



Australian Government



NHFIC

National Housing Finance
and Investment Corporation

FHILDS



First Home Loan Deposit Scheme
Trends and Insights Report
2021–22

About the Australian Government's Scheme to support home buyers

Several government home buyer support programs were in operation during financial year 2021–22, including the First Home Loan Deposit Scheme (FHLDS), New Home Guarantee (NHG) and Family Home Guarantee (FHG).

The Australian Government operates several programs to support eligible home buyers to purchase a home sooner. The programs operating during 2021–22 were the First Home Loan Deposit Scheme (FHLDS), the New Home Guarantee (NHG) and the Family Home Guarantee (FHG). Collectively these programs are referred to in this report as the First Home Loan Deposit Scheme (Scheme). On 1 July 2022 the programs were brought under the new banner of the Home Guarantee Scheme (HGS).

Under the FHLDS, eligible first home buyers can purchase a home with a deposit of as little as 5%. This is because the Government guarantees Scheme lenders up to 15% of the value of the property financed by an eligible first home buyer's home loan. The NHG supports eligible first home buyers to build or buy a new home with a deposit of as little as 5%. The NHG was introduced during the pandemic and closed to new applications on 30 June 2022.

The FHG was offered from 1 July 2021, helping eligible single parents with dependants purchase a home sooner. Unlike the FHLDS and NHG, participants do not have to be first home buyers to be eligible and borrowers can purchase a home with a deposit of as little as 2%. The Government guarantees Scheme lenders up to 18% of the value of the property financed, with 10,000 Scheme places initially released between 1 July 2021 and 30 June 2025.

The Government has subsequently committed to a range of new initiatives that will add to and expand this suite of programs, deepening the capacity to support more first home buyers. This includes the Regional First Home Buyer Guarantee (RFHBG), launched on 1 October 2022 and Help to Buy, an initiative that cuts the upfront cost of buying a home and ongoing loan serviceability by up to 40%.

More information about the Scheme, including the RFHBG, is available on the NHFIC website. Further information on Help to Buy will be posted on NHFIC's website as it becomes available.

Figure 1: Guarantees under the Scheme administered by NHFIC during 2021–22

Name	Operating in 2021–22			
	First Home Loan Deposit Scheme (FHLDS) ¹	New Home Guarantee (NHG)	Family Home Guarantee (FHG)	Regional First Home Buyer Guarantee (RFHBG)
	Introduced from 1 January 2020 for major banks and 1 February 2020 for non-major lenders	Introduced 2 November 2020	Introduced 1 July 2021	Introduced 1 October 2022
Purpose	To help first home buyers purchase their first home sooner	To help first home buyers purchase a new home sooner	To help single parents with dependants purchase a family home sooner	To help first home buyers in regional Australia purchase their first home sooner
Minimum deposit	5%	5%	2%	5%
Scheme places made available in that financial year				
2019–20	10,000	-	-	-
2020–21	10,000	10,000	-	-
2021–22	10,000	10,000	10,000 over a 4-year period	-
2022–23	35,000	-	5,000	10,000

Source: NHFIC

1. Known as the First Home Guarantee from 1 July 2022.



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Introduction

NHFIC's annual Trends and Insights report provides the third annual snapshot of the operation of the Government's First Home Loan Deposit Scheme (Scheme) for the 12 months from 1 July 2021 to 30 June 2022, as well as broader trends since the Scheme's initial implementation on 1 January 2020.

This report includes data insights at a time when first home buyer activity was softening over the 2021–22 financial year, returning to pre-pandemic levels after an extraordinary period during COVID-19, when record fiscal and monetary stimulus ignited the housing market.

The report includes insights into:

- **Who** – the profile of home buyers accessing the Scheme
- **What** – the types of properties bought by Scheme participants, and in what locations
- **How** – the way the Scheme is supporting key workers, and other participants, to buy their home

It also briefly reflects on NHFIC's recent collaboration with two major bank panel lenders, providing important insights into how first home buyers supported by the Government's Scheme compare with the broader first home buyer market.

The next Trends and Insights report will continue to track these trends, include additional insights on the performance of the portfolio as it matures, and is anticipated to include details of the impact of the Government's new Regional First Home Buyer Guarantee and Help to Buy initiatives.

Key points

- At 30 June 2022, the Australian Government had guaranteed deposit gaps for home owners across Australia valued at almost \$2.7 billion, with no mortgage defaults occurring under the Scheme. Almost half of this (\$1.3 billion) was guaranteed through places offered in 2021–22.
- In most states, the Government guarantees supported a higher proportion of all home buyers in 2021–22 than in previous years. Across Australia, around 1 in 7 first home buyers were supported by the Scheme in 2021–22, up from around 1 in 10 during 2020–21. This is likely due to a mix of falling broader first home buyer demand, increasing availability of guarantees and a maturing of the Scheme.
- Government guarantees supported around 1 in 5 first home buyers in Qld and NSW, up from around 1 in 8 during 2020–21. While off a lower base, some states, like WA, Tas and NT, saw large increases in first home buyer participation supported by the Scheme. For example, 1 in 10 first home buyers were supported in Tas during 2021–22, up from just 1 in 20 in the previous year.
- Relative to population share, Qld and WA experienced the strongest demand for the Scheme. Qld had the highest concentration of Government guarantees, with around 29% of all FHLDS and 37% of all FHG guarantee recipients residing in Qld, relative to its 20% population share. WA received 22% of all NHG and around 17% of all FHG guarantees compared with its 11% population share.
- Since the launch of the Scheme, the state composition of guarantees has changed. Since 2019–20, NSW's share of guarantees has fallen from around 34% to 26%, while WA's has more than doubled from 7% to more than 14%.
- In 2021–22, more younger cohorts accessed the Scheme than in previous years. People aged 18–24 received around 18% of all guarantees compared with 12% in the previous year. This was offset by modest falls in the 25–39 age groups.
- While the bulk of Government guarantee recipients were aged 25–34 (around 54% of all guarantees), the Scheme continues to be accessed by people of most ages, including around 3% of guarantees for people aged 50–59.

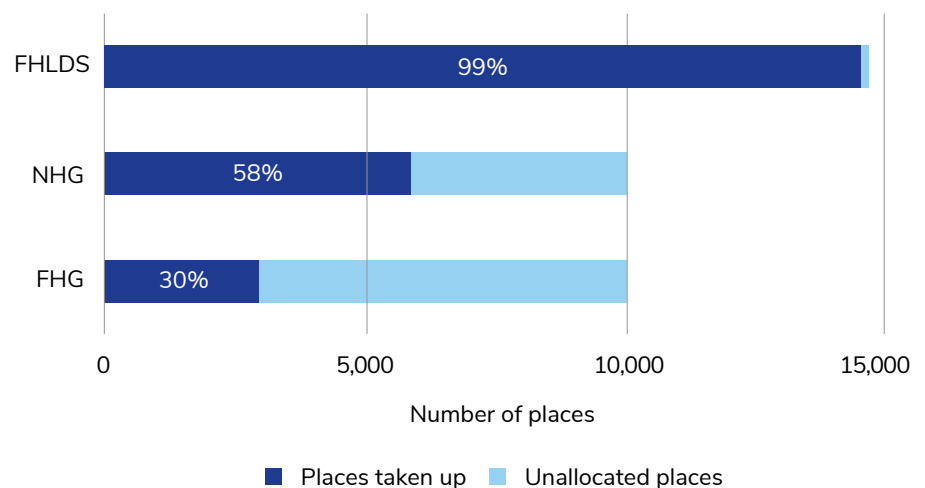
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- Scheme purchases were also being made closer to city centres in 2021–22 than in the previous year. Around 27% of all Sydney purchases under FHLDS occurred within 15km of the CBD in 2021–22, up from 22% in 2020–21; around 34% of FHLDS purchases in the Greater Melbourne region occurred within 15km of the CBD, up from 25% in 2020–21. Most other cities saw a pickup of purchases within 15km of the CBD compared with the previous year.
 - More than 5,400 guarantees (27%) were issued to key workers in 2021–22, up from 23% in 2020–21 (and up from less than 20% in 2019–20). Of these, teachers and nurses accounted for more than half of the key worker recipients (57%), while social workers accounted for 17% and aged and disabled carers 9%.
 - New data shows that across Australia, home buyers supported by the Scheme typically purchased houses with 3 or more bedrooms. Since inception in January 2020, around 19,000 purchases (or 70%) under the Scheme were identified as dwellings with 3 or more bedrooms.
 - Nationally, home buyers also typically purchased older dwellings. Around 13,000 (or 47%) of dwellings were more than 25 years old and tended to be around 18% cheaper on average than newly constructed dwellings purchased under the Scheme over the same period.
 - Mortgage serviceability has remained relatively stable, at 28% (on average) in 2021–22 across the Scheme, increasing marginally from 27% (on average) in 2020–21.
 - Of the more than 40,000 guarantees, almost 2 in 5 are ahead on their repayments. Less than 0.04% of guarantee recipients are in arrears which is considerably less than loans in the broader Lenders Mortgage Insurance (LMI) market (0.13%).
 - Many participants are likely leveraging the bring forward of their home purchase and successfully transitioning out of the Scheme into the broader home ownership market, with over 1,400 participants refinancing their mortgage out of the Scheme at the time of writing this report.
 - Mortgage brokers increasingly dominated the origination channel of loans under the Scheme, reflecting the Scheme's increasing maturity. Since the Scheme's inception, mortgage broker origination has increased from around 46% of all guarantees in 2019–20 to around 72% in 2021–22.

Key trends and insights

In 2021–22, 23,317 places were taken up by Australian home buyers across the Scheme, which includes the First Home Loan Deposit Scheme (FHLDS), Family Home Guarantee (FHG) and New Home Guarantee (NHG). This compares to around 17,000 places in 2020–21. Of the places taken up in 2021–22, 19,857 guarantees were issued by 30 June 2022, of which 18,635 had progressed through to settlement.

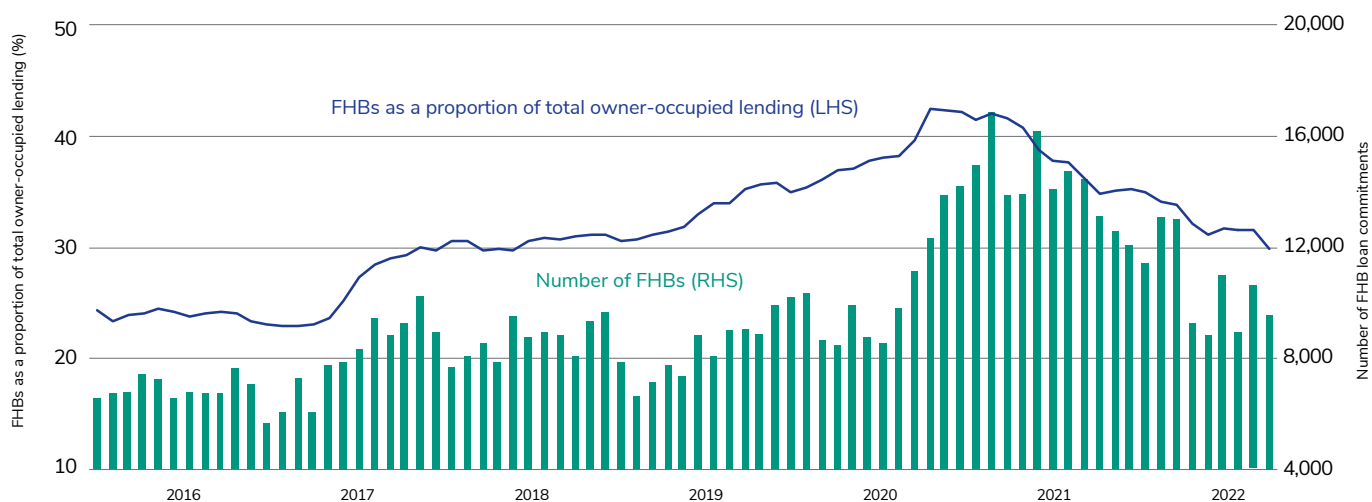
The largest take up of guarantees was seen in the FHLDS, with virtually all available places taken up. In contrast, only around 58% of all available places were taken up for the NHG, supporting the construction of new dwellings. In the FHG, 30% of all available places were taken up, reflecting the intention to allocate 10,000 places over 4 financial years.

Figure 2: Take-up of Scheme places made available during 2021–22 (as at 30 June 2022)²



Source: NHFIC

² The 10,000 places under the FHG were to be made available by NHFIC over 4 financial years.

Figure 3: First home buyer (FHB) loan commitments – Australia February 2016 to June 2022³

Source: ABS / NHFIC

Over the 2020–21 financial year, an extraordinary period of fiscal and monetary stimulus had supported record levels of first home buyer participation, reaching as much as 42% of total owner-occupied lending. Over the 2021–22 financial year, first home buyer demand had softened, returning to pre-pandemic levels.

Overall, around 1 in 7 first home buyers were supported by a Government guarantee in 2021–22 – up from around 1 in 10 in 2020–21. This is likely due to a mix of falling broader first home buyer demand, increasing availability of guarantees and a maturing of the Scheme.

3 Australian Bureau of Statistics, Lending indicators, June 2022.

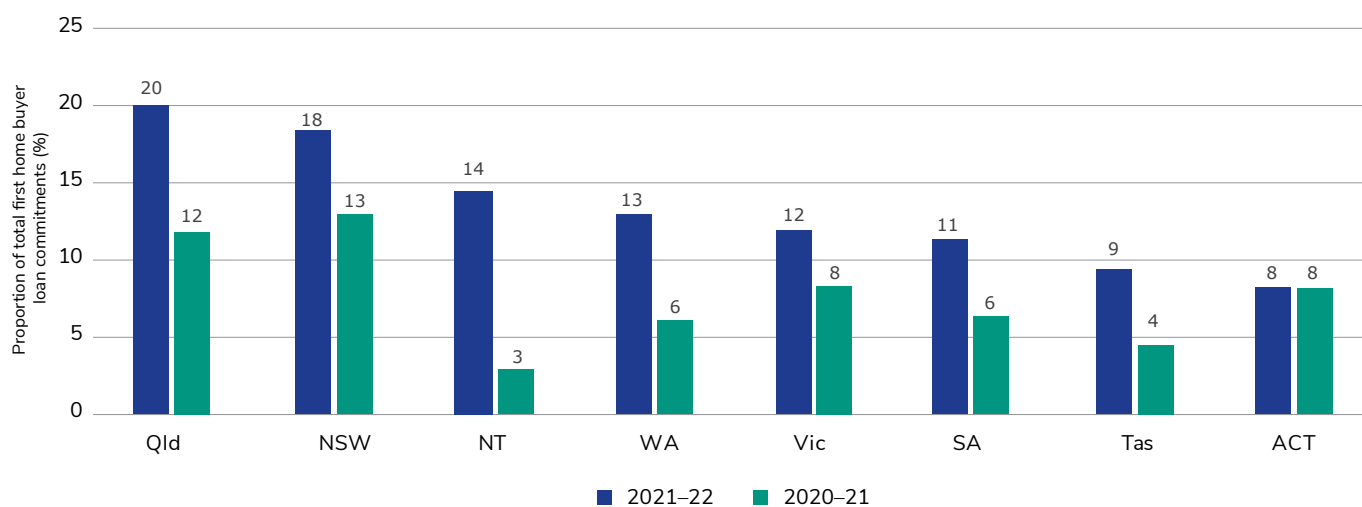
Uptake by state and territory

In most states, Government guarantees under the FHLDS and NHG supported a much higher proportion of all first home buyers in 2021–22, with proportions nearly doubling in some states.

Scheme take-up continues to be strong in Qld, with around 20% of all first home buyers in the state benefiting from the Scheme – up more than 8 percentage points from 2020–21. Take up was also stronger in NSW, with around 18% of all first home buyers receiving support through the Scheme, up from around 13% in 2020–21.

The NT saw the largest increase in Scheme support, with around 14% of all first home buyers supported by a guarantee – up from just 3% in 2020–21. In WA, around 13% of all first home buyers were supported by the Scheme – more than double the proportion supported in 2020–21.

Figure 4: Scheme first home buyers as a proportion of total first home buyer loan commitments within each state/territory (1 July 2020 to 30 June 2021 and 1 July 2021 to 30 June 2022)^{4, 5}

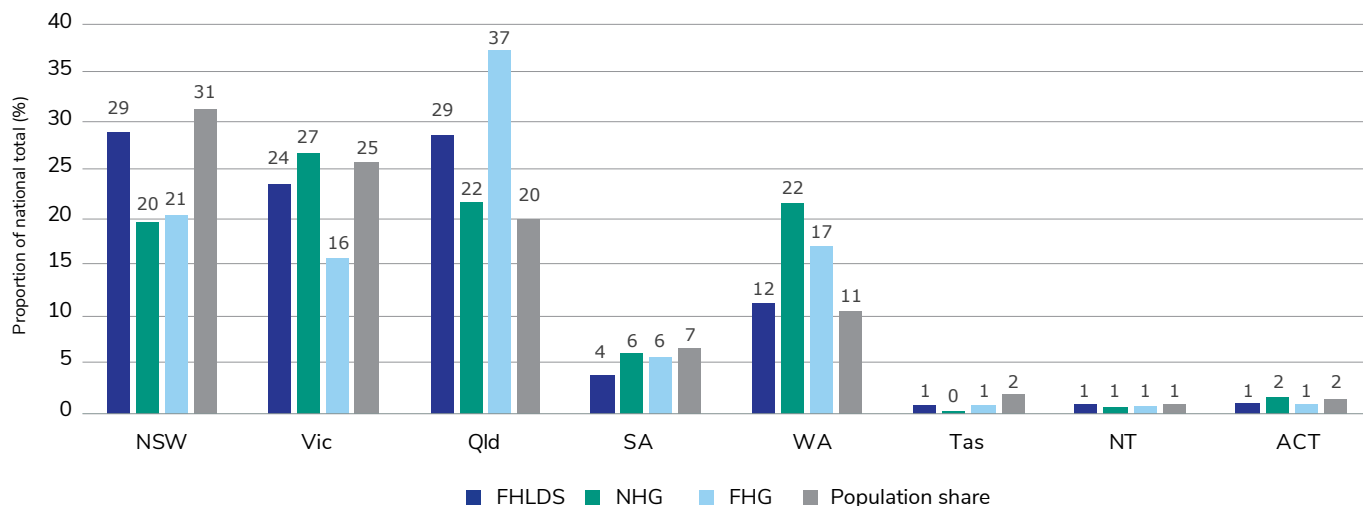


Source: ABS / NHFIC

4 Australian Bureau of Statistics, Lending indicators, June 2022. This excludes the FHG as eligibility for this guarantee is not exclusively for first home buyers.

5 ABS lending indicators data reported on in the 2020–21 FHLDS Trends & Insights report have since been historically revised and are therefore not comparable to the data reported in this report.

Figure 5: Distribution of guarantees issued in 2021–22 under the Scheme compared with population⁶

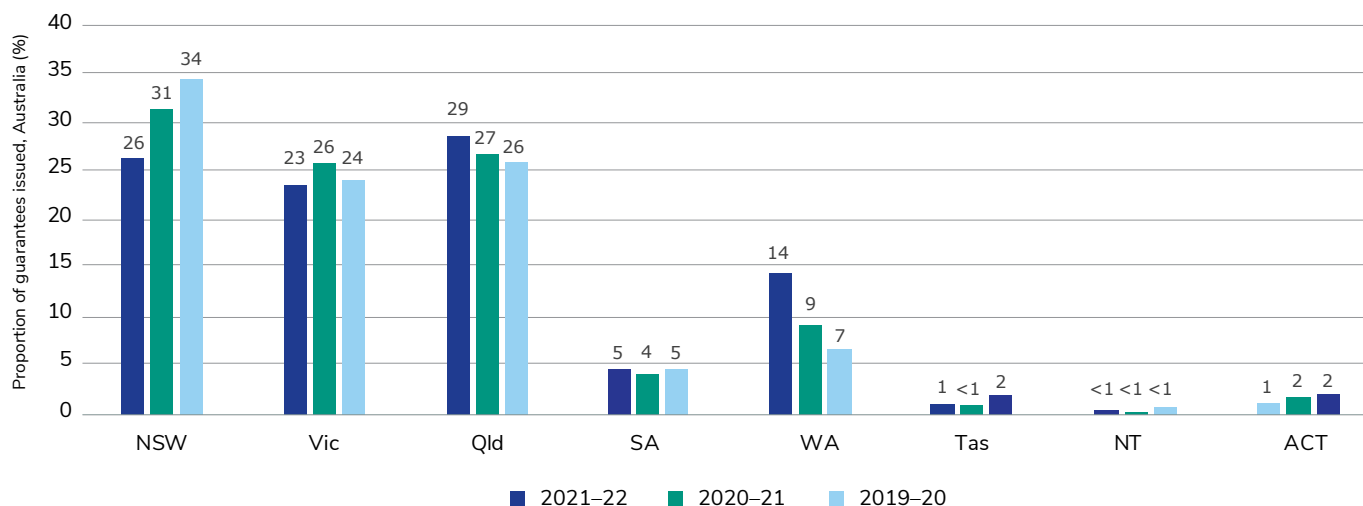


Source: ABS / NHFIC

Relative to population share, Qld and WA had the strongest demand for the Scheme. Qld received around 29% of all FHLDS guarantees and 37% of all FHG guarantees, relative to its 20% population share. WA also received a large concentration under the NHG and FHG, 22% and 17% respectively versus its 11% population share. All other states had lower concentrations of guarantees relative to their respective population shares, with the exception of the NHG in Vic.

Since the inception of the Scheme, fewer people in NSW and more people in WA have been accessing guarantees. Since 2019–20, NSW’s share of guarantees has fallen from around 34% to 26%, while WA’s has more than doubled from 7% to more than 14%.

Figure 6: Distribution of guarantees under the Scheme by state and territory over time



Source: NHFIC

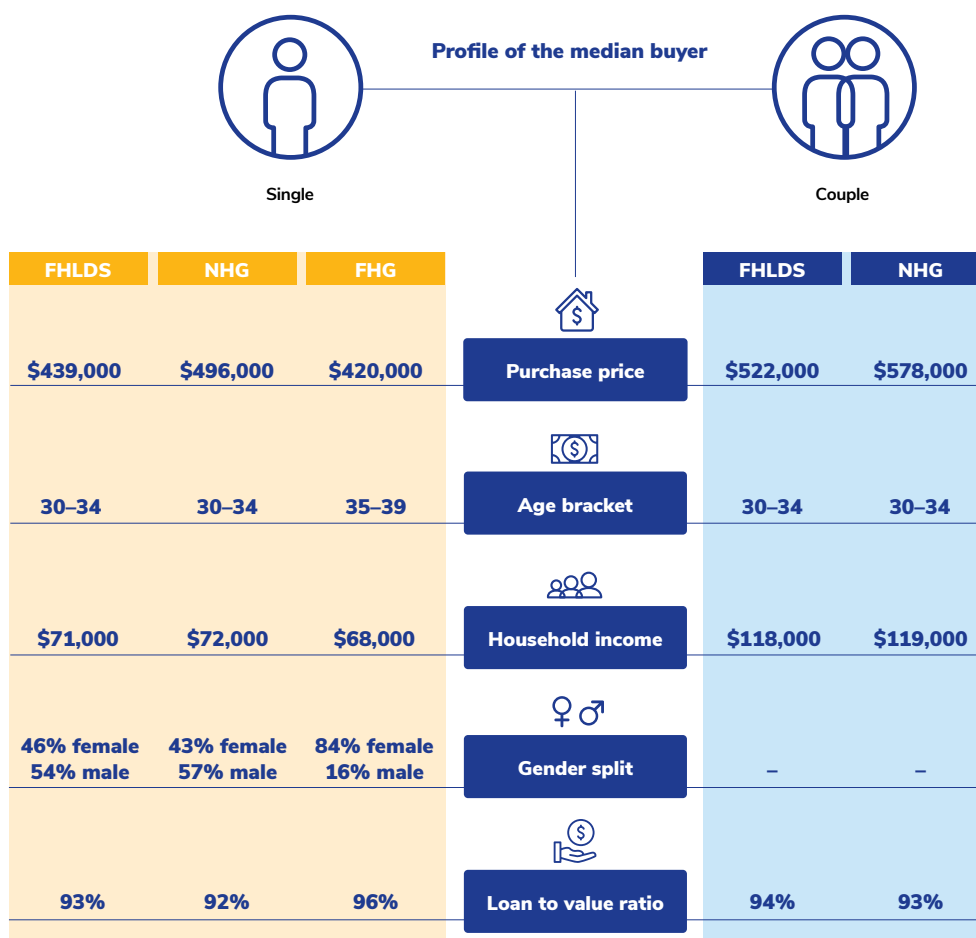
6 Australian Bureau of Statistics, National, state and territory population, March 2022

Participant profiles

The typical buyer under the Scheme is single and aged 30–34, with the average purchase price for a single buyer around \$445,000. Nearly two-thirds of guarantees (62.4%) went to singles with the remaining (37.6%) going to couples. The average single buyer has an income of around \$70,000, which is substantially less (around 45%) than the maximum eligibility threshold for single applicants. The average loan to value ratio was around 93% under the FHLDS and NHG, and 96% for the FHG.

Property price thresholds under the FHLDS were lifted between the 2020–21 and 2021–22 financial years, with increases ranging from 10% to 40% across the various jurisdictions. Over the same period, the weighted average property price increased for purchases under the Scheme, with single and couple participant purchase prices increasing by 10% and 15% respectively.

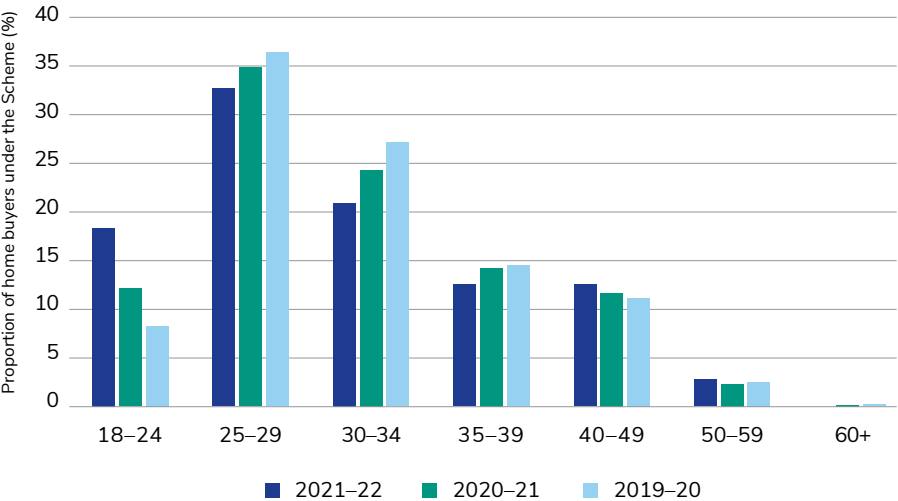
Figure 7: Profile of typical buyers under the Scheme for 2021–22



Age groups

In 2021–22, more younger Australians accessed the Scheme than in 2020–21. People aged 18–24 accounted for around 18% of all individuals accessing the Scheme compared with 12% in the previous year, with slightly fewer Scheme participants aged 25–39 and slightly more aged 40–59. While the bulk of Scheme participants were aged 25–34 (around 54%), the Scheme continued to be accessed by people of most ages. Around 3% of Scheme participants were people aged 50–59.

Figure 8: Distribution of Scheme participants – by age range⁷



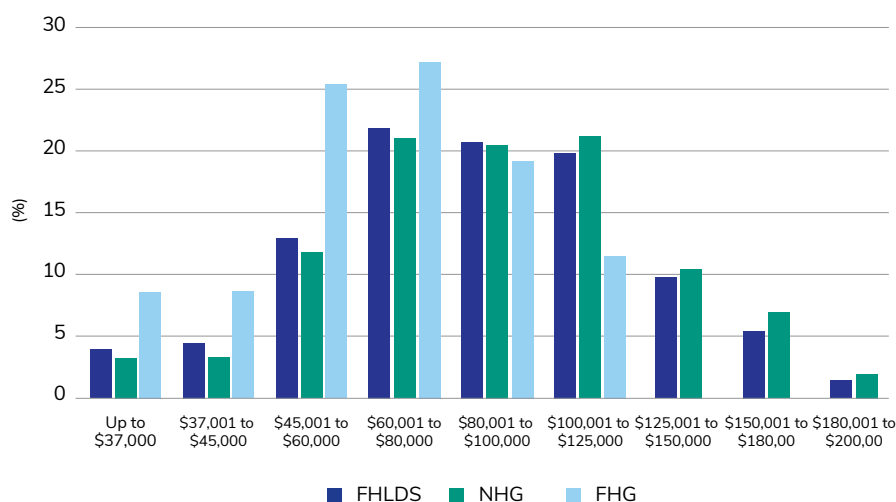
Source: NHFIC

⁷ The distribution by age is based on individual buyers, rather than Scheme places. Those who submitted their Scheme application as a couple have been treated as 2 separate individuals.

Incomes

Recipients of guarantees across the Scheme over 2021–22 continued to be concentrated in income earners from \$60,000 to \$125,000, in line with eligibility. Around two-thirds of all guarantees supported households with incomes of less than \$100,000. Around 34% of all guarantees (mostly for couples) went to households with incomes between \$100,000 and \$200,000.

Figure 9: Distribution of guarantees issued in 2021–22 under the Scheme – by taxable household income range⁸



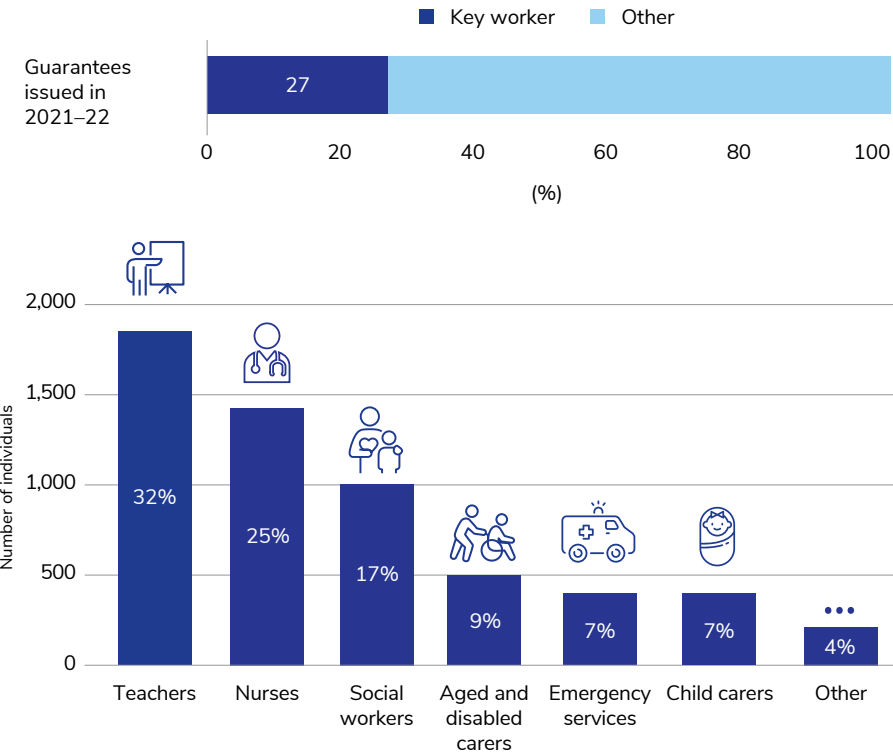
Source: NHFC

⁸ Income data captured under the Scheme is for the previous full financial year. For example, a guarantee issued on 1 July 2021 would capture income data based on the 2020–21 financial year. The home buyers' circumstances may have changed between then and when the final income assessment was conducted.

Key workers

More than 5,400 guarantees were issued to key workers. Key workers have continued to grow as a share of guarantee recipients under the Scheme in the first three years of operation. Around 27% of all guarantee recipients were key workers in 2021–22, up from 23% in 2020–21 (and up from less than 20% in 2019–20). Of these, teachers and nurses accounted for more than half of the key worker recipients (57%), while social workers accounted for 17% and aged and disabled carers 9%.

Figure 10: Distribution of key workers who purchased homes under the Scheme, 1 July 2021 to 30 June 2022⁹



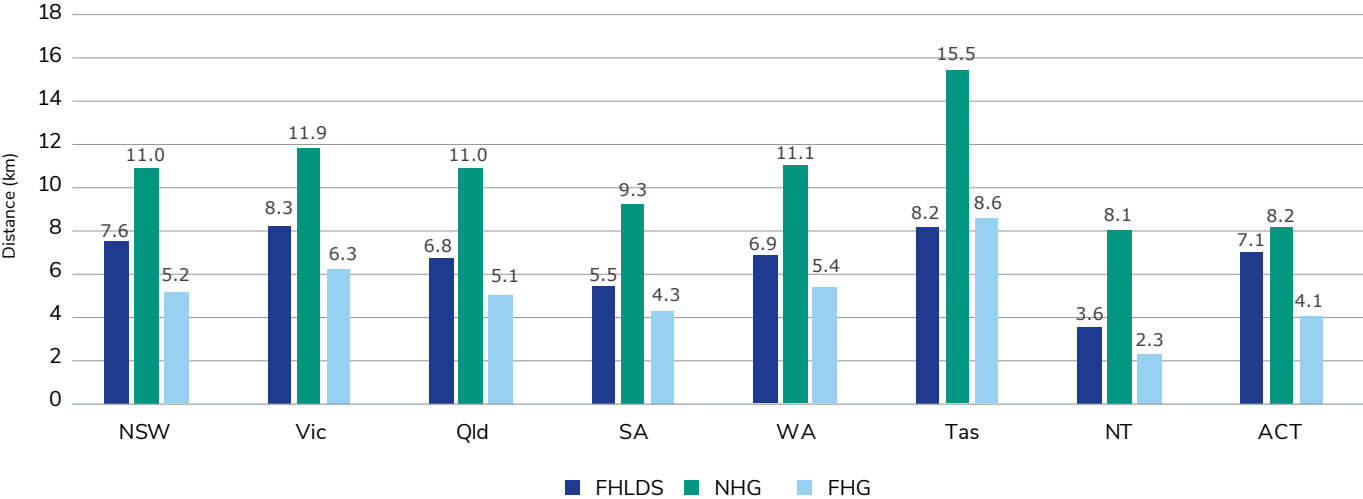
Source: NHFIC

⁹ Occupations classified as key worker are: teachers; nurses; childcare workers; carers and aides; defence force members, firefighters, police, and other emergency service workers; ambulance officers and paramedics; and social and welfare professionals.

Location

Home buyers receiving guarantees under the NHG typically moved furthest away from their previous residence, moving an average of 11km, compared with 7km under the FHLDS and 5km under the FHG. This is likely due to new construction occurring in greenfield sites further away from the CBD. For the FHLDS, people moving an average of 7.2km away from their previous residence was broadly consistent with previous years.

Figure 11: Median distance between purchased property and immediate previous residence under the Scheme¹⁰

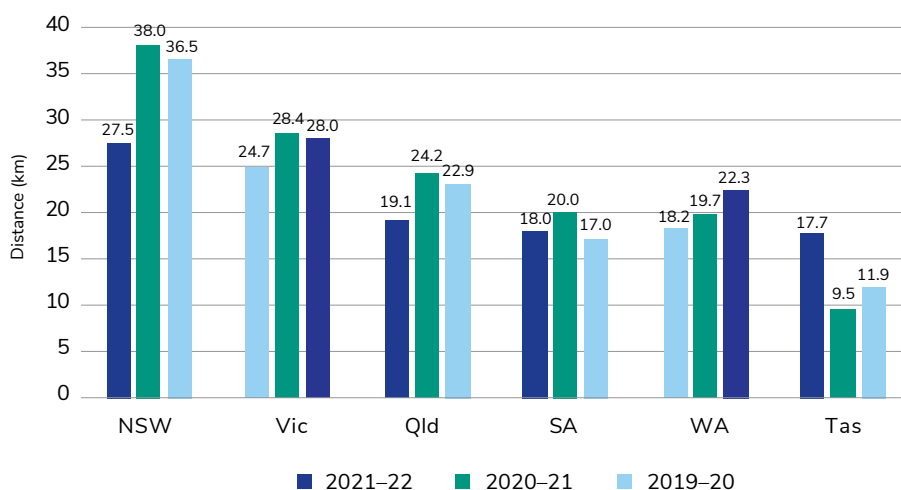


Source: NHFIC

¹⁰ Distance calculations were based on suburb and postcodes, rather than individual addresses. The relevant geocodes were then applied to calculate the distance from one postcode to another.

Home buyers under the Scheme continue to purchase properties a reasonable distance away from their respective CBDs, although people tended to buy closer to CBDs during 2021–22 (on average). For example, home buyers under the FHLDS in the Greater Sydney region typically bought around 28km away from the Sydney CBD – down from 38km in 2020–21. In contrast, FHLDS guarantee recipients in the Greater Hobart region bought further away from the Hobart CBD (around 18km) in 2021–22 – up from around 10km in 2020–21.

Figure 12: Median distance from purchased property to capital city CBD – FHLDS guarantees over time¹¹

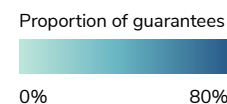


Source: NHFIC

Figure 13: Distance from purchased property to capital city CBD – proportion of guarantees issued in 2021–22 by distance bands¹¹

Scheme	Distance from CBD	Adelaide	Brisbane	Hobart	Melbourne	Perth	Sydney
FHLDS	0–15km	42%	41%	45%	34%	44%	27%
	15–30km	41%	38%	55%	31%	28%	25%
	30–50km	17%	18%		28%	22%	32%
	50–100km		4%		7%	7%	16%
NHG	0–15km	40%	14%	77%	15%	13%	12%
	15–30km	28%	40%	23%	35%	45%	21%
	30–50km	32%	40%		44%	31%	61%
	50–100km		7%		6%	11%	7%
FHG	0–15km	33%	28%	44%	19%	23%	21%
	15–30km	49%	44%	56%	39%	34%	30%
	30–50km	18%	26%		34%	30%	38%
	50–100km		3%		8%	14%	11%

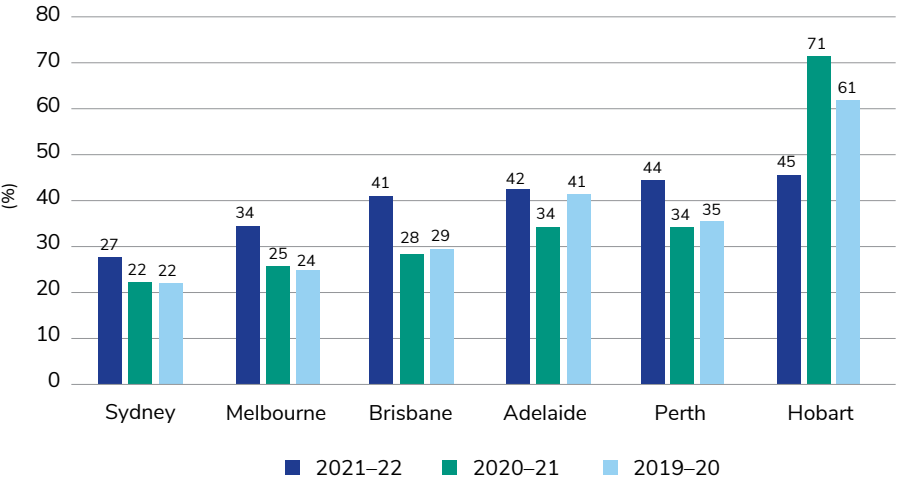
Source: NHFIC



¹¹ Distance calculations were based on suburb and postcodes, rather than individual addresses. The relevant geocodes were then applied to calculate the distance from one postcode to another. Numbers may not add to 100% due to rounding.

Broken down further, FHLDS purchases within 15km of a CBD increased noticeably across most states in 2021–22. For example, around 27% of all FHLDS purchases in the Greater Sydney region occurred within 15km of the Sydney CBD in 2021–22, up from 22% in 2020–21. Similarly, around 34% of FHLDS purchases in the Greater Melbourne region occurred within 15km of the Melbourne CBD, up from 25% in 2020–21. Most other cities saw a pickup of purchases within 15km of the CBD compared with the previous year.

Figure 14: Proportion of FHLDS capital city region purchases within 15km of the respective CBD



Source: NHFIC

Statistical Area Level 4 (SA4) are geographical areas that represent large sub-state regions, with a particular emphasis on the representation of labour markets for stable reporting over time. In contrast to postcode-level analysis, which is valuable for more granular market analysis, SA4s provides a stable comparison of regions across Australia.¹²

By regions, using the SA4s, Greater Perth, Greater Melbourne and regional Qld received the largest number of guarantees under the Scheme in 2021–22. Demand was highest in Melbourne’s west, particularly in the suburbs of Tarneit, Werribee and Truganina.

Other well-supported regions were Melbourne’s south-east (709), Perth’s north-west and south-west regions (672 and 668 respectively) and Ipswich, Qld (651).

In terms of the distribution, 6 of the top 10 regions in 2021–22 were also in the top 10 regions for 2020–21: Melbourne’s west and south-east, Perth’s south-west, Ipswich and Logan–Beaudesert in Qld and Newcastle and Lake Macquarie in NSW.

Figure 15: Top 10 regions¹³ by number of guarantees issued under the Scheme in 2021–22



Source: NHFIC

¹² Australian Statistical Geography Standard (ASGS): Volume 1 – Main Structure and Greater Capital City Statistical Areas, July 2016

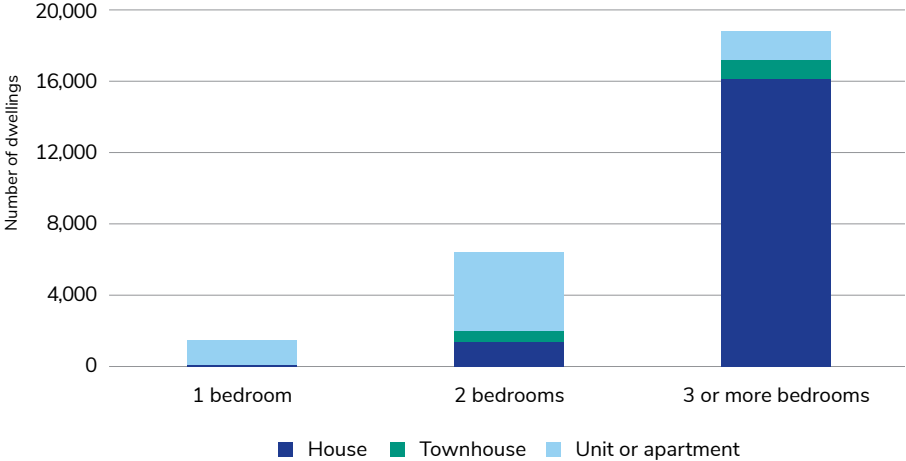
¹³ Refers to Statistical Area Level 4 regions, as defined by the Australian Statistical Geography Standard (ASGS): Volume 1 – Main Structure and Greater Capital City Statistical Areas, July 2016, published by the Australian Bureau of Statistics

Type of dwelling

New data compiled by NHFIC shows that home buyers supported by the Scheme tended to prefer purchasing larger and older homes when entering the market for the first time.

Home buyers typically purchased houses with 3 or more bedrooms. Since inception of the Scheme in January 2020, almost 19,000 Scheme-supported purchases (or 70%) were identified as dwellings with 3 or more bedrooms, with 21% used to purchase apartments with 2 or fewer bedrooms.¹⁴

Figure 16: Characteristics of dwellings purchased under the Scheme, number of bedrooms

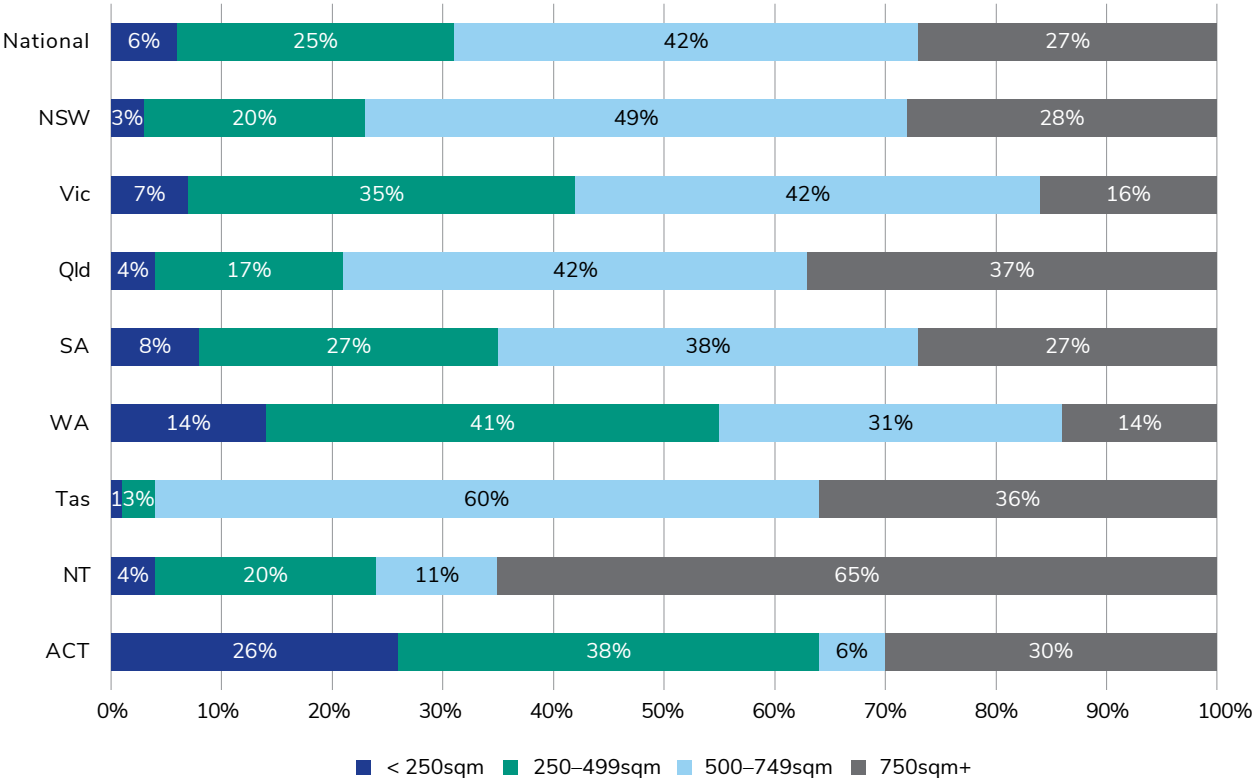


Source: NHFIC / CoreLogic

14 Analysis involved directly mapping the FHLDS portfolio to the CoreLogic database. Some records were not able to be accurately matched and were therefore excluded from the analysis. Proportions quoted are pertaining to the sample examined, as opposed to the total portfolio population.

Consistent with home buyers preferring to purchase larger houses, average land area purchased by home buyers under the Scheme was more than 500sqm, compared with the median land size of 670sqm across Australia.¹⁵ Around 70% of all properties purchased had a land size of greater than 500sqm, with 27% of properties having land sizes of more than 750sqm.

Figure 17: Characteristics of dwellings purchased under the Scheme, land area¹⁶



Source: NHFIC / CoreLogic

¹⁵ CoreLogic national series, houses, July 2022.

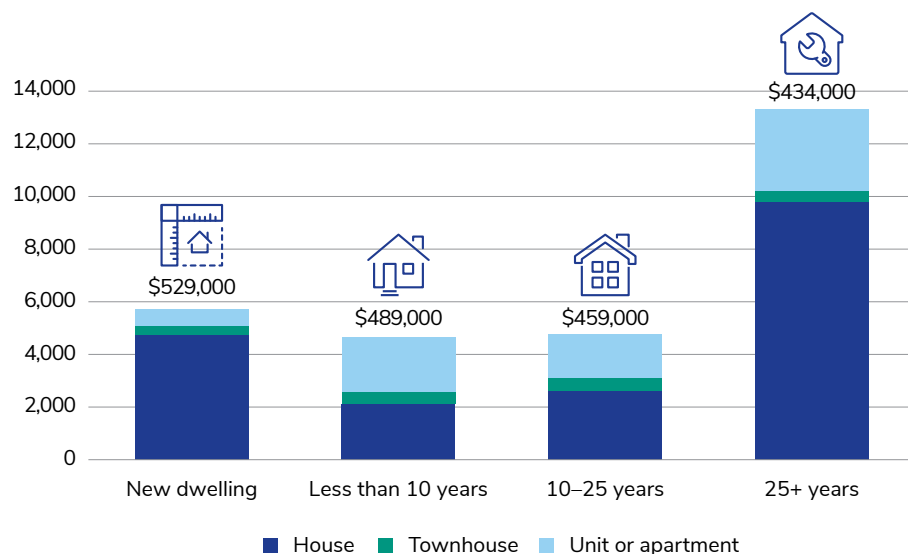
¹⁶ Refers to detached houses and vacant land only.

NHFIC analysis also shows that home buyers typically purchased older dwellings. Around 13,000 (or 47%) dwellings purchased were more than 25 years old.¹⁷ Only 20% (or 5,700 dwellings) were new dwellings, and was primarily driven by the operation of the NHG during 2020–21 and 2021–22. New dwelling purchases tended to be for houses rather than apartments, accounting for nearly 5,000 new house purchases. Dwellings more than 25 years old purchased under the Scheme tend to be around 18% cheaper than newly constructed dwellings purchased under the Scheme over the same period.

This remains consistent for most of the states and territories across Australia, with dwellings more than 25 years old being purchased by Scheme participants for as much as 25–30% less than new dwellings.

New dwelling purchases had increased substantially over the 2020–21 and 2021–22 financial years, due to the introduction of the NHG. Scheme exposure to new construction has increased from 1 in 10 (prior to the introduction of the NHG) to 1 in 4 (25%) during 2021–22. The NHG was introduced during the pandemic and closed to new applications on 30 June 2022.

Figure 18: Characteristics of dwellings purchased under the Scheme, building age and average price¹⁸



Source: NHFIC / CoreLogic

¹⁷ Analysis involved directly mapping the FHLDS portfolio to the CoreLogic database. Some records were not able to be accurately matched and were therefore excluded from the analysis. Proportions quoted are pertaining to the sample examined, as opposed to the total portfolio population. The characteristics of the property (e.g. land size, number of bedrooms, etc.) were not accounted for in this comparative analysis.

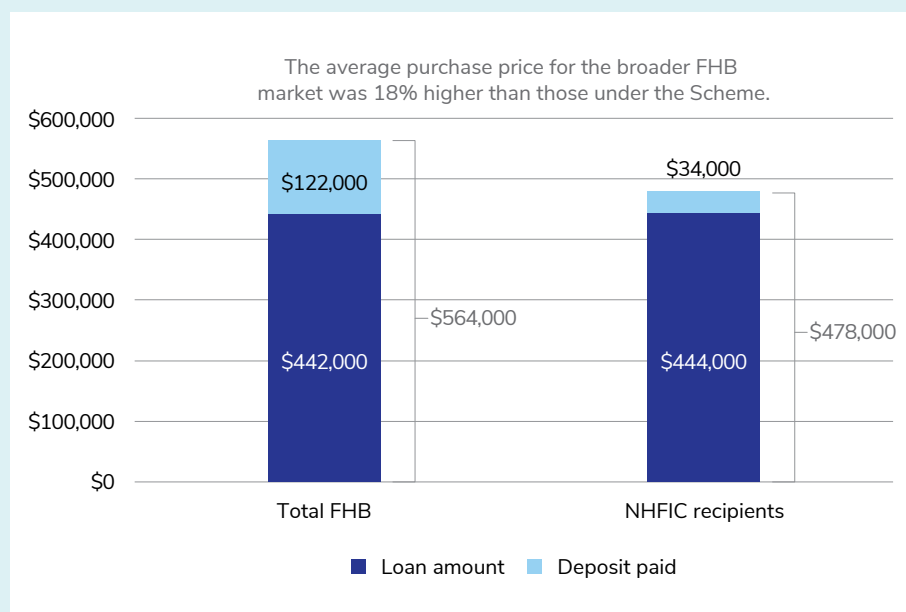
¹⁸ Building age refers to the year the property was originally built. It does not account for any renovations that may have been undertaken thereafter.

First home buyer behaviour analysis

In August 2022, in collaboration with its major bank panel lenders, CBA, NAB and NHFIC released an analysis of first home buyer (FHB) behaviour prior to, during and immediately after purchasing their first home. This analysis provided insights on the operation of the Scheme since its inception in January 2020 to 31 May 2022, benchmarked against broader FHB data for the equivalent period.

The research found that buyers under the Scheme were helped to overcome the deposit hurdle to purchase their home. The average loan size of the broader FHB market and recipients of Scheme was similar (\$442,000 and \$444,000 respectively). However, the average FHB purchase price relative to Scheme recipients was 18% higher (\$564,000 versus \$478,000). This is because deposits for Scheme recipients were less than a third of those paid by FHBs more broadly (\$34,000 and \$122,000 respectively).

Figure 19: Average loan amount and deposit paid^{19, 20}



Source: CBA / NHFIC

The analysis also found that Scheme participants were likely building value in their own home through home improvements, on average spending more per transaction on construction (e.g. home improvements) after buying a property.

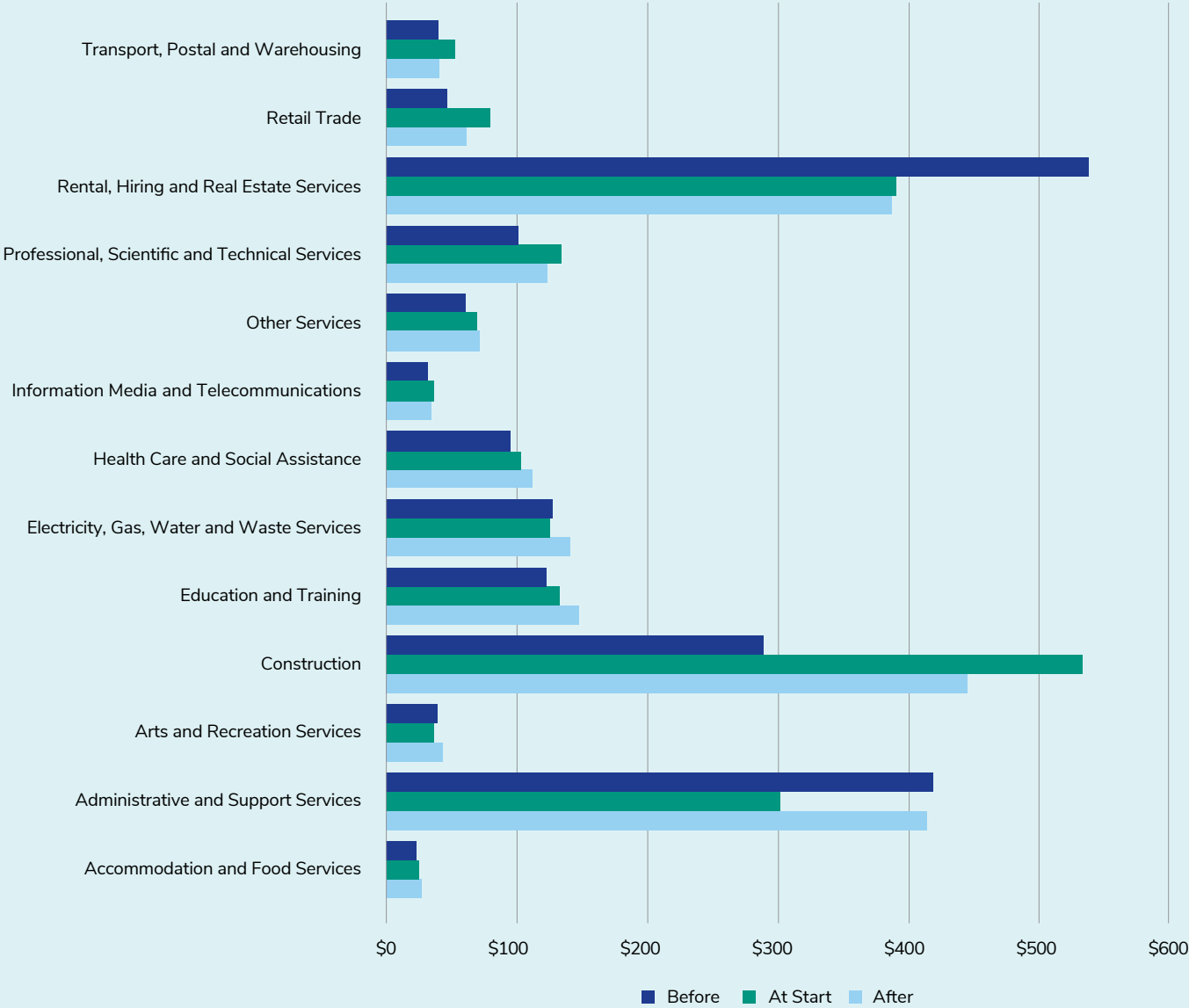
This full report can be found on the NHFIC website.²¹

¹⁹ Deposit paid has been derived from the average loan amount and average purchase price. These metrics are mutually exclusive.

²⁰ Only single applications have been considered in this analysis. Figures have been rounded.

²¹ www.nhfc.gov.au/research/researchreport/first-home-buyers/first-home-buyer-behaviour-analysis/

Figure 20: Average spend per transaction pre and post home purchase²²



Source: NHFIC

²² 'Before' and 'After' refers to the 24 months prior to purchase and the 24 months after purchase, respectively.

Financial aspects of the Scheme

A central objective of the Scheme is to help home buyers get into the market sooner. NHFIC estimates that those buyers without alternative financial means or access to the Scheme would have otherwise delayed their home purchase by around 5 years to save the entire 20% deposit.

This was corroborated by a survey of Scheme participants where several respondents indicated their participation in the Scheme brought forward their home purchase by two or more years.²³

The average loan to value ratios under the Scheme ranged from 93% for the FHLDS and NHG, which remains consistent with previous years, to 96% for the FHG. The average Debt-to-Income (DTI) ratio for FHLDS and NHG ranged between 5.1 and 5.5 times their combined gross annual income – broadly in line with the previous year.

At 30 June 2022, the Australian Government had guaranteed deposit gaps for home owners across Australia valued at almost \$2.7 billion, with no mortgage defaults occurring under the Scheme. Almost half of this (\$1.3 billion) was guaranteed through places offered in 2021–22.

Many participants are successfully transitioning out of the Scheme into the broader home ownership market, with over 1,400 participants refinancing their mortgage out of the Scheme at the time of writing this report. This is likely due to recipients leveraging the additional equity built up in their own home following the bring forward of their home purchase through the Scheme.

Serviceability

Mortgage serviceability (mortgage repayments as a proportion of disposable income) increased marginally from 27% to 28% (on average) between 2020–21 and 2021–22 respectively across the Scheme.

At 30 June 2022, of the more than 40,000 Scheme recipients, almost 2 in 5 (39%) were ahead on their repayments. Fifteen guarantees were 60+ day in arrears, equating to less than 0.04% of all settled loans to date. This compares favourably to around 0.13% for the broader LMI mortgage market between 2020 and 2022.²⁴

Origination

Mortgage brokers increasingly dominate origination channels, reflecting the increasing maturity of the Scheme. Since Scheme inception, mortgage broker origination has increased from around 46% of all guarantees in 2019–20 to around 72% in 2021–22, accompanied by a reduction in guarantees issued through bank branches and mobile lenders.

²³ A voluntary survey was conducted over the 2021–22 financial year with a response rate of over 13%. This statement is in relation to respondents who indicated they required further savings to purchase a property without access to the Scheme.

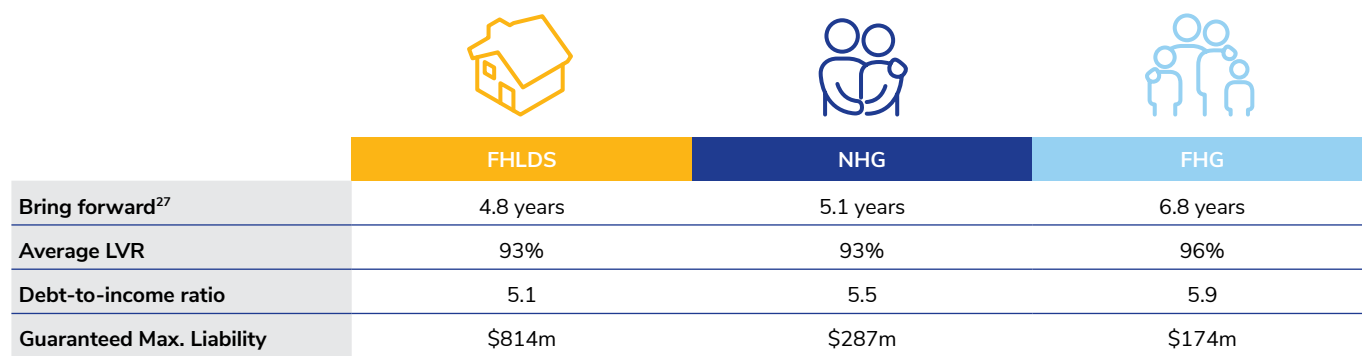
²⁴ Genworth 2022 Half Year Results Investor Presentation, 3 August 2022

Figure 21: Scheme portfolio repayment status – as at 30 June 2022

	Loans in advance ²⁵	Loans on schedule	Loans in arrears ²⁶
FHLDS	45%	55%	<0.1%
NHG	23%	77%	<0.1%
FHG	27%	73%	<0.1%
Total Scheme	39%	61%	<0.1% (15 loans)

Source: NHFIC

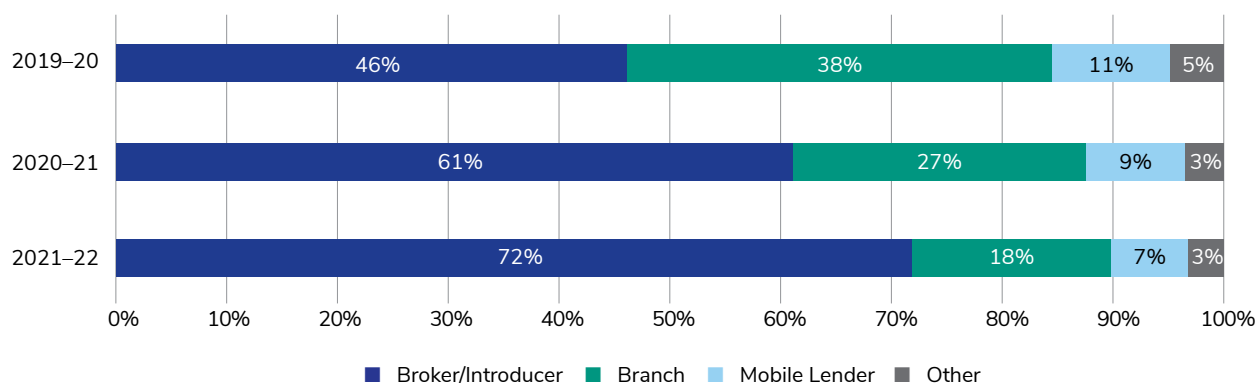
Figure 22: National Scheme financial statistics for 2021–22



	FHLDS	NHG	FHG
Bring forward²⁷	4.8 years	5.1 years	6.8 years
Average LVR	93%	93%	96%
Debt-to-income ratio	5.1	5.5	5.9
Guaranteed Max. Liability	\$814m	\$287m	\$174m

Source: NHFIC

Figure 23: Loans guaranteed by origination channel



Source: NHFIC

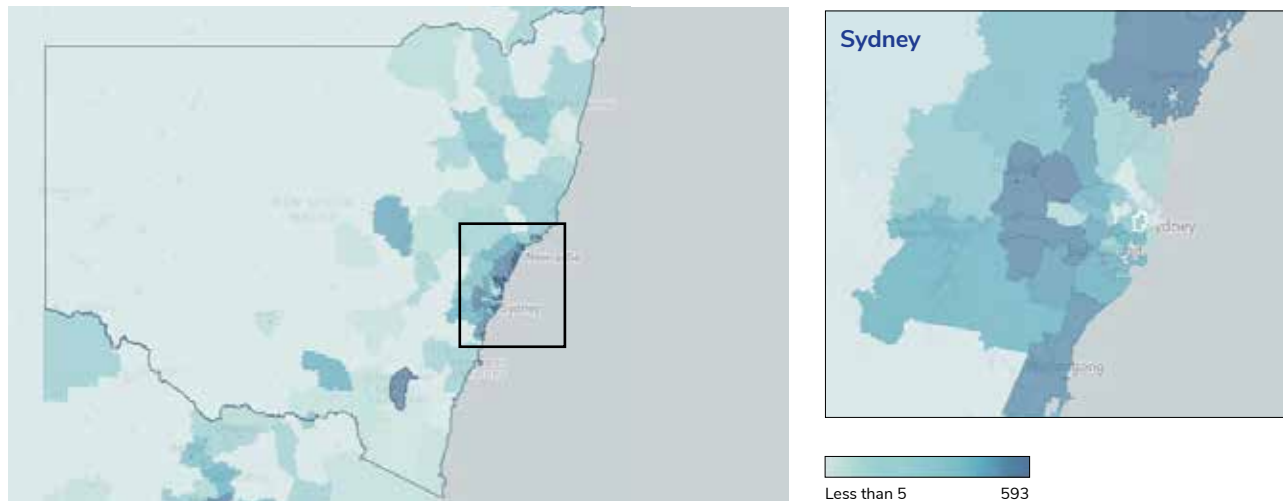
25 Defined as outstanding loan balance being less than the scheduled amount with minimum monthly mortgage repayments.

26 Loans in 60+ day arrears.

27 NHFIC has revised the bring forward analysis published in the 2020–21 First Home Loan Deposit Scheme and New Home Guarantee Trends & Insights paper. Figures are only indicative as household savings rates will differ based on individual circumstances.

State and territory analysis

New South Wales



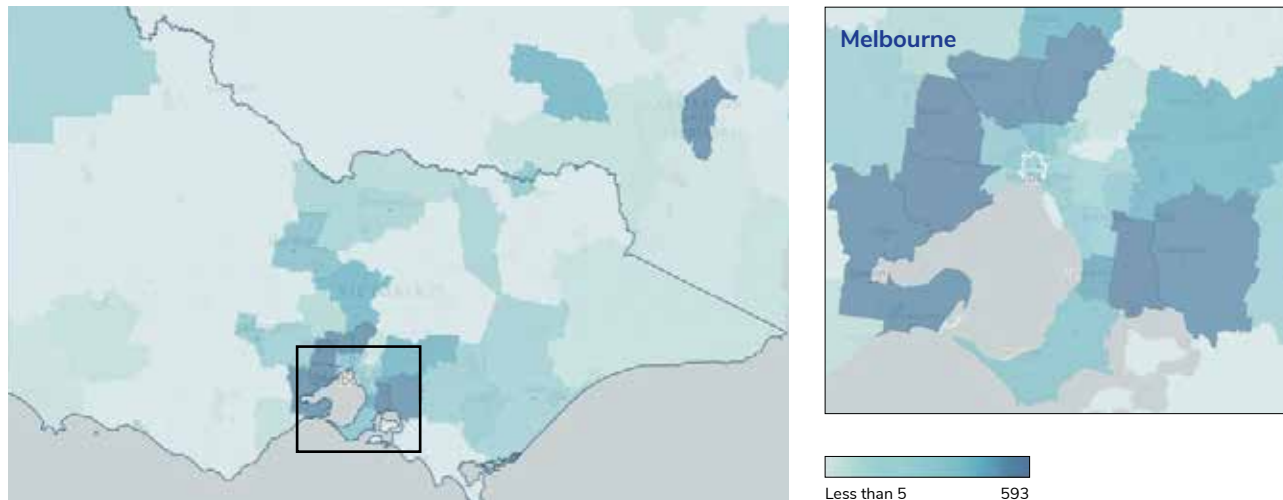
NSW		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	1,914	\$640,000	\$45,000
	Regional areas	1,889	\$491,000	\$32,000
New Home Guarantee	Greater capital city region	589	\$693,000	\$50,000
	Regional areas	242	\$563,000	\$41,000
Family Home Guarantee	Greater capital city region	224	\$585,000	\$25,000
	Regional areas	305	\$421,000	\$15,000

Top 10 NSW postcodes by number of guarantees issued in 2021–22²⁸

Postcode	Location
2560	Sydney – Outer South West (Campbelltown)
2762	Sydney – Blacktown (Schofields)
2650	Wagga Wagga
2340	Tamworth – Gunnedah
2170	Sydney – South West (Liverpool)
2765	Sydney – Baulkham Hills and Hawkesbury (Rouse Hill)
2747	Sydney – Outer West and Blue Mountains (Kingswood–Werrington–Cambridge Park)
2287	Newcastle
2770	Sydney – Blacktown (Mount Druitt)
2750	Sydney – Outer West and Blue Mountains (Penrith)

²⁸ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Victoria



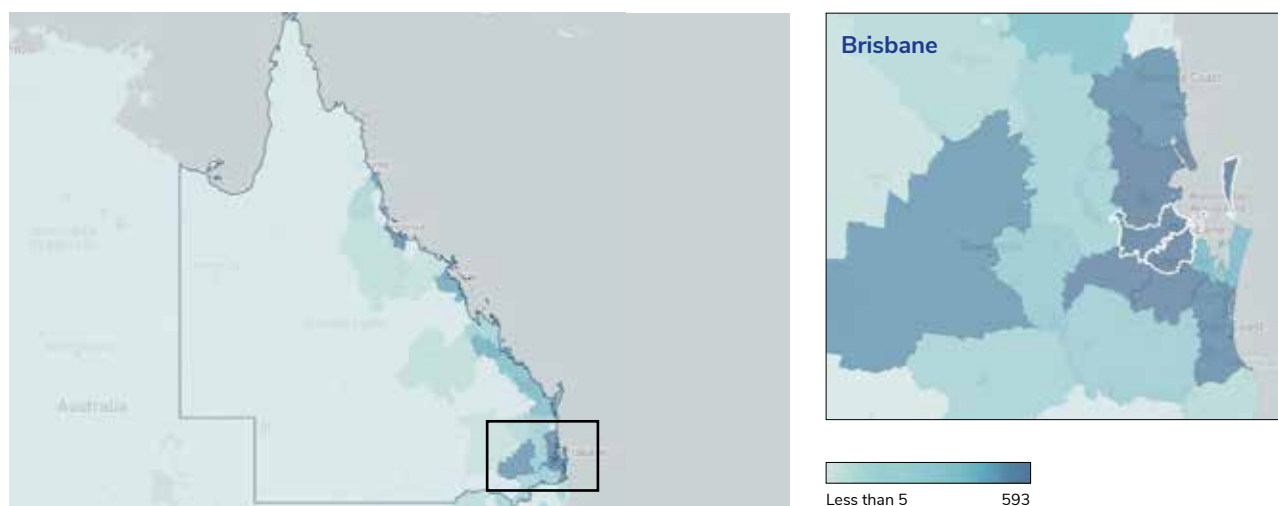
Vic		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	2,345	\$553,000	\$41,000
	Regional areas	744	\$419,000	\$29,000
New Home Guarantee	Greater capital city region	940	\$581,000	\$46,000
	Regional areas	196	\$500,000	\$40,000
Family Home Guarantee	Greater capital city region	270	\$531,000	\$25,000
	Regional areas	142	\$380,000	\$15,000

Top 10 Vic postcodes by number of guarantees issued in 2021–22²⁹

Postcode	Location
3029	Melbourne – West (Tarneit–Truganina–Hoppers Crossing)
3977	Melbourne – South East (Casey – Cranbourne)
3064	Melbourne – North West (Craigieburn)
3810	Melbourne – South East (Pakenham)
3978	Melbourne – South East (Clyde)
3030	Melbourne – West (Werribee)
3429	Melbourne – North West (Sunbury)
3338	Melbourne – West (Melton South–Weir Views)
3217	Geelong
3024	Melbourne – West (Wyndham Vale)

²⁹ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Queensland



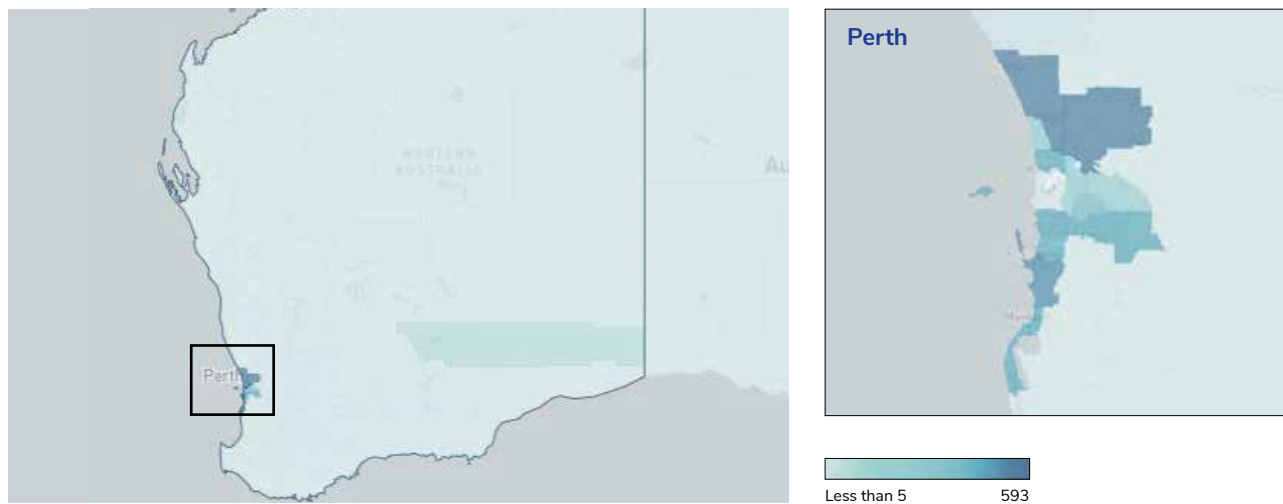
Qld		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	1,814	\$443,000	\$30,000
	Regional areas	1,971	\$367,000	\$24,000
New Home Guarantee	Greater capital city region	562	\$511,000	\$38,000
	Regional areas	362	\$474,000	\$35,000
Family Home Guarantee	Greater capital city region	439	\$413,000	\$16,000
	Regional areas	525	\$360,000	\$13,000

Top 10 Qld postcodes by number of guarantees issued in 2021–22³⁰

Postcode	Location
4740	Mackay, Isaac and Whitsunday
4350	Toowoomba
4305	Ipswich – Inner and Hinterland
4207	Gold Coast, Logan and Beaudesert
4818	Townsville (Burdell–Mount Low)
4701	Rockhampton
4680	Gladstone
4814	Townsville (Mount Louisa–Heatley)
4301	Ipswich
4209	Gold Coast (Pimpama–Coomera)

³⁰ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Western Australia



WA		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	1,354	\$398,000	\$26,000
	Regional areas	157	\$310,000	\$21,000
New Home Guarantee	Greater capital city region	903	\$457,000	\$30,000
	Regional areas	18	\$327,000	\$25,000
Family Home Guarantee	Greater capital city region	386	\$397,000	\$14,000
	Regional areas	58	\$322,000	\$12,000

Top 10 WA postcodes by number of guarantees issued in 2021–22³¹

Postcode	Location
6112	Perth – South East (Hilbert–Haynes–Armadale)
6171	Perth – South West (Baldivis)
6055	Perth – North East (Brabham–Henley Brook–Dayton)
6069	Perth – North East (Ellenbrook–Aveley)
6164	Perth – South West (Hammond Park–Beeliar–Treeby–Success)
6210	Mandurah
6061	Perth – North West (Nollamara–Balga–Westminster)
6167	Perth – South West (Wandi–Parmelia)
6170	Perth – South West (Wellard)
6065	Perth – North West (Wanneroo–Sinagra–Pearsall)

³¹ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

South Australia



SA		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	350	\$390,000	\$27,000
	Regional areas	172	\$243,000	\$14,000
New Home Guarantee	Greater capital city region	259	\$443,000	\$31,000
	Regional areas	11	\$390,000	\$23,000
Family Home Guarantee	Greater capital city region	106	\$392,000	\$16,000
	Regional areas	39	\$253,000	\$7,000

Top 10 SA postcodes by number of guarantees issued in 2021–22³²

Postcode	Location
5251	Adelaide – Central and Hills (Mount Barker)
5117	Adelaide – North (Angle Vale)
5115	Adelaide – North (Munno Para)
5290	South Australia – South East (Mount Gambier)
5114	Adelaide – North (Andrews Farm–Craigmore)
5162	Adelaide – South (Morphett Vale–Woodcroft)
5608	South Australia – Outback (Whyalla)
5540	Mid North (Port Pirie Surrounds)
5169	Adelaide – South (Seaford)
5700	South Australia – Outback (Port Augusta)

³² Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Tasmania



Tas		Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	Greater capital city region	51	\$432,000	\$32,000
	Regional areas	87	\$341,000	\$22,000
New Home Guarantee	Greater capital city region	13	\$472,000	\$38,000
	Regional areas	4	\$391,000	\$36,000
Family Home Guarantee	Greater capital city region	9	\$412,000	\$15,000
	Regional areas	29	\$344,000	\$12,000

Top 10 Tas postcodes by number of guarantees issued in 2021–22³³

Postcode	Location
7320	West and North West (Acton)
7140	South East (New Norfolk)
7310	West and North West (Devonport)
7030	South East
7250	Launceston and North East (Waverley–Summerhill)
7315	West and North West (Ulverstone)
7248	Launceston and North East (Newnham–Mayfield)
7011	Hobart – North West (Claremont)
7307	West and North West (Latrobe)
7018	Hobart – North East (Howrah–Warrane–Morningside)

³³ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Australian Capital Territory



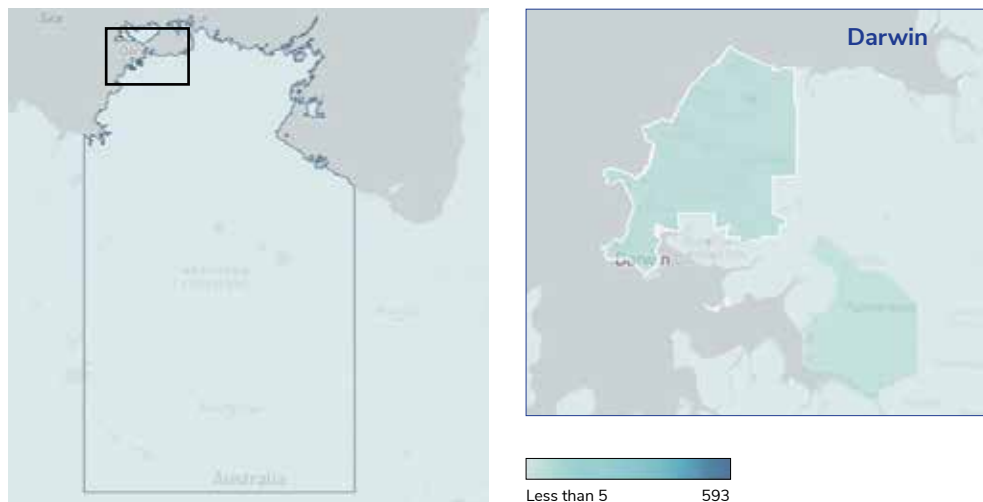
ACT	Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	132	\$416,000	\$31,000
New Home Guarantee	82	\$486,000	\$37,000
Family Home Guarantee	23	\$446,000	\$17,000

Top 10 ACT postcodes by number of guarantees issued in 2021–22³⁴

Postcode	Location
2617	Belconnen (Belconnen–Bruce)
2602	North Canberra (Dickson)
2612	North Canberra (Braddon–Reid)
2913	Gungahlin (Taylor–Franklin–Casey)
2611	Molonglo
2606	Woden Valley
2912	Gungahlin
2615	Belconnen (Holt–Whitlam)
2900	Tuggeranong – Greenway
2603	South Canberra (Griffith)

³⁴ Location is provided based on the postcode correspondence to statistical areas as defined by the Australian Statistical Geography Standard published by the Australian Bureau of Statistics. A combination of Statistical Area 2, 3 and 4 names have been used in the table for clarification on the location.

Northern Territory³⁵



NT	Number of guarantees	Average property purchase price	Average deposit paid by borrower
First Home Loan Deposit Scheme	95	\$396,000	\$24,000
New Home Guarantee	25	\$539,000	\$34,000
Family Home Guarantee	21	\$372,000	\$13,000

³⁵ Due to insufficient sample size we are not reporting on the top NT postcodes for guarantees.