

Delay in grant change good for first Western Australian home owners buyers

Written by Brian Greig



17 September 2013. The delay in changes to the First Home Owners Grant (FHOG) is good news for many buyers according to the Real Estate Institute of Western Australia.

REIWA president David Airey said legislative changes to the distribution of the FHOG were anticipated to take effect last Sunday, however, parliament has not yet passed the necessary Bill.

“The state government announced changes to the FHOG in the August budget and was aiming for 15 September as the change-over date, but parliament has not yet fully processed this legislation so the change now looks like happening in October,” Mr Airey said.

Mr Airey said this was good news for the 70 per cent of first home buyers who preferred to purchase existing, older homes rather than building new.

“Currently first home buyers are eligible for a grant of \$7,000 whether they buy an established home or build a new one. However, once the FHOG change takes effect the grant will drop to \$3,000 for established homes and lift to \$10,000 for new-builds.

“The current delay in the change means that first home buyers looking for an established property have a few more weeks to access the higher grant and, conversely, those who want to buy a block and build will be likely to hold back until the grant lifts to \$10,000,” Mr Airey said.