



# Local builders prepare for first home buyer rush

**The wait is over for first home buyers in regional Victoria who have held off signing building contracts until July when the State and Federal Government grants combine to offer up to \$36,500 for newly constructed homes.**

From July 1 to September 30 the Victorian building industry is expecting an influx in first home buyers who have delayed signing contracts until the beginning of July when both the State and Federal Government's financial incentives reach a record high.

Bairnsdale builder and Hotondo Homes franchisee, Graeme Furphy, said this was a huge boost to local builders who may have had a number of enquiries in recent weeks but not as many sales.

"Many first home buyers have been holding off from signing contracts until July so they can get an extra \$7500 of Govern-

ment handouts.

"The next three months will be an interesting time for Victorian builders as they will see the impact the combined grants have on the building industry.

"The regional bonus will also benefit smaller builders as residents in regional towns are receiving the most financial assistance," Mr Furphy said.

The Housing Industry Association is anticipating record levels of buyers purchasing new homes between July 1 and September 30.

In May, 342 first home buyers applied to build a new home in regional Victoria which set a new record and was a rise of 67.5 per cent from the same period last year.

"An increase in sales over the next three months will have a positive effect on employment within the building industry and will provide builders with work well into next year,"

Mr Furphy said.

Currently the grants totalling \$36,500 are only available for homes under \$600,000. The total is made up of the \$7000 First Home Owner Grant, the \$14,000 First Home Owner Boost, the \$11,000 First Home Bonus and the \$4500 First Home Owner Regional Bonus.

Premier John Brumby said the State Government has invested \$125 million to keep the scheme running for an extra year which was funded from the 2009 State Budget.

Treasurer, John Lenders, said the increase would also help to create jobs, stimulate the economy and help lessen the effects of the global financial crisis.

"The Government is making it easier than ever before for Victorians to buy a home and raise a family and is taking action to deliver jobs now and help Victorian fami-

lies through the global financial crisis," Mr Lenders said.

Other changes coming in this week include an increase to the amount of concessions available to Victorians by \$70 million, including an increase in the water and sewerage concession cap for 2009-10 to assist low-income households manage water price increases.

The concession provides a 50 per cent discount on water and sewerage bills up to a maximum cap.

"The maximum cap will increase from \$189.70 this financial year to \$216.60 next financial year, an increase of over 14 per cent," Mr Lenders said.

From October 1, the \$14,000 Federal First Home Buyers Boost will be halved, reducing the total grant for first home buyers in regional Victoria to \$29,500.