

# First Home Buyers Grant

If you're preparing to buy or build your first home, you might qualify for a free handout from the government. Or a loan.

## First Home Owner Grant

The First Home Owner Grant, as the government now calls it, is a one-time payment to first home buyers who qualify.

### ***Who qualifies?***

You do if you're an Australian citizen or permanent resident, over age 18, buying your first home, and it's not worth more than a million dollars. Oh yes, you also have to move in within a year and then live in it for at least half a year.

And one more thing. You're not a big earner. Singles with a taxable income of \$125,000 or less qualify. For couples, it's up to \$200,000 for the last tax year.

### ***What about buying an apartment or a townhouse?***

Yes, they're eligible, as well as free-standing houses. Newly built, purchased off the plan or substantially renovated - they're all covered.

### ***Can we use the First Home Owners Grant for our deposit?***

Yes, though often you'll need additional funds of your own.

### ***How much is on offer?***

While these grants are federally funded, they are state administered - and each state and territory program is a little different. So we suggest you regard this page as a broad overview, and contact us about what's on offer where you live.

Differences between states (and even regions) include:

1, Amounts you can borrow. You can get a bigger grant in the city than in rural areas.

2, House price thresholds (i.e., what your house will cost), although the universal principle is the cheaper your house, the smaller the grant. In Sydney and larger regional centres in NSW, for example, the price cap is \$800,000 and after 1 July 2022 it will rise to \$900,000. In Melbourne and regional Victoria, the figures are \$700,000 rising to \$800,000.

3, Some states have unique offerings. For example, the Victorian Homebuyer Fund lends up to 25% of the property value, but the government becomes a co-owner of the property until the loan is fully repaid.

4, And there are other programs too. Including the First Home Loan Deposit Scheme which accepts home buyers with just a 5% deposit, while also exempting them from Lenders Mortgage Insurance.

### ***Can we get a discount on Stamp Duty?***

It's now called Land Transfer Duty, and yes, in some states (not all) and in some cases you can get full or partial exemption. Ask us for the details.

***How do we apply?***

You can apply directly or go through an approved lender or get the help of a mortgage broker. There's quite a lot involved so DIY is not the best way to go here. We're all set to help you.

***Can I use my superannuation?***

Yes, there's a scheme called the First Home Super Saver Scheme that lets you use your super account to save for your deposit. It's administered by the ATO.

OUR BEST ADVICE

By now, you've noticed this is anything but simple. So rather than DIY, your best shot is to talk to an unbiased professional.

Our mortgage brokers are exactly that. We'll be pleased to help, not only with your First Home Owner Grant, but also with mortgage financing. Call us today for a free chat to get the ball rolling.