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## Modest Rise for Construction Finance

The number of loans for construction of owner occupier dwellings increased moderately in April.

Housing finance figures released today for the month of April 2008 show an overall fall in the number of loans of 3 per cent to 57,503. Loans for construction bucked the trend and rose by 1.8 per cent. Loans for the purchase of a new home fell by 1.3 per cent while loans for established dwellings were down by 3.5 per cent.

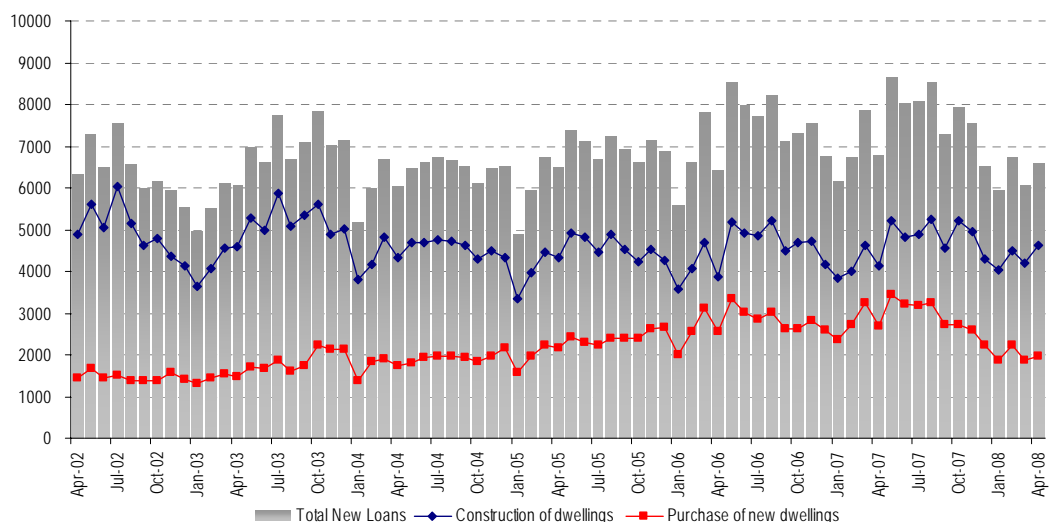
HIA's Chief Economist, Harley Dale said that today's housing finance update confirmed sluggish housing conditions throughout the country.

"There is little wonder why demand is out stripping supply when you have a very strong migration program and a severe lack of supply to meet the needs of the owner occupier and private rental market," said Mr Dale.

"HIA has maintained for some time that Australia needs to produce 175,000 to 180,000 new residential dwellings a year to meet current and anticipated demand.

On a state by state basis, the total number of loans in April increased by 13.7 per cent in the Northern Territory and 2.7 per cent in South Australia. Elsewhere, loans were down, falling by 9.3 per cent in Western Australia, 8 per cent in the ACT, 5.4 per cent in New South Wales, 3 per cent in Victoria, 1.6 per cent in Queensland, and 1.4 per cent in Tasmania.

AUST New Home Lending - Number of Loans



### Further Information

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