



## NEWS RELEASE

The Hon. Kristina Keneally MP

Member for Heffron

Minister for Planning

Minister for Redfern Waterloo

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### **FIRST HOME BUYER'S AND INTEREST RATE CUTS TURN UP THE HEAT ON SYDNEY'S HOUSING MARKET**

Yesterday's interest rate cut is expected to further boost already increased Landcom property sales in Northwest and Southwest Sydney.

**Planning Minister, Kristina Keneally, said Landcom was bracing itself for continued strong sales following yesterday's Reserve Bank decision to drop interest rates a further 1%.**

"Lower interest rates and increased State and Federal First Home Buyer Grants to a total of \$24,000 have so far led to a **30% increase in Landcom sales and sales inquires**," Ms Keneally said.

**"The average weekly sales across Landcom estates between November 2008 and January 2009 were the highest for that quarter in four years.**

"Weekly walk-in enquires since November 2008 have **sky-rocketed 70%** on the previous year, with First Home Buyer's accounting for 31% of all enquiries.

"The rate of First Home Buyers purchasing new homes usually averages around 13%, however in November 2008 the total of Landcom First Home Buyer sales increased to nearly 19%.

"At Kellyville Ridge alone, first home buyers accounted for 52% of sales over the November 2008 – January 2009 period."

Ms Keneally said that comparing 2008 to 2007, Landcom sales and sales inquiries have increased:

- By 60% at Greenway Views,
- By 60% at the New Rouse Hill
- By 40% at Garden Gates at Mount Annan; and
- By 32% at Kellyville Ridge;

**"These significant increases mean Landcom will have to release more land lots to meet the demand," Ms Keneally said.**

Ms Keneally said the recent and significant cuts to development infrastructure levies should help to further bolster property sales.

"In December last year the Premier slashed state infrastructure levies by up to \$27,000 per lot to help stimulate the housing construction industry and boost supply and affordability," Ms Keneally said.

**"Lower interest rates coupled with State and Federal First Home Buyers Grants, our strategic land releases and levy cuts will provide more affordable housing for the people of NSW."**

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