

**Media Release
For Immediate Release**
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Regulators Impacting on Investor Housing Finance

The latest housing finance figures released today by the Australian Bureau of Statistics (ABS) confirm the actions by the regulators and banks to dampen investor demand for property is working, according to the Real Estate Institute of Australia (REIA).

“The value of investment housing commitments decreased by 1.0 per cent in April in trend terms. This is down 2.3 per cent from a year ago, in seasonally adjusted terms, and is well down from its 2015 peak,” Mr Malcolm Gunning, REIA President said.

“Overall the figures for April 2017 show, in trend terms that the number of owner-occupied finance commitments decreased by 0.5 per cent. If refinancing is excluded, in trend terms, the number of owner occupied finance commitments increased by 0.1 per cent, following a rise of 0.2 per cent in March.

“Decreases were recorded in all states and territories except the Northern Territory which had an increase of 1.8 per cent. Queensland and Western Australia had the largest decreases of 1.0 per cent.

“In trend terms, the number of established dwellings purchase commitments decreased by 0.7 per cent, while new dwelling construction increased by 0.6 per cent and the purchase of new dwellings decreased by 0.1 per cent.

“The number of first home buyer commitments decreased by 17.5 per cent after an increase in the previous month and is the lowest since January 2017.

“The April figures show that the market is adjusting. We have seen this week the impact that a slow down in residential construction has on GDP and we will need to closely monitor the cumulative impact of recent actions by the regulators, banks and the Federal Budget,” Mr Gunning concluded.

The Real Estate Institute of Australia (REIA) is the national professional association for real estate agents in Australia.

For further information or to speak with REIA President Malcolm Gunning please contact Helen Hull via media@reia.com.au or 0419 642 961.