PRD. REAL ESTATE

NEW INCENTIVES

First Home Buyers' Guide

TAS Programs & Grants 2021

ABOUT

The *PRD First Home Buyers' Guide* is designed to help you quickly understand what is on offer to first home buyers around Australia.

With so many programs and grants available at various State and Federal Government levels, it can be difficult to know where to learn what is relevant to your personal situation. This guide helps you do just that.

A combined understanding of all the applicable programs and grants will help you maximise the benefits you can access as a first home buyer, and get you into the property market sooner.

Dr Diaswati Mardiasmo
PRD Chief Economist

NATIONAL

FIRST HOME LOAN DEPOSIT SCHEME

OVERVIEW

The FHLDS enables first home buyers to purchase a home with a minimum **5% deposit** whilst **paying no LMI** (Lenders Mortgage Insurance) with participating lenders. The scheme will support 10,000 buyers from **1 July 2021** to **30 June 2022**. An **additional 10,000** places are also available over this period **for newly built*** properties under the New Home Guarantee. Price thresholds on property values apply as per the table below.

WITHDRAWAL THRESHOLDS

State/Territory	Capital Cities/ Regional Centres	Rest of State
NSW	$800K	$600K
VIC	$700K	$500K
QLD	$600K	$450K
WA	$500K	$400K
SA	$500K	$350K
TAS	$500K	$400K
ACT	$500K	-
NT	$500K	-

MORE INFO: PRD.com.au/first-home

WHAT IS A REGIONAL CENTRE?

- Regional centres have populations over 250,000
- Include Newcastle & Lake Macquarie, Illawarra, Geelong, Gold Coast, and Sunshine Coast

ELIGIBLE PROPERTY TYPES

All residential property, including:
- New house and land construction
- New off-the-plan purchases
- Established houses, townhouses, units/apartments
- Vacant land with intention to build a home

APPLICANT ELIGIBILITY

- Must be an individual (not a trust or company)
- Must be aged 18+ years
- Income below $125K in FY20/21 if single, or below $200K if a couple
- Must be an Australian citizen
- Must not have previously held an interest in Australian property
- Couples must be married or in a de facto relationship
- Must intend to become owner-occupier of the property

*A new home is a home that has never been lived in. It can be newly constructed, or substantially renovated (and not previously sold). Specific property type (i.e. house, unit etc) is not a factor.

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FAMILY HOME GUARANTEE

OVERVIEW

The Family Home Guarantee aims to support eligible single parents with **at least one dependent child**. Eligible participants will be able to purchase a home with as little as a **2% deposit** whilst **paying no LMI** (Lenders Mortgage Insurance) with participating lenders. This scheme will support 10,000 single parents over four financial years from **1 July 2021 to 30 June 2025**.

PRICE THRESHOLDS

State/Territory	Capital Cities/ Regional Centres	Rest of State
NSW	$800K	$600K
VIC	$700K	$500K
QLD	$600K	$450K
WA	$500K	$400K
SA	$500K	$350K
TAS	$500K	$400K
ACT	$500K	-
NT	$500K	-

MORE INFO: **PRD**.com.au/first-home

ELIGIBLE PROPERTY TYPES

All residential property, including:

- New house and land construction
- New off-the-plan purchases
- Established houses, townhouses, units/apartments
- Vacant land with intention to build a home

APPLICANT ELIGIBILITY

- Must be single (no spouse and/or de facto partner)
- Have at least one dependent child (natural or adopted)

Child must be either:

- A "dependent child" within the meaning of subsections (2), (3), (4),(5), (6) and (7) of section 5 of the Social Security Act 1991 or
- At least 16 but under 22 years of age, receive a disability support pension within the meaning of the Social Security Act 1991 and live with you
- Applicants can be either first home buyers or previous owners who do not currently own a home

FIRST HOME SUPER SAVER SCHEME (FHSS)

OVERVIEW

The FHSS Scheme is a tax-effective method which allows the release of **voluntary superannuation contributions** plus any associated earnings from **1 July 2018** onwards, using voluntary contributions made from **1 July 2017** onwards. Thresholds on withdrawals are as per the table below.

WITHDRAWAL THRESHOLDS

Period	Limit
One Financial Year	$15K plus earnings
All years (total limit)	$30K plus earnings

MORE INFO: **PRD**.com.au/first-home

ELIGIBLE PROPERTY TYPES

All residential property, including:

- New house and land construction
- New off-the-plan purchases
- Established houses, townhouses, units/apartments
- Vacant land with intention to build a home

APPLICANT ELGIBILITY

- Must be an individual (not a trust or company)
- Must be aged 18+ years
- Must not have previously held an interest in Australian property (exemption for financial hardship)
- Must not have previously requested the release of funds under the scheme
- Must intend to move into and live in the property as soon as practicable
- Must intend to live in the property for 6 months+ in the first year owned

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FIRST HOME OWNER GRANT (FHOG)

OVERVIEW

The FHOG is a **$30,000 grant** made available solely to first home buyers for new* residential properties purchased from **1 April 2021** to **30 June 2022**. No price thresholds are applicable to the grant. Properties purchased between 1 July 2016 and 31 March 2021 are also eligible for a $20,000 grant.

BUILDING REQUIREMENTS

Between 1 July 2016 and 30 June 2022, applicants must either:

- Enter into a contract to buy an off the plan dwelling;
- Enter into a comprehensive building contract to build a new home; or
- Commence laying foundations (if an owner-builder);

Construction must be completed within 24 months of:

- Entering into contract to build
- Or laying the foundations (if an owner-builder)

For moveable buildings, an owner-builder scenario is applied, where the commencement date is the date of contract to purchase the building is entered.

ELIGIBLE PROPERTY TYPES

New* residential property, including:

- House and land construction
- Off-the-plan purchases
- Owner-builder construction

APPLICANT ELIGIBILITY

- Must be an individual (not a trust or company)
- Must be aged 18+ years
- Buyer (and partner) must not have previously held an interest in Australian property prior to 1 July 2000, or lived in a home owned after 1 July 2000 for more than 6 months
- Buyer (and partner) must not have previously received funds under any first home buyer scheme
- At least one of buyer and partner must be an Australian citizen or permanent resident
- Must move in within 12 months of purchase and remain for 6 continuous months

MORE INFO: **PRD**.com.au/first-home

FIRST HOME BUYER DUTY CONCESSION

OVERVIEW

The First Home Buyer Duty Concession is a **50% duty discount** for first home buyers of established homes from **7 February 2018** to **30 June 2022**. The price threshold for property value is set out in the table below.

PRICE THRESHOLDS

Period	Concession
7 February 2018 – 15 March 2021	$400K or less
16 March 2021 – 30 June 2022	$500K or less

MORE INFO: **PRD**.com.au/first-home

ELIGIBLE PROPERTY TYPES

Established residential property, including:

- Established houses, townhouses, units/apartments

APPLICANT ELGIBILITY

- Must be an individual (not a trust or company)
- Must be aged 18+ years
- Buyer (and partner) must not have previously received funds under this or any FHOG scheme
- Buyer (and partner) must not have previously held an interest in Australian property
- At least one of buyer and partner must be an Australian citizen or permanent resident
- Must move in within 12 months of purchase and remain for 6 continuous months

*A new home is a home that has never been lived in. It must be newly constructed, and not previously sold. This includes kit homes. Specific property type (i.e. house, unit etc) is not a factor.

ABOUT PRD RESEARCH

PRD Research Division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company,

PRD shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products.

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

PRD Research
T +61 7 3229 3344
E research@prd.com.au

PRD.com.au

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