

# Australian Government Eases Entry Into Property Market for First-Home Buyers

MELBOURNE, VICTORIA, AUSTRALIA, July 1, 2025 /EINPresswire.com/ -- Starting 1 July 2025, first-home buyers will benefit from updates to the Housing Australia Guarantee, an initiative designed to make entering the property market easier. This update offers a major boost for first-home buyers as, under the scheme, eligible buyers can purchase a home with just a 5% deposit without paying Lenders' Mortgage Insurance (LMI). Previously, a 20% deposit was generally required to avoid LMI, making this a significant change for those entering the market. The program supports Australians facing high property prices and limited housing options, making homeownership more achievable.



Under the scheme, Housing Australia will guarantee up to 15% of the home loan. This reduces the risk for banks and lenders, allowing them to offer loans with smaller deposits. With this support, first-home buyers will be relieved of the need to save as extensively or to be concerned about the additional costs associated with LMI. This guarantee makes it easier and quicker for buyers to purchase a home. To ensure fairness, income caps will apply so that the scheme helps those who need it most.

Stamp duty remains a state and territory matter, with each jurisdiction offering its range of support for first-home buyers. Buyers are encouraged to check with their local government to understand what assistance may be available. Federal tax laws govern capital gains tax and are not affected by participation in the scheme.

There will be 35,000 spots available during the 2024–25 financial year. This is a significant opportunity for first-home buyers who have struggled to save large deposits. The scheme is part

of the government's broader effort to tackle housing affordability and make homeownership a reality for more Australians. It is expected to bring a positive shift to the housing market by helping more people take that first step into property ownership.

Since July 2023, the scheme has allowed joint applications from non-married parties, including siblings, friends, and other eligible parties. Housing Australia manages the program through participating lenders.

The government's Housing Australia Guarantee is a strong step toward giving first-home buyers a fair opportunity. It opens the door for many young Australians ready to own a home but need extra support to get started.

[CheapBills](#) help first-home buyers by helping them compare home loans, mortgages, refinances, health insurance, and essential utility services. This allows buyers to reduce upfront costs and manage ongoing expenses more effectively, giving them a better handle on their budget. Similarly, [Move-in Connect](#) allows first-time home buyers to set up electricity and gas connections, and NBN plans when moving homes. It removes the stress from the setup process and saves valuable time.

For first-home buyers, it is a great way to celebrate their first new home by donating to any fundraiser on [iCause](#). iCause is an Australian crowdfunding platform that lets you donate without taking a cent out of your pocket. It works by raising money when you connect your utilities, such as electricity, gas, and NBN plans. Connect and donate to start your first donation of upwards of \$150 without spending your own money.

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