

Victorian Homebuyer Fund

FACTSHEET



What is the Victorian Homebuyer Fund?

The Victorian Homebuyer Fund is the Victorian Government's shared equity scheme. The scheme will support thousands of Victorians to enter home ownership.

While many people can afford to rent a home that meets their needs, saving for a deposit and purchasing an affordable home is increasingly challenging, placing home ownership aspirations out of reach for many Victorians.

Getting into your own home just got a whole lot easier thanks to the Victorian Homebuyer Fund. It could be the key to owning your own home.

How does the Victorian Homebuyer Fund work?

The Victorian Homebuyer Fund is a shared equity scheme, where the Victorian Government makes a financial contribution to the purchase of a home in exchange for a share in the property. The government does not receive interest on its investment but will share in any capital gains or losses proportionate to its share in the property.

The Victorian Government will provide participants with a contribution of up to 25% of the purchase price of the home.

Participants will need to contribute a minimum of 5% of the purchase price, as well as any acquisition costs, such as stamp duty and conveyancing costs. The remaining amount is to be secured through a home loan from a partner lender.

Victorian Homebuyer Fund participants must repay the Victorian Government's share in the property over time through refinancing, using accumulated savings, or upon sale of the property.

Additional supports for Aboriginal and Torres Strait Islander participants

Aboriginal and Torres Strait Islander participants are eligible for additional supports, including an increased contribution of up to 35% of the purchase price.

Aboriginal and Torres Strait Islander participants will need to contribute a minimum of 3.5% of the purchase price, as well as any acquisition costs, such as stamp duty and conveyancing costs. The remaining amount is to be secured through a home loan from a partner lender.

Example

Purchase price		\$500,000
Deposit (5%)		\$25,000
Victorian Government Contribution (25%)	\$125,000	\$475,000
Bank loan* (70%)	\$350,000	

*You must meet all of the partner lender's and scheme eligibility criteria.

You purchase a home for \$500,000 through the Victorian Homebuyer Fund with a home loan from a partner lender. You provide a 5% deposit of \$25,000 and cover any acquisition costs. The Victorian Government contributes up to \$125,000, or 25% of the purchase price. The remaining amount of up to \$350,000 or 70% of the property is secured through a home loan with a partner lender.

The amount that the Victorian Government contributes depends on the purchase price and size of your loan.

Am I eligible?

To be eligible you must meet all eligibility criteria, including that you:

- Are an Australian or New Zealand citizen or permanent Australian resident.
- Are at least 18 years of age at the time of starting an application.
- Do not have an interest in any land in Australia or overseas, either separately or jointly with someone else.
- Will be owner-occupiers and registered owners of the purchased property.
- Be a single applicant with a gross annual income of up to \$135,155; or
- Be a multiple applicant household* or eligible single parent with a gross annual income of up to \$216,245 per annum.

*Up to four participants may apply.

If I am eligible, what type of property can be bought?

Eligible properties include any existing or newly built residential property (provided a certificate of occupancy has been issued on the property).

The value of the residential property must not exceed the relevant price cap for the area where it is located. The price caps are:

Metropolitan Melbourne and Geelong – \$950,000
Regional Victoria – \$700,000

Participants are able to purchase an eligible property in any location in Victoria. For more information visit: www.sro.vic.gov.au/homebuyer-fund-eligible-locations.

Which lenders are partners on the Victorian Homebuyer Fund?

For details on partner lenders who have partnered with the Victorian Government on the Victorian Homebuyer Fund, visit vic.gov.au/homebuyer.

I'm interested. What's next?

Places in the Victorian Homebuyer Fund are limited.

The first steps are to learn about the scheme and take the online eligibility screening test to see if you may be eligible to apply. Visit the Victorian Homebuyer Fund website at vic.gov.au/homebuyer.

If eligible, speak to a partner lender about submitting and application.

New applicants will be accepted each month until the Victorian Homebuyer Fund is exhausted.

How do I make contact?

For further information, please contact a partner lender. You can also contact us on:

Telephone: (03) 7020 1549

Email: homebuyer@sro.vic.gov.au

Web: vic.gov.au/homebuyer