

HOUSE PRICES HIGHER BUT FIRST TIME BUYERS STILL COMING

10 June 2021

The rising real estate market in South Australia over the past year has proved little deterrent for first-time buyers looking to purchase property, according to REISA CEO, Barry Money.

“Statistics show that increasing numbers of first-time buyers are taking the plunge and entering the market,” Mr Money said.

“ABS figures show that in each month between September 2020 and April 2021, the share of first-time home buyers hovered around 33% of all housing loans in South Australia.

“This increase is a welcome improvement from the first seven months of 2020, when first time buyers accounted for less than 29 per cent of all SA housing loans.

“Revenue SA numbers indicate that after ten months of FY 2020-21, First Homeowners Grants have already exceeded last year’s number in terms of volume of recipients and total financial support,” Mr Money said.

First-time buyers may be eligible for this grant of up to \$15,000 on the purchase or construction of a new residential home in South Australia

“There is no doubt that rising prices stretch some budgets and exceed others. However, record low interest rates as well as targeted government measures have provided strong incentives to enter the market,” Mr Money said.

“Recent initiatives in the Federal Budget such as increased access to superannuation accounts in the First Home Super Saver and expansion of the First Home Loan Deposit Scheme will assist many more South Australians to purchase homes.

“In South Australia, the State Government’s efforts to transform the state’s economy through technology and innovation are beginning to pay dividends, with some large brand name corporations setting up shop in South Australia here. This should lead eventually to more jobs, and to more highly paying jobs, particularly for those who are digitally savvy.

“Higher incomes present greater opportunities to those seeking to purchase property, including those seeking to take their first step on to the real estate ladder,” Mr Money said.

ENDS