# THE GUIDE TO INVESTING IN

NATIONAL RENTAL AFFORDABILITY SCHEME (NRAS)



waigroup

# What is the National Rental Affordability Scheme (NRAS)?

Affordable rental properties are in short supply nationwide. The NRAS is an initiative by Federal and State Governments to encourage the construction of new rental housing in Australia.

### **Investment Benefits:**

- Cash Flow Positive
- Higher Yielding Investment
- Tax Benefits
- Lower Vacancy Risk
- Tax Free Income
- Managed by Approved NRAS Providers





### It's focus is:

- Incentivising investors to accommodate this supply
- Reducing rental costs for low- and moderate-income households
- Increasing the supply of affordable rental properties

NRAS promotes affordable rental properties by offering financial incentives to investors who offer discounted rents to eligible tenants.

Housing types range from single units to houses and apartments.

### How does it all work?



### **INVESTORS**

NRAS encourages property investment and currently offers \$12,463 per year to NRAS investors.

Private or individual investors can purchase these properties in their own name, a self managed super fund or a company.

As a NRAS property owner, you'll agree to rent your properties to eligible tenants for at least 20 percent below the market value rent.

In return, you'll receive yearly tax-free payments from the State and Federal Governments.



### **TENANTS**

Eligible tenants are those in low or moderate-income households. There is an income limit to make sure the housing goes to the people that need it.

Tenants provide written evidence of their gross income to the tenancy manager each year.

Tenancy demand is high. Tenancy managers review applications and maintain waiting lists for NRAS homes, but the final decision is made by the property owner just like any other rental property.

All other standard rental requirements apply.



### **MANAGEMENT**

While the Australian Government oversees the NRAS, the Department of Communities takes care of the State Government's funding.

Your property will be managed on your behalf by professional property and tenancy managers, to ensure compliance with NRAS legislation and regulations.

The NRAS compliance is reviewed and lodged by your NRAS manager, to provide an efficient process each year.

### Tell me more about the tax incentives

You'll receive some of your incentive as a refundable tax offset (RTO) and some as a non-assessable, non-exempt income (NANE). All of this income is tax free in the hands of the investor.

As with all property investments, you can deduct the apportioned costs associated with owning your property such as:

- Property management fees
- Insurances
- Rates
- Interest costs
- Other Tax benefits such as depreciation

# Can I sell or remove my property from the scheme and rent it at market rates?

Yes. Subject to any other contractual obligations, if you no longer want to participate in the scheme, you can sell your property or end your participation prior to the end of the NRAS term.



# 2.

What's in it for me?

- Receive tax free income from the Government.
- Generate positive cash flow
- Produce income tax refunds through negative gearing



# 3.

More great benefits to investing in an NRAS property

- Convert taxable income into TAX FREE income
- Access Federal and State Government investment incentives, currently \$12,463 p.a. - TAX FREE!
- Harness high yields and potential capital gains





# 1.

### Am I eligible to invest?

- If you are an individual or;
- Self managed super fund or;
- Company trust or;
- Australian citizen or international investor - then YES!

**Anyone can invest!** 



### 4

How can I purchase a NRAS property?

**EASY!** Get in contact with a NRAS property specialist.

Call 0468 948 527 **OR** book in a phone appointment by clicking on the below link.

**CLICK HERE** 

# What you should know about us

- WAI Group has over 10 years experience providing NRAS properties in Western Australia and Victoria.
- We are committed to providing affordable housing and have completed projects throughout Western Australia and Victoria.
- Our investment process is thorough and takes into account the unique needs of each client;
- Our properties are in great locations and offer high yields;
- We <u>DO NOT</u> hard sell and will not put our clients into an investment property unless (a) they are financially able (b) have been provided the information needed to make an informed decision;
- PLUS: We have an extensive background in Accounting and financial services.
   So, we are able to provide you with a more comprehensive look into property investing.

**Next steps:** Get in contact with a NRAS property specialist.

Call 0468 948 527 **OR** book in a phone appointment by clicking on the below link.

**CLICK HERE** 



# What others are saying....



I live in Sydney and was looking around for an investment opportunity. WAI Group took me through what they had on their books and I chose a brilliant property in the Red Castle complex. It's an NRAS property which gives a boost to the rental income. I've had NRAS properties before and it's worked out well for me. My experience with WAI Group was very positive, they made the process clear and simple. My property was tenanted within 2 weeks of settlement even though it was over the Christmas holiday period. I would highly recommend WAI Group for their professionalism and the quality of their properties. Sharon - NSW

My wife & I have been with WAI Group now for over 2 years now & have never look back with our retirement plans. We have found everyone involved exceptionally helpful & understanding with a couple that are novices with investments. If you are looking for help with all aspects with self-managed super don't go any further. They handle everything to make life simple. Mark & Wendy - NSW

I had been looking for a strongly geared property to help me achieve the cashflow I needed to develop another property I hold. When I came across WAI Group and the NRAS opportunities in hindsight it was a no brainer. I would highly recommend all investors to get in contact with the team at WAI Group.

Trevor - WA

Book a call to find out more **CLICK HERE** 

