

Victorian Homebuyer Fund

FACTSHEET



What is the Victorian Homebuyer Fund?

The Victorian Homebuyer Fund (Homebuyer Fund) is the Victorian Government's new shared equity scheme. The scheme will support around 3000 Victorians to enter their own home. The scheme is administered by the State Revenue Office (SRO).

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

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

How does the Homebuyer Fund work?

The 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. This increases to 35% for Aboriginal and Torres Strait Islander participants. Participants will need to contribute at least 5% (at least 3.5% for Aboriginal and Torres Strait Islander participants) of the purchase price, as well as any acquisition costs, such as stamp duty and conveyance costs. The remaining amount is to be secured through a home loan from a participating lender.

Homebuyer Fund participants must repay the government's share in the property over time through refinancing, using accumulated savings, or upon sale of the property. The proceeds of a sale will be applied to repay any amount owing to the participating lender first.

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

*You must meet all the lender's eligibility criteria.

Example

You purchase a home through the Homebuyer Fund with a compliant home loan from a participating lender. You provide a deposit of at least 5% and cover any acquisition costs. The Victorian Government contributes up to 25% of the purchase price.

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 taxable income of up to \$125,000 per annum or a household* with a taxable income of up to \$200,000 per annum.

* up to four participants may apply

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

For a property to be eligible it must be a 'residential property'. Eligible residential properties include:

- an existing house, townhouse, or apartment, or
- newly built properties if the property has a certificate of occupancy (no off-plan developments).

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

Greater Melbourne and Geelong – \$950,000

Regional Victoria – \$600,000

For a full list of eligible suburbs visit www.sro.vic.gov.au/homebuyer-fund-eligible-locations.

Which lenders are partners on the Homebuyer Fund?

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

I'm interested. What's next?

The first steps are to learn about the scheme and take the eligibility test to see if you might be eligible. Visit SRO's website at vic.gov.au/homebuyer.

How do I make contact?

For further information, please contact a participating lender. You can also contact the SRO on:

Telephone: (03) 7020 1549

Email: homebuyer@sro.vic.gov.au

Web: vic.gov.au/homebuyer