



Australian Government
Indigenous Business Australia

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Indigenous home ownership

Many Australians, both Indigenous and non-Indigenous, have the shared dream of owning their own home. Home ownership in Australia has traditionally been viewed as an important first step towards economic stability and security for the current and future generations.

The decision to take that first step and purchase a home is made for many reasons. A common reason is that it makes good financial sense in comparison to paying rent (dead money) to landlords. Other reasons are that it gives owners something to show for their hard work and provides a sense of pride, ownership, respect, independence and control.

Home ownership can also promote intergenerational security and stability through providing a long term family home that can be passed to the next generation. Renting can often be a negative experience because of high rent, insecure tenure and not being able to make improvements to a place of residence. The ability to be able to have a stable home that can be improved to suit future growth is very appealing to many Indigenous Australians.

In 2008 IBA commissioned a survey of home ownership perceptions from a range of past and current Indigenous home loan clients. An overwhelming majority acknowledged the invaluable skills gained in household budgeting, home maintenance and ownership responsibilities and considered themselves better off both financially and socially.

In the beginning it may seem daunting to have a home loan but Indigenous Australians can take heart from family and friends who have bought their own home. Some people may find that they initially struggle with the home loan expenses, but they adjust and eventually find that the transition from renting to homeowner is easier than expected.

Over the years many home lenders have spoken about the important first step they took in entering the home loan market. A number have said how that has influenced their lives by ensuring they stay in the job market and even enter the business sector. These are not isolated cases. There are many examples of the influence home ownership has had on individuals and families and our recent research demonstrated that.

Even though the global financial crisis has adversely affected a number of Australians, with interest rates at record lows and the increased First Home Owners Grant extended to December this year, it may be a great time for many people to consider buying their own home. Your local bank, credit union or mortgage broker may be able to help you finance your dream home.

IBA's home ownership program has for more than 30 years assisted over 13,000 families to buy their own home, lending over \$1.3 billion. This has enabled many families not only achieve home ownership but has also enabled them to use the equity in their homes to go into their own business and be their own boss or invest in a range of wealth or lifestyle opportunities. In recent times IBA has had a significant increase in home loan enquiries and the current level of demand for its home loan products exceeds available funding and eligible applicants will, for a period of time, be on a home loan waiting list.

If you are an Indigenous Australian and have some questions about buying your first home why not call IBA on 1800 107 107 and speak to a friendly home loans staff member.