

Media Release

Mr Tim Pallas MP

Treasurer

Minister for the Coordination of Treasury and Finance – COVID-19

Minister for Economic Development

Minister for Industrial Relations



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SUPPORTING FIRST HOME BUYERS IN REGIONAL VICTORIA

The Victorian Government is extending the \$20,000 First Home Owner Grant for people buying or building a new home in regional Victoria for an extra 12 months, in another measure to support Victorians through the coronavirus pandemic.

Treasurer Tim Pallas today announced that the regional grant – which had been due to end in June – will be extended until the middle of 2021.

The change will be included in legislation that the Government is seeking to pass in the emergency sitting of Parliament this week.

It gives more Victorians the opportunity to live locally and enter the market for the first time, while also providing certainty to the regional construction industry as we deal with the impacts of coronavirus.

Modelling by the Department of Treasury and Finance predicts property prices may fall by up to nine per cent by the end of the year, as well as the unemployment rate more than doubling to 11 per cent in the September quarter.

In 2017, the Labor Government doubled the regional First Home Owner Grant from \$10,000 to \$20,000 to tackle housing affordability and help Victorians realise their real estate dreams.

Since then, more than 8,800 regional First Home Owner Grants have been provided, saving Victorian families \$176 million.

To be eligible for the grant, the purchaser or purchasers must be first home buyers buying or building a property valued at \$750,000 or less and it must be used as the principal place of residence for 12 continuous months following settlement.

The grant is available for first home purchases across 48 councils, with Greater Geelong, Ballarat, Bendigo, Wodonga and Shepparton among the most popular.

The regional grant is part of the Labor Government's Homes for Victorians package, which also offers a \$10,000 First Home Owner Grant for eligible purchases in metropolitan Melbourne and offers stamp duty exemptions and discounts for new homes up to \$750,000.

Quotes attributable to Treasurer Tim Pallas

"We know the coronavirus pandemic is making it even tougher for young people to achieve their dreams of homeownership – that's why we're extending the grant which has helped so many regional Victorians."

"Owning your own home shouldn't be a pipe dream – we're helping out with the financial kick-start they need to make it a reality."