

MEDIA STATEMENT

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EXTENSION OF THE FIRST HOME BUYERS GRANT

By Alan Hancock, Chairman AUSNET Real Estate Group

The extension of the boosted first home buyers grant is welcome because it takes pressure off first home buyers having to make a hurried decision to buy a home before 30 June 2009.

Buying your first home is one of the most important financial decisions you will ever make and this additional time will enable many hundreds of Western Australians to purchase their first home in a pressure free environment.

First home buyers should take advantage of this extended period for the enhanced grant to purchase a home because buying property is one of the best ways to create personal wealth over the long term.

Now is an ideal time to consider buying a home in Western Australia with home affordability for first home buyers the best it has been in several years.

Historic low interest rates combined with very competitive house prices has enabled a growing number of first home buyers to purchase a home with the assistance of this boosted grant.

Land prices in Western Australia have fallen over the past two years which makes it an ideal time to consider building a new home.

At the same time, there are a large number of affordable established homes throughout the Perth metropolitan area in suburbs such as Rockingham, Armadale, Kelmscott, Midland, Balga and Heathridge and in some regional centres.

For most first home buyers, the most challenging issue in the current market is not to find a home to buy but rather to secure the necessary finance.

The world financial crisis has meant that banks have tightened their lending requirements for first home buyers. To overcome this issue, it is recommended that first home buyers seek information from a suitably qualified mortgage broker.

It is important that you organize your home loan before seeking to purchase a property because this will enable you to appreciate how much you can borrow and what type of home you are able to purchase.

In addition, by organizing your home loan in advance, it strengthens your negotiation position with sellers and may allow you to achieve a price adjustment on the purchase price of the property you want to purchase.