

Benefits for First Home Owners

The upfront costs of buying a home for the first time might seem a little daunting, but fortunately there are a number of government benefits that will help you reduce these costs.

The First Home Owner Grant is the most well-known of these. Since it was introduced by the Federal Government on 1 July 2000, it has helped make home ownership a more affordable dream for many. The grant entitles first home buyers to a one-off payment of \$7,000 which may be available at settlement of your purchase. It is applicable Australia-wide, whether you buy or build, and irrespective of your income or assets provided the property is used as your principal place of residence.

Lesser known are the other rebates and schemes the states have introduced for additional support. In Victoria, for example, first home buyers may be eligible for an additional payment of \$3,000-\$5,000, known as the First Home Bonus. Victorians may end up saving up to \$12,000 off property purchase costs depending on the value of your home and whether it is new or established.

NSW residents are also looked after, with generous government exemptions on stamp duty under the First Home Plus Scheme, including concessions for those building their dream home on a vacant block of land.

Changes introduced to the First Home Plus scheme in 2007 may allow you to buy property with other partners and still receive a concession, as well as receive an exemption from duty on any advance you undertake to buy vacant residential land.

South Australian residents are also treated to stamp duty exemptions. There are exemptions for properties valued less than \$85,500 and concessions if between \$85,501 and \$250,000.

The jackpot of all stamp duty concessions is to be found in Western Australia, where residents pay no duty if their home is valued at less than \$500,000, and concessions on duty for homes of up to \$600,000.

In the sunshine state, transfer duty concessions are available for home buyers, first home buyers and buyers of vacant land who intend to build their first home on the land. For those sharing a state with the leaders of the nation, in the ACT, concessions are available for transfer duty, but you will have to pass an income test on eligibility.

Tasmanians haven't been forgotten – a concession applies to the purchase of established dwellings with a purchase price of \$350,000 or less.

The conditions might sound a little complicated, but the bottom line is that you can make significant savings on your purchase costs by taking advantage of these government schemes. Give us a call for help with applying for these grants. We are well placed to know exactly what you are eligible to receive and how best to iron out the red tape.

For further information, please don't hesitate to call AlphaLoan today so we can match your needs against 100's of home loans from our panel of lenders, including all the major banks and many more!

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