

SA mini-housing boom looms from \$25k grants

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Hickinbotham Group managing director Michael Hickinbotham has seen strong demand.

SOUTH Australia is in for a mini-housing boom prompted by a rush of demand for time-limited \$25,000 Home-Builder cash grants for new homes and renovations.

Builders say demand for new homes is "through the roof", with South Australians signing more than 3300 preliminary agreements with the state's eight biggest homebuilders since the grants were announced in June.

But the industry warns the demand could create a bottleneck of work and some buyers may miss out on grants under the strict timeframes.

Master Builders SA is calling on the Federal Government to extend the scheme for 12 months and to broaden the



requirement for construction to start once a contract is signed from three months to six, to prevent the bottleneck.

“It’s been unprecedented, the popularity of this thing,” Master Builders SA boss Ian Markos said.

If even a fifth of the preliminary agreements signed in the past four months with the state’s biggest builders fall through, there will still be more than 2600 projects in line for the grants.

“The thing is trying to find the trades and get everything in place within three months when every other builder’s trying to do the same thing,” Mr Markos said. “There’s only X amount of trades going around.”

Michael Hickinbotham, chief executive of SA’s biggest home building company, the Hickinbotham Group, said demand had been “extraordinary”. Builders and tradies were having to recruit more workers to meet demand.

“A lot of builders are talking about increases to their average sales of 50, 60, 70 per cent,” he said.

“If the government extends that (deadline), I think we will end up having a very strong housing market in this state and hopefully it will ignite the rest of the economy, which is what has happened in the past.”