

100,000 Homes for First Home Buyers

FEDERATION FUNDING AGREEMENT – AFFORDABLE HOUSING, COMMUNITY SERVICES AND OTHER

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales Victoria Queensland Western Australia South Australia Tasmania Australian Capital Territory Northern Territory
Duration	This Schedule is expected to expire on 30 June 2037, or on completion of the initiative including final reporting milestones and payments.
Purpose	<p>Objectives</p> <p>Through the partnership and joint investment established in this Schedule, the Parties aspire to improve the supply of housing suitable for and available for purchase by first home buyers over the short and medium term.</p> <p>Through this Schedule, the Parties seek to improve access to the economic, social and financial benefits of homeownership for more Australians. This includes supporting delivery of a variety of housing types and sizes in well-located areas, and considering land use arrangements, that will contribute to increasing the supply of housing available to first home buyers.</p> <p>The Parties also seek for this Schedule to underpin the delivery of housing enabling infrastructure that will support sustainable urban development over the long term.</p> <p>Outcomes</p> <p>This Schedule will facilitate the efficient and effective delivery of new housing Projects. Delivery of the Projects will support Commonwealth and State objectives through:</p> <ol style="list-style-type: none"> a. Supporting new, well-located housing that meets a range of needs and preferences for first home buyers.

	<ul style="list-style-type: none"> b. Supporting the capacity of state-led housing and public developers to achieve a long-term uplift in the output of the residential construction sector to meet the needs of Australians. c. Increasing the responsiveness of the residential construction sector to changes in demand through improved planning and zoning processes. d. Enabling more Australians to access the stability and socioeconomic benefits of homeownership. e. Improving the feasibility of urban infill, redevelopment and new housing enabling infrastructure that will support new housing over the long term. f. Ensuring that women have fair access to housing to gain the benefits of homeownership throughout their lives. <p>Outputs</p> <p>The overarching output of the 100,000 Homes for First Home Buyers program (the Program) will be the delivery of up to 100,000 new homes to first home buyers, without competition from property investors, for an agreed period. Construction of the first homes under the Program will commence in or before 2026-27, with some dwellings complete by 2027-28.</p> <p>This will be achieved through the successful planning and delivery of housing and housing enabling infrastructure Projects, measured by the performance indicators outlined in the appendices.</p>
<p>Estimated financial contributions</p>	<p>The Commonwealth will provide a total financial contribution to the States and Territories (States) of \$2 billion in respect of this Schedule. Details of the funding for each state is provided in the appendices.</p> <p>The Commonwealth funding will be allocated on the following basis:</p> <ol style="list-style-type: none"> 1. Funding allocated on an adjusted per capita basis (with reference to the estimated 31 December 2024 population as at the Commonwealth’s 2024–25 MYEFO) with minimum funding for small jurisdictions of 2.5 per cent of funding, and with funding allocations to be agreed by 31 March 2026. 2. States to match the Commonwealth’s funding contribution with financial or in-kind contributions at a dollar-for-dollar rate. 3. Any funding not agreed by 31 March 2026 to be available to all States, or other partners, with no set allocation or guarantee of funding, and subject to agreement between Parties of suitable projects. <p>Commonwealth contributions will be provided upon the achievement of agreed project milestones.</p>

The Commonwealth will provide an estimated total financial contribution to the States of up to \$10 billion through the Program, comprising \$2 billion in respect of this Schedule, and \$8 billion in the 100,000 Homes for First Home Buyers Agreement for repayable grants of financial assistance.

(\$ million)

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Estimated total budget	20.0	TBC	TBC	TBC	TBC	TBC
- New South Wales	TBC	TBC	TBC	TBC	TBC	TBC
- Victoria	TBC	TBC	TBC	TBC	TBC	TBC
- Queensland	TBC	TBC	TBC	TBC	TBC	TBC
- Western Australia	TBC	TBC	TBC	TBC	TBC	TBC
- South Australia	20.0	113.0	0.0	0.6	0.0	133.6
- Tasmania	TBC	TBC	TBC	TBC	TBC	TBC
- Australian Capital Territory	TBC	TBC	TBC	TBC	TBC	TBC
- Northern Territory	TBC	TBC	TBC	TBC	TBC	TBC

Related documents

This Schedule should be read in conjunction with the commitments outlined in the 100,000 Homes for First Home Buyers Agreement for repayable grants of financial assistance.

Additional terms

Commencement

1. This Schedule will take effect from the date it is signed by the Commonwealth and one State.
2. The Schedule will take effect for States that sign after commencement from the date they sign.
3. All agreements made by 31 March 2026 will be made under the same terms and funding arrangements. Agreements made after this date may be subject to different arrangements that impose additional obligations on States, as specified in any relevant appendix.

Supporting documents

4. This Schedule must be read in conjunction with the project appendices and the Notes on Administration for the 100,000 Homes for First Home Buyers program that detail the administrative requirements associated with this Schedule.

Project appendices

5. The project appendices to this Schedule will be agreed between the Commonwealth and each State, and revised as necessary, and will detail:
 - a. the overall funding provisioned for a State and the State's matched funding amount, by project
 - b. data and reporting requirements (Appendix 1)
 - c. project details, costs, Commonwealth and other funding against agreed purposes, expected outputs, agreed outcomes, timeframes and delivery milestones (Appendices 2-9)
 - d. any relevant matched contributions for funded projects.
6. No funding will be provided to a State until the Commonwealth and the other Party have agreed projects and included that agreement in the appendices to this Schedule.
7. Projects will be assessed using the assessment framework and criteria, or early assessment process, as set out in the Notes on Administration.

Implementation plans

8. States will develop and provide an implementation plan to the Commonwealth that includes each project agreed in the project appendices to this Schedule.
9. The Implementation Plan will set out the States' projected delivery of homes, including descriptions of each project, its housing supply impact, project funding, delivery approach and milestones, operational details, locations, delivery partners (where relevant), buyer reservation mechanisms and alignment with other Commonwealth objectives.
10. Implementation Plans will be agreed by Senior Officials.

Notes on Administration

11. The Notes on Administration will be agreed by Senior Officials from each jurisdiction and may be updated from time to time.
12. The Notes on Administration provide guidance to promote consistency in administrative practices and minimise the administrative burden for all Parties.

13. The Notes on Administration may contain guidance that is applicable to all Parties, to some Parties or to a single Party to the Schedule. It may also contain guidance that is not relevant to the administration of this Schedule.
14. The Commonwealth, in consultation with States, will undertake a review of the Notes on Administration, where required, within three years of their taking effect.

Roles

15. In addition to Clause 19 of the Federation Funding Agreement – Affordable Housing, Community Services and Other (Housing FFA), the Commonwealth will:
 - a. Be responsible for assessing and agreeing which Projects are to be funded under this Schedule.
 - b. Provide a financial contribution to the Projects to support the implementation of this Schedule.
 - c. Gain relevant expertise to be an informed investor, in partnership with the States, in housing and housing enabling infrastructure projects, including by having equal access to information that supports decision-making and effective oversight of risks and benefit realisation.
 - d. Ensure the timely completion of assessment and decision-making processes as set out in the Notes on Administration.
 - e. Have oversight of the delivery of outputs and monitor, evaluate and publicly report on outputs and outcomes.
 - f. Where applicable to the initiatives in this Schedule, in accordance with the *Federal Safety Commissioner Act 2022*, ensure that financial contributions to a building project or projects are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted.
 - g. Only request data from the States for which it has a clear need and purpose to support implementation and monitoring of this Schedule.
 - h. Coordinate the development, review and revision of the Notes on Administration in consultation with all Parties as identified at Term 14.

16. In addition to Clause 20 of the Housing FFA, States will:
- a. Scope proposals and undertake Project development, planning and delivery, in recognition of States having the requisite knowledge, expertise and industry partnerships to ensure the successful delivery of projects through effective planning and risk management.
 - b. Provide to the Commonwealth a project proposal, business case or other documentation setting out the scope of a proposed Project and costings.
 - c. Provide a financial or in-kind contribution, where agreed, to the Projects to support implementation of this Schedule.
 - d. Oversee all aspects of delivering on initiative outputs and outcomes set out in this Schedule.
 - e. Streamline and fast track approval processes for projects funded under the Program, and consider reforms and amendments to existing planning, zoning and other regulatory requirements to support delivery.
 - f. Where applicable to the initiatives outlined in this Schedule ensure that financial contributions to a building project or projects are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted.
 - g. Develop, implement and monitor a mechanism, or multiple mechanisms if agreed, to reserve dwellings exclusively for first home buyers, as set out in the Notes on Administration.
 - h. Ensure consistency with relevant Commonwealth and State legislation and the National Housing Accord, Closing the Gap agreement and the Australian Skills Guarantee.
 - i. Report data on the delivery of outputs and outcomes and providing data to the Commonwealth to enable post-completion evaluation and benefits realisation analyses.
 - j. Report gender-disaggregated data for the uptake of offered dwellings by first homebuyers to ensure fair access for women to housing opportunities and construction activity.
 - k. Provide data, where available, to support the monitoring, evaluation and operation of this Schedule, including responding to occasional requests from the Commonwealth for additional data.

17. In addition to Clause 21 of the Housing FFA, the Parties share responsibility for:
- a. Collaboratively identifying Projects, funding requirements and timelines to ensure Schedule objectives are met.
 - b. Agreeing, reviewing and updating the Notes on Administration to support implementation of this Schedule.
 - c. Ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Schedule.

Optimising benefits from the Schedule

18. The Parties recognise that:
- a. Their joint investments have the potential to enable wider outcomes through the delivery phase.
 - b. Innovative approaches to project development and delivery, including development partners, construction techniques and marketing approaches may support realisation of wider outcomes.
 - c. States are pursuing a range of approaches to housing development that look to address a broad range of economic, social and environmental benefits when developing housing projects.
 - d. States are already pursuing significant reform programs of their regulatory framework for housing delivery and are best placed to understand and deliver such reforms in line with their community's expectations and preferences.
 - e. Projects funded under this Schedule will be subject to necessary due diligence processes as set out in the Notes on Administration.

Performance indicators and reporting

19. The objectives and outcomes of this Schedule will be achieved through the delivery of the Projects set out in the appendices, with delivery details as specified in implementation plans.
20. States will provide reports on outcomes with reference to the performance indicators contained in Appendix 1. Detail on reporting, including the required form of reporting, is set out in the Notes on Administration.

21. The Commonwealth will make data from these reports publicly available. If a State considers some elements of its report should not be made public, this information and the reason for confidentiality should be provided with the report.
22. States will support the Commonwealth to respond to ad hoc queries in relation to the Program which rely on information held by the States.
23. The Commonwealth, in consultation with the States, will conduct a review of the performance framework within 5 years from commencement. The purpose of this review will be to ensure the performance indicators remain fit for purpose and provide appropriate public oversight and transparency on delivery of new housing.
24. Performance indicators may be revised following the review described in Term 23 of this Schedule by agreement of Parties. Variation of the performance indicators at other times will be undertaken in consultation with all Parties.

Financial arrangements

25. The Commonwealth will make \$2 billion in funding available, to be matched by States.
26. Details of the Commonwealth's and States' estimated financial contributions to the implementation of this Schedule, including matched funding arrangements for the \$2 billion, are set out in the appendices and implementation plans.
27. Funding will be provided in line with agreed milestones outlined in appendices on a project-by-project basis.
28. States will be responsible for monitoring and keeping the Commonwealth informed of anticipated potential changes in scope, cost and delivery timelines for agreed Projects.
29. Material reductions in proposed outputs may reduce funding available for a Project.
30. If a State is unable to expend Commonwealth funding provided under this Schedule, the Commonwealth may reduce a future payment by an amount equivalent to the unspent funds or seek repayment.

Variations

31. The Parties recognise that variations to Projects set out in the appendices may be required from time to time as housing and housing enabling infrastructure projects are further developed and refined, or in response to circumstances that may affect the scope, cost, respective funding contributions, ability to achieve the first home buyer outcomes, and/or delivery timelines of Projects.
32. Significant variations to a Project must be agreed in writing by the Commonwealth Minister and the relevant State Minister.
33. The process and thresholds for agreeing variations to Projects, including cancellations, is set out in the Notes on Administration.

Funding recognition

34. In addition to the requirements set out in Clause 21 of the Housing FFA and Term 17c, States agree to:
 - a. Recognise the Commonwealth's funding contribution to Projects in all publications, promotional and advertising materials, including Project signage, social media, public announcements and activities in relation to a Project as set out in the Notes on Administration
 - b. Provide reasonable opportunity for a Commonwealth representative to attend any events.
 - c. Provide the Commonwealth with access to products obtained or developed for use in the development of promotional material including but not limited to Project data, footage and images.

Review of this Schedule

35. To assess the degree to which the agreed objectives, outcomes and outputs of this Schedule have been achieved, and inform decisions following its expiry, an evaluation of this Schedule will be undertaken at the completion of activities with a report due to the Commonwealth and States before 31 December 2037.

Dispute resolution

36. In addition to Clauses 43 to 45 of the Housing FFA, the Parties agree that officials of relevant Parties may seek to resolve disputes bilaterally or through existing multilateral officials-level fora.

Definitions

37. For the purpose of this Schedule, its Tables, its Appendices and any supporting documents:

- a. 'Fair access [for women]' means that the gender split of purchasers is relatively equitable and in line with existing Government schemes such as the Home Guarantee Scheme.
- b. *First home buyer definitions:*
 - i. 'First home buyer' means a person or persons that align with the definition established by each State for eligibility for first home buyer support, as set out in the Notes on Administration.
 - ii. 'Housing available for purchase' by a first home buyer means housing available to private first home buyers, whether or not they also obtain State or Commonwealth support to complete the purchase.
 - iii. 'Housing suitable' for a first home buyer means any type, size or style of housing that a reasonable housing market participant would consider may be attractive and available to a first home buyer.
 - iv. 'Reservation of dwellings exclusively' for a first home buyer means any mechanism or process used by a State to ensure a period where dwellings are only able to be sold to first home buyers for an agreed period, as set out in the Notes on Administration.
- c. 'Housing enabling infrastructure project' means infrastructure projects designed to support the delivery of new housing as set out in the Notes on Administration.
- d. 'Housing project' means a Project to deliver new housing as set out in the Notes on Administration.
- e. 'Housing types' means the style (detached, townhouse, low rise, high rise) and size (measured in number of bedrooms) of housing.
- f. 'Implementation plans' means an agreement between the Commonwealth and a State that provides detailed description of how agreed housing projects will be delivered.
- g. 'Notes on Administration' means the administrative requirements to supplement the implementation of Projects under this Schedule, as updated from time to time.
- h. 'Planning and zoning' means any State regulatory framework governing when and where housing can be developed, including the housing types able to be built in any location or area.

- i. 'Project' means any housing project or housing enabling infrastructure project.
- j. 'Project appendix' means an agreement between the Commonwealth and a State set out as an appendix to this Schedule that specifies the financial contributions, agreed outputs and milestones for payment.
- k. 'Project proposal or business case' means a document or set of documents containing the details and strategic goals of a proposed project and associated costings. Costings must include feasibility gap analysis and, for housing-enabling infrastructure, estimates of housing yield and calculation methodology.
- l. 'Senior Official' means a Commonwealth or State official authorised by their respective government to make agreements relating to the content of implementation plans, the Notes on Administration or to settle disputes as in Term 36 of this Schedule.
 - i. The Commonwealth Senior Official will be the Director General – Housing at the Department of the Treasury, or the official fulfilling this or an equivalent role in the event of changes to Commonwealth housing responsibilities, or their delegate.
- m. 'Well-located' is used as accepted under the National Housing Accord, whether or not the National Housing Accord remains in effect either in entirety or in any individual State.

Delegations

- 38. Relevant Ministers may delegate the assessment of performance against milestones and the authorisation of related project payments to Senior Officials.

Appendix 1: Performance indicators and reporting obligations

Reporting requirements	Performance indicators	Report due
<p>Biannual performance report</p> <ul style="list-style-type: none"> A biannual report on performance against indicators relating to the policy objectives and outcomes. The report will cover the preceding 6 calendar month period (January to June or July to December of each year). Data will be made publicly available. States may advise if specific elements of the report should be redacted. 	<p>All indicators in the report will be provided on a per-project and total basis.</p> <p>The report will include the following indicators on improving the supply of new, well-located housing:</p> <ul style="list-style-type: none"> Number of new dwellings projected, commenced (as defined by the State), completed (ready for sale) and sold in each supported project (including any substitutions). The location of new dwellings by local government area The style and size of new dwellings commenced and completed, with the disaggregation as specified in the Notes on Administration. Average advertised selling price for each type of dwelling. The number of dwellings yet to commence in supported projects. Proportion of Commonwealth funding currently expended or contracted to third parties. State allocation of matched funding <p>The report will include the following indicators on assisting first home buyers:</p> <ul style="list-style-type: none"> The number of new dwellings reserved for first home buyers (in total and as a proportion of dwellings) The number of new dwellings sold to first home buyers The number of dwellings reserved for first home buyers that had not sold to first home buyers within the defined period and had been made available to the open market. <p>The report will include the following indicators on improving the responsiveness of the housing supply sector:</p> <ul style="list-style-type: none"> The number of new dwellings commenced and completed in urban infill, brownfields and greenfield sites, as defined in the Notes on Administration. Dwelling completions by local government areas. <p>The report will include contextual information on reporting scope, methodology and definitions, where applicable.</p> <p>Reporting and data should be provided using the template prepared in the Notes on Administration.</p>	<p>Biannually:</p> <ul style="list-style-type: none"> by 31 August for the period January to June of the same calendar year by 15 February for the period July to December of the previous calendar year.

Appendix 1: Performance indicators and reporting obligations

Reporting requirements	Performance indicators	Report due
<p>Fair access for women reporting</p> <p>Data will be made publicly available. States may advise if specific elements of the report should be redacted.</p>	<p>The biannual report will include gender disaggregated data to enable assessment of the access for women to first home buyer homes in supported projects on the following indicators:</p> <ul style="list-style-type: none"> • Dwellings reserved for first home buyers bought by first home buyers that are single women households, other single households, couple households and other households. • Location (by local government area) of dwellings bought by single women households compared to other single households, couple households and other households. • Style, size and cost of dwellings bought by single women households compared to other single households, couple households and other households. • Women’s participation in construction outcomes, including proportion of labour undertaken by women apprentices/trainees on Projects if this data is available. 	<p>Provided with the biannual reports.</p>
<p>Milestone reporting</p>	<p>The report will describe project progress against the Implementation Plan and specify the anticipated milestones to be achieved over the following 12 months to enable Commonwealth budget planning.</p>	<p>Provided with the biannual reports.</p>

Appendix 6A: South Australia – Performance requirements, reporting and payment summary

Output	Performance milestones	Milestone due	Payment
<p>Rent to buy project</p> <p>South Australia will deliver an initial tranche of 300 homes by the end of 2027, with sites to be selected by South Australia and advised to the Commonwealth. A further 450 homes will be delivered over the two subsequent tranches.</p> <p>Dwellings to be rented to eligible applicants for up to 2 years at a rent set by South Australia.</p> <p>Tenants are then able to buy the rented dwelling after the rental period. If the tenant does not complete the sale, the home will be sold through the HomeSeeker SA program to a first home buyer.</p> <p>Proceeds from the sale of dwellings reinvested to support the creation of further dwellings in subsequent tranches.</p>	Project commencement – acquisition of first site(s) and commitment of \$133.6 million state co-contribution.	30/04/2026	\$20,000,000
	Acceptance of Implementation Plan.		
	Tendering commenced for construction of first 100 homes.	01/07/2026	\$20,000,000
	Acceptance of August biannual report and construction contracts executed for first 300 homes.	30/11/2026	\$93,000,000
	Completion of initial 300 homes	31/12/2027	-
	Acceptance of biannual report confirming completion of first tranche and identifying the number of renters occupying first 300 homes.	15/02/2028	-
	Commencement of land acquisition for second tranche of homes with repurposed capital.	01/07/2028	\$587,466
	Acceptance of biannual report confirming sale contracts executed for first 300 homes to first home buyers.		
	Acceptance of biannual report confirming construction contracts executed for second tranche homes.	15/02/2029	-
	Acceptance of biannual report confirming completion and identifying the number of renters occupying second tranche homes	15/02/2030	-
	Acceptance of biannual report confirming sale contracts executed for second tranche to first home buyers.	31/08/2031	-
	Acceptance of biannual report confirming construction contracts executed for third tranche homes.	15/02/2032	-
Acceptance of biannual report confirming completion and identifying the number of renters occupying third tranche homes	15/02/2033	-	
Acceptance of biannual report confirming sale contracts executed for third tranche to first home buyers.	31/08/2034	-	

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Clare O'Neil MP
Minister for Housing, Minister for Homelessness
Minister for Cities

19 / 02 / 2026

Signed for and on behalf of the
State of South Australia by



The Honourable Nick Champion MP
Minister for Housing and Urban Development
Minister for Housing Infrastructure
Minister for Planning

20 / 2 / 2026