

25 August 2021

Loan to valuation ratio – new commitments summary

Key points for July 2021

- Total monthly new mortgage commitments were \$8.8b in July, up \$0.3b (3.4%) from last month. This is a new high for the month of July in any year (Figure 1).
- New mortgage commitments to investors were \$1.5b in July, rising from \$1.4b last month, an annual increase of 1.4% (Figure 2). First home buyers were \$1.6b, down \$44.1m from last month, but still an annual increase of 19.4%. New mortgage commitments to other owner occupiers were up from \$5.4b in June to \$5.7b, increasing 51.5% over the year.
- Investors accounted for 16.7% of new mortgage commitments, down from a share of 16.8% last month. First home buyers had a share of 18.2% in the month, down from 19.3%, while other owner occupiers rose from 62.9% to 64.1%.
- The share of new mortgage commitments with high LVR to investors were up from 28.2% in June to 31.3% (Figure 3). First home buyers increased from 37.7% in June to 38.3%, while other owner occupiers were down from 3.5% to 3.3%.

Figure 1: Total monthly value of new mortgage commitments before exemptions

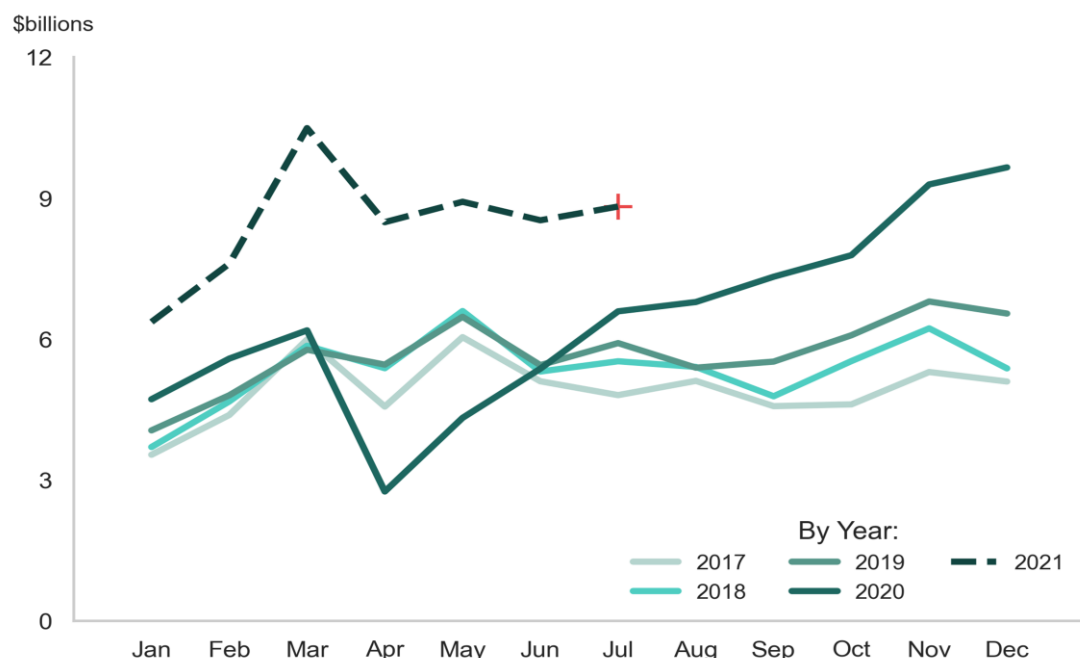


Figure 2: Annual growth in new mortgage commitments by borrower type

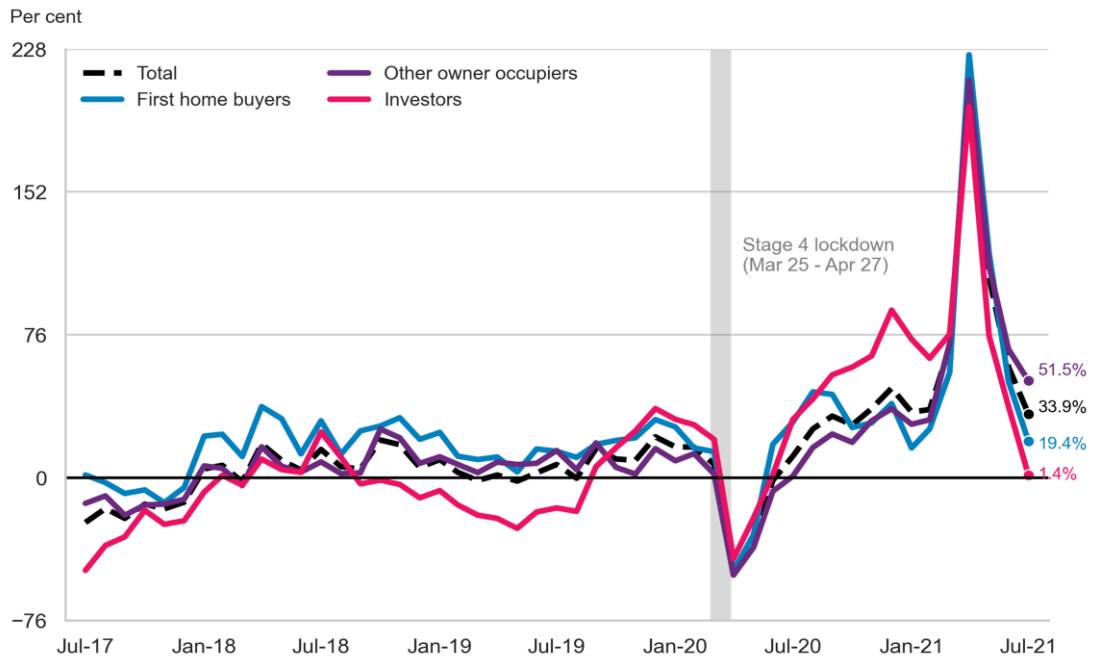


Figure 3: Share of high LVR by borrower type

