

# News Release

## Premier Jay Weatherill Treasurer Jack Snelling

Minister for State Development



Monday 15 October, 2012

### HCG for all brand new homes

For the first time, everyone building or buying a brand new home could be eligible to receive State Government assistance under housing grant reforms announced today.

Premier Jay Weatherill and Treasurer Jack Snelling have announced a new Housing Construction Grant for everyone building a new home, which will take effect immediately.

Under this new grant, homebuyers can receive **\$8500** for a new home regardless of whether it is their first property until June 2013. First home owners building or buying a brand new home will be eligible for **\$23,500**.

“This new grant and reforms to the existing first home owner scheme will provide an urgent boost to the state’s housing construction industry and help stimulate the property sector,” Mr Weatherill said.

“The number of new dwellings built in South Australia declined by 18 per cent in the last financial year.

“The property market is soft and the housing construction industry is doing it tough.

“As a Government we need to put in place measures to give confidence to the industry and get more South Australians buying or building a new home.”

The reforms include:

- Creating an **\$8500** Housing Construction Grant for all buyers of brand new homes, regardless of whether it is their first home until 30 June, 2013. This will apply to properties with a value up to \$400,000, and will phase out for properties valued up to \$450,000. This replaces the existing \$8000 First Home Bonus Grant.
- Increasing the First Home Owners Grant from \$7000 to **\$15,000** for first home owners who build or purchase a brand new home. This is ongoing.
- Reducing the First Home Owners Grant from \$7000 to **\$5000** for first home owners who purchase an established home up until 30 June, 2014, when it will expire. This is a deliberate push to target jobs in the housing construction industry.

Treasurer Jack Snelling said together with the Government’s Budget announcement of stamp duty concessions for off-the-plan apartments in the City and Riverbank precinct, eligible first home buyers could receive up to **\$39,830** in State Government assistance.

“The property market is facing a range of issues which are affecting the housing construction industry and the jobs that go with it,” Mr Snelling said.

“Without this new assistance, South Australia’s new home starts are forecast by the Housing Industry Prospects Forum to fall a further 10 per cent in 2012-13.

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“There has never been a better time for South Australians to build a new home or buy an off-the-plan apartment,” Mr Snelling said. Legislation will be introduced to State Parliament this week to effect these changes. In the meantime, an ex-gratia scheme will be in place.

**First Home Buyers of off-the-plan apartments in the City and Riverbank precinct (until 30 June, 2013)**

First Home Owners Grant	\$15,000 (Property valued up to \$575,000)
Housing Construction Grant	\$8500 (Property valued up to \$400,000)
Stamp Duty Savings	\$16,330 (Off-the-plan apartment valued at \$400,000)
<b>Maximum Total Assistance</b>	<b>\$39,830</b>

**Any person who buys an off-the-plan apartment in the City and Riverbank precinct (until 30 June, 2013)**

Housing Construction Grant	\$8500 (Property valued up to \$400,000)
Stamp Duty Savings	\$16,330 (Off-the-plan apartment valued at \$400,000)
<b>Maximum Total Assistance</b>	<b>\$24,830</b>

**First Home Buyers who build or purchase a brand new home (until 30 June, 2013)**

First Home Owners Grant	\$15,000 (Property valued up to \$575,000)
Housing Construction Grant	\$8500 (Property valued up to \$400,000)
<b>Maximum Total Assistance</b>	<b>\$23,500</b>

**Any person who builds or purchases a brand new home (until 30 June, 2013)**

Housing Construction Grant	\$8500 (Property valued up to \$400,000)
<b>Maximum Total Assistance</b>	<b>\$8500</b>

**First Home Buyers who purchase an established home (until 30 June, 2014)**

First Home Owners Grant	\$5000 (Property valued up to \$575,000)
<b>Maximum Total Assistance</b>	<b>\$5000</b>

Property value	Stamp duty payable	First Home Buyers						Non-First Home Buyer			
		Existing Arrangements			New Arrangements			Existing		New arrangements	
		New home (off-the-plan)	New home (other)	Established home	New home (off-the-plan)	New home (other)	Established home	New home (off-the-plan)	New home (off-the-plan)	New home (other)	Established home
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
150,000	4,830	19,830	15,000	7,000	28,330	23,500	5,000	4,830	13,330	8,500	0
200,000	6,830	21,830	15,000	7,000	30,330	23,500	5,000	6,830	15,330	8,500	0
250,000	8,955	23,955	15,000	7,000	32,455	23,500	5,000	8,955	17,455	8,500	0
300,000	11,330	26,330	15,000	7,000	34,830	23,500	5,000	11,330	19,830	8,500	0
350,000	13,830	28,830	15,000	7,000	37,330	23,500	5,000	13,830	22,330	8,500	0
400,000	16,330	31,330	15,000	7,000	39,830	23,500	5,000	16,330	24,830	8,500	0
450,000	18,830	25,830	7,000	7,000	33,830	15,000	5,000	18,830	18,830	0	0
500,000	21,330	28,330	7,000	7,000	36,330	15,000	5,000	21,330	21,330	0	0
550,000	24,080	28,330	7,000	7,000	36,330	15,000	5,000	21,330	21,330	0	0
600,000	26,830	21,330	0	0	21,330	0	0	21,330	21,330	0	0
700,000	32,330	21,330	0	0	21,330	0	0	21,330	21,330	0	0
800,000	37,830	21,330	0	0	21,330	0	0	21,330	21,330	0	0
900,000	43,330	21,330	0	0	21,330	0	0	21,330	21,330	0	0
1,000,000	48,830	21,330	0	0	21,330	0	0	21,330	21,330	0	0

\*New home off-the-plan refers to apartments in the City and Riverbank precinct.