



# Aboriginal Housing Office – Home Ownership Deposit Co-contribution Scheme

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## Introduction

We are pleased to present the Aboriginal Housing Office (AHO) Home Ownership Options as part of the AHO's vision of ensuring that every Aboriginal person in NSW has equal access to, and choice in, affordable housing.

We have listened to Aboriginal people across NSW and we have heard that home ownership for many people and families is an important goal. As a result, *Strong Family, Strong Communities*, the NSW Government's ten year Aboriginal Housing Strategy, commits us to delivering new and innovative opportunities for Aboriginal people to enter into home ownership. The AHO has set a target of supporting 100 Aboriginal families into home ownership by 2022.

The AHO is proud to provide culturally appropriate pathways to home ownership. We know there are many barriers to home ownership and we have developed a wide range of tools and supports to prepare people and families to navigate the system in a way that suits their needs and personal goals.

We are working with families to help them identify whether home ownership is the right path for them, and walking alongside them as they progress on their journey to home ownership. It has been encouraging to hear the positive impact home ownership has had for Aboriginal people and families who have already purchased their homes. We have heard that home ownership provides greater sense of safety and security and connection to Country and community. There is a clear sense of pride in buying a home.

There is no question that home ownership for many people is complex and costly. We have heard from Aboriginal people that saving for a deposit is one of the main barriers they face to achieving their home ownership aspirations. Additionally, there are a range of administrative costs that people face as part of the process of buying a home, such as survey costs, valuations, conveyancing fees, lenders mortgage insurance just to name a few.

The AHO is directly addressing these barriers through the AHO Home Ownership Deposit Co-contribution Scheme, which offers different grants to eligible Aboriginal people living in NSW.



## Deposit Co-contribution Scheme

The AHO Home Ownership Deposit Co-contribution Scheme offers financial support for people who are ready to take the next step towards home ownership.

The AHO Home Ownership Deposit Co-contribution Scheme is made up of grants that eligible Aboriginal people can apply to access for a one-off financial boost. The available grants are:

1. **Home Buyer Booster Grant**, our targeted one-off assistance for eligible Aboriginal community members with home ownership legal expenses.
2. **AHO Deadly Deposit Grant**, our targeted one-off contribution for eligible Aboriginal social housing tenants that can match people savings towards a deposit.
3. **AHO Tenancy Plus Grant**, our targeted one-off contribution for eligible long term AHO tenants looking to increase their home deposit.

Eligible Aboriginal people can apply for a combination of either:

- The Home Buyer Booster Grant and AHO Deadly Deposit Grant, or
- The Home Buyer Booster Grant and the AHO Tenancy Plus Grant.

## Home Buyer Booster Grants

**AHO Home Buyer Booster Grant**, our targeted one-off assistance for eligible Aboriginal people with home ownership legal expenses.

### Funding available

The maximum available is \$2,500. This grant can be used toward:

- Legal fees including the administrative costs of buying a property, and preparing a will
- Property valuations
- Home and contents insurance
- Surveying costs
- Pest control
- Stamp duty (for non-housing tenants. The Aboriginal people in social housing are exempt from Stamp Duty as per Section 278 of the [Duties Act 1997](#) (NSW)).

### Who can apply for this grant?

This grant is open to Aboriginal who are social housing tenants or private tenants. To be eligible for this grant you must be an Aboriginal person who:

- Has a maximum individual/ combined annual income of up to \$200,000.
- Has saved at least \$1,000 toward a deposit.
- Currently living in NSW and purchasing a property in NSW.
- Do not currently own residential property.
- Have not qualified for Indigenous Business Australia (IBA) Remote Indigenous Home Loan package.

The AHO can only offer the grants to a maximum of 100 Aboriginal people per year.

# Aboriginal Housing Office – Home Ownership Deposit Co-contribution Scheme



## How does the grant payment work?

If your application is successful, the AHO will pay the grant to your Solicitor's or Conveyancer's trust account prior to settlement of the property. The money will be held in trust until settlement when it can then be used toward the expenses.

## Example

Kylie is an Aboriginal woman living in Coffs Harbour, renting her home in the private market. Kylie earns \$95,000 per annum and has applied for the \$2,500 grant.

Kylie has had a loan application approved by a bank and has made an offer on a property that she'd like to buy.

Once the offer is accepted and at settlement Kylie would receive the \$2,500 grant to towards her legal and associated purchase costs



## AHO Deadly Deposit Grants

**AHO Deadly Deposit Grant**, our targeted one-off contribution for eligible Aboriginal social housing tenants that can match people savings towards a deposit

### Funding available

This grant matches peoples existing deposit savings on a \$1:\$1 basis to a maximum of \$10,000.

This is based on the amount of deposit savings listed on the application form. Deposit savings may be made up of money in the bank, cash, and other sources including inheritance. The final amount of the deposit will be confirmed on exchange and may be adjusted if the final deposit saved is lower than the amount quoted on the application form.

### Who can apply for this grant?

This grant is open to AHO tenants and Aboriginal people who are social housing tenants who have tenure through the NSW Housing Register Pathway including those who are approved for and listed on the NSW Housing Register Pathway waitlist.

To be eligible for this grant you must be an Aboriginal person who:

- Currently:
  - Lives in AHO owned property or
  - Lives in Department of Communities and Justice managed property/Land and Housing Corporation property or
  - Lives in Aboriginal and non-Aboriginal Community Housing Provider/s (ACHP and CHP) property or
  - Lives in Local Aboriginal Land Council (LALC) properties who have tenure through the NSW Housing Register Pathway and still meet the eligibility for social housing or
  - Lives in a Discrete Community in NSW or
  - Qualifies for social housing and is listed on the NSW Housing Pathway Register.
- Has a maximum individual/combined annual income of up to \$200,000
- Has saved at least \$1,000 toward a deposit
- Currently living in NSW and purchasing a property in NSW
- Does not currently own a residential property.

The AHO can only offer this co-contribution to a maximum of 20 Aboriginal people per year. The maximum co-contribution amount is capped at \$10,000 as a one-off payment on settlement of the home purchase.

### How does the grant payment work?

If your application is successful, the AHO will pay the grant to your Solicitor's or Conveyancer's trust account prior to settlement of the property. The money will be held in trust until settlement when it can then be used toward the value of the property. The final amount of the deposit will be confirmed on exchange and may be adjusted if the final deposit saved is lower than the amount quoted on the application form.

# Aboriginal Housing Office – Home Ownership Deposit Co-contribution Scheme



## Example

Matt is an Aboriginal man living in Dubbo, renting his home through social housing, managed by DCJ. Matt and his non-Aboriginal partner have combined annual income of \$65,000 per annum and have saved \$5,000. They have applied for AHO's \$2,500 Home Buyer Booster Grant and the AHO Deadly Deposit Grant.

Matt and his partner are eligible for both the \$2,500 Home Buyer Booster Grant and the AHO Deadly Deposit Grant of \$5,000 to match their savings. They would be eligible for \$7,500 on settlement.

This means that they would have \$10,000 for a deposit and have \$2,500 in expenses reimbursed on settlement.

## Example

Cindy is an Aboriginal woman with 2 kids living in an AHO property in Nowra for the last 3 years. Cindy earns \$55,000 and has saved \$15,000.

Cindy is eligible for the Home Buyer Booster Grant of \$2,500 and the AHO Deadly Deposit Grant of \$10,000. Although Cindy has saved \$15,000, the AHO Deadly Deposit Grant is capped at \$10,000. With the two grants together, Cindy could be eligible for is \$12,500.

This means Cindy would have \$25,000 toward a deposit and have \$2,500 of her cost reimbursed on settlement.



## AHO Tenancy Plus Grants

The **AHO Tenancy Plus Grant**, our targeted one-off contribution for eligible long term AHO tenants. This grant takes into account the length of tenure and strong tenancy history for a higher rate of Deposit Co-contribution.

The higher rates of co-contribution for AHO tenants with a strong tenancy record are:

- Over 5 years tenancy - \$1 : \$1.25
- Over 10 years tenancy - \$1 : \$1.50
- Over 15 years tenancy - \$1 : \$1.75.

This is based on the amount of deposit savings listed on the application form. Deposit savings may be made up of money in the bank, cash, and other sources including inheritance. The final amount of the savings to the deposit will be confirmed on exchange and may be adjusted if the final deposit saved is lower than the amount quoted on the application form.

Any AHO tenants that apply for grants under the AHO Home Ownership Deposit Co-contribution Scheme will have their tenancy history considered as part of their applications and do not need to provide additional documents about the tenancy history.

There is no separate application form for this grant, please apply under the AHO Deadly Deposit Grant and AHO tenants will automatically be considered for a higher co-contribution rate if they have been an AHO tenant for five years or more.

### Who can apply for this grant?

This grant is open to AHO tenants who have at least five years on strong tenancy history. To be eligible for this grant you must be an AHO tenant who:

- Has been listed as head tenant for five years or more
- Has not had rental or water arrears over \$500 within the last five years
- Has taken care of the property
- Has not had a negative result from the NSW Civil and Administrative Tribunal (NCAT)
- Has not been responsible for any confirmed anti-social behaviour incidents
- Maximum individual/ combined annual income of up to \$200,000
- Has saved at least \$1,000 toward a deposit
- Currently living in NSW and purchasing a property in NSW
- Does not currently own a residential property

The AHO can only offer this co-contribution to a maximum of 20 Aboriginal people per year. The maximum co-contribution amount is capped at \$10,000 as a one-off payment on settlement of the home purchase.





## How does the grant payment work?

If your application is successful, the AHO will pay the grant to your Solicitor's or Conveyancer's trust account prior to settlement of the property. The money will be held in trust until settlement when it can then be used toward the value of the property. The amount of your deposit will be confirmed on exchange and the grant and may be adjusted if the final deposit saved is lower than the amount quoted on the application form.

### Example

Jane and Sam have lived in an AHO property for 8 years. They've kept the property in good conditions and have no arrears. They have saved \$6,000 towards a deposit.

Jane and Sam are eligible for the \$2,500 Home Buyer Booster Grant and rate of \$1: \$1.50 via the AHO Tenancy Plus Grant. This means they be eligible for \$9,000 grant funding toward a deposit, plus a \$2,500 grant, giving a total of \$11,500.

With the grant funding combined with their saving, Jane and Sam would have \$15,000 for a deposit and \$2,500 to help with expenses.

### Example

John has lived in an AHO property for 20 years. He hasn't been in arrears for years and his property is well maintained. John has inherited some money on top of his savings and now has \$9,000 that he wants to use as a deposit.

John is eligible for the Home Buyer Booster Grant of \$2,500 and a rate of \$1 : \$1.75 through the AHO Tenancy Plus Grant.

The AHO Tenancy Plus Grant is capped at \$10,000 so the maximum he could receive is \$10,000 as this is cap. John would be eligible for \$12,500 with the combined Home Buyer Boost Grant and AHO Tenancy Plus Grant.

Using both his savings and the grants, John would have \$19,000 for a deposit and \$2,500 for his expenses.



## Application Process

If you would like to apply for any of these grants, you can apply online at <https://www.aho.nsw.gov.au/tenants/home-ownership> or if you'd like a form to be posted to you, call us on (02) 8836 9431.

For more information contact us on [AHOhomeownership@facss.nsw.gov.au](mailto:AHOhomeownership@facss.nsw.gov.au) or phone (02) 8836 9431.