

## Media release

11 October 2016

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### Housing Finance Confirms Fewer First Home Buyers

The latest housing finance figures released today by the Australian Bureau of Statistics (ABS) confirm fewer first home owner occupiers in the market.

The Real Estate Institute of Australia (REIA) says the figures for August 2016 show, in trend terms that the number of owner-occupied finance commitments fell by 1.3 per cent – the eighth consecutive month of declines. If refinancing is excluded, in trend terms for August, the number of owner-occupied finance commitments decreased by 1.2 per cent – the tenth consecutive month of decreases.

REIA President, Neville Sanders said “decreases were recorded in all states except Tasmania where there was an increase of 1.0 per cent. The largest decrease of 2.1 was in the Australian Capital Territory.”

“In trend terms, the number of established dwellings purchase commitments fell by 1.5 per cent while new dwelling construction decreased by 0.3 per cent and the purchase of new dwellings increased by 0.1 per cent.”

“The value of investment housing commitments increased by 1.0 per cent in August but is down from its 2015 peak in response to the increase in mortgage rates for investors and the strengthening of banks’ non-price lending terms.”

“Using revised figures the ABS estimates that the proportion of first home buyers, as part of the total owner-occupied housing finance commitments, increased to 13.4 per cent in August compared to 13.2 per cent in July.”

“It is extremely disappointing that the revised figures show fewer first home buyers since 2012 than previously reported. The monthly average for the last twelve is 12.9 per cent compared to 20.9 per cent for the corresponding period two decades ago - this is a fall of nearly 40 per cent and appears to be a downward spiral,” concluded Mr Sanders.

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**The Real Estate Institute of Australia (REIA) is the national professional association for real estate agents in Australia. For further information or interview opportunities, please contact:**

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