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KEYSTART & FHOG CHANGES WILL BOOST HOME OWNERSHIP

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The Master Builders Association has welcomed today's announcement by the Barnett government of changes to the Keystart scheme & an increase to the First Home Owners Grant (FHOG).

According to Master Builders Director, Michael McLean extending the eligibility criteria for Keystart housing loans will be one of the best belated Christmas presents any prospective home buyer could wish for going into a new year.

"Keystart has already helped thousands of West Australians in funding their deposit for a new home so increasing these opportunities to more prospective home owners will be a huge help," Mr McLean said.

"Extending the income eligibility of Keystart loans by \$20,000 for single people & couples will also provide a timely and welcome boost to the construction of new homes - with many builders reporting a 30-40% reduction in housing commencements over the last 12 months."

"Many prospective home buyers are finding it increasingly difficult to save for a new home deposit or get the required valuation on their existing property to attract sufficient bank finance whereas Keystart will help many of these people to enter the market," Mr McLean said.

"The feedback from our builder members is that there is a reasonable level of demand to build new homes but the problem is accessing the deposit and finance - Keystart is able to pull both rabbits from the same hat so we welcome it being used to enable more home ownership transactions taking place."

"The Barnett government's decision to increase the First Home Owners Grant (FHOG) by \$5,000 to \$15,000 from 1 January 2017 for a 12 month period is also welcome news for prospective home buyers & will stimulate much needed activity across the housing industry".

"First home buyers now have a great opportunity to own their own home during a time when the housing industry has an abundance of good trades ready & willing to take on more work & complete the jobs within a timely construction period," Mr McLean said.

"The flow on benefits from increased housing construction activity should never be under-estimated in terms of providing jobs not only to builders, tradespeople and suppliers but also kindred industries," Mr McLean said.

"With 2017 being the Chinese Year of the Rooster, home buyers across Western Australia now have something very exciting to crow about".

The next challenge for our state government after the March election will be to focus on how best to increase the supply of new homes in order to make housing more affordable to more West Australians." Mr McLean concluded.

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