

Media Release



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REIA WELCOMES RULE CHANGES TO HOME OWNERSHIP SCHEMES

Real Estate Institute of Australia (REIA) President, Hayden Groves has welcomed today's rule changes for the various Australian Government Home Guarantee Scheme (HGS) announced by Minister for Housing, the Hon Julie Collins MP.

Mr Groves said that extending the HGS is welcomed by real estate agents and Australians aiming to get into the housing market.

“Eligibility for the First Home Guarantee, the Regional First Home Buyer Guarantee and the Family Home Guarantee will be extended to assist all Australians including siblings, Australian Permanent Residents and those who have not owned a home in ten years.

“Giving entry-level buyers more options to pool resources to get into their own homes as they contend with cost-of-living challenges has always made sense to REIA and has been a change to the HGS we've long advocated for.”

Mr Groves said a fundamental lack of housing supply remains the greatest issue facing the nation as the number of first home buyers and investors continues to drop.

“Recent ABS figures show the number of first home buyers fell 3.5 per cent in February while new loans to investors dropped 0.5 per cent.

“Lack of housing to rent continues to worsen and while we are pleased to see more assistance to first home buyers and those on the edges of achieving home ownership, we would like to see effective incentives to address the overall lack of supply.

“NHFIC recently forecasted a shortage of apartments and multi-density dwellings for rent in the medium term with an estimated 57,000 a year shortfall on average over the next five years.

“Rising interest rates have hurt both first home buyers and investors, which in turn is stressing both undersupplied rental and home ownership markets.

“Changes to the HGS are welcome and sensible, but current policy settings are yet to unlock supply at a scale we need across existing housing inventory and the pipeline of new builds.”

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For any further information please contact Media Consultant, Olwyn Conrau on 0413 600 350 or Olwyn.conrau@reia.com.au

Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit www.reia.com.au