

HIGHFIELDS

First Home Buyers Guide



There's a lot to wrap your head around when purchasing a new home, so let's simplify what we can! Here are the need-to-know buyer schemes that may assist you on your home ownership journey:

Scheme	Deposit Needed	Ownership	Best Advantage	Main Downside
Help to Buy	~2%	Shared	Very low repayments	Government owns part
5% Deposit	5%	Full	No LMI, full ownership	Higher repayments
Super Saver	Varies	Full	Tax benefits	Money locked in super

First Home Owner Grant

What is it?

The Victorian First Home Owner Grant is a one-off state government payment that allows you to construct your new home up to the value of 750,000 excluding land with a grant of 10,000.

Help to Buy Scheme

SHARED EQUITY - FEDERAL

What is it?

The government contributes up to 40 new homes or 30 existing homes in exchange for an equity stake. You buy the rest with a smaller loan.

Best for

First-home buyers with stable income but struggling with deposit size.

- PROS**
- Much smaller deposit needed (as low as 2%)
 - Lower mortgage repayments
 - No Lenders Mortgage Insurance (LMI)
 - Helps buyers enter the market sooner
 - Government equity share is interest-free

- CONS**
- Income caps apply (singles & couples)
 - Property price caps (varies by state/city)
 - Government owns part of your home
 - You must buy back the government's share over time or when selling
 - Limited places available → high competition

5% Deposit Scheme

FIRST HOME GUARANTEE - FEDERAL

What is it?

Buy with just 5% deposit, while the government guarantees up to 15%, avoiding LMI.

Best for

Buyers with good income but small savings who want full ownership.

- PROS**
- Only 5% deposit required
 - No LMI (saves tens of thousands)
 - You own 100% of the property
 - Can buy new or existing homes
 - Widely available through major lenders

- CONS**
- Higher loan → higher repayments
 - Property price caps
 - Interest costs are higher long-term than larger deposits

First Home Super Saver

What is it?

Use voluntary super contributions (up to \$50,000 total) to save for a home tax effectively.

Best for

Buyers planning 2–5 years ahead who want to build a stronger deposit.

- PROS**
- Tax advantages → faster saving
 - Can boost deposit without lifestyle strain
 - Can be used with other schemes
 - You retain full ownership

- CONS**
- Doesn't reduce house price or loan
 - Funds are locked in super until release
 - Withdrawals are taxed (though concessional)
 - Market fluctuations may affect balance
 - Annual and lifetime contribution limits