The Territory Opposition has released a pre-budget first home owners policy that will save around $100,000 for people building their first home in the Territory.

“First home owners are a threatened species and the CLP has a viable and innovative plan to protect them,” says Jodeen Carney, Leader of the Opposition.

“By adapting the joint partner housing development model employed by the Defence Housing Association (DHA), we can lower the price of housing blocks by approximately $100,000 for first home buyers without under-cutting the rest of the housing market.”

To facilitate this form of development the CLP would establish a Territory Housing Land Corporation (THLC) to become a joint partner with private developers in all major Government residential land releases in the Territory.

The THLC would also become a one stop shop for residential development, ending the current run around that has drastically reduced the pace of the release of residential land.

“It's unfair that many young home buyers now have no chance of buying their own home,” says Ms Carney.

“Equally, the value of existing properties must be maintained – this model achieves the right balance.

“With a basic land and home package in Darwin now costing around $400,000 to $450,000, tinkering at the edges with stamp duty relief won’t be enough to re-open the housing market for many first home buyers.”

Latest figures from the Australian Bureau of Statistics confirm that first home buyers are being squeezed out of the housing market in the Territory.

The number of first home buyers in the Territory dropped to just 76 in January this year; that’s the lowest monthly figure since January 2004.

More ominous is the longer term trend. From February 2006 to January 2007, the number of first home buyers in the Territory fell by 311 from the previous 12 month period. (1728 down to 1417)
The last six months have been particularly flat with just 544 first home buyers entering the Territory housing market.

“A reduction of some $100,000 on the price of building a home will give people the opportunity and confidence to buy their own home,” says Ms Carney.

As with the DHA’s Lyons Development, the THLC must have a joint partner private developer.

The THLC will set aside a percentage of blocks for first home buyers in each new major land release.

First home buyers would enter a ballot by which the blocks will be allocated.

To be admitted to the ballot first home buyers would need to qualify for the Commonwealth Government’s First Home Owners Grant and be a resident of the Territory.

The creation of THLC would greatly increase the pace of residential development, bringing housing demand and supply into equilibrium.

To arrange further comment: Greg Charter 04000 14 059