



Australian Government



# Home Equity Access Scheme

Financial options for older Australians.

The Home Equity Access Scheme is an Australian Government program that allows you to access the equity in your home, providing a flexible and secure way to supplement your retirement income.

You can choose to receive fortnightly payments to top up your regular income, or lump sum advances to cover unexpected expenses (or both).

## What are the eligibility requirements?

To be eligible for the Scheme, you must:

- be of Age Pension age, or partnered to a person of Age Pension age.
- meet certain criteria for Age Pension, Disability Support Pension or Carer Payment (even if you don't actually receive a payment, for example due to your income or assets).
- have suitable Australian real estate with appropriate insurance to use as security for the loan.
- not be bankrupt or subject to a personal insolvency agreement.



## How much can I borrow on my property?

The total amount you can borrow through the Scheme depends on the value of your property. It also depends on the equity you want to keep in your property and your (and/or your partner's) age.

## How much can you be paid under the Scheme?

The loan payments you can receive depend on whether you already get a pension payment.

- You can receive a fortnightly loan payment of up to 150% of the maximum Age Pension rate, less any pension payment you already receive. For example, a maximum rate pensioner can get an additional 50% of the fortnightly pension rate as a loan.
- You can receive up to two advance payments in any 26 fortnight period, to a combined total of 50% of the annual Age Pension rate.

The loan attracts compound interest. For the current interest rate, please visit the Services Australia website: [servicesaustralia.gov.au/home-equity-access-scheme](https://servicesaustralia.gov.au/home-equity-access-scheme)





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### Are you required to make repayments?

- Voluntary repayments can be made at any time, but are not required.
- Any outstanding loan amount plus interest is payable out of your estate or when you sell the securing property (although you can transfer your Scheme loan to a new property if you wish, subject to continuing to meet eligibility criteria). The interest rate on the loan is subject to change. You can find the current rate on the Services Australia website: [servicesaustralia.gov.au/home-equity-access-scheme](https://servicesaustralia.gov.au/home-equity-access-scheme)
- A No Negative Equity Guarantee ensures no more than the value of the equity in the property used to secure the loan will need to be repaid.

### What are the real estate requirements?

Real estate offered as security for the loan must be located in Australia. This can be the home you live in, an investment property, a commercial property or vacant land. The property must be owned by:

- You (and/or your partner). This generally means your (and/or your partner's) name is on the title.
- A company or trust. The company or trust must offer a loan guarantee, and you (and/or your partner) must be an attributable stakeholder.

You should note that the Commonwealth will place a charge or a caveat on the title deed to your property. You must pay costs to register and remove charges or caveats. These costs are added to your loan balance.

### Want to know more?

For more information on the Scheme and how to apply, visit the Services Australia website: [servicesaustralia.gov.au/home-equity-access-scheme](https://servicesaustralia.gov.au/home-equity-access-scheme)

### Are there any other costs associated with the loan?

There are costs to start and exit the loan. These costs depend on individual circumstances and are based on the type of property being used as security. You can pay these costs at the time you apply, or add them to your loan balance.

You do not need to pay for the valuation of your real estate as part of the application process.

