

# HOUSING FINANCE

FOR OWNER  
OCCUPATION  
AUSTRALIA

EMBARGOED UNTIL 11:30AM WED 21 FEBRUARY 1996

## DECEMBER KEY FIGURES

### TREND ESTIMATES

	Dec 95	% change Nov 95	% change Dec 94
Number of dwellings financed	37 875	-0.4	0.9
Construction of dwellings	5 323	-2.1	-24.0
Purchase of new dwellings	1 761	-0.1	-2.7
Purchase of established dwellings	30 791	-0.1	7.1

### SEASONALLY ADJUSTED

	Dec 95	% change Nov 95	% change Dec 94
Number of dwellings financed	36 321	-6.0	-6.5
Construction of dwellings	5 009	-10.7	-30.4
Purchase of new dwellings	1 691	-7.1	-14.4
Purchase of established dwellings	29 621	-5.1	-0.2

## DECEMBER KEY POINTS

### TREND ESTIMATES

- The trend for total dwellings financed during the month decreased by 0.4% and is 22.3% below the peak of March 1994. The revised trend for November 1995 increased by 0.1 on October.
- The trend for the number of dwellings refinanced during the month increased by 1.3%, continuing trend increases since March 1995.
- During December 1995, 85.3% of commitments were made by Banks, 5.7% by Permanent Building Societies, and 9.0% by Other Lenders. For December 1994 the proportions were 88.3%, 5.9%, and 5.9% respectively.
- The trend estimate for the value of commitments was down 0.4%.

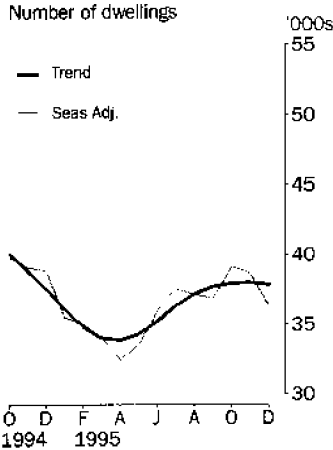
### SEASONALLY ADJUSTED ESTIMATES

- The number of dwellings financed during the month decreased by 6.0% on November 1995.
- The number of commitments made during the month for the construction of dwellings, the purchase of newly erected dwellings, and the purchase of established dwellings decreased by 10.7%, 7.1%, and 5.1% respectively.

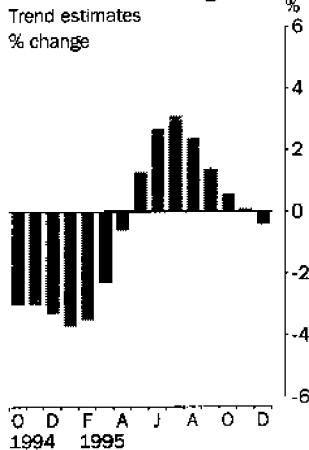
### ORIGINAL ESTIMATES

- There were 33 280 dwelling units financed during the month, down 17.9% on November 1995 and down 8.3% on December 1994.
- The refinancing of 7 095 dwellings accounted for 21.3% of the total number of dwellings financed during the month.
- Fixed rate loan commitments accounted for 17.5% of total dwelling finance commitments in December.

### Secured housing finance



### Number of dwellings



## INQUIRIES

- For further information about these and related statistics, contact Karen Young on 02 268 4784, or any ABS Office.

# HOUSING FINANCE NOTES

## FORTHCOMING ISSUES

ISSUE	RELEASE DATE
January 1996	13 March 1996
February 1996	16 April 1996
March 1996	16 May 1996

## CHANGES IN THIS ISSUE

Release dates for forthcoming issues have been revised from those previously advised.

## SENSITIVITY ANALYSIS

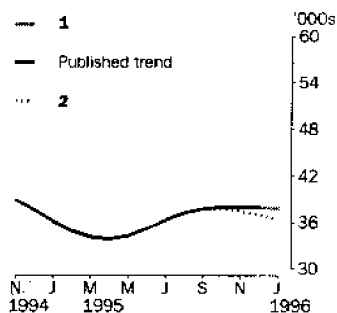
Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 12 and 13.

The graph below presents the effect of two possible scenarios on the previous trend estimates:

- 1 The January seasonally adjusted estimate of number of dwellings financed is *higher* than the December seasonally adjusted estimate by 5%.
- 2 The January seasonally adjusted estimate of number of dwellings financed is *lower* than the December seasonally adjusted estimate by 5%.

The percentage change of 5% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 5%.

## NUMBER OF DWELLINGS FINANCED



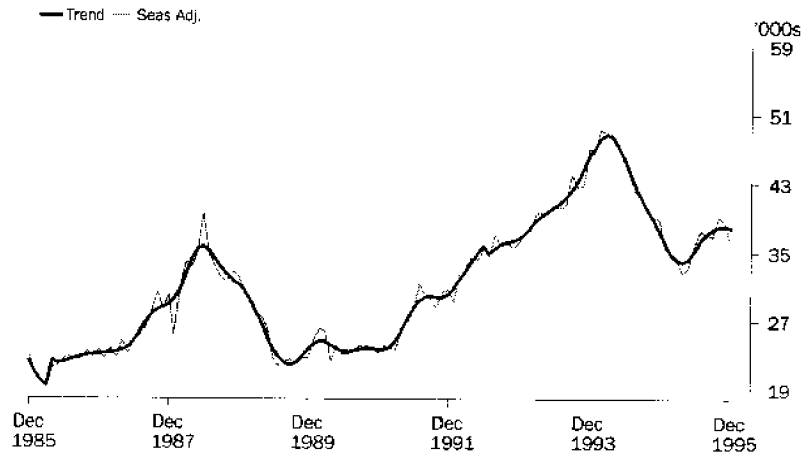
	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	estimate	% change	1 rises by 5% on Dec 1995 estimate		2 falls by 5% on Dec 1995 estimate	
	estimate	% change	estimate	% change	estimate	% change
1995						
July	36 328	3.1	36 333	3.4	36 404	3.4
August	37 207	2.4	37 227	2.5	37 350	2.6
September	37 739	1.4	37 753	1.4	37 815	1.2
October	37 972	0.6	37 931	0.5	37 769	-0.1
November	38 027	0.1	37 966	0.1	37 428	-0.9
December	37 875	-0.4	37 929	-0.1	36 916	-1.4
1996						
January (new)	—	—	37 839	-0.2	36 310	-1.6

W. McLennan  
Australian Statistician

# SECURED HOUSING FINANCE: Trend/Seasonally adjusted

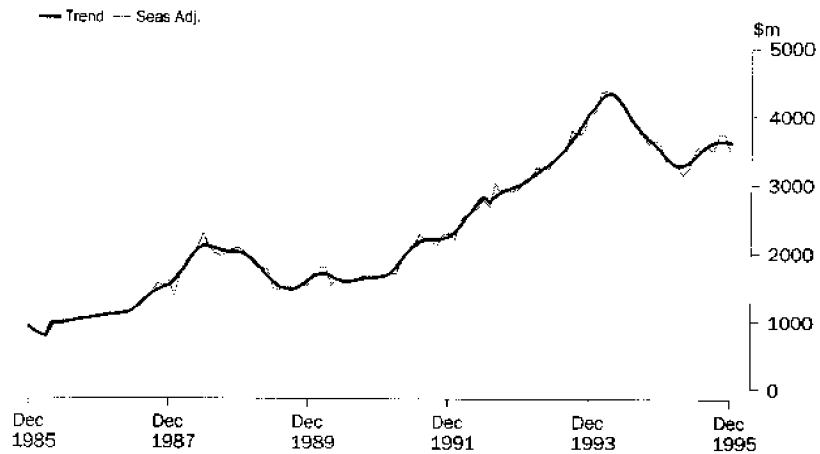
## NUMBER OF DWELLINGS FINANCED

The trend estimate for the number of dwellings financed decreased by 0.4% in December. Seasonally adjusted, the number of dwellings financed was down 6.0% on the previous month.



## VALUE OF COMMITMENTS

The trend estimate for the value of owner-occupied housing commitments for December 1995 was \$3 621.0 million, down 0.4% on November. Seasonally adjusted, the value of commitments fell 7.7% on the previous month. The average borrowing was \$96 000 in original terms.

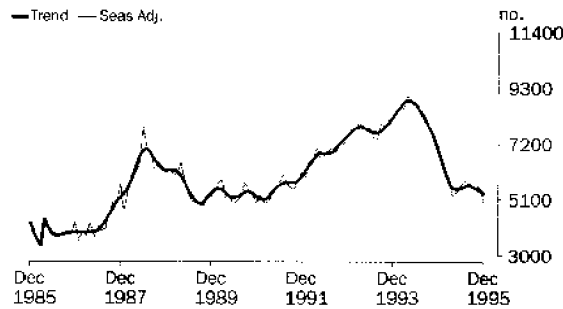


# TYPE OF HOUSING: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

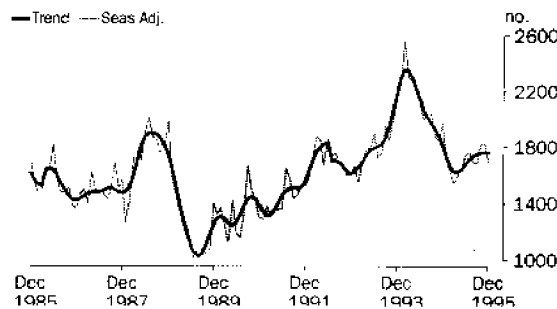
### CONSTRUCTION OF DWELLINGS

The trend estimate for the number of dwellings financed in December 1995 was 5 323, a decrease of 2.1% on November and 24.0% lower than in December 1994. Seasonally adjusted, finance was committed for 5 009 dwellings, 10.7% lower than in the previous month.



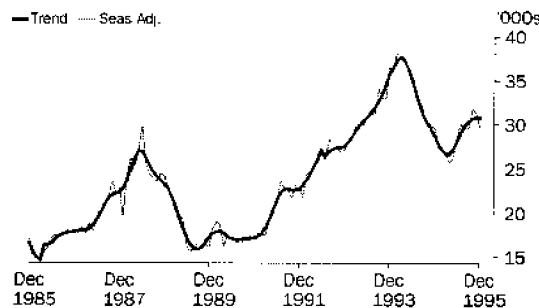
### PURCHASE OF NEW DWELLINGS

The trend estimate for the number of dwellings financed was 1 761, a decrease of 0.1% on November and 2.7% lower than in December 1994. Seasonally adjusted, finance was committed for 1 691 dwellings, a decrease of 7.1% on the previous month.



### PURCHASE OF ESTABLISHED DWELLINGS

The trend estimate for the number of dwellings financed was 30 791, down 0.1% on November but 7.1% higher than in December 1994. Seasonally adjusted, finance was committed for 29 621 dwellings, a decrease of 5.1% on the previous month.

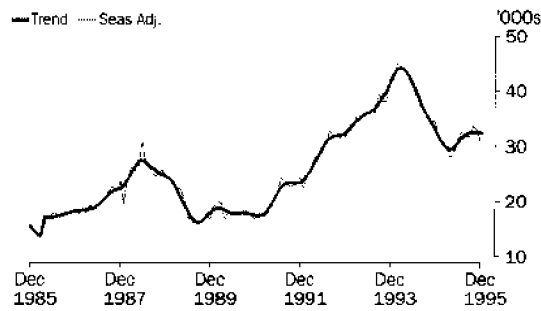


# TYPE OF LENDER: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

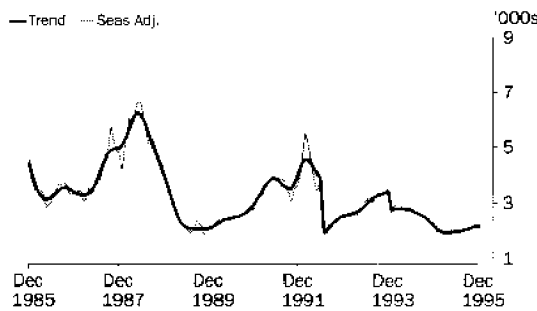
### BANKS

The trend estimate for the number of dwellings financed in December 1995 was 32 316, down 0.6% on November and 2.5% lower than in December 1994. Seasonally adjusted, finance was committed for 30 905 dwellings, a decrease of 6.7% on the previous month.



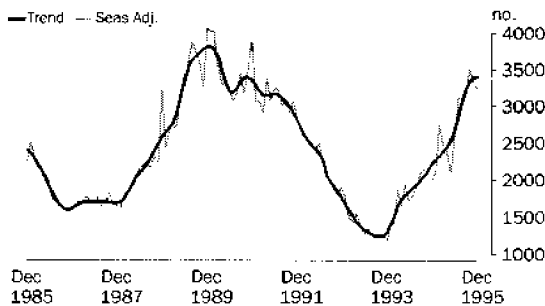
### PERMANENT BUILDING SOCIETIES

The trend estimate for the number of dwellings financed in December 1995 was 2 157, an increase of 2.0% on November but 2.0% lower than in December 1994. Seasonally adjusted, finance was committed for 2 169 dwellings, 1.1% lower than in the previous month.



### OTHER LENDERS

The trend estimate for the number of dwellings financed in December 1995 was 3 402, 0.3% up on November and 53.8% higher than in December 1994. Seasonally adjusted, finance was committed for 3 247 dwellings, a decrease of 2.4% on the previous month.



**SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Purpose: All series**

Month	Construction of dwellings		Purchase of newly erected dwellings		Purchase of established dwellings <sup>2</sup>		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
<b>ORIGINAL</b>								
<b>1994</b>								
October	7 251	611.8	1 878	196.7	28 246	2 596.6	37 375	3 405.1
November	7 647	669.6	1 897	200.0	31 979	2 958.0	41 523	3 827.6
December	6 573	579.4	1 783	178.9	27 946	2 648.0	36 302	3 406.3
<b>1995</b>								
January	5 053	438.6	1 386	145.8	22 049	2 005.4	28 488	2 589.8
February	5 868	511.9	1 531	162.5	26 796	2 553.7	34 195	3 228.1
March	6 841	634.7	1 758	181.8	30 899	2 984.3	39 498	3 800.8
April	4 785	452.7	1 411	146.1	23 061	2 250.5	29 257	2 849.3
May	6 122	580.4	1 762	184.8	29 393	2 900.6	37 277	3 665.8
June	6 010	556.8	1 818	188.3	30 347	2 996.9	38 175	3 742.0
July	5 718	542.8	1 822	183.3	29 335	2 845.9	36 875	3 572.0
August	6 249	580.7	1 893	191.1	31 316	2 993.0	39 458	3 764.8
September	5 587	507.7	1 718	176.4	29 114	2 800.1	36 419	3 484.2
October	5 264	492.7	1 870	185.0	30 761	2 945.0	37 895	3 622.7
November	5 753	538.6	1 885	194.1	32 919	3 172.7	40 557	3 905.4
December	4 548	419.4	1 466	153.8	27 266	2 621.0	33 280	3 194.2
<b>SEASONALLY ADJUSTED</b>								
<b>1994</b>								
October	7 777	656.7	1 881	198.7	30 177	2 745.8	39 835	3 601.2
November	7 485	642.8	1 832	193.3	29 783	2 805.6	39 100	3 641.7
December	7 192	641.5	1 975	194.4	29 694	2 793.3	38 861	3 629.2
<b>1995</b>								
January	6 501	577.0	1 713	182.3	27 350	2 595.6	35 564	3 355.0
February	6 108	541.8	1 628	170.9	27 341	2 628.5	35 077	3 341.3
March	5 819	544.4	1 544	160.6	26 684	2 565.4	34 047	3 270.4
April	5 217	487.6	1 597	165.8	25 660	2 479.7	32 474	3 133.2
May	5 382	513.6	1 666	171.1	26 402	2 569.6	33 450	3 254.4
June	5 641	528.3	1 741	177.0	28 588	2 799.4	35 970	3 504.7
July	5 803	540.5	1 757	181.8	30 033	2 909.2	37 593	3 631.5
August	5 750	520.3	1 691	172.7	29 694	2 855.6	37 135	3 548.6
September	5 564	509.0	1 693	175.4	29 622	2 818.3	36 879	3 502.7
October	5 545	517.7	1 824	181.5	31 796	3 031.4	39 165	3 730.5
November	5 610	512.4	1 820	187.0	31 229	3 051.6	38 659	3 751.0
December	5 009	470.0	1 691	174.3	29 621	2 816.0	36 321	3 460.3
<b>TREND ESTIMATES</b>								
<b>1994</b>								
October	7 738	668.7	1 932	199.2	30 368	2 810.0	40 039	3 677.8
November	7 402	643.8	1 878	194.8	29 570	2 758.1	38 850	3 596.7
December	7 003	614.7	1 809	188.1	28 740	2 704.1	37 551	3 507.0
<b>1995</b>								
January	6 559	583.3	1 731	180.2	27 857	2 644.3	36 148	3 407.8
February	6 127	554.3	1 667	173.3	27 085	2 593.3	34 879	3 320.9
March	5 778	532.4	1 631	169.4	26 659	2 572.1	34 068	3 273.9
April	5 569	519.9	1 625	168.4	26 683	2 587.8	33 877	3 276.1
May	5 500	515.8	1 643	169.7	27 164	2 638.6	34 307	3 324.1
June	5 540	518.4	1 679	172.6	28 023	2 719.2	35 241	3 410.2
July	5 615	522.2	1 716	175.8	28 997	2 805.0	36 328	3 502.9
August	5 653	522.2	1 739	177.8	29 815	2 874.2	37 207	3 574.2
September	5 624	517.8	1 751	178.8	30 364	2 918.9	37 739	3 615.5
October	5 541	510.2	1 758	179.5	30 672	2 943.0	37 972	3 632.6
November	5 438	501.3	1 762	179.9	30 827	2 954.4	38 027	3 635.7
December	5 323	492.4	1 761	180.0	30 791	2 948.6	37 875	3 621.0

<sup>1</sup> Excludes alterations and additions.

<sup>2</sup> Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Type of Lender: All series

Month	All banks		Permanent building societies		Other lenders		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
ORIGINAL								
<b>1994</b>								
October	32 904	2 985.7	2 287	207.5	2 184	211.8	37 375	3 405.1
November	36 541	3 367.4	2 606	225.8	2 376	234.4	41 523	3 827.6
December	32 218	3 027.3	2 168	194.1	1 916	184.9	36 302	3 406.3
<b>1995</b>								
January	25 143	2 275.8	1 536	138.9	1 809	175.1	28 488	2 589.8
February	29 700	2 796.9	1 970	171.9	2 525	259.3	34 195	3 228.1
March	34 614	3 328.1	2 079	178.6	2 805	294.1	39 498	3 800.8
April	25 441	2 476.9	1 677	149.0	2 139	223.4	29 257	2 849.3
May	32 759	3 236.9	2 266	201.3	2 252	227.6	37 277	3 665.8
June	33 487	3 285.6	2 108	186.6	2 580	269.8	38 175	3 742.0
July	32 110	3 118.4	1 701	151.7	3 064	301.9	36 875	3 572.0
August	34 085	3 225.9	2 244	199.6	3 129	339.4	39 458	3 764.8
September	31 193	2 980.3	1 973	184.6	3 253	319.2	36 419	3 484.2
October	32 121	3 067.0	2 097	186.5	3 677	369.2	37 895	3 622.7
November	34 511	3 322.1	2 282	211.1	3 764	372.2	40 557	3 905.4
December	28 293	2 713.8	1 986	187.2	3 001	293.2	33 280	3 194.2
SEASONALLY ADJUSTED								
<b>1994</b>								
October	35 290	3 171.6	2 391	219.5	2 154	210.1	39 835	3 601.2
November	34 583	3 220.0	2 434	216.5	2 083	205.2	39 100	3 641.7
December	34 527	3 225.6	2 319	210.6	2 015	193.0	38 861	3 629.2
<b>1995</b>								
January	31 499	2 961.8	1 965	172.9	2 100	220.3	35 564	3 355.0
February	30 406	2 899.8	1 918	165.3	2 753	276.2	35 077	3 341.3
March	29 706	2 862.3	1 868	157.8	2 473	250.3	34 047	3 270.4
April	28 156	2 721.9	1 917	170.6	2 401	240.7	32 474	3 133.2
May	29 317	2 869.3	2 016	176.6	2 117	208.5	33 450	3 254.4
June	31 387	3 048.2	1 978	175.4	2 605	281.1	35 970	3 504.7
July	32 595	3 147.1	1 866	166.5	3 132	317.8	37 593	3 631.5
August	32 015	3 038.3	2 052	183.1	3 068	327.2	37 135	3 548.6
September	31 696	2 993.9	1 970	186.1	3 213	322.7	36 879	3 502.7
October	33 598	3 188.7	2 044	186.1	3 523	355.7	39 165	3 730.5
November	33 139	3 217.7	2 194	205.2	3 326	328.1	38 659	3 751.0
December	30 905	2 934.6	2 169	211.0	3 247	314.7	36 321	3 460.3
TREND ESTIMATES								
<b>1994</b>								
October	35 528	3 259.0	2 459	223.7	2 052	195.1	40 039	3 677.8
November	34 386	3 177.7	2 335	210.6	2 129	208.4	38 850	3 596.7
December	33 140	3 090.6	2 200	196.0	2 212	220.4	37 551	3 507.0
<b>1995</b>								
January	31 795	2 996.1	2 078	183.1	2 274	228.6	36 148	3 407.8
February	30 571	2 913.4	1 984	173.2	2 324	234.3	34 879	3 320.9
March	29 767	2 866.4	1 928	167.4	2 374	240.1	34 068	3 273.9
April	29 533	2 862.2	1 909	166.0	2 435	247.8	33 877	3 276.1
May	29 860	2 896.7	1 918	168.0	2 529	259.5	34 307	3 324.1
June	30 625	2 962.2	1 940	171.6	2 676	276.4	35 241	3 410.2
July	31 498	3 030.6	1 965	175.9	2 865	296.5	36 328	3 502.9
August	32 148	3 077.9	1 992	180.5	3 067	315.8	37 207	3 574.2
September	32 484	3 100.5	2 028	186.1	3 227	328.9	37 739	3 615.5
October	32 573	3 105.0	2 071	192.6	3 329	335.0	37 972	3 632.6
November	32 521	3 099.3	2 114	199.2	3 393	337.3	38 027	3 635.7
December	32 316	3 082.1	2 157	205.4	3 402	333.5	37 875	3 621.0

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By State: All Series

## TOTAL NUMBER OF DWELLINGS.....

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	Number	Number	Number	Number	Number	Number	Number	Number	Number
ORIGINAL									
<b>1994</b>									
October	10 747	8 760	7 612	3 051	5 198	903	261	843	37 375
November	12 700	9 441	8 182	3 228	5 674	1 066	301	931	41 523
December	10 724	8 707	6 925	2 839	5 079	874	308	846	36 302
<b>1995</b>									
January	8 271	6 188	5 706	2 643	4 071	753	255	601	28 488
February	10 792	7 810	6 530	2 629	4 513	862	374	685	34 195
March	12 677	8 814	7 317	3 228	5 234	1 038	365	825	39 498
April	9 465	6 632	5 323	2 390	3 793	803	271	580	29 257
May	12 203	8 076	6 930	2 923	4 984	1 003	393	765	37 277
June	12 697	8 015	7 063	3 290	4 913	1 051	384	762	38 175
July	11 565	8 133	7 215	3 013	4 836	991	336	786	36 875
August	11 761	9 162	7 748	3 307	5 247	1 007	388	838	39 458
September	11 085	8 052	7 272	3 161	4 786	930	415	718	36 419
October	11 057	8 787	7 634	3 257	5 097	954	367	742	37 895
November	12 456	8 988	7 836	3 587	5 197	1 035	473	985	40 557
December	9 765	8 219	6 054	2 974	4 287	862	373	746	33 280

## SEASONALLY ADJUSTED

<b>1994</b>									
October	11 792	8 995	8 057	3 289	5 553	1 024	259	945	39 835
November	11 583	8 624	7 496	3 099	5 285	993	284	909	39 100
December	12 525	9 441	8 101	2 990	6 177	966	334	1 018	38 861
<b>1995</b>									
January	10 933	7 883	6 716	3 011	4 967	857	323	795	35 564
February	10 667	8 360	6 276	2 719	4 614	869	345	643	35 077
March	10 285	8 109	6 226	2 760	4 446	885	301	682	34 047
April	10 367	7 471	6 042	2 708	4 199	848	318	632	32 474
May	10 351	6 602	6 156	2 705	4 267	852	372	644	33 450
June	12 851	7 823	7 160	3 063	4 571	1 015	385	700	35 970
July	11 877	8 145	7 524	3 137	4 853	1 024	360	841	37 593
August	11 001	8 447	7 102	3 036	4 804	979	369	775	37 135
September	11 080	8 321	7 488	3 310	5 054	1 028	415	735	36 879
October	11 723	8 741	7 727	3 401	5 336	1 027	363	790	39 165
November	11 712	8 349	7 280	3 420	4 911	970	431	972	38 659
December	11 601	9 126	7 302	3 249	5 290	985	415	925	36 321

## TREND ESTIMATES

<b>1994</b>									
October	12 038	9 212	7 998	3 189	5 661	985	309	941	40 039
November	11 776	8 935	7 701	3 101	5 571	968	305	917	38 850
December	11 454	8 679	7 322	3 002	5 376	940	306	871	37 551
<b>1995</b>									
January	11 088	8 398	6 891	2 895	5 093	904	312	805	36 148
February	10 794	8 076	6 521	2 808	4 782	876	322	734	34 879
March	10 687	7 772	6 304	2 762	4 521	867	332	681	34 068
April	10 785	7 566	6 294	2 768	4 373	881	341	662	33 877
May	11 020	7 524	6 483	2 828	4 373	913	351	671	34 307
June	11 299	7 649	6 798	2 931	4 504	952	362	700	35 241
July	11 506	7 895	7 118	3 056	4 700	985	373	738	36 328
August	11 569	8 173	7 331	3 169	4 873	1 004	382	774	37 207
September	11 548	8 425	7 438	3 256	5 009	1 011	390	809	37 739
October	11 525	8 610	7 474	3 318	5 107	1 009	398	844	37 972
November	11 531	8 763	7 475	3 361	5 182	1 003	406	880	38 027
December	11 469	8 830	7 418	3 375	5 225	990	413	910	37 875

<sup>1</sup> Excludes alterations and additions. Includes refinancing.





## SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By State: All Series

### TOTAL VALUE OF COMMITMENTS.....

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>ORIGINAL</b>									
<b>1994</b>									
October	1 144.2	727.4	682.3	234.0	453.7	55.5	24.3	83.7	3 405.1
November	1 372.2	806.4	724.9	252.4	489.4	69.8	26.7	85.7	3 827.6
December	1 166.9	752.8	650.2	220.6	453.5	56.4	26.1	79.9	3 406.3
<b>1995</b>									
January	872.8	525.9	508.4	210.3	344.3	47.2	23.8	57.1	2 589.8
February	1 196.3	664.2	584.6	215.4	405.0	57.5	36.6	68.4	3 228.1
March	1 450.9	763.5	667.9	260.7	471.4	68.7	37.3	80.5	3 800.8
April	1 098.8	580.8	487.8	192.8	348.9	53.7	27.0	59.4	2 849.3
May	1 423.1	725.4	645.2	236.9	451.8	66.5	39.8	77.0	3 665.8
June	1 473.9	714.3	660.2	268.2	445.9	67.0	36.6	75.9	3 742.0
July	1 311.5	729.0	680.7	243.5	433.1	66.3	32.3	75.6	3 572.0
August	1 314.8	813.5	709.7	256.3	476.4	68.7	45.0	80.4	3 764.8
September	1 243.8	702.9	683.6	241.5	438.5	63.8	39.4	70.9	3 484.2
October	1 266.0	753.4	713.9	246.9	462.7	66.9	36.4	76.5	3 622.7
November	1 429.8	785.8	725.0	270.8	484.0	70.3	43.1	96.6	3 905.4
December	1 114.9	718.6	563.3	230.7	396.7	59.5	36.3	74.3	3 194.2

### SEASONALLY ADJUSTED

<b>1994</b>									
October	1 243.7	756.0	712.9	254.4	484.2	62.9	24.9	92.1	3 601.2
November	1 270.0	726.6	674.0	248.3	463.8	63.1	25.0	84.6	3 641.7
December	1 326.3	790.5	761.8	233.3	550.9	62.1	28.6	88.3	3 629.2
<b>1995</b>									
January	1 217.0	678.6	610.0	241.7	431.6	51.7	29.7	77.4	3 355.0
February	1 209.1	716.6	552.1	222.8	413.3	59.1	33.7	69.0	3 341.3
March	1 185.0	705.7	573.6	217.9	407.8	58.2	32.0	69.5	3 270.4
April	1 189.3	657.4	556.5	215.7	384.1	57.0	29.6	63.5	3 133.2
May	1 180.1	595.1	579.8	218.0	388.1	56.0	37.9	64.6	3 254.4
June	1 466.5	693.8	664.6	246.3	408.1	68.1	36.8	68.4	3 504.7
July	1 324.3	737.4	702.1	250.4	434.2	69.8	35.8	81.6	3 631.5
August	1 245.4	748.9	650.9	237.9	427.5	66.9	40.2	72.5	3 548.6
September	1 252.4	728.3	694.0	255.3	452.8	69.4	40.5	71.6	3 502.7
October	1 327.2	755.4	719.8	261.9	483.5	71.4	37.0	79.9	3 730.5
November	1 362.2	714.5	675.6	263.7	465.6	65.7	39.1	97.7	3 751.0
December	1 294.5	777.8	682.3	255.3	495.4	66.6	40.1	84.8	3 460.3

### TREND ESTIMATES

<b>1994</b>									
October	1 290.3	773.0	714.6	250.1	497.9	62.0	27.9	88.7	3 677.8
November	1 270.7	753.1	694.7	244.8	491.2	61.0	27.7	86.0	3 596.7
December	1 249.1	735.5	664.8	238.5	475.5	59.8	28.0	82.4	3 507.0
<b>1995</b>									
January	1 226.5	716.5	627.9	231.0	452.8	58.4	29.2	77.5	3 407.8
February	1 212.6	695.4	596.0	225.0	428.4	57.4	30.7	72.3	3 320.9
March	1 215.3	677.1	578.5	221.9	408.2	56.9	32.3	68.5	3 273.9
April	1 233.1	667.4	580.2	222.5	396.3	56.9	33.7	67.0	3 276.1
May	1 258.2	670.2	600.3	226.8	395.3	57.3	35.1	67.1	3 324.1
June	1 284.7	684.2	631.5	233.8	404.9	67.9	36.4	68.8	3 410.2
July	1 303.0	704.4	661.6	241.8	421.1	68.4	37.6	71.8	3 502.9
August	1 309.0	723.7	680.3	248.8	437.5	68.6	38.4	75.2	3 574.2
September	1 308.2	738.6	689.8	253.7	453.1	68.7	38.9	78.8	3 615.5
October	1 307.5	747.3	693.6	257.3	466.8	68.5	39.2	82.3	3 632.6
November	1 309.6	753.7	694.5	260.0	478.7	68.1	39.3	85.5	3 635.7
December	1 303.2	753.8	690.6	260.8	487.6	67.5	39.6	88.1	3 621.0

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Type of Borrower & Loan: Original

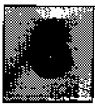
## TYPE OF BORROWER

Month	FIRST HOME BUYERS.....				OTHER.....			
	<i>Number of dwellings financed</i>	<i>Number as per cent of total</i>	<i>Value of commitments</i>	<i>Average borrowing size</i>	<i>Number of dwellings financed</i>	<i>Number as per cent of total</i>	<i>Value of commitments</i>	<i>Average borrowing size</i>
		%	\$m	\$'000		%	\$m	\$'000
<b>1994</b>								
October	8 679	23.2	761.2	87.7	28 696	76.8	2 643.8	92.1
November	9 165	22.1	819.1	89.4	32 358	77.9	3 008.6	93.0
December	7 789	21.5	703.0	90.3	28 513	78.5	2 703.3	94.8
<b>1995</b>								
January	6 472	22.7	576.5	89.1	22 016	77.3	2 013.3	91.4
February	7 965	23.3	723.1	90.8	26 230	76.7	2 505.0	95.5
March	9 132	23.1	833.2	91.2	30 366	76.9	2 967.6	97.7
April	6 439	22.0	601.7	93.4	22 818	78.0	2 247.6	98.5
May	8 570	23.0	794.2	92.7	28 707	77.0	2 871.6	100.0
June	8 013	21.0	744.0	92.9	30 162	79.0	2 998.0	99.4
July	7 672	20.8	709.7	92.5	29 203	79.2	2 862.3	98.0
August	8 225	20.8	740.4	90.0	31 233	79.2	3 024.5	96.8
September	7 598	20.9	681.3	89.7	28 821	79.1	2 802.9	97.3
October	7 991	21.1	726.7	90.9	29 904	78.9	2 895.9	96.8
November	8 539	21.1	767.4	89.9	32 018	78.9	3 138.0	98.0
December	7 218	21.7	648.5	89.8	26 062	78.3	2 545.7	97.7

## TYPE OF LOAN

Month	FIXED RATE.....				OTHER.....			
	<i>Number of dwellings financed</i>	<i>Number as per cent of total</i>	<i>Value of commitments</i>	<i>Average borrowing size</i>	<i>Number of dwellings financed</i>	<i>Number as per cent of total</i>	<i>Value of commitments</i>	<i>Average borrowing size</i>
		%	\$m	\$'000		%	\$m	\$'000
<b>1994</b>								
October	4 295	11.5	402.0	93.6	33 080	88.5	3 003.1	90.8
November	4 978	12.0	476.8	95.8	36 545	88.0	3 350.8	91.7
December	4 633	12.8	450.8	97.3	31 669	87.2	2 955.5	93.3
<b>1995</b>								
January	3 656	12.8	341.0	93.3	24 832	87.2	2 248.8	90.6
February	3 812	11.1	351.1	92.1	30 383	88.9	2 877.0	94.7
March	3 591	9.1	335.3	93.4	35 907	90.9	3 465.6	96.5
April	2 047	7.0	201.1	98.2	27 210	93.0	2 648.2	97.3
May	2 539	6.8	241.2	95.0	34 738	93.2	3 424.6	98.6
June	3 792	9.9	402.7	106.2	34 383	90.1	3 339.3	97.1
July	5 758	15.6	609.5	105.9	31 117	84.4	2 962.5	95.2
August	6 618	16.8	659.4	99.6	32 840	83.2	3 105.4	94.6
September	5 568	15.3	556.9	100.0	30 851	84.7	2 927.3	94.9
October	6 074	16.0	612.4	100.8	31 821	84.0	3 010.2	94.6
November	7 105	17.5	705.5	99.3	33 452	82.5	3 199.9	95.7
December	5 826	17.5	584.6	100.3	27 454	82.5	2 609.6	95.1

<sup>1</sup> Excludes alterations and additions. Includes refinancing.



SECURED HOUSING FINANCE COMMITMENTS, Summary Table: Original

Month	Total new housing commitments <sup>1</sup>	Refinancing	Alterations and additions	Total	Commitments advanced during month	Cancellations of commitments during month	Commitments not advanced at end of month
	\$m		\$m		\$m	\$m	\$m
<b>1994</b>							
October	2 955.2	449.9	256.3	3 661.3	3 638.1	188.1	7 308.8
November	3 315.0	512.6	329.2	4 156.8	3 869.3	187.9	7 393.0
December	2 946.3	460.0	279.7	3 686.0	3 811.3	181.2	7 088.4
<b>1995</b>							
January	2 240.9	348.9	231.5	2 821.4	2 828.4	195.7	6 902.0
February	2 794.3	433.8	306.3	3 534.4	3 145.7	215.4	7 103.3
March	3 248.1	552.7	340.5	4 141.3	4 331.0	220.9	6 654.0
April	2 431.3	418.0	266.4	3 115.7	3 168.7	189.9	6 417.8
May	3 119.2	546.6	291.8	3 957.6	3 518.5	258.5	6 673.5
June	3 064.2	677.9	303.8	4 045.8	3 754.1	218.4	6 726.3
July	2 882.1	689.9	263.6	3 835.6	3 745.8	206.2	6 673.6
August	3 043.7	721.2	291.7	4 056.6	3 614.0	176.1	7 098.2
September	2 815.6	668.6	297.1	3 781.3	3 638.4	174.0	7 180.0
October	2 919.0	703.7	282.8	3 905.5	3 567.9	172.6	7 311.8
November	3 134.7	770.7	318.0	4 223.4	3 748.9	174.3	7 615.4
December	2 598.7	595.5	267.5	3 461.7	3 476.9	178.6	7 426.9

<sup>1</sup> Excluding refinancing.

# REFINANCING

## IMPACT ON HOUSING FINANCE ESTIMATES

The ABS began collecting separate information on the level of refinancing in July 1991. Up until that time refinancing was included with statistics of finance for established dwellings. Growth in refinancing in recent years has led to requests for trend estimates of total commitments for housing finance excluding commitments for refinancing.

Preliminary seasonally adjusted and trend estimates for dwellings refinanced are now available from July 1991 based on the actual recorded level of refinancing. These should be used with caution as there is still an insufficient number of observations to produce estimates as reliable as others in this publication.

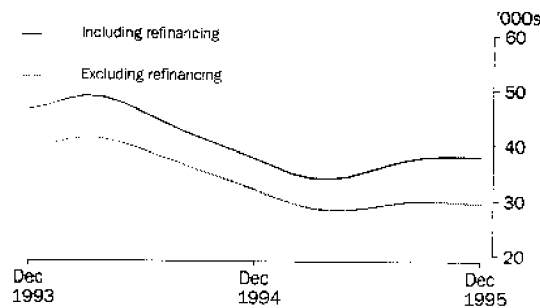
The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

### TOTAL DWELLINGS FINANCED—Including & excluding refinancing

Month	ORIGINAL	SEASONALLY ADJUSTED.....			TREND.....				
	<i>Dwellings refinanced</i>	<i>Total dwellings financed</i>	<i>Dwellings under new finance excluding dwellings refinanced</i>	<i>Dwellings refinanced</i>	<i>Total dwellings financed</i>	<i>Dwellings under new finance excluding dwellings refinanced</i>	<i>Dwellings refinanced</i>	<i>Month to month change in total dwellings financed</i>	<i>Month to month change in dwellings under new finance</i>
	Number	Number	Number	Number	Number	Number	Number	%	%
<b>1994</b>									
October	5 594	39 835	34 042	5 793	40 039	34 258	5 781	-3.0	-3.3
November	6 180	39 100	33 084	6 016	38 850	33 089	5 761	-3.0	-3.4
December	5 470	38 861	32 802	6 059	37 551	31 865	5 686	-3.3	-3.7
<b>1995</b>									
January	4 158	35 564	30 064	5 500	36 148	30 616	5 531	-3.7	-3.9
February	4 882	35 077	29 852	5 225	34 879	29 474	5 405	-3.5	-3.7
March	6 302	34 047	28 616	5 431	34 068	28 633	5 436	-2.3	-2.9
April	4 764	32 474	27 283	5 191	33 877	28 214	5 664	-0.6	-1.5
May	6 293	33 450	27 769	5 681	34 307	28 259	6 048	1.3	0.2
June	7 433	35 970	28 677	7 293	35 241	28 686	6 555	2.7	1.5
July	7 812	37 593	30 219	7 374	36 328	29 245	7 083	3.1	1.9
August	8 296	37 135	29 795	7 340	37 207	29 669	7 538	2.4	1.4
September	7 624	36 879	29 582	7 297	37 739	29 841	7 898	1.4	0.6
October	8 235	39 165	30 437	8 728	37 972	29 791	8 181	0.6	-0.2
November	9 049	38 659	29 736	8 923	38 027	29 626	8 401	0.1	-0.6
December	7 095	36 321	28 332	7 989	37 875	29 367	8 508	-0.4	-0.9

# REFINANCING *(continued)*

## HOUSING FINANCE, INCLUDING & EXCLUDING REFINANCING: TREND



The table below shows the contribution of refinancing to percentage monthly movements in trend estimates of housing finance for the most recent fifteen month period.

## TOTAL DWELLINGS FINANCED—Contribution of components to monthly growth: Trend

Month	Month to month change in total dwellings financed including those refinanced	COMPONENT OF TOTAL MOVEMENT ATTRIBUTABLE TO .....	
		Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced
	%	Percentage points	Percentage points
<b>1994</b>			
October	-3.0	-2.8	-0.2
November	-3.0	-2.9	-0.1
December	-3.3	-3.2	-0.2
<b>1995</b>			
January	-3.7	-3.3	-0.4
February	-3.5	-3.2	-0.3
March	-2.3	-2.4	0.1
April	-0.6	-1.2	0.7
May	1.3	0.1	1.1
June	2.7	1.2	1.5
July	3.1	1.6	1.5
August	2.4	1.2	1.3
September	1.4	0.5	1.0
October	0.6	-0.1	0.7
November	0.1	-0.4	0.6
December	-0.4	-0.7	0.3

## OTHER LENDERS—MORTGAGE MANAGERS

Commitments made by mortgage managers for secured housing finance for owner occupation are included in the 'other lenders' and 'total lenders' categories in this publication. The table below shows the level of lending commitments by mortgage managers to individuals for construction and purchase of dwellings, commencing from July 1995. Data for the more significant mortgage managers, where available, has been included for earlier months elsewhere in this publication under 'other lenders', but not shown separately. More comprehensive data are only available from July 1995 when the annual adjustment to the population of the monthly survey underlying these statistics introduced a number of additional mortgage managers. The data in the following table are on an original basis; seasonally adjusted data will not be available for some years as a large number of observations are needed to produce reliable seasonal factors.

Care should be exercised in the interpretation of these statistics as:

- only those mortgage managers identified as significant lenders are included;
- only those commitments funded by securitisers are included. Commitments made by mortgage managers acting as agents or brokers for other financial institutions are excluded from this table. Such commitments are reported by those lending institutions providing the finance and are included in the lender type category relating to those institutions; and
- commitments made by mortgage managers for investment housing are excluded. The value of those commitments is included in the 'other lenders' and 'total lenders' categories of the ABS's Commercial Finance standard data service (5643.0.40.002).

### SECURED HOUSING FINANCE COMMITMENTS BY MORTGAGE MANAGERS

Month	Total dwelling commitments <sup>1</sup>		Refinancing		Total new dwelling commitments <sup>2</sup>	
	Number	\$m	Number	\$m	Number	\$m
<b>1995</b>						
July	1 537	186.3	691	81.0	846	105.3
August	1 673	216.7	776	94.7	897	122.0
September	1 497	184.0	756	90.4	741	93.6
October	1 743	220.1	813	100.7	930	119.4
November	1 900	231.6	871	102.3	1 029	129.4
December	1 257	161.5	583	72.2	674	89.3

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

<sup>2</sup> Excludes alterations and additions, and refinancing.

# EXPLANATORY NOTES

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## INTRODUCTION

**1** This publication presents statistics of secured housing finance commitments made by significant lenders to individuals. The commitments are for the construction or purchase of owner-occupied dwellings.

## SCOPE

**2** The scope of the survey comprises the following types of lenders:

- Banks
- Permanent building societies
- Credit unions/co-operative credit societies
- Life or general insurance companies
- General government enterprises
- Superannuation funds
- Organisations raising funds through the secondary mortgage market for approved home buyers under State government housing schemes
- Other financial corporations registered under the Financial Corporations Act 1974
- Other providers of consumer finance registered with State credit tribunals, including mortgage managers.

## COVERAGE

**3** The statistics cover significant lenders only. Significant lenders are the largest lenders to individuals for the construction and purchase of owner-occupied dwellings. They account in aggregate for at least 95% of the Australian total and at least 90% of each State total of finance commitments for housing.

**4** An annual collection is conducted to maintain coverage of significant lenders. In addition, new lenders are included in the series as their level of lending for owner occupied housing becomes significant.

**5** All banks and permanent building societies qualify as significant lenders and are therefore covered by these statistics. The category 'other lenders' includes a large number of small lenders that do not qualify as significant lenders and therefore are excluded from the survey. Although their omission does not have a serious impact on the overall coverage of lending activity, the statistics for 'other lenders' are affected to a greater extent by this coverage constraint.

## REVISIONS

**6** Changes in the classification of lenders (for example, the conversion of a permanent building society to a bank) are reflected in the 'type of lender' statistics from the month of such changes. Data for earlier periods for reclassified lenders are not adjusted. Details of the establishment of new banks are published in the Reserve Bank of Australia's monthly Bulletin in the section on Technical Notes to Tables. In July 1995, a permanent building society converted to a bank and this change is reflected in the 'type of lender' statistics in Table 2. This is the only such change affecting these statistics for the period covered by tables in this publication.

**7** Revisions to previously published statistics are included in the publication as they occur.

## COMMITMENTS NOT ADVANCED

**8** Commitments not advanced at the end of the period are calculated as follows:

- Balance of unadvanced commitments at the end of the previous period
- + Total new housing commitments (including refinancing)
- + Alterations and additions
- 
- = Total commitments
- Cancellations of commitments
- Commitments advanced during the period
- 
- = Commitments not advanced at the end of the period

SEASONAL ADJUSTMENT

9 Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects' (arising from the varying amounts of activity on different days of the week and the varying reporting practices of the lenders). Adjustment is also made for Easter which may affect the March and April estimates differently. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (for example, a change in interest rates) from the series.

10 In late 1995, as part of its annual reanalysis of the housing finance series, the ABS reviewed the trading and seasonal patterns for the bank component to account for changes in bank reporting practices. Over the period from early 1990 to April 1995, each of the 4 major banks had changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to calendar month reporting. The results of the reanalysis were included in the October 1995 issue of *Housing Finance for Owner Occupation, Australia, Supplement* (5609.0), released on 15 Jan. 1996.

11 Two other developments in recent years may induce some change in the trading day and seasonal patterns of housing finance data. These comprise the changes in the classification of some major financial institutions (in particular, the conversion of building societies into banks) and the recent expansion of activity by mortgage managers. Estimation of seasonal adjustment and trading day factors that reflect the full effect of all these changes will not be possible until a sufficient number of years of data have been collected. Accordingly, the trend estimate data provide the most reliable indicator of underlying movement in housing finance commitments.

TREND ESTIMATES

12 Smoothing seasonally adjusted series reduces the impact of the irregular component of the seasonally adjusted series and creates trend estimates. These trend estimates are derived by applying a 13-term Henderson-weighted moving average to all months of the respective seasonally adjusted series except the last six months. Trend series are created for the last six months by applying surrogates of the Henderson moving average to the seasonally adjusted series. For further information, refer to *A Guide to Interpreting Time Series — Monitoring 'Trends': an Overview* (1348.0) or contact the Assistant Director, Time Series Analysis on (06) 252 6345.

13 While the smoothing technique described in paragraph 12 enables trend estimates to be produced for the latest few months, it does result in revisions to the trend estimates as new data become available. Generally, revisions become smaller over time and, after three months, usually have a negligible impact on the series. Changes in the original data and re-estimation of seasonal factors may also lead to revisions to the trend.

RELATED PUBLICATIONS

14 Users may wish to refer to the following publications:

- *Building Approvals, Australia* (8731.0)
- *Building Activity Australia: Dwelling Unit Commencements* (8750.0)

15 Users may also wish to refer to the following statistical products which are available through subscription to a standard data service:

- *Personal Finance, Australia* (5642.0.40.002)
- *Commercial Finance, Australia* (5643.0.40.002)
- *Lease Finance, Australia* (5644.0.40.002)

SYMBOLS AND OTHER USAGES

n.p. not available for publication  
n.y.a not yet available



## GLOSSARY

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- Alterations and additions** Alterations and additions cover all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.
- Average borrowing** Average borrowing is calculated as follows:  
$$\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$$
  
Average borrowing does not necessarily represent the average loan size per dwelling. For instance, average borrowing separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.
- Commitment** A lending commitment is a firm offer of housing finance. It either has been, or is normally expected to be, accepted. Included are commitments to provide housing finance to employees and commitments accepted and cancelled in the same month.
- Commitment value** The commitment value for a contract of sale is the dwelling's sale value less any deposit.
- Construction of dwellings** Construction of dwellings represents commitments made to individuals to finance, by way of progress payments, the construction of owner-occupied dwellings.
- Dwelling** A dwelling is either a house or other dwelling. A house is a single self-contained place of residence detached from other buildings. An other dwelling is a single self-contained place of residence other than a house. Examples of other dwellings are individual flats, home units, town houses, terrace houses, etc.
- Dwelling units** Dwelling units refers to the number of houses and other dwellings for which commitments have been made, either on the security of first mortgage or on contract of sale.
- Established dwelling** An established dwelling is one which has been completed for more than twelve months prior to the lodgement of a loan application, or which has been previously occupied.
- First home buyers** First home buyers are persons entering the home ownership market for the first time.
- Fixed rate loan** Fixed rate loans have a set interest rate which cannot be varied, either upward or downward, for a minimum period of two years. Capped loans are not categorised as fixed rate loans because their interest rate can vary within a two year period.
- Mortgage Manager** Mortgage managers obtain funds from financial institutions and through securitisation to lend for housing finance. In general, they manage the loans that they originate on behalf of the wholesale lenders. To avoid double counting, only those mortgage manager commitments funded by securitisers are included in the housing finance statistics. Those commitments made by mortgage managers acting as agents/brokers for other financial institutions are reported by those institutions.

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**Newly erected dwelling** A new dwelling that has been completed within twelve months of the lodgement of a loan application, and the borrower will be the first occupant.

**Refinancing** Refinancing represents a commitment to refinance an existing loan where the refinancing lender is not the lender who made the original loan. Excluded are an institution's refinancing of its own loans and the refinancing of loans to fund a change of residence. The latter is treated as a new lending commitment.

**Secured housing finance** This is all secured commitments to individuals for the construction or purchase of houses and other dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.

**Self-contained** The dwelling includes bathing and cooking facilities.

**Significant lenders** Significant lenders are those lenders who committed funds of more than \$21 million Australia-wide during the calendar year 1994.



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