



Unlocking home ownership: deposit gaps, mortgage brokers and money habits

Helia Spotlight – July 2023

- More than 90% of first home buyers find it hard to save a 20% deposit
- Prospective home buyers are committed to overcoming the deposit barrier
- Mortgage brokers are a valued support during the home buying process

The latest **Helia Spotlight** has found the combination of rising interest rates and cost of living increases are impacting home ownership sentiment, with 88% of aspiring first home buyers feeling it is getting harder to buy a home.

The survey results show that first home buyers continue to find it hard to save a 20% deposit and are willing to explore different ways to get into the property market.

Helia Chief Executive Officer, Pauline Blight-Johnston said: “First time buyers understand the long-term financial benefits of home ownership and are motivated to find ways to achieve this goal”.

Overcoming the deposit barrier

Prospective first home buyers are open-minded to different pathways to achieve their home ownership goal, considering options including Lenders Mortgage Insurance (LMI) (73% of respondents), rent to own (39%), co-ownership (36%), Bank of Mum and Dad (34%) and government schemes (30%).

“We know home ownership supports financial wellbeing and as more people look for ways to enter the property market, or transition from renting, we remain committed to developing solutions that offer the flexibility home buyers need”, said Pauline Blight-Johnston.

To deliver more help to home buyers, Helia offers a monthly LMI option, as well as a [Deposit Comparison Estimator](#) tool to provide guidance around the potential benefits of different options for aspiring home buyers with less than a 20% deposit.

Mortgage brokers a trusted source of information

Recognising that the purchase process can be daunting, the survey results confirm that mortgage brokers are a trusted source of information to help home buyers, including cutting through complexity and finding the right type and size of loan.

- 54% of recent home buyers applied for their home loan through a mortgage broker



- 62% identified mortgage brokers to be a trusted source of information.

Prospective home buyers identified needing support with all aspects of securing a home loan, from determining borrowing capacity (63% of respondents), choosing the right home loan for their circumstances (60%), getting loan pre-approval (56%) and the final application (55%).

Homebuyers' money habits

For the first time the survey asked about homebuyers' strategies for managing their money, given the economic environment. Results showed that 17% had a documented budget that they broadly stick to, whilst 44% of respondents save small amounts regularly, with a further 26% reporting that they save a significant amount of their income consistently.

You can access Helia's Spotlight [here](#).

About the Helia Spotlight – Home Ownership Pulse, July 2023

Research was commissioned by Helia, in partnership and conducted by CoreData in June 2023. The findings and whitepaper are based on a survey of 335 respondents aged 18+ years across all Australian states and territories. Respondents were prospective first home buyers (looking to purchase their first property) and recent buyers (who purchased their first property in the previous 5 years).

Media

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About Helia

Helia Group Limited (Helia) is the leading provider of Lenders Mortgage Insurance (LMI) in Australia. The Helia Group has been part of the Australian residential mortgage lending market for over 55 years (since the Housing Loans Insurance Corporation was founded by the Australian Government in 1965 to provide LMI in Australia).