

# Housing Finance for Owner Occupation – April 2017

ABS Cat. No. 5609.0



**ACT**  
Government

Chief Minister, Treasury and  
Economic Development

Publication Release Date: 09 June 2017 | Brief Release Date: 09 June 2017 | Next Brief Release Date: 11 July 2017

## The number of housing finance commitments decreased in April 2017

### ACT (seasonally adjusted<sup>1</sup>)

The *number* of housing finance commitments for owner occupation<sup>2</sup> decreased by 2.8 per cent in April 2017. Through the year<sup>3</sup> to April 2017, the number of housing finance commitments decreased by 4.4 per cent.

The *value* of housing finance commitments for owner occupation decreased by 12.0 per cent in April 2017. Through the year to April 2017, the value of housing finance commitments decreased by 6.4 per cent.

### National (seasonally adjusted)

The *number* of housing finance commitments for owner occupation decreased by 1.9 per cent in April 2017. Through the year to April 2017, the number of housing finance commitments decreased by 6.4 per cent.

The *value* of housing finance commitments for owner occupation decreased by 1.1 per cent in April 2017. Through the year to April 2017, the value of housing finance commitments decreased by 2.1 per cent.

### Housing Finance Commitments, Seasonally Adjusted, April 2017

	Level	Change (%)	
		Monthly	tty <sup>3</sup>
<b>ACT</b>			
No. of commitments	1,034	-2.8	-4.4
Value of commitments (\$'000)	365,382	-12.0	-6.4
<b>Australia</b>			
No. of commitments	53,062	-1.9	-6.4
Value of commitments (\$'000)	19,891,631	-1.1	-2.1

Source: ABS Cat. No. 5609.0

## Commentary

### Types of Housing Loan (original data)<sup>4</sup>

In April 2017, housing finance commitments for owner occupation in the ACT consisted of 53 loans for construction of dwellings (5.7 per cent of the total), 92 loans for new dwellings (10.0 per cent), and 778 loans for established dwellings (84.3 per cent).

Through the year to April 2017, the number of refinances decreased by 38.6 per cent to 231 loans.

### Average Housing Loan (original data)

Through the year to April 2017, the average new ACT housing loan for an owner occupied home increased by 1.3 per cent to \$358,700, 3.5 per cent lower than the average of all jurisdictions (\$371,700).

<sup>1</sup> Seasonally adjusted data takes into account calendar effects so that the effects of other influences on the series may be clearly recognised.

<sup>2</sup> Housing finance for owner occupation measures secured loans made by significant lenders for the construction or purchase of newly erected dwellings, commitments for the refinancing of existing loans, and loans taken out for the purchase of established dwellings.

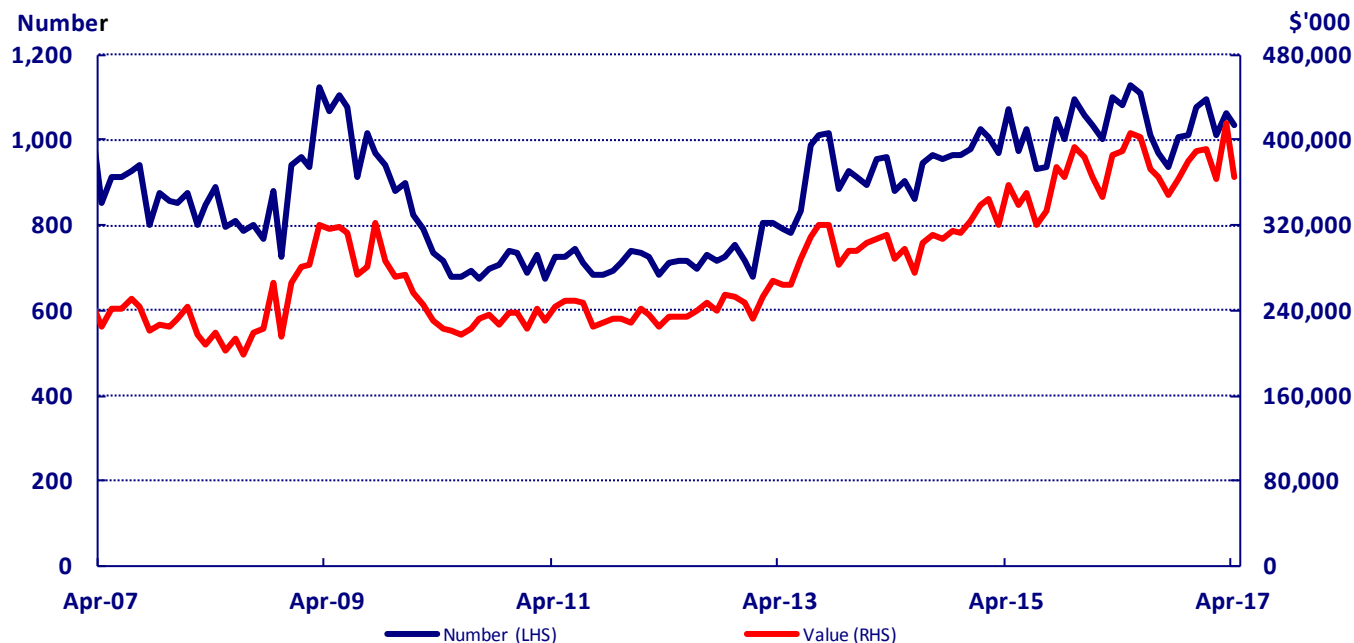
<sup>3</sup> Through the year (tty) is the percentage change from the same period in the previous year.

<sup>4</sup> Original data should be used with caution due to its volatility.

### First Home Buyer (original data)<sup>5</sup>

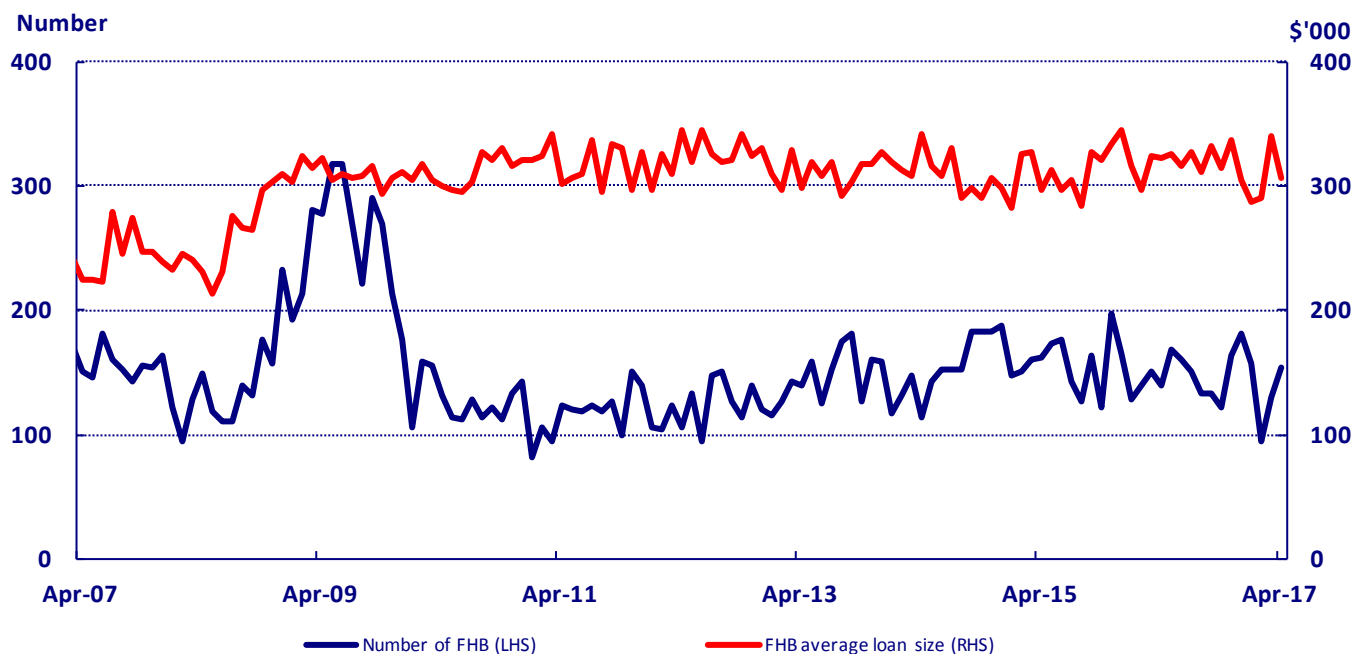
In April 2017, housing finance commitments taken out by first home buyers in the ACT numbered 154 loans, which was 10.0 per cent higher than the April 2016 level (140 loans). First home buyers represented 16.7 per cent of the total housing loans taken out in April 2017, which is 4.1 percentage points higher than its proportion in April 2016 of 12.6 per cent.

**Number and Value of New Housing Finance Commitments, ACT, Seasonally Adjusted**



Source: ABS Cat. No. 5609.0

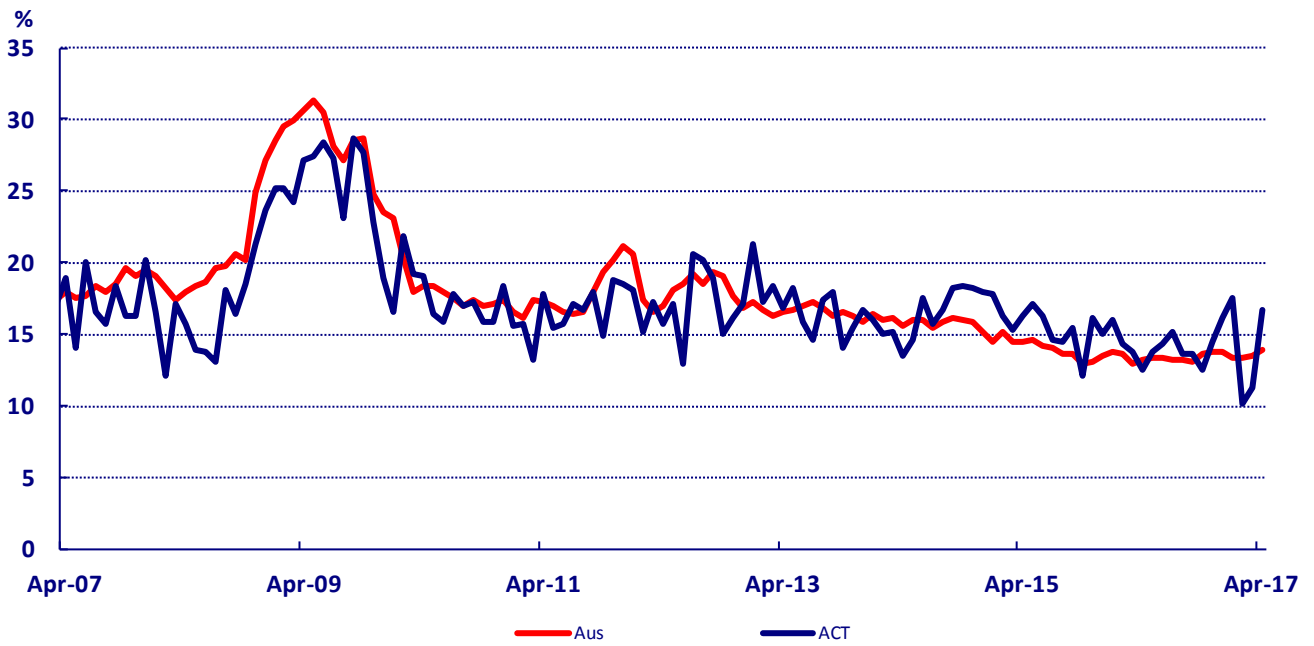
**Number of New Loans to First Home Buyers and the Average Loan Size, ACT, Original Data**



Source: ABS Cat. No. 5609.0

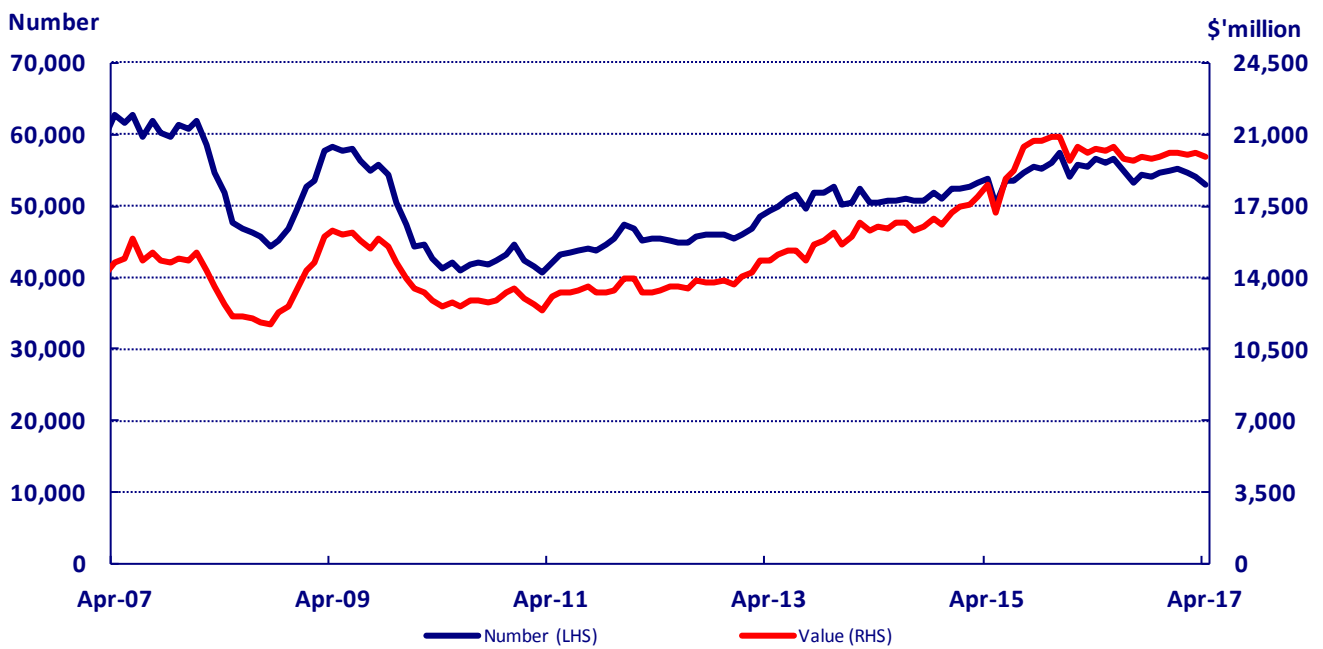
<sup>5</sup>First home buyers are defined as persons entering the home ownership market for the first time as owner occupiers. First time investors are not included. In 2014, it was established that some lenders were reporting only loans extended to first home buyers who had also received a First Home Owner Grant; instead of all first home buyers. The ABS and APRA worked successfully with lenders to ensure that all loans to first home buyers are reported, regardless of whether or not they received a First Home Owner Grant. As a result, from August 2016, the number of first home buyers no longer require adjustment as most lenders are reporting correctly.

### Ratio of First Home Buyer to Total Housing Finance Commitments



Source: ABS Cat. No. 5609.0

### Number and Value of New Housing Finance Commitments, Australia, Seasonally Adjusted

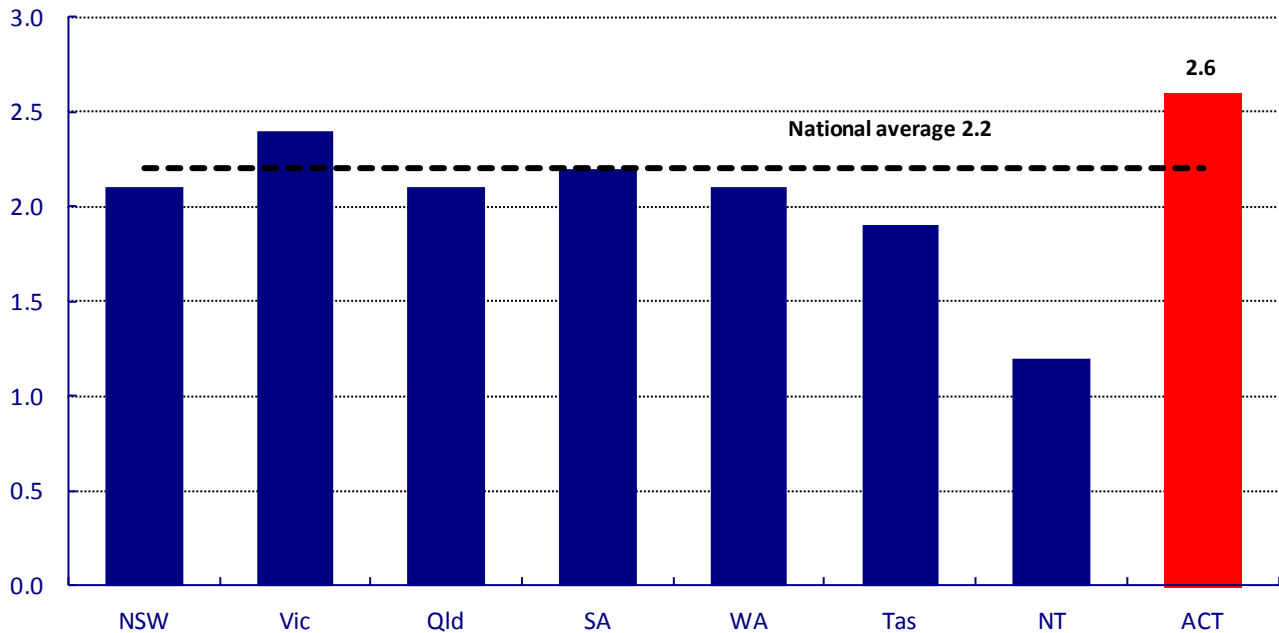


Source: ABS Cat. No. 5609.0

## Number of Housing Loans per 1,000 Persons

Through the year to April 2017, the estimated number of housing finance commitments per 1,000 persons in the ACT decreased by 3.7 per cent to 2.6 per 1,000 persons. This is higher than the national average of 2.2 per 1,000 persons.

### Housing Finance Commitments per 1,000 persons by State/Territory, Seasonally Adjusted, April 2017



Source: ACT Treasury estimates based on ABS Cat. No. 5609.0 and 3101.0

**Note:** An approximation of housing finance commitments per 1,000 persons is calculated based on the latest available estimated resident population data as at 30 September 2016 (ABS Cat No. 3101.0).