

FOR MORE INFORMATION

This is a very brief outline of Australia's foreign investment policy in relation to residential real estate.

If you decide to go ahead and buy a home in Australia, you will need more detailed information.

For more detailed information, including application forms, contact the Foreign Investment Review Board.



Online

www.firb.gov.au



In writing

The Executive Member
Foreign Investment Review Board
Department of the Treasury
Langton Crescent
CANBERRA ACT 2600
Australia



By phone

(+61) 2 6263 3795



By fax

(+61) 2 6263 2940



By email

firb@treasury.gov.au

BUYING A HOME IN AUSTRALIA

A Guide for New Arrivals



Australian Government

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Do you want to buy a home in Australia?

If you are not a permanent resident of Australia, and want to buy a home here, you **must** get prior approval from the Australian Government.

You do not need prior approval if you are:

- ▶ an Australian citizen with a foreign spouse and want to buy residential real estate as joint tenants
- ▶ an Australian citizen resident abroad
- ▶ a foreign national who holds a permanent resident visa, or a “special category visa”, for example, a New Zealand citizen.

Why do I need prior approval?

The Australian Government believes that foreign investment in the housing sector should increase the supply of homes, and should not be speculative in nature.

So the policy is designed to channel foreign investment into increasing the supply of new housing.

What types of applications are normally approved?

Foreigners can normally get approval to buy **vacant land** — as long as they start continuous construction within 12 months.

Foreigners can normally get approval to buy **existing residences for redevelopment** — as long as this will increase the supply of housing. As well, the house must remain unoccupied during redevelopment.

Foreigners can normally get approval to buy units, townhouses, and house/land packages in a **new development**.

They can buy these properties before construction, during construction, or when the dwelling is newly constructed — as long as:

- ▶ the dwelling has never been occupied or sold
- ▶ no more than 50 per cent of the dwellings in any one development are sold to foreign investors.

Can I buy a pre-owned home?

Because Australia’s foreign investment policy is designed to increase the supply of new housing, foreigners cannot normally get approval to buy houses, flats or units which have been occupied.

The exceptions to this rule are:

- ▶ foreign nationals temporarily resident in Australia for more than 12 months, who are buying a home here
- ▶ foreign companies buying a home for their senior executives who will be living in Australia for more than 12 months.

Can I get in-principle approval?

When you apply for foreign investment approval, you must give the address of the property you want to buy. The Australian Government cannot give in-principle approval.

Can I get approval after I buy my home?

You should **not** sign contracts before you receive foreign investment approval, unless the contract is conditional on such approval.

The Australian Government cannot give approval after you have signed the contract.

What if I don’t get approval?

If you don’t get the necessary approval beforehand, you may have to cancel the contract or sell your new property — potentially at a significant loss.

You could also be fined or imprisoned if you:

- ▶ provide false or misleading information
- ▶ don’t comply with a development condition
- ▶ buy a property after your application has been rejected
- ▶ didn’t apply for approval and your purchase was inconsistent with Australia’s foreign investment policy.

How do I apply?

You must apply in writing for approval to buy a home in Australia. You can download the application forms at the Foreign Investment Review Board website: www.firb.gov.au

How long will it take?

You should allow at least 30 days for a decision.

