

Help to Buy Scheme Australia: a Simple Guide with a NSW Lens

The Help to Buy scheme Australia is a shared equity program. Learn how it works, NSW price caps, pros and cons, and how to decide if it suits you.

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The **Help to Buy scheme Australia** is a new shared-equity program that can help eligible buyers purchase a home sooner. It may suit you if repayments are fine, but the deposit (or loan size) feels like the blocker. However, it's not "free money". You're swapping some future upside for a smaller mortgage today. [More information here.](#)

For **Australian family couples who are smart about their investment in their family home**, the key is understanding the trade-off before you commit.

What it is (in plain English)

Help to Buy is **shared equity**.

That means the Government contributes part of the purchase price. In return, the Government owns the same percentage of your home's value. [Learn more how this applies to First Home Buyers.](#)

You buy the home with:

- a **minimum 2% deposit**
- a **home loan** with a participating lender

- the Government's **equity contribution**

You must live in the home. It's not for investors.

Also, you don't pay rent to the Government for its share while you live there.

How much the Government can contribute

The contribution depends on what you buy:

- **Existing home:** up to **30%**
- **New home (including building):** up to **40%**

Because the Government covers part of the price, your mortgage can be smaller. So, repayments may be easier to manage.

In many cases, it can also reduce or avoid **Lenders Mortgage Insurance (LMI)**. Still, the lender decides the final setup. [The CBA explains this in more detail here.](#)

NSW price caps (this is the first filter)

Price caps decide if the scheme is even on the table.

NSW caps at launch:

- **\$1,300,000** for Sydney and nominated regional centres
- **\$800,000** for the rest of NSW

So, in Sydney, the cap may narrow your options. It can steer you towards apartments, townhouses, or different suburbs. In many regional centres, you may have more choice.

Even then, it depends on your local market.

Help to Buy scheme Australia: eligibility basics

Eligibility depends on your most recent tax assessment. At a high level, you generally need:

- Australian citizen, 18+
- income under the cap
 - **\$100,000** (individual)
 - **\$160,000** (joint applicants and single parents)
- at least a **2% deposit**
- you must **live in the home**

Also, the lender checks your financial capacity. If you could reasonably buy without Help to Buy, you may not qualify.



The trade-offs (the bit that matters)

You share the upside (and the downside)

If values rise, the Government's share rises too. If values fall, it shares the fall.

So, you might build equity more slowly than if you owned 100% from day one. On the other hand, you may buy sooner and borrow less.

There are ongoing rules

This is a shared arrangement. So, some actions have extra steps. For example, refinancing can be more complex. Renting the home out is usually not allowed. Major renovations may require notification or approval.

Income changes can trigger buy-back

If your income goes over the cap for two years in a row, you may need to buy back part or all of the Government share. Your lender assesses what you can afford.

Three quick NSW scenarios

1. Sydney couple, deposit stuck

Help to Buy may reduce the loan size. That can lower repayments. However, you share growth until you buy the Government out.

2. Newcastle / Illawarra buyer wanting stability

If your target area fits the cap, the scheme can work as a stepping stone. You can buy now, then increase your share over time.

3. Career about to jump in pay

Be cautious if you expect a big pay rise soon. The "two years above the cap" rule may matter a lot.

Next steps

First, read the official scheme summary and caps so you have the facts straight: [Help to Buy scheme Australia \(official overview\)](#).

Next, talk to a participating lender. At launch, applications opened through Commonwealth Bank and Bank Australia, with more lenders expected to join in 2026.

Finally, if you're weighing up a build path in NSW, keep your finance questions simple and specific. Here are two neutral "question starter" reads (useful no matter who you build with):

- [How to get finance for your new modular home](#)
- [Manor's easy process](#)

And one last thought: **Australian family couples who are smart about their investment in their family home** don't only ask "Can we buy?". They also ask, "What am I giving up, and what's my plan to own more of it over time?"



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