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MEDIA RELEASE

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Weak Home Lending Continues in SA

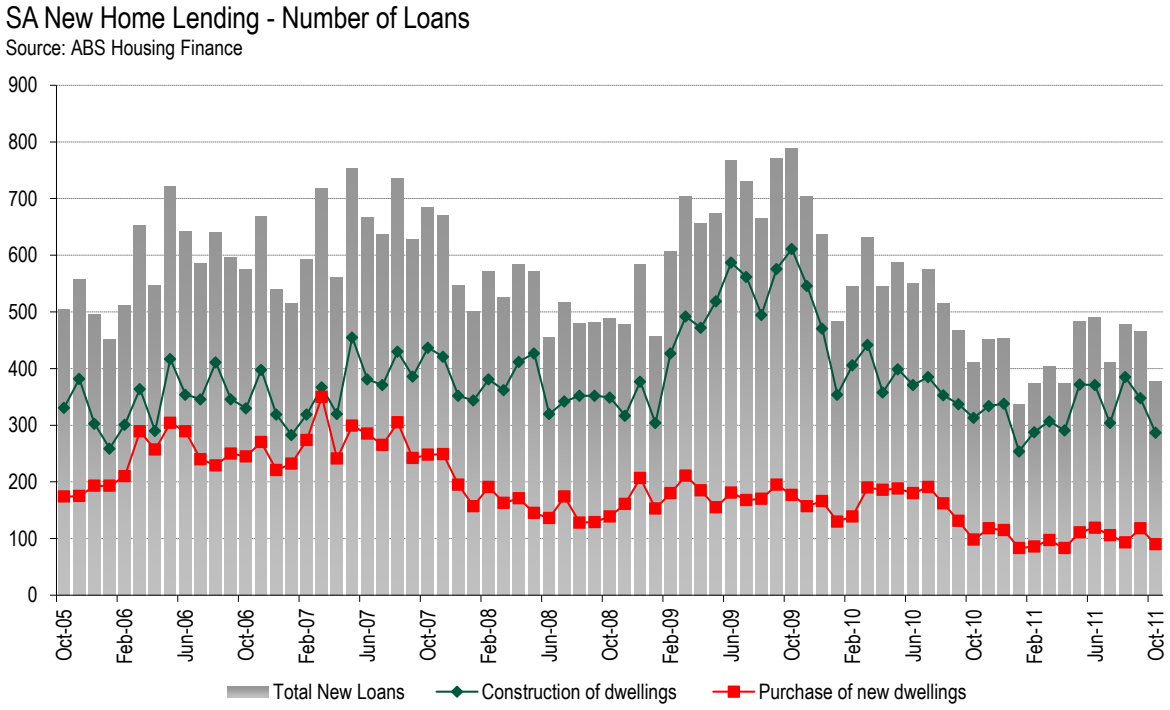
Housing finance figures weakened further in South Australia in October 2011, said the Housing Industry Association, the voice of Australia's residential building industry.

"The update for October 2011 indicates that the number of loans for construction and for the purchase of new dwellings remains well down in late 2011 on the levels of previous years," said HIA Executive Director South Australia, Robert Harding.

"Some interest rate relief at the end of this year will be helpful, but a range of leading indicators continue to point to new home building levels in South Australia being well down on those experienced over the last five or six years," said Robert Harding.

The number of loans for construction fell by 8.3 per cent in October 2011 compared to the same month last year, while loans for the purchase of a new dwelling were off by almost the same magnitude (-8.2 per cent).

"The total number of loans for first home buyers was effectively the same over the three months to October this year (1,455) as was the case for the same period in 2010. Encouragingly, the total number of loans for trade-up buyers was 5 per cent higher over the three months to October 2011 compared to the three months to October 2010," added Robert Harding.



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