



National Housing Finance and Investment Corporation Investment Mandate Amendment (Home Guarantee Scheme) Direction 2022

I, Michael Sukkar, Assistant Treasurer, Minister for Housing and Minister for Homelessness, Social and Community Housing, make the following direction.

Dated 6 April 2022

Michael Sukkar

Assistant Treasurer, Minister for Housing and Minister for Homelessness, Social and Community Housing

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1 Name

This instrument is the *National Housing Finance and Investment Corporation Investment Mandate Amendment (Home Guarantee Scheme) Direction 2022*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	1 July 2022.	1 July 2022

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *National Housing Finance and Investment Corporation Act 2018*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Part 1—First Home Guarantee

National Housing Finance and Investment Corporation Investment Mandate Direction 2018

1 Section 4 (definition of FHLDS)

Repeal the definition.

2 Section 4

Insert:

First Home Guarantee: see section 8A.

3 Section 4 (definition of *unissued*)

Omit “FHLDS”, substitute “First Home Guarantee”.

4 Section 8A (heading)

Omit “First Home Loan Deposit Scheme”, substitute “First Home Guarantee”.

5 Section 8A

Omit “(the *First Home Loan Deposit Scheme* or *FHLDS*)”, substitute “(the *First Home Guarantee*)”.

6 Section 10

Omit “FHLDS”, substitute “First Home Guarantee”.

7 Part 5A (heading)

Repeal the heading, substitute:

Part 5A—First Home Guarantee

8 Part 5A

Omit:

The First Home Loan Deposit Scheme

The purpose of the FHLDS is to facilitate first home buyers entering into the housing market sooner. It does this by allowing the NHFIC to issue up to 10,000 guarantees each financial year for loans to first home buyers with a deposit of between 5 and 20 per cent of the property’s value.

New Home Guarantee

The New Home Guarantee is a part of the FHLDS that specifically relates to building a new dwelling or purchasing a newly built dwelling. The purpose of the New Home Guarantee is to support jobs in the residential construction sector

and promote home ownership. It does this by allowing the NHFIC to issue up to 10,000 guarantees in the 2020-21 and 2021-22 financial years under the FHLDS for loans to first home buyers to purchase a newly built dwelling or build such a dwelling. Any unissued New Home Guarantees from 2020-21 can be rolled over into the 2021-22 financial year at the discretion of the responsible Minister; however unissued New Home Guarantees from 2021-22 cannot be rolled over into the following financial year.

Family Home Guarantee

The Family Home Guarantee is a part of the FHLDS that specifically relates to single parents with dependants, including those who are not first home buyers. The purpose of the Family Home Guarantee is to support such single parents on a pathway to home ownership. It does this by allowing NHFIC to issue up to 10,000 guarantees from 1 July 2021 to 30 June 2025 to eligible single parents with a deposit of between 2 and 20 per cent of the property's value. An eligible single parent is not required to be a first home buyer, but must not own property at the time of entering into a loan under the Family Home Guarantee. The single parent must meet the eligible lender's credit assessment criteria.

substitute:

First Home Guarantee

The purpose of the First Home Guarantee is to facilitate first home buyers entering into the housing market sooner. It does this by allowing the NHFIC to issue up to 35,000 guarantees each financial year from 2022-23 for loans to first home buyers with a deposit of between 5 and 20 per cent of the property's value.

New Home Guarantee

The New Home Guarantee is a part of the First Home Guarantee that specifically relates to building a new dwelling or purchasing a newly built dwelling. The purpose of the New Home Guarantee is to support jobs in the residential construction sector and promote home ownership. It does this by allowing the NHFIC to issue up to an additional 10,000 guarantees for each of the 2020-21 and 2021-22 financial years for loans to first home buyers to purchase a newly built dwelling or build such a dwelling. Any unissued New Home Guarantees from 2020-21 can be rolled over into the 2021-22 financial year at the discretion of the responsible Minister; however unissued New Home Guarantees from 2021-22 cannot be rolled over into the following financial year.

Family Home Guarantee

The Family Home Guarantee is a part of the First Home Guarantee that specifically relates to single parents with dependants, including those who are not first home buyers. The purpose of the Family Home Guarantee is to support such single parents on a pathway to home ownership. It does this by allowing NHFIC to issue up to an additional 5,000 guarantees for each of the 2022-23, 2023-24 and 2024-25 financial years to eligible single parents with a deposit of between 2 and 20 per cent of the property's value. An eligible single parent is not required to be a first home buyer, but must not own property at the time of

entering into a loan under the Family Home Guarantee. The single parent must meet the eligible lender's credit assessment criteria.

9 Subsection 29I(6)

Omit "FHLDS" (wherever occurring), substitute "First Home Guarantee".

10 Subsection 29JA(1)

Omit "FHLDS", substitute "First Home Guarantee".

11 Subsections 29K(1) and (2) and 29L(1)

Omit "FHLDS" (wherever occurring), substitute "First Home Guarantee".

Part 2—Increasing the limit on guarantees in a financial year

National Housing Finance and Investment Corporation Investment Mandate Direction 2018

12 Paragraph 29I(2)(a)

Omit “10,000”, substitute “35,000”.

13 Paragraph 29I(7)(a)

Omit “5,000”, substitute “17,500”.

Part 3—Increasing the number of Family Home Guarantees for 2022-23, 2023-24 and 2024-25

National Housing Finance and Investment Corporation Investment Mandate Direction 2018

14 Section 4 (definition of *Family Home Guarantee*)

Repeal the definition, substitute:

Family Home Guarantee means:

- (a) a guarantee issued under subsection 29IB(1); or
- (b) a guarantee issued during the 2021-22 financial year under subsection 29IB(1) (as in force immediately before 1 July 2022).

15 Section 4 (definition of *unissued*)

Omit “or section 29IA”, substitute “, 29IA or 29IB”.

16 Subsection 29IB(1)

Repeal the subsection, substitute:

Additional guarantees for each of the financial years 2022-23 to 2024-25

- (1) In addition to the guarantees that the NHFIC may issue under section 29I or 29IA, the NHFIC may issue up to an additional 5,000 guarantees (*Family Home Guarantees*) for each of the 2022-23, 2023-24 and 2024-25 financial years.

17 Subsection 29IB(3)

Repeal the subsection.

**Part 4—Removing the limitation on the number of major
banks**

*National Housing Finance and Investment Corporation Investment
Mandate Direction 2018*

18 Subsection 29B(4)

Repeal the subsection.

Part 5—Application of amendments

National Housing Finance and Investment Corporation Investment Mandate Direction 2018

19 After Part 6

Insert:

Part 7—Application, savings and transitional provisions

Division 1—Amendments made by the National Housing Finance and Investment Corporation Investment Mandate Amendment (Home Guarantee Scheme) Direction 2022

36 Application of amendments

The amendments made by Part 2 of Schedule 1 to the *National Housing Finance and Investment Corporation Investment Mandate Amendment (Home Guarantee Scheme) Direction 2022* apply to the issue of guarantees for the 2022-23 financial year and later financial years.