



HOME LOANS NEWSLETTER

December 2014

Reserve Bank interest rate announcement

Today the Reserve Bank of Australia met to review the official cash rate. They have decided to leave this rate steady at 2.50% pa. The official rate has now remained unchanged for sixteen months. We expect that most lenders will leave their rates unchanged, in line with the Reserve Bank's decision.

First home owner grant

The First Home Owner Grant (FHOG) scheme was introduced on 1 July 2000 to offset the effect of the GST on home ownership. The scheme is Australia wide but is managed by the states and territories individually which means each state or territory has different criteria, grant amount and property price thresholds. Under the scheme, a one-off grant is payable to first home owners that meet all the eligibility criteria.

The grant also varies depending on whether a new home or an existing home is being purchased. We have summarised the information for all states and territories in two easy to read tables so you can see the key information that is relevant to you at a glance.

New homes

A new home is one that has never previously been lived in or sold as a place of residence, this may include a home that has been substantially renovated or built to replace demolished premises.

State	Grant amount	To the value of
ACT	\$12,500	\$750,000
NSW	\$15,000	\$750,000
VIC	\$10,000	\$750,000
QLD	\$15,000	\$750,000
WA	\$10,000	\$750,000 \$1,000,000*
SA	\$15,000	\$575,000
NT	\$26,000	N/A
TAS	\$30,000#	N/A

*Higher threshold applies north of the 26th parallel
Reducing to \$20,000 from 1/1/2015

Established homes

An established home is one that has been previously sold or occupied, and is fit to live in.

State	Grant amount	To the value of
ACT	\$0	N/A
NSW	\$0	N/A
VIC	\$0	N/A
QLD	\$0	N/A
WA	\$3,000	\$750,000 \$1,000,000*
SA	\$0	N/A
NT#	\$12,000** \$25,000	\$600,000 \$600,000
TAS	\$0	N/A

*Higher threshold applies north of the 26th parallel
**Lower threshold applies to urban properties
Ceases 31/12/2014

Some states offer other grants and assistance to supplement the First Home Owner Grant. Details regarding these payments and the eligibility criteria will be different according to your state or territory.

At Harvest, we make sure you receive all the assistance you are eligible for to help get you into your first home faster. We take all the hassle out of completing and lodging the required forms.

We provide independent advice about home loans based on your personal financial situation. We do not provide the loans but we have access to 30 loan providers to make sure you get the best value home loan. We don't favour any particular lender, so we can tailor a package for you that meets all your needs.

Our current best interest rates

The best home loan rates we currently have available:

- Variable rate of 4.63% pa
- 1 year fixed rate of 4.34% pa
- 2 year fixed rate of 4.49% pa
- 3 year fixed rate of 4.59% pa



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