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Expansion of First Home Loan Deposit Scheme will save jobs and boost the economy

Urban Taskforce welcomes the announcement by the Federal Treasurer to expand the First Home Loan Deposit Scheme by an additional 10,000 places which will now apply to new apartments.

The Federal Government has listened heard the calls from the Urban Taskforce to make industry support packages relevant to the engine room of the Australian economy – greater Sydney.

The initial First Home Loan Deposit Scheme and the HomeBuilder scheme were welcome, but they were limited by their design and in practical terms, neither scheme was able to be widely accessed for off-the-plan apartment purchasers. New apartments make up the vast majority of new homes in Greater Sydney.

The First Home Loan Deposit Scheme provides a Government guarantee that will allow eligible first home buyers on low and middle incomes to purchase a home with a deposit of as little as 5 per cent.

This gives the banking sector the confidence to lend to new home buyers and provides the stimulus necessary to get projects going, delivering investment, jobs, new homes and confidence.

The extended First Home Loan Deposit Scheme will enable qualified first home buyers to be allocated a guarantee at the time a contract is exchanged for an off-the-plan purchase, providing greater certainty for everyone involved.

The expansion of the scheme is great news, but there is more to do. Th HomeBuilder Scheme remains difficult for new apartment purchasers. The timeframes for the completion of construction simply don't work for most projects. The thresholds effectively exclude most new properties in Sydney.

Urban Taskforce calls on Treasurer Frydenberg to apply the same philosophy to the HomeBuilder Scheme in this week's Budget. Make it relevant to Sydney and thus stimulate the new home development and construction sector.

The above can be attributed to Tom Forrest, CEO, Urban Taskforce Australia

*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

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