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## **Rate cut glimmer of hope for homeowners**

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The Reserve Bank of Australia's decision today to cut the cash rate by 25 basis points to 7 per cent is a glimmer of hope for homeowners, according to The Real Estate Institute of Queensland (REIQ).

REIQ managing director Dan Molloy said homeowners have been struggling after a number of rises by the Reserve and lenders in the past year.

"As homeowners have been slugged with rate rises of at least 1.5 per cent in the past year, this rate cut will provide much-needed relief," Mr Molloy said.

"It is pleasing to see that lenders have acted quickly to pass on this rate reduction. As there has been a recent easing in funding costs for lenders, there would have been no justification for this adjustment not to be passed on.

"There is no question that the cycle has peaked and this cut in interest rates will provide a level of security for first home buyers considering entering the market.

"First home buyers can also take advantage of State Government initiatives such the stamp duty exemption on homes up to \$500,000, which came into effect on Monday this week."

