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First Home Buyers Surge

“First home buyers are continuing to take advantage of a less competitive environment and more affordable house prices. The number of loans to first home buyers was up by 1.3 per cent for the month and 4.0 per cent for the three months to July,” stated HIA’s Economist, Angela Lillicrap.

The ABS released the Lending to Households and Businesses data for July 2019 today. The publication presents statistics on housing finance commitments including for the purchase or construction of new dwellings.

“First home buyers account for just under one third of the total market, the continued growth of this segment is important for the broader housing market,” added Ms Lillicrap.

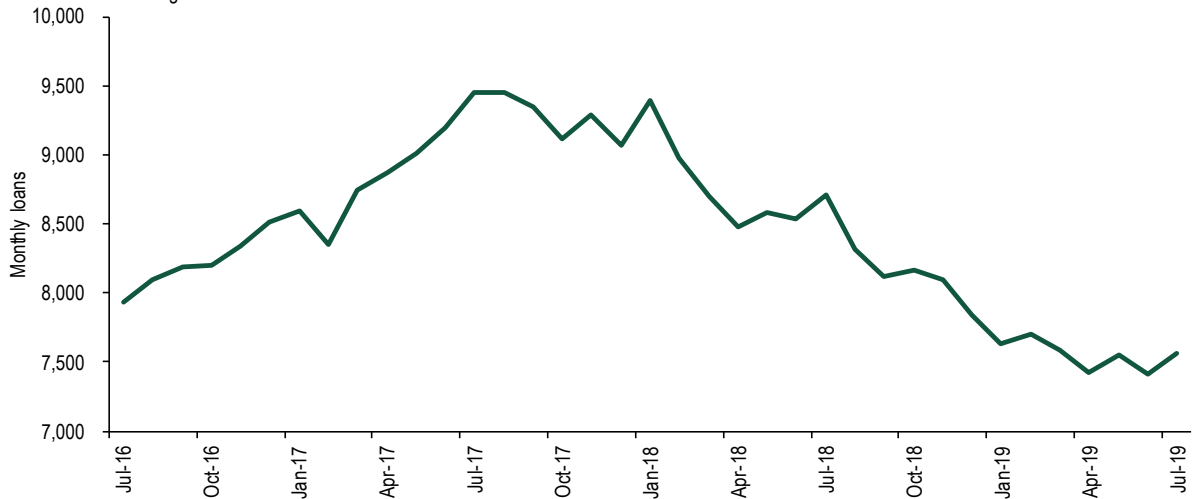
“Market confidence is slowly returning with lending to households building and purchasing new homes remaining flat in the three months to July 2019 declining by only 0.8 per cent compared to the previous three months.

“Lending for established dwellings increased by a modest 0.5 per cent during the three months to July.

“Given the lag between loan applications and final approval, it is unlikely that the full effects of the tax cuts and the two RBA rate cuts will be seen in the figures released today. These changes should lead to more positive data as the year progresses,” concluded Ms Lillicrap.

New Home Lending - Number of Loans

Source: ABS Housing Finance



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