

Media Release

Mr Tim Pallas MP

Treasurer

Minister for Economic Development

Minister for Industrial Relations



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HOMEBUYER FUND HELPS MORE VICTORIANS LIVE THEIR DREAM

New figures reveal that one of the Andrews Labor Government's key initiatives to help families and individuals achieve their home ownership dream is enabling dozens of Victorians every week to move into their new home.

The Labor Government has directly invested more than \$170 million to help 1,100 Victorians buy a home since the launch of the shared equity Victorian Homebuyer Fund last October.

In addition to the Victorians who have settled on their property and moved in, more people again have been pre-approved through the Fund meaning they too will pay a deposit of just 5 per cent and save thousand of dollars in lenders mortgage insurance when they make a successful offer for a home.

Among the 1,100 successful homeowners, more than 700 are first home buyers, who are also eligible for significant Labor Government grants and stamp duty concessions.

More than 100 of the Homebuyer Fund customers are based in regional Victoria, including Paige Thompson and Hayden Spence who settled on their \$600,000 home in the Ballarat suburb of Delacombe in February.

The couple paid a 5 per cent deposit and benefited from a \$150,000 Homebuyer Fund equity contribution. They did not pay lenders mortgage insurance and also qualified for a stamp duty exemption, saving a further \$31,000.

Ultimately, the \$500 million Homebuyer Fund will support more than 3,000 Victorians to become homeowners.

Eligible participants require only a 5 per cent deposit and the Government provides up to 25 per cent of the purchase price in exchange for an equivalent share in the property. Aboriginal and Torres Strait Islander homebuyers can buy with a deposit of 3.5 per cent and receive a government contribution of up to 35 per cent.

Homeowners can buy out the Government's share at market value over time, with payments reinvested to help other aspiring homebuyers get into the property market.

Eligible participants can purchase in any location in metropolitan Melbourne and dozens of regional locations. The value of the property cannot exceed \$950,000 in Melbourne and Geelong, and \$600,000 in regional Victoria.

Aside from the shared equity Fund, the Labor Government has provided about \$300 million in benefits to first home buyers in the first four months of 2022 – stamp duty exemptions and concessions of about \$245 million paid to more than 13,300 Victorians plus around 5,000 First Home Owner Grants of \$10,000 for new homes.

That follows a record of over \$1.1 billion in benefits received by first-home buyers in Victoria in 2021 through stamp duty relief and grants. For further information, go to sro.vic.gov.au/homebuyer.

Quotes attributable to Treasurer Tim Pallas

"The Homebuyer Fund is bringing forward the dream of home ownership for hundreds of Victorians."

"From the shared equity Fund to first home owner grants and stamp duty concessions, we'll keep helping people secure a home of their own."

Quote attributable to Delacombe home owner Paige Thompson

"We're extremely grateful for the Homebuyer Fund – without it, we wouldn't be homeowners today. It meant we needed a smaller deposit and we saved on lenders mortgage insurance, and stamp duty as well."

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