



Home Buyers Assistance Account

A guide for first home buyers

If you are buying your first home you may be eligible for a grant to help with fees, charges and other incidental expenses.

First home buyers in Western Australia may be eligible for a grant from the home buyers assistance account (HBAA), which provides up to \$2,000 to reimburse some of the costs associated with purchasing a first home. The HBAA is a State Government scheme, administered by the Consumer Protection Division of the Department of Commerce (the Department). The scheme is funded from the interest paid on real estate agents' trust accounts.

The grant can reimburse incidental expenses, including mortgage registration fees, settlement agent fees, valuation and inspection fees, loan establishment fees, mortgage insurance premiums and lending institutions' fees associated with buying a home. Postage, bank cheque fees, rates and taxes on the property, which are split between the purchaser and vendor at settlement, cannot be included.

Eligibility criteria

You may still be eligible for a grant from the HBAA even if you have received funding from other schemes.

The eligibility criteria for the HBAA grant may change from time to time. You can find information on the Department's website. Visit www.commerce.wa.gov.au/HBAA

To be eligible, you must meet all of the following criteria:

- The maximum price of the home is within the \$400,000 prescribed limit for dwellings purchased in Western Australia (for the latest current threshold figure, please visit the Department's website).
- The home is purchased through a licensed real estate agent.
- The home loan is financed through a lending institution, such as a bank, building society or credit union.
- The buyer must intend to live in the home for at least the first 12 months. The home cannot be rented out during this time.
- If there is an existing tenancy agreement in place at the time of purchasing the dwelling, the tenancy agreement must finish within six months from the settlement date and the applicant/s must intend to live in the premises for at least 12 months after the tenancy expiry date.

Department of **Commerce**
Consumer Protection Division

1300 30 40 54

Consumer Protection
Gordon Stephenson House
Level 2, 140 William Street Perth WA 6000
(Cnr William and Murray Streets hours 8.30am - 5.00pm)
Locked Bag 14 Cloisters Square WA 6850
Administration: (08) 6552 9584 Facsimile: (08) 6251 2801
Advice Line on 1300 30 40 54
Website: www.commerce.wa.gov.au
Email: hbaa@commerce.wa.gov.au

- It is the buyer's first home. The buyer must not own or have owned a home in Western Australia. If you are buying a home with others who own or have owned a home in Western Australia before, then you can apply for a partial grant based on the percentage of your ownership of the home.
- The home is established or partially built (not vacant land or a 'house and land' package).
- Your application is lodged with the Department no later than 90 days after the date your offer to buy the home is accepted. Applications lodged outside the 90 days may be accepted if reasonable grounds for the late lodgement exist.

Frequently asked questions

What if my application is not lodged within the 90-day timeframe?

Your application may be accepted more than 90 days after the date of your offer and acceptance, however you will need to provide a letter explaining the reasons that the application is being lodged later than 90 days.

If the reasons you have given prevented your application being lodged earlier, then your application may be accepted.

Eligibility

Is the HBAA grant the same as the first home owner grant?

No. The first home owner grant (FHOG) is a Commonwealth grant administered by the Department of Treasury and Finance – Office of State Revenue. For information on the FHOG, call the FHOG hotline on **1300 363 211** or visit the Department of Finance website: www.finance.wa.gov.au

I have already received the FHOG. Does this mean I can also apply for the HBAA grant?

You may be able to, although some of the criteria for the HBAA grant are different from the FHOG.

Does my income affect the amount I will receive?

No. Eligibility for the grant is not based on your income.

The payment you receive depends on the total amount of the fees and expenses incurred when buying the property.

The price of my property has just exceeded the prescribed limit. Will I be eligible for a portion of the grant?

No. To be eligible, the price of your property must be no more than the prescribed limit.

I have previously owned an investment property that I didn't reside in. Will I be eligible for the grant?

No. If your name has been on a previous title in Western Australia for a residential property, then you will not qualify for the grant.

What if I don't meet one of the eligibility criteria?

An application must meet all eligibility criteria to be successful. The eligibility criteria are fixed by law and by the approval of the Minister for Commerce. If you are not eligible for the grant, we will inform you of the reasons.



Making an application

How do I apply for a HBAA grant?

Your lending institution or real estate agent should be able to provide you with a HBAA application form. The form can also be downloaded from this link: www.commerce.wa.gov.au/HBAA

Complete Form 1 and forward the application to your lender. Your lender will complete Form 2 and submit your application to the Department.

What documents do I need to provide to apply for a HBAA grant?

To avoid delays in processing your application, you must inform your lender that you are purchasing your first property and provide your completed application form as soon as possible.

The following documents will be required before your application can be processed:

- a final copy of the Offer and Acceptance document (signed contract to buy the property); and
- a copy of the final settlement statement (FSS) prepared by your settlement agent or legal practitioner.

You can still lodge an incomplete application if you have not yet received your FSS and the 90-day period is coming to an end.

After lodgement

What is the average processing time?

It can take up to eight weeks to process an application from the date all information is received

Payment

What is the payment process?

A cheque is forwarded to your lender. How the grant is paid to you will depend on your lender.

Can I have the money paid directly to me?

No. Grants that have been approved are not paid directly to you but to your lending institution.

Submitting your application

By post:

Home Buyers Assistance Account
Department of Commerce
Locked Bag 14 Cloisters Square PO
PERTH WA 6850

In person:

Department of Commerce
Gordon Stephenson House
140 William Street
Perth WA 6000
(Cnr William and Murray Streets)
Customer service counter is located on level 2 with access from Murray Street entrance.

Contact us

You can contact the home buyers assistance hotline for further advice or assistance with the application.

Please call **08 6552 9584** or for country callers, telephone **1300 30 40 54** for the cost of a local call.

Scope of this publication

This publication provides general information and explains the law in simple language. It is not a substitute for the legislation. You should seek expert or legal advice about your particular situation.

National Relay Service: 13 36 77
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