

For immediate release
Tuesday, 22 July 2014

Don't give up – Adelaide still the best place to buy a home

A survey by home lender HomeStart Finance has revealed that nearly two thirds of young South Australians still believe home ownership is important and that it plays a key role in securing a financial future.

While the annual Home Truths survey also showed that 42% of young people felt it was nearly impossible to own their own home, HomeStart CEO John Oliver says they shouldn't give up.

"They can take comfort in the fact that Adelaide remains one of the best places in Australia to get into the property market," Mr Oliver said.

"Adelaide's market has been relatively steady over a number of years now and avoided the extreme peaks and troughs experienced by many other state capital cities.

"In fact Adelaide is not seeing any of the real estate bubble talk that is happening in Sydney and Melbourne which is driving prices up in double digit figures.

"At the same time, Adelaide continues to have one of the lowest median house prices for a state capital city in the country and has the highest level of first home buyer activity."

Adelaide's median house price for the first 2014 quarter was \$410,399, a 4.43 per cent increase for the year, while home values across the state remain at \$375,000, up 3.59 per cent on this time last year, according to figures from the Valuer General.

"Steadier market conditions, along with government concessions, such as the First Home Owners Grant, are great incentives to get more people into the housing market sooner," Mr Oliver said.

Mr Oliver said the HomeStart Home Truths survey provided an annual snapshot of the views of 18 to 40 year old non-home owners.

Key findings from the survey of 500 South Australians included:

- 62% considered home ownership to be of great importance
- 57% of respondents indicating that owning a home was part of a secure financial future
- 21% of respondents felt they would never own their home outright

HomeStart makes home ownership a reality for more South Australians in more ways. We are a statutory authority that reports to the Minister for Housing and Urban Development. We were created in 1989 and since then have helped over 64,500 households into home ownership.

The research revealed that the top three challenges to home ownership are the rising cost of living, current personal income levels and the difficulty in saving a deposit. Other barriers included employment status, finding a house within a given price range and competition from investors.

"It is very encouraging that so many young people still want to own their own home," Mr Oliver said.

"HomeStart remains committed to helping people get started sooner with innovative home loan products targeted at middle income earners, including our low deposit and shared appreciation loans. We have a range of solutions that help reduce upfront costs.

"We want to ensure that aspiring home owners don't give up on their dream."

HomeStart is one of only two state government home ownership assistance models operating in the country.

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