

Tuesday 17 June 2014

### **FIRST HOME OWNERS GRANT EXPANDED**

The pressures of purchasing a new home will be eased, with changes to the First Home Owners Grant set to help more first home buyers get into the housing market sooner.

Treasurer Andrew Constance today announced in the 2014-15 NSW Budget that the threshold for the \$15,000 grant will be boosted to \$750,000 – an increase of \$100,000.

“We want to make it as easy as we can for first-time buyers to get the keys to their new home,” Mr Constance said.

“From 1 July 2014, the NSW Government will boost the threshold of the First Home Buyers Grant for new homes by \$100,000, which means entry level buyers can spend up to \$750,000 on a new property.

“This will make the dream for young families of owning their own home that bit easier.

“We are getting on with the job of freeing up land supply while ensuring the financial support is in place for young families entering the market.”

The latest figures show the number of grants has increased significantly over the past financial year. First Home Owner Grants for new homes is 46 per cent higher in the four months to April 2014, compared to the same period the year before.

The NSW Government is also pleased with the success of the New Home Grant which began on 1 July 2012. The \$5000 grant is available for new dwellings valued up to \$650,000, and vacant land valued up to \$450,000.

“Around 28,000 New Home Grants have been issued since the beginning of the scheme until the end of April 2014,” Mr Constance said.

“This is all about spurring on the construction industry, and there’s been a considerable increase in activity due to this offer.”

The 2014-15 NSW Budget also includes changes to the eligibility criteria for the New Home Grant.

From 1 July, the grant will be restricted to Australian citizens and permanent residents. The grant will also be restricted to one grant per person, per year.

“There have been a small number of occasions where foreign, non-residents have claimed the grant, and some instances where there have been multiple applications for a grant from a single claimant,” Mr Constance said.

“We want to make sure the system is the fairest it can be, while still building on the confidence the grant has created in the home building sector.”

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