

Saturday, September 11 2010

HomeStart helping more South Australians

Almost 2500 South Australians turned their home ownership dream into reality during 2009-10, thanks to State Government lender HomeStart Finance.

Housing Minister Jennifer Rankine today announced the end of year figures and highlighted a 28 per cent increase in the number of people helped from the previous year.

“We know that HomeStart has helped almost 60,000 people since being started by the Labor Government more than 20 years ago and these end-of-year figures show the continued role we play in the lives of South Australians,” she said.

“Importantly, I’m thrilled that the figures show that almost nine out of 10 people helped (88 per cent) may not have been able to obtain finance through a mainstream bank.

The figures also showed;

- 59 per cent were first home buyers.
- More than 120 were HousingSA tenants buying their own or another home.
- More than 920 households were in rural and regional South Australia.

“The unique features of HomeStart’s home loan products, such as the Breakthrough Loan, have meant that first home buyer demand for HomeStart products remained strong during difficult financial times,” Ms Rankine said.

“And the EquityStart Loan, a joint initiative of HomeStart and the Department for Families and Communities, provides public housing tenants with the most important opportunity to buy their current rented property, another vacant public housing property or a home listed on the private market with a subsidised loan.

“This often means mums and dads will pay an amount similar to rent but are able to buy their own home. Since 2007, we have written 1136 EquityStart Loans for South Australians.”

HomeStart also helped 11 families into home ownership at Brahma Green, the affordable housing development partnered with the City of Salisbury and McCracken Homes and the first of its kind in Australia. The flexibility and success of Brahma Green has meant that the shared appreciation model is being considered by other local councils, hopefully helping more people into home ownership.

The Brahma Green development has won various awards throughout the year, including 'Leading Innovation' at the Australasian Housing Institute, the 'President's Award' at the Planning Institute of Australia and 'Product Innovation' at the Australian Business Awards.

HomeStart also achieved strong financial results in 2009-10 with a return to the South Australian Government of over \$20.8m.

HomeStart's CEO John Oliver is pleased with HomeStart's achievements over the 2009-10 financial year, and believes that HomeStart has an important role in the housing market, as a leader in providing affordable and innovative home finance.

"The outcomes achieved by HomeStart demonstrate the need for affordable home loan products to facilitate home ownership. The fact that our results show almost nine out of 10 people helped may not have been able to obtain finance through a mainstream lender, confirms that we can provide people with real options to enter home ownership," Mr Oliver said.

"Our collaborative efforts, such as Brahma Green, have developed ground breaking initiatives that are increasing the supply of affordable housing, and show the effectiveness of working with other organisations towards mutual objectives.

In addition to affordable home ownership, HomeStart through its work with Community Housing Organisations has helped increase the supply of affordable rental housing accommodation with more than 240 affordable rental housing outcomes approved in 2009-10.

"With affordability continuing to be a challenge for many South Australians, we look forward to working further with the Government, private sector and individuals to achieve more positive housing outcomes in the future," Mr Oliver said.