

Property Focus

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First Home Owners Deposit – All You Need to Know from Mortgage Express

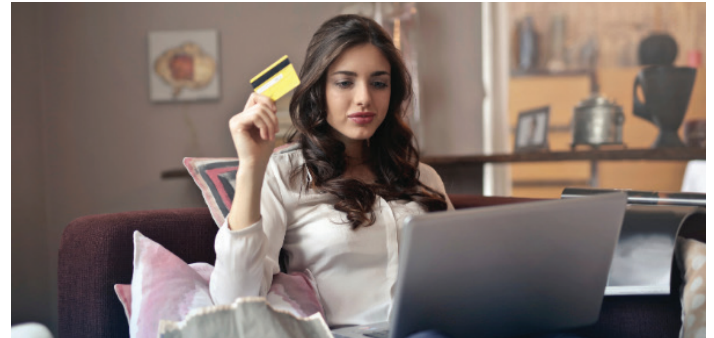
On 1 January 2020, the Australian Government's First Home Owners Deposit Scheme kicked off and already hundreds of Aussies have signed up to the scheme. Aimed at supporting eligible first home buyers purchase a home sooner, the scheme allows first home buyers to put down just five per cent deposit, with the National Housing Finance and Investment Corporation (NHFIC) guaranteeing the rest of what would normally be a 20 per cent deposit. Here's all you need to know.

Are you eligible?

Those applying for the loans will need to meet certain eligibility criteria. You must:

- Earn under \$125,000 a year for singles and \$200,000 for couples.
- Intend to live in the home (investment properties aren't supported).
- Not have owned or had a share in property previously.

To help first home buyers find out if they meet the scheme's eligibility criteria, the NHFIC has developed a tool on its website.



How much can you borrow?

There are limits to how much Australians can borrow under the scheme and these vary by state and region:

NSW

Sydney, Newcastle, Lake Macquarie, Wollongong/Illawarra: \$700,000

Rest of the state: \$450,000

VICTORIA

Melbourne, Geelong: \$600,000

Rest of the state: \$375,000

QUEENSLAND

Brisbane, Gold Coast, Sunshine Coast: \$475,000

Rest of the state: \$400,000

WA

Perth: \$400,000

Rest of the state: \$300,000

SA

Adelaide: \$400,000

Rest of the state: \$250,000

TASMANIA

Hobart: \$400,000

Rest of the state: \$300,000

ACT

\$500,000

NT

\$375,000

How do you apply?

Currently, NAB and Commonwealth offer loans but a further 25 non-major lenders, including Bendigo Bank, CUA and Bank Australia, will begin offering loans from February 1.

All participating lenders are supporting the scheme by not charging eligible customers higher interest rates than equivalent customers outside the scheme.

If you have questions about the First Home Owners Deposit Scheme or you'd like help checking your eligibility, contact a Mortgage Express broker today.

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QUANTITY SURVEYORS

What Millennials are Looking for in a Home



Millennials. It's a term used to describe people born between the early 1980's to around the year 2000.

Recent research reveals that within three years, more than 40% of home buyers will come from the millennial generation, as many reach their peak income-earning years.

Many millennials view property differently because they often manage strict budgets, and can therefore be more price sensitive.

Having grown up in the technological age, millennials are typically fluent in accessing and analysing the enormous amount of information available on the internet, so they know how to find properties offering them value for their money.

Many millennial buyers understand that they need to start with a smaller property or unit as a stepping stone, or buy in a city or town where prices are more affordable.

So, what are millennials looking for in a property?

If you are selling your property in a geographical location with a high demand from millennials there are certain features this demographic looks for.

Technology and modern design elements without a doubt have the most influence on what millennial buyers find attractive in a home.

Wireless internet coverage and/or NBN connectivity, as well as "green" features and innovations are all likely to be included in the consideration-set for millennials.

Internet/broadband coverage is a top-of-mind consideration for this generation. A young family buying into a long-term commitment wants to know that access to the internet will be fast, reliable, and also open to competition between providers.

The trend for many millennials is to include a work station at home as many are now working remotely from home full-time. A tip is to evaluate power points and nearby shelves in bedrooms that could double as a home office.

With work and homework high priorities, these buyers want to know how easy it is to set up tech hubs in certain rooms of the home. With a few touches of technology or by adding connections, you could make your garage easily adaptable as a second or third office if needed.

Open plan lounges, kitchens and outdoor entertaining areas are popular with young buyers. Make every effort to present these spaces as great for entertaining friends.

It is important to add that in the late-20s to mid-30s category buyers are often starting a family, or plan to start in the near future. Therefore, the interior and exterior areas must seem applicable to young children and pose no safety risks. It is always an advantage to be located close to neighbourhood parks, schools, and other amenities appealing to young families.

Lastly, a sustainable future is a sentiment often expressed by millennials, and more and more inquiries about renewable energy and solar-powered facilities are being received. If you have solar power installed, external lighting powered by the sun, or harvest rainwater, this is definitely attractive to the millennial generation.

Millennial buyers are a force to be reckoned with in the local property market, and many sellers are realising the potential of penetrating this market.

Market Facts

| | ALL DWELLINGS | | HOUSES | | UNITS | |
|------------------|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| | % Change Year on Year | % Change Month on Month | % Change Year on Year | % Change Month on Month | % Change Year on Year | % Change Month on Month |
| Sydney | 7.94 ▲ | 1.12 ▲ | 9.28 ▲ | 1.49 ▲ | 4.95 ▲ | 0.30 ▲ |
| Melbourne | 8.25 ▲ | 1.18 ▲ | 7.99 ▲ | 1.39 ▲ | 8.72 ▲ | 0.72 ▲ |
| Adelaide | 0.40 ▲ | 0.25 ▲ | 0.28 ▼ | 0.20 ▲ | 1.05 ▲ | 0.54 ▲ |
| Perth | -5.68 ▼ | 0.12 ▲ | -5.63 ▼ | 0.08 ▲ | -5.94 ▼ | 0.34 ▲ |
| Brisbane | 1.51 ▲ | 0.62 ▲ | 2.03 ▲ | 0.79 ▲ | -0.32 ▼ | 0.03 ▲ |
| Canberra | 3.14 ▲ | 0.27 ▲ | 4.00 ▲ | 0.32 ▲ | 0.00 | 0.10 ▲ |
| Hobart | 5.02 ▲ | 0.88 ▲ | 5.10 ▲ | 0.91 ▲ | 4.83 ▲ | 0.77 ▲ |