

**Media Release
For Immediate Release**
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Housing finance numbers on slippery slope: REIA

The October 2018 housing finance figures released today by the Australian Bureau of Statistics show the number of loans for housing continues to decline, according to the Real Estate Institute of Australia (REIA).

“Overall the figures for October 2018 show, in trend terms that the number of owner-occupied finance commitments decreased by 0.1 per cent –the thirteenth consecutive month of decreases,” REIA President Malcolm Gunning said.

“If refinancing is excluded, in trend terms, the number of owner-occupied finance commitments decreased by 0.3 per cent –also the thirteenth consecutive month of decreases and the lowest since November 2014.

“In trend terms decreases were recorded in Victoria, New South Wales, Queensland and the Northern Territory. The largest decrease of 2.6 per cent was in the Northern Territory. Western Australia, South Australia, Tasmania and the Australian Capital Territory had modest increases with the largest of 2.3 per cent in the Australian Capital Territory.

Mr Gunning said the value of investment housing commitments decreased by 1.9 per cent in October, in trend terms.

“The dollar amount approved for the purchase of dwellings by individuals for rent or resale is at the lowest level since June 2013,” he said.

“In trend terms, the number of established dwellings purchase commitments remained unchanged while the purchase of new dwellings decreased by 1.5 per cent and new dwelling construction fell by 0.5 per cent.

“The proportion of first home buyers, as part of the total owner-occupied housing finance commitments increased in October to 18.1 per cent from 18.0 per cent in September and the number of loans to first home buyers increased by 15.7 per cent.

“The continued decline in housing finance reflects the slowing market, APRA restrictions on investors which went too far for too long, the fallout from the Royal Commission into Banking and concerns about changes to property taxation and its impact should there be a change in Government,” 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.