

MCM Housing Affordable Housing Eligibility Policy



MCM Housing acknowledges the Traditional Owners of the waterways and lands where we work. We pay our respects to Elders past and present. We are committed to ensuring everyone we work with is safe, empowered, supported and respected.



We support and celebrate diversity of race, culture, ability, age, gender, sexuality and gender identity.



Policy

MCM works together to support the delivery of programs and services in predictable, transparent and healing oriented ways. Our guidelines uphold the dignity, wellbeing, connectedness and self-determination of people and communities.

MCM is a Child Safe organisation and child safety is at the forefront of our program delivery. Our guidelines ensure that child safety is a primary part of everyday thinking and practice. All employees and volunteers have an obligation to ensure we keep children safe from harm and abuse.

Eligibility

MCM Housing offers Affordable Housing that is approved under the Victorian Affordable Housing Program. This program has specific eligibility criteria.

Applicants must meet MCM Housing's Initial Eligibility Criteria to be offered Affordable Housing with MCM Housing. They must then meet the Ongoing Eligibility Criteria to be offered further rental agreements after the initial 5-year term.

MCMH will assess a person's Initial Eligibility at the start, extension, or renewal of a residential tenancy agreement (rental agreement).

- MCM Housing will provide written notice to potential renters before they enter into any agreement that:
- The rented premises are part of an Affordable Housing Program, including the Victorian Affordable Housing Program (if applicable).
- Entering a rental agreement with MCMH and the ongoing occupation of the premises depend on meeting the relevant eligibility criteria, including the Victorian Affordable Housing Program criteria (if applicable).

Eligibility criteria (Victorian Affordable Housing Program)

Criteria	Initial Eligibility	Initial Eligibility
The primary renter listed on the residential tenancy agreement must be between 18-24 years	Yes	No
The household can look after the property and meet the requirements of their lease	Yes	No
The household must have a very low, low, or moderate income. That means the income of everyone in the household 18 years and older falls within the income limits (see tables below)	Yes	Yes
The primary renter listed on the residential tenancy agreement is an Australian citizen or permanent resident	Yes	Yes
The primary renter listed on the residential tenancy agreement currently lives or works in Victoria	Yes	Yes
No member of the household owns or has an interest in residential or commercial property, except in exceptional circumstances*	Yes	Yes

*The renter owns a small share of the property but doesn't have control over it. Proof of this would need to be provided.

Affordable housing income thresholds (as at September 2025)

These thresholds will be updated occasionally and communicated to all renters and applicants.

Lower Income Thresholds

Region	Single	Couple	Family Group
Melbourne	\$658 per week	\$1137 per week	\$1176 per week

*Based on a family group (one or two parents) with one dependent child only. The threshold increases by \$41 per week per additional child.

Upper Income Thresholds

Region	Single	Couple	Family Group
Melbourne	\$1426 per week	\$2142 per week	\$2999 per week

Ongoing Eligibility will be assessed by MCMH:

- At the start, extension, and/or renewal of the residential tenancy (rental) agreement
- On the third anniversary of the lease start date (year 3 of the agreement)
- When renters disclose information to MCMH that is relevant to the Ongoing Eligibility requirements, or when MCMH otherwise becomes aware of relevant information that may affect that eligibility.

MCM Housing will put any request to assess a household's ongoing eligibility in writing. Any such request for information about ongoing eligibility will be for that purpose only.

Any such request will be made only once every 12 months, starting on the date the rental agreement begins.

If, however, the documentation received after a request is insufficient for MCM Housing to assess a renter or household's ongoing eligibility, MCMH can request further information to conduct an ongoing eligibility assessment.

From the date of MCMH's request, the renter/household will have 60 days to provide the documentation.

If, after 60 days, the documentation has not been provided, MCMH can issue a Notice to Vacate under **Section 91ZZEB – Renter no longer meets Victorian Affordable Housing Programs eligibility criteria.**

This section applies only if the renter resides in a property previously disclosed by MCMH as being a Victorian Affordable Housing Program property.

If a notice to vacate is issued and the renter/household can provide documentation demonstrating their ongoing eligibility for the program during the notice period (90 days), the notice ceases to have effect and is deemed withdrawn.

Requirement to disclose changes to eligibility

MCMH's rental agreement with the renter will ask them to disclose to MCMH within 30 days any of the following:

- If, over a year, the household income falls below the Lower Income Threshold or exceeds the Upper Income Threshold (as per the tables above)
- The primary renter listed on the residential tenancy agreement is no longer an Australian citizen or permanent resident
- The primary renter listed on the residential tenancy agreement no longer lives in Victoria
- Any member of the household owns or has an interest in residential or commercial property, unless in exceptional circumstances

Renter ineligibility

If any of the following Ongoing Eligibility Criteria are breached, MCMH will issue the renter with a Notice to Vacate, and the renter will have 90 days to relocate from the property:

- The primary renter listed on the residential tenancy agreement is no longer an Australian citizen or permanent resident
- The primary renter listed on the residential tenancy agreement no longer lives in Victoria
- Any member of the household owns or has an interest in residential or commercial property, unless in exceptional circumstances

If it is found that the combined actual income of a household exceeds the Upper Income Threshold (see tables above) for any two consecutive years within a lease term, the household will be issued a Notice to Vacate. The household will have 90 days to relocate from the property.

The Section of the Residential Tenancies Act that applies to renter ineligibility under this policy is **Section 91ZZEB – Renter no longer meets Victorian Affordable Housing Programs eligibility criteria.**

If the combined actual income of a household:

- Falls below the Lower Income Threshold (see tables above) during the last 12 months of the current rental tenancy agreement (eg: during year 4 of the 5-year agreement)
- And at the time the agreement is to be renewed (end of year 5), it is still under that threshold

MCMH will offer a lease extension for a further 12 months. The rent for that 12-month lease term will be set at:

- The rent is based on the fifth year of the current lease term
- Plus 2.5% indexation, provided the new rent does not exceed 74.99% of the market rent

Rent setting example: reduced income (12-month agreement)

If, in year 4 of your 5-year agreement:



Your income has fallen below the Lower Income Threshold (e.g. \$658 per week), and your rent amount is recalculated and lowered to match



Your rental agreement comes to an end, AND



Your income is still below the Lower Income Threshold at the time your agreement is due to be renewed

then we can offer a further 12-month agreement (instead of 5 years), with rent set at:

The amount of rent you paid during the last 12 months of your old agreement, plus 2.5% indexation

For example:
In the last year of your agreement, your rent had to be recalculated down to \$197 per week.

Your agreement ends, and you're still below the Lower Income Threshold and rent has stayed at \$197 per week.

We can offer another 12-month agreement, at \$197 per week plus 2.5% indexation - meaning your new rent for 12 months would be \$201 per week.

During the 12-month agreement term, if household income rises to above the Lower Income Threshold, the renter will have the right to extend their agreement for a further 4 years. After that period, they will have the option to enter another five-year agreement if their ongoing eligibility can be proven in line with this policy.

If at the end of the 12-month agreement term, the renter remains under the Lower Income Threshold, MCMH will offer another 12-month agreement. Rent will be indexed at a further 2.5% on the previous 12-month period if the figure does not exceed 74.99% of market rent.

This approach will be adopted as necessary when a household's income remains below the Lower Income Threshold at the end of a 12-month lease term.

A household whose income falls below the Lower Income Threshold may also decide to vacate or consider vacating their Affordable Housing property.

Once they notify MCMH that they wish to vacate their property, MCMH will reasonably endeavour to:

- Identify alternative suitable accommodation for the renter, including from within MCM Housing's portfolio of eligible social housing dwellings, where a suitable dwelling is vacant or is due to become vacant
- Refer the renter to relevant support service providers

MCMH cannot guarantee an exiting renter a transfer into alternative stock within its portfolio.

Legislative context

Housing Act 1983 (Vic)

Residential Tenancies Act 1997

Victorian Charter of Human Rights and Responsibilities Act 2006

