



MEDIA RELEASE - OCTOBER 18, 2018

HomeStart helps more South Australians into home ownership

More South Australians making home ownership a reality, a better housing affordability position than other state capitals, solid returns to the State Government coffers and one of the happiest workforces in the country - that is the story from HomeStart Finance's 2017- 18 annual report.

The report, tabled in State Parliament this month, paints a clear picture of just how valuable HomeStart is in keeping the dream of home ownership alive for South Australians.

HomeStart Chairman Jim Kouts said the organisation continued to make home ownership a reality for more South Australians in more ways, helping 1779 into new homes and with total lending of \$510 million during the 2017-18 financial year, up from the previous year at 1674 new housing loans worth \$432 million.

Mr Kouts said a raft of milestones and achievements for the State Government-backed lender showed the ongoing importance of HomeStart to the South Australian economy, community and its customers and outlined the significant role it plays in creating a better housing affordability position compared to other state capitals.

"We're proud and privileged to be helping more South Australians achieve home ownership," Mr Kouts said.

Despite the market operating in a low interest environment, credit conditions have tightened and almost 90 per cent of HomeStart's customers were not able to secure finance from a mainstream lender.

"Many of our customers have a qualification behind them and are valuable contributors to our economy and communities, they just need a start," Mr Kouts said.

Milestones and results recorded in the 2017-18 financial year include:

- The HomeStart Graduate Loan passed \$1 billion of lending since 2002 and now sits at \$1.2 billion, including 774 Graduate Loans settled in the past financial year, up 41 per cent on 2016-17 figures.
- HomeStart's construction lending also grew significantly during this period and represented 23.5 per cent of total new lending by numbers, and close to 15.5 per cent market share of first home buyers in the construction sector. There were 418 construction loans approved by HomeStart in 2017-18, representing \$135 million of lending and an increase on the 254 loans of this type approved two years ago.
- The World Bank Group recognised HomeStart as a global leader in the field of affordable housing finance at its biannual international Housing Finance conference in Washington DC in May. HomeStart's research paper entitled "Education qualifications as a predictor for home loan success" was presented by Head of Strategic Development Andrew Mills to an audience of over 250 people from 50 countries.
- Almost a quarter of customers (22 per cent) came from outside metropolitan Adelaide while in the construction lending segment, steady growth was recorded in the Adelaide Hills.
- HomeStart's broker channel continued to be an integral and growing contributor to the business with brokers settling 988 new loans worth \$302 million, representing 60 per cent of new lending, an increase from 54 per cent last financial year.

The HomeStart Finance Annual Report also celebrates the organisation's stellar performance in making its own workplace a leader in its field and the public sector, highlighting its recent claiming of the title of Employer of Choice (Public Sector and Not For Profit) at the Australian HR Awards.

HomeStart Chief Executive John Oliver said the organisation was also pleased to be awarded the Human Synergistics Cultural Transformation Award for Australia and New Zealand.

"Our people are the most important asset of our organisation," Mr Oliver said.

"They provide the passion, inspiration, vision and commitment needed to continue to challenge how, as an organisation, we can truly work towards achieving our reason for being.

"We invest in helping develop and grow our employees both in terms of their technical skills and knowledge, but perhaps more importantly, their leadership skills and understanding of self which enables them to bring the best of themselves to work every day."

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HomeStart Finance makes home ownership a reality for more South Australians in more ways. HomeStart are a statutory authority that reports to the Minister for Housing and Urban Development. We were created in 1989 and since then have helped almost 71,000 households into home ownership.

Media Contact for More Information:

The Press Gallery via Sarah Coligan Ph 0404 003 061 / E: sarahcoligan@thepressgallery.com.au
OR Callie Bryson Ph 0437 346 495 / E: callie@thepressgallery.com.au