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### **Home ownership dream stays strong, despite rising costs**

A new survey has revealed increasing numbers of South Australians believe home ownership is very important, despite feeling it has become less affordable over the past two years.

South Australian lender HomeStart's third annual 'Home Truths' survey, which measures sentiment toward housing in our state, has found 77% of South Australians believe the home ownership dream is still alive, and 60% believe home ownership is very important.

However 55% of people believe it is harder to own a home now than 12 months ago – particularly for first home buyers and young people.

HomeStart CEO John Oliver says the findings demonstrate that start-up costs and high house prices remain significant barriers to home ownership, followed by income levels and finding a house in the right price range and right suburb for them.

“Our research indicates that younger people in particular are less positive about their prospect of getting into the market due to deposit requirements, their current income level, and the rising cost of living,” says Mr Oliver.

“Recent declines in house prices may ease the affordability issues, but that’s only part of the picture.”

Mr Oliver said HomeStart is experiencing a strong demand from first home buyers, which he believes can be attributed to the organisation’s lower deposit requirements and start up costs.

“Currently, 45% of HomeStart’s new lending is to first home buyers, which is much higher than the level mainstream lenders are reporting. Providing more affordable start up options can make all the difference to those just starting out,” he says.

The survey also found a strong association between home ownership and future wealth, with 51% of respondents choosing ‘financial security’ as the main meaning of home ownership.

However, an increasing number are choosing not to pursue the dream now, with almost half indicating they have not discussed home loans with anyone in the last two months, up from 38% in 2010.

“South Australians know owning a home is a way to invest in their future financial wellbeing, but they’re unsure this is the time to make the move,” says Mr Oliver.

“It’s important they know there are options to help when they’re ready to buy and HomeStart should not be overlooked in their research.”

HomeStart Finance was established by the South Australian Government in 1989 to provide affordable home loan options, and to date has helped more than 59,000 South Australian households achieve their home ownership goals.

**Further information:** Please contact Ynys Onsmann at HomeStart Finance on (08) 8203 4723