

**Media Release
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Little good news in housing finance numbers: REIA

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

“Overall the figures for November 2018 show, in trend terms that the number of owner-occupied finance commitments decreased by 0.2 per cent –the fourteenth consecutive month of decreases. If refinancing is excluded, in trend terms, the number of owner-occupied finance commitments decreased by 0.2 per cent –also the fourteenth consecutive month of decreases and the lowest since October 2014,” REIA President Adrian Kelly said.

“In trend terms decreases were recorded in Victoria, New South Wales and Queensland. The largest decrease of 0.7 per cent was in New South Wales. Western Australia, South Australia, Tasmania, the Northern Territory and the Australian Capital Territory had increases with the largest of 2.2 per cent in the Australian Capital Territory.”

Mr Kelly said the value of investment housing commitments decreased by 1.5 per cent in November, in trend terms, and is currently at 2013 levels.

“In trend terms, the number of established dwellings purchase commitments decreased by 0.1 per cent while the purchase of new dwellings decreased by 0.6 per cent and new dwelling construction fell by 0.9 per cent.

“The proportion of first home buyers, as part of the total owner-occupied housing finance commitments increased in November to 18.3 per cent from 18.1 per cent in October and the number of loans to first home buyers increased by 3.5 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.

“With the Government formulating its 2019 Budget the property sector should be at the forefront of its considerations so that it doesn’t become a drag on the economy,” Mr Kelly said.

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 Adrian Kelly please contact Helen Hull via media@reia.com.au or 0419 642 961.