Housing Australia

Target Market Determination (TMD)

This TMD is issued by Housing Australia ABN 22 498 714 570
Product: This TMD applies to the Australian Government Help to Buy Scheme
Effective Date: 1st July 2026

Target Market Class of Consumers

Product Description and Key Attributes
Help to Buy is a Commonwealth shared equity scheme administered by Housing Australia. The shared equity contribution operates like a loan without standard repayments. It enables eligible Australians to purchase or build a home with an equity contribution from the government of up to:

- 40% for new homes, or
- 30% for existing homes

Key attributes:

- Buyers must occupy the property as their principal place of residence.
- Buyers must contribute a minimum deposit (at least 2%) and are expected to contribute the maximum amount they can reasonably afford toward the purchase, based on their financial situation.
- Buyers can voluntarily repay the government's equity contribution over time or upon sale.
- Buyers may be required to repay the government's equity contribution, in full or in part, where their financial capacity supports a repayment.
- No lender's mortgage insurance (LMI) is required at origination. Buyers may choose to pay LMI to facilitate the buy back of the Commonwealth Share during the life of the Scheme.
- The government retains a proportional equity interest in the property, until the equity is fully bought back.

Key Eligibility Requirements:

- Must be an Australian citizen.
- Must not currently own property.
- Must meet maximum taxable income thresholds.
- Must meet maximum property price caps.
- Must meet the ongoing eligibility and insurance requirements of the Scheme.
- Must be able to secure a home loan with a participating lender.
- Must not receive assistance from other relevant Schemes.
- Must meet the requirements of the General Terms and Participation Agreement.

Class of Consumers

- Low to middle-income earners seeking to buy an owner-occupied home.
- Individuals or couples who can afford ongoing mortgage repayments but cannot meet the upfront deposit requirements.
- Consumers seeking long-term homeownership and stability.
- Consumers who are not able to purchase a home without the assistance of the Scheme due to upfront deposit or loan serviceability challenges

Needs, Objectives & Financial Situation

- Are looking to buy or build a residential property to live in, but are constrained by upfront deposit and loan serviceability requirements, and, other affordability barriers.
- Are willing to share equity with the government in exchange for reduced upfront costs.

- Have a stable financial situation to support repayment obligations, and the ongoing costs of owning property, including insurance and repairs and maintenance of the property.
- Are comfortable with the long-term implications of shared equity (e.g., reduced proceeds upon sale, and progressive repayment of the Commonwealth Share).
- Are looking to refinance an existing Help to Buy loan from one participating lender to another.

This Scheme is not designed for consumers who:

- Are seeking to purchase an investment property, or a property that will be used for business purposes, or currently own a property.
- Participate in another Commonwealth, State, or Territory home buying Scheme or Scheme at the same time as participating in Help to Buy, e.g. Home Guarantee Scheme (Australian Government 5% Deposit Scheme)
- Are seeking to purchase a property through a company, trust, or other non-individual structure.
- Are seeking to purchase a company titled property.
- Are higher income earners, hold qualifying assets more than the maximum permitted by the financial capacity test, or qualify for a home loan without the assistance of the Scheme.
- Are seeking to purchase a property above the eligible property price caps.
- Are not comfortable with the implications of shared equity.
- Are purchasing an off the plan property, where settlement is greater than 90 days away.
- Do not have sufficient financial buffer to absorb increases in construction costs for a new build.

Alignment to Target Market

The product aligns with the target market by:

- Reducing the deposit and loan size required to purchase an eligible property
- Making homeownership more accessible.
- Offering flexibility in repaying the government's equity share.
- Supporting financial inclusion and housing stability.

Distribution Conditions

Distribution Channels
Help to Buy is designed to be distributed through:

- Participating Lenders approved by Housing Australia.
- Direct to the Participating Lender's (first party) channels. This may include in-branch, over the phone, mobile bankers, website, mobile app, and online banking channels.
- Through mortgage broker (third party) channels, accredited with the Participating Lenders.

Distribution Conditions & Restrictions
The product should only be distributed under the following circumstances:

- Distributors must be authorised credit providers.
- Distributors must ensure applicants meet eligibility criteria.
- Distributors must ensure the customer's ability to meet repayment obligations is appropriately determined and assessed.
- Distributors must ensure customer's ability to meet the costs of acquiring the property and the ongoing costs to adequately maintain the property (including insurance costs).
- Distributors must ensure that first-party representatives are trained to meet role-based accreditation requirements.
- Distributors must ensure that third-party representatives meet accreditation requirements, including all necessary training, industry membership, and broking requirements as outlined in relevant aggregator agreements.
- Distributors must ensure that all representatives are able to discuss the product features, eligibility, fees and charges, key differences from other relevant Schemes and Schemes, benefits, and risks of the product.
- Distributors must ensure that online channels such as website, mobile app, and online banking provide customers with access to information about the product features, eligibility, fees and charges, key differences from other relevant Schemes and Schemes, benefits, and risks of the product.
- Distributors must ensure that all channels and representatives are provided with appropriate tools and resources to assist customers make informed decisions regarding the product.
- Distributors must provide clear disclosures about shared equity implications.
- Distributors must ensure that the product is distributed in a manner consistent and compliant with their Anti-Money Laundering & Counter-Terrorism Financing obligations.
- Distributors must report to Housing Australia significant dealings outside the target market.
- All distribution channels are subject to appropriate controls and monitoring.

Appropriateness of Distribution Conditions & Restrictions
We have assessed that the distribution conditions and restrictions are appropriately designed to demonstrate that it is likely that the Help to Buy product is directed toward consumers within the identified target market. We consider the distribution framework to be suitable and effective in limiting access to consumers for whom the product has not been designed.

TMD Reviews

We will review this TMD in accordance with the below:

Initial Review	Within 1 year of the effective date
Periodic Reviews	At least every 2 years from the last review

Review Triggers	Review triggers that may prompt an earlier review of the TMD include significant changes to the product's design, distribution, or related documents, as well as changes in law or tax policy that could affect how the product operates.
	• Material changes in Scheme Directions, Government Policy relating to the product, product metrics and trends, including:
	  ○ Customer complaints as they relate to the Help to Buy product, or its distribution through Participating Lenders
	  ○ Repayment of the Commonwealth Share in full or in part
	  ○ Origination data
	• Identified systemic issues in the design and/or distribution of the Product, which would cause the TMD to no longer be appropriate
	• Any relevant material change in law or direction which requires us to cease the distribution of the product
	• A significant dealing

Distribution Information

We will collect the following information from our distributors and participants, directly or indirectly, in relation to this TMD:

Complaints	Distributors must report all complaints monthly, including written details.
Periodic Information	Distributors and Participants must comply with all requests for periodic data under the terms of the Scheme Rules. This may include information on the demographics, characteristics, and performance of loans originated within the Scheme.
Significant Dealings	Distributors must report any significant dealings as they relate to this TMD within 10 business days of becoming aware of them.