

# More New Homes for Young People



The Liberal-led government is supporting first homebuyers and stimulating the economy through a package of measures to help young families get into new homes.

The First Home Owners Grant has been increased by \$5,000, to \$15,000, for the 2017 calendar year and the income eligibility criteria for Keystart Loans will be raised by \$20,000, for singles, couples and families.

Combined, these two Liberal-led Government initiatives will deliver more affordable housing and provide a shot in the arm to the construction workforce at just the right time.

## Fast Facts

- First home buyers make up roughly 20 per cent of the market.
- The average price of a first home buyer's house and land package in Perth is between \$400,000 and \$440,000.
- There were 22,500 dwelling starts for the calendar year 2016 and less than 19,000 dwelling starts forecast for 2017.
- The Government also supports first homebuyers through a stamp duty exemption, including up to \$14,000 for established homes worth up to \$430,000.
- The First Home Owners Grant is available for new homes up to \$750,000 (or if above the 26th parallel, \$1,000,000).
- Keystart provides loans to roughly 20 per cent of first home buyers.
- As at June this year 88 per cent of Keystart loans were for first home buyers of both new and established homes.
- Keystart does not require Lenders Mortgage Insurance, saving buyers up to \$10,000.
- In 2015/16 Keystart approved 2,489 loans.



## Our Commitment

A Liberal Government is:

- Assisting more first homebuyers to build their own home and support new jobs in the construction industry through a \$5,000 boost to the first homeowner's grant to \$15,000 for new homes and off-the-plan apartments.

The increased grant is available for contracts entered into between January 1 and December 31, 2017, with an estimated cost of \$45 million. Construction must commence within 26 weeks of contract signing be completed within 18 months (off-the-plan homes must be completed by 30 June 2019).

This is expected to encourage an extra 650 first homebuyers to enter the market, delivering about 2000 new construction jobs.

An estimated 8,300 first homeowners will qualify for the FHOG this year.

- Enabling more Western Australians to enter home ownership through Keystart's low-deposit loan program, with a \$20,000 increase to Keystart's income limits to \$90,000 for singles, \$115,000 for couples and \$135,000 for families.

The increased limits are expected to help 500 additional borrowers qualify for a Keystart loan and support the creation of 1,200 new construction jobs, over the next 12 months alone.

The Liberal-led Government's decision to sell a \$1.35 billion portion of Keystart's loan book made this decision possible by ensuring there is sufficient new lending capacity.

This stimulus package will help first home buyers enter the property market, create roughly 3,200 new jobs and support more than 20 tradies, including apprentices, for every home constructed.



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