

First Home Buyers Shouldn't Rush In

As 30 September looms large for first home buyers as the "slash date" of government funding, eager first home purchasers should not let the dollar signs get the better of them.

The First Home Owners Grant (FHOG) of \$7,000 for people buying their first home was "boosted" last year to double the grant to \$14,000 for the purchase of an established home, and triple the grant to \$21,000 for people buying or building a new home.

First home buyers wanting to receive the full boost must exchange contracts for the purchase of land by 30 September 2009, and if buying vacant land must also enter into a building contract by 30 September.

As of 1 October 2009, the FHOG Boost will be halved to reduce the grant to \$10,500 for the purchase of an established dwelling, and \$14,000 for the purchase of a newly constructed home/building of a new home.

The NSW First Home Buyers Supplement of \$3,000 will continue until 30 June 2010 for people constructing a new home or purchasing a newly constructed dwelling.

Similarly, the NSW First Home Plus scheme providing stamp duty exemptions for eligible purchases (a benefit in the vicinity of \$18,000) will remain after 30 September.

First home buyers should therefore not rush into a purchase in fear of missing out on the FHOG – the grant remains available after 30 September albeit in a lesser amount (which is set to be cut back again on 1 January 2010).

Before exchanging contracts on a first home, purchasers (particularly those attending an Auction) should ensure:

- finance approval from their bank/lender (inability to obtain finance is not a satisfactory excuse to back out of a contract);
- quality inspections have been undertaken (eg. pest report, building inspection, survey); and
- legal advice is obtained in relation to the Contract.

Whilst the FHOG is certainly a boost for first home buyers, purchasers should not be blinded by the cash splash and need to ensure they enter into the Contract with their eyes wide open.

If you are a first home buyer or require assistance with any conveyancing queries, contact the experienced team at Everingham Solomons where *Helping You is Our Business*.



EVERINGHAM SOLOMONS
SOLICITORS

Consultant:
Ted Heazlett

Directors:
John Boag
Terry Broomfield
Ken Sorrenson
Terry Robinson
Mark Grady
Jennifer Blissett

Associate:
Lesley McDonnell

Level 3, Ray Walsh House,
437 Peel Street, Tamworth NSW 2340
Ph: 6766 1066 Fax: 6766 4803
Email: solicitors@eversol.com.au

Previous articles available at
www.eversol.com.au



AUST
LAW