

**Media Release
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First Home Buyers Returning to Housing Market

The latest housing finance figures released today by the Australian Bureau of Statistics (ABS) show that first home buyers are returning to the market as finance approvals for investor housing trend downward, according to the Real Estate Institute of Australia (REIA).

“The proportion of first home buyers, as part of the total owner-occupied housing finance commitments, increased to 15.0 per cent and is the highest since February 2014. The number of first home buyer commitments increased by 1.6 per cent for the month, following a 28.9 per cent increase the previous month and is the highest since October 2014,” REIA President Malcolm Gunning said.

“By contrast, the value of investment housing commitments decreased by 0.9 per cent in June in trend terms following falls in the previous two months and is well down from its 2015 peak.

“Overall the figures for June 2017 show, in trend terms that the number of owner-occupied finance commitments decreased by 0.2 per cent. If refinancing is excluded, in trend terms, the number of owner-occupied finance commitments increased by 0.3 per cent and is the tenth consecutive month of increases.

“In trend terms decreases were recorded in New South Wales, South Australia, Western Australia, Tasmania and the Northern Territory with South Australia having the largest decrease of 1.2 per cent. Increases were recorded in Queensland, Victoria and the Australian Capital Territory which had the largest increase of 1.0 per cent.

“In trend terms, the number of established dwellings purchase commitments decreased by 0.5 per cent while new dwelling construction increased by 1.9 per cent and the purchase of new dwellings increased by 1.3 per cent.

“The June figures show that the market is adjusting with owner occupiers and first home buyers returning to the market as investor activity decreases in response to the actions of the regulators and banks to limit bank lending to dampen investor demand for property,” 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.