



FIRST HOME. NEW HOME SCHEME FREQUENTLY ASKED QUESTIONS



1. What is the nature of the scheme?

The scheme is intended to help most people who are purchasing a new home that is their first home.

2. Who is eligible to apply?

An 'eligible purchaser' is a natural person (i.e. not a company or trust) at least 18 years of age who has not, and whose spouse/de facto has not:

- i. at any time owned (either solely or with someone else) residential property in Australia other than property owned solely as trustee or executor;
- ii. at any time been the holder (either solely or with someone else) of a leasehold interest granted by the Commonwealth in residential property in the Australian Capital Territory;
- iii. previously received an exemption or concession under the Scheme.

3. What Vacant Land agreements are eligible?

The agreement must be for the acquisition of a vacant block of residential land intended to be the site of a first home.

4. Does the normal residency requirement still apply?

Yes, it applies to the first home buyers. That is, at least one eligible purchaser must occupy the home as their principal place of residence for a continuous period of six months commencing within 12 months from completion of the agreement. There are exemptions if an eligible purchaser was a member of the permanent forces of the Australian Defence Forces.

5. Are there value limits?

Yes. The cap will be \$450,000 in the case of a vacant land purchase.

6. What duty is payable?

No duty is payable where the dutiable value of the vacant land is not more than \$350,000 (in the case of the acquisition of a vacant block of residential land intended to be the site of a new home). Between \$350,000 – \$450,000 Stamp Duty concessions are available.

7. For a vacant land purchase when must I commence building the home?

There is no time limit on how long it takes to commence or complete building the home. It is sufficient that the Chief Commissioner is satisfied that the vacant block is intended to be used as the site of a new home to be occupied by the first home owner or one of the first home owners.

8. Can I get the exemption or concession if I'm purchasing an existing home to knock down and build a new home on the land?

No, the agreement must be for the purchase of vacant land on which you are going to build a home.

9. Will mortgage duty be payable on any loan to finance the purchase?

No, mortgage duty is not chargeable on a mortgage that secures an advance that is made for owner occupied housing.

10. Why does it only apply to new homes?

The Government has decided to target their assistance to home buyers to where it is most needed in the economy. The scheme is intended to make buying a new home relatively more attractive than buying an existing dwelling for first home buyers.

11. Can I still have an equity partner?

Yes. There has been no change to the shared equity arrangements under the Scheme.



Disclaimer: The First Home – New Home Scheme is a NSW government initiative and not offered by Investa. The scheme is subject to Government terms and conditions. Purchasers should seek their own advice in relation to the eligibility for this initiative. Information current as at 3 July 2012. Visit www.osr.nsw.org.au