affordable sale price. In Greater Adelaide, the current affordable sale price for a dwelling is \$517,000.

Where affordable housing is being developed for sale to eligible home buyers through the HomeSeeker SA website, developers may apply for a variance above the maximum affordable sale price in cases where a property:

- includes energy efficient and environmentally sustainable features; or
- is on a small allotment that is within close proximity to high frequency public transport; or
- is offered for sale in conjunction with a specialised financing product which increases an eligible buyer's purchasing capacity.

Price variances are designed to encourage the industry to provide higher quality affordable housing and reduce the cost of living for households.

The allowance for price variances is established in the Affordable Housing Gazette Notice (Determination of Criteria for the Purposes of Affordable Housing, under Regulation 4 of *South Australian Housing Trust Regulations 2010*).

Developers may apply for any combination of the available price variances, up to a maximum of 15 per cent for any individual property.

The purpose of this fact sheet is to outline the assessment criteria for each price variance.

Applications for a price variance must be directed to the Affordable Housing and Market Solutions team at homeseeker.partners@sa.gov.au

Price variance table

	Affordable Sale Price	Variance (+ 5%)	Variance (+ 10%)	Variance (+ 15%)	Shared Equity Cap
Greater Adelaide dwelling sale price	\$517,000	\$542,850	\$568,700	\$594,550	\$675,000
Greater Adelaide land only sale price	\$232,650	n/a	\$255,915	n/a	n/a
Rest of SA dwelling sale price	\$398,000	\$417,900	\$437,800	\$457,700	\$530,667
Rest of SA land only sale price	\$179,100	n/a	\$197,010	n/a	n/a

**Dwelling sale prices include house-and-land packages and apartments. All prices are inclusive of GST.*

Environment variance (10 per cent)

The environment variance applies to dwellings which include energy efficient and environmentally sustainable features.

The 10 per cent environment variance is split into 2 separate 5 per cent variances. Both variances can be added together to achieve the full 10 per cent variance.

Environment Variance 1 (5 per cent)

The environment variance 1 applies to dwellings that are certified by an accredited [house energy rating assessor](#) as achieving a 7-star rating or above.

Supporting documents required:

- A certificate or report from an accredited house energy rating assessor which demonstrates that a property achieves a minimum NatHERS 7-star energy efficiency rating.

Environment Variance 2 (5 per cent)

The environment variance 2 applies to dwellings which have specific features that improve energy efficiency and environmental sustainability, including all of the following features:

- All electric appliances, with parts available and serviceable within Australia; and
- Electric heat pump or electric boosted solar hot water system; and
- Photo-voltaic electricity generator of at least 1.5kW if the residence has two or less bedrooms, or 2.0kW if the residence has three or more bedrooms.

Supporting documents required:

- Building specifications/list of inclusions demonstrating the inclusion of all the above features for each property.

Transport variance (10 per cent)

The transport variance applies to properties on a small allotment within close proximity to high frequency public transport. The transport variance is available for both affordable dwellings and affordable land allotments.

The variance applies for properties which meet both of the following requirements:

- The allotment size is less than 250m² (or average allotment for multi storey developments); and
- The allotment is within the following distances to high frequency public transport, being either:
 - 400m walking distance from an Adelaide Metro ‘Go Zone’ bus stop (as listed at adelaidemetro.com.au), or
 - 800m walking distance from an Adelaide Metro tram stop, train station, or public transport interchange.

Supporting documents required:

- A map, such as route calculation on Google Maps, showing the location of the affordable housing and the walking distance to a Go Zone, tram stop, train station or public transport interchange.
- A site plan or land division plan showing the allotment sizes.

On application, any affordable housing property within the Adelaide City Council area will be considered to automatically qualify for the 10 per cent transport variance.

Finance variance (10 per cent)

The finance variance applies to dwellings which are offered for sale in conjunction with a specialised finance product that increases an eligible buyer's borrowing capacity, including but not limited to:

- HomeStart's Shared Equity Option
- Rent to Buy model

Specialised finance products should be designed to lower the barriers to home ownership, increase borrowing power, and ensure that no more than 30 per cent of income is spent on mortgage costs for a moderate-income buyer.

Where a finance variance is based on HomeStart's Shared Equity Option, the sale price of the home may exceed the affordable sale price (including any approved price variances), up to a maximum of \$675,000 in Greater Adelaide, or \$530,667 in the rest of South Australia.

If the sale price of a shared equity home exceeds the affordable sale price (including any approved price variances), then the developer must ensure that while the home is advertised on the HomeSeeker SA website, it is only sold to eligible home buyers who will purchase with a shared equity loan.

Supporting documents required:

- A letter of support from a recognised financial institution agreeing to the provision of specialised financing options, which includes:
 - Calculations indicating the out-of-pocket costs of affordable housing property to the eligible buyer and how the finance product meets requirements of costing households no more than 30% of their gross income.
 - Contact details of contact person at financial institution providing specialised finance products.

Applying for a Price Variance

A Price Variance Application Form is available from the Department for Housing and Urban Development at homeseeker.partners@sa.gov.au.

In the application form, the following information must be provided:

- The type of price variances requested
- Information about allotments/dwellings to which the price variances will apply
- The proposed sale price of properties
- Supporting documentation

The sale price of the property must not exceed fair market value of the property, and the Department for Housing and Urban Development may seek an independent valuation to assess fair market price.

Assessing Price Variances

Price variance applications are assessed by the Department for Housing and Urban Development on the increased borrowing power it provides eligible buyers, or how it represents ongoing cost of living savings to a household.

The assessment will be based on the Price Variance Application Form and the strength of the supporting documents submitted by the developer.

The approval of the percent variance granted is at the discretion of the Department for Housing and Urban Development.

For Finance variances, developers and finance providers must ensure their product complies with the ACCC's third line forcing requirements.

Delivery Examples

Some delivery examples of affordable housing with price variances are provided below.

- a. A home on a 200m² allotment that is 300m walking distance to an Adelaide Metro 'Go Zone' bus stop could be sold up to a maximum of \$568,700 (\$517,000 + 10% transport variance).
- b. A 7-star rated home in Greater Adelaide could be sold up to a maximum of \$542,850 (\$517,000 + 5% environment 1 variance).
- c. A home on a 150m² allotment within 700m walking distance to an Adelaide Metro Train Station, that has been assessed to have a 7-star rating could be sold up to a maximum of \$594,550 (\$517,000 + 15% variance).
- d. A \$640,000 home in Greater Adelaide that is offered for sale in combination with a HomeStart Shared Equity Option loan. While advertised on the HomeSeeker SA website, the home must be offered for sale with a mandatory requirement for eligible buyers to use a shared equity loan, as the price of the home exceeds the approved sale price of \$568,700 (\$517,000 + 10% finance variance).
- e. A \$540,000 home in Greater Adelaide that is offered for sale in combination with a HomeStart Shared Equity Option loan. While advertised on the HomeSeeker SA website, the home may be offered for sale with the option for eligible homebuyers to use a shared equity loan or the finance provider of their choice, as the price of the home does not exceed the approved sale price of \$568,700 (\$517,000 + 10% finance variance).

Further Information

Affordable Housing and Market Solutions

Department for Housing and Urban Development

www.homeseecker.sa.gov.au/developers

homeseecker.partners@sa.gov.au