

29th November 2020

Property Industry Welcomes Homebuilder Extension

After months of pleading with the Morrison Government to extend the timeframes and adjust the construction value caps of their Home Builder scheme, Urban Taskforce CEO, Tom Forrest said he was delighted to see that the Government had listened and today announced exactly those changes.

“The HomeBuilder scheme was limited in its original design because of the price caps that resulted in very limited applicability in the main markets – Sydney and Melbourne. These changes should have been announced as part5 of the Federal Budget, Mr Forrest said.

“Today the Morrison Government has increased the eligibility cap for NSW and Victoria from \$750,000 to \$950,000 and \$850,000. Urban Taskforce members welcome this adjustment – though many lament the length of time it took for the government to respond to industry concerns.”

For all new build contracts signed between 1 January 2021 and 31 March 2021:

- Eligible owner-occupier purchasers will receive a \$15,000 HomeBuilder (a drop from \$25,000); and
- ✓ The property price caps for new builds in New South Wales and Victoria will be increased to \$950,000 and \$850,000 respectively.

“While the extension in the “requirement to commence construction work” from 3 months of an application to 6 months is very welcome, it is disappointing that the HomeBuilder support package has dropped from \$25,000 to only \$15,000 for applications made between 1 January and 31 March 2021.

“The revised scheme will support the production of new homes, reducing upward pressure on prices. It is a welcome boost for new home buyers and will support thousands of property and construction industry jobs.

“A late announcement is better than no announcement at all. This is a welcome adjustment to a successful program”, Mr Forrest said.

end

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

Media Enquires:

Tom Forrest, Chief Executive Officer, Urban Taskforce: 0429 460 863

Follow us on:

