

Home loans up strongly in Sept Qtr

A home construction boom has been predicted after record numbers took out mortgages in September.

Almost 50,000 Australians took out mortgages for purposes other than refinancing, a seasonally adjusted record. About 7,600 were construction loans, the highest in 15 years.

The latest Australian Bureau of Statistics housing finance figures reveal a 73% increase in demand for housing finance from first-time buyers in the September quarter, compared to the same time last year.

Finance approvals for other home buyers increased 17% during the same period.

Loans for the construction or purchase of new homes grew 5.5% for the month, continuing the trend of increases in 12 of the past 13 months.

September quarter construction lending increased 67% compared with levels 12 months ago.

According to mortgage brokers Mortgage Choice, the results show the housing market is steadily improving.

Posted originally: 2009-11-09 21:17:44