

24 November 2023

Loan to value ratio statistics summary

Key points for October 2023

- Total monthly new mortgage commitments were \$5.8b in October 2023, up 11.2% from \$5.2b in September (Figure 1). The seasonally adjusted value rose by 2.2% from September¹ (Figure 2).
- Annually, the value of new commitments has risen by 3.5% from \$5.6bn in October 2022. This was mainly driven by a 12.3% increase in lending to first home buyers and a 13.0% increase in lending to investors. By contrast, lending to other owner occupiers fell by 2.5% from October 2022 (Figure 3).
- The share of new mortgage commitments to first home buyers fell to 23.7% in October, down from 24.1% in September but equal to its share in August. The share has increased from 21.8% in October 2022 (Figure 4).
- The share of new commitments to investors continued to rise to 17.7%, up from 17.2% in September. In October 2022, the share to investors was 16.2%. The share of new commitments to first home buyers has exceeded the share to investors each month since April 2022, but the share of lending to investors has been generally rising this year, and has increased from 15.4% in January.
- The share of new mortgage commitments to other owner occupiers fell to 57.0% this month, down from 57.1% in September. In October 2022, the share to other owner occupiers was 60.5%.
- There were 15,740 new mortgage commitments this month, up 5.2% from 14,969 in September. In comparison to October 2022, the number of new mortgage commitments has risen by 4.3% from 15,098.
- The average new loan value across all borrower types rose to \$367,100 this month, up 5.8% from \$347,000 in September². First home buyers, other owner occupiers and investors all saw a rise in the average value of loans from last month. However, compared with October 2022, average values have fallen for all three of these borrower types, with an overall fall of 0.7%.
- The value of new commitments rose across all loan purpose types in October 2023 when compared to September. However, compared to October 2022, the value of new commitments for top-ups fell by 9.2%. Over the same period, loans for property purchases increased by 5.0%, while loans for changes in loan providers increased by 19.0%.
- The share of the value of new commitments for property purchases rose to 64.4% this month, up from 63.6% in September. The share for top-ups fell to 11.2%, down from 11.7% in September. Similarly, the share of new commitments for changing loan providers fell to 21.1%, down from 21.4% in September (Figure 5).

1. Seasonal adjustment conducted using X13 method.

2. Average mortgage values rounded to the nearest \$100.

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

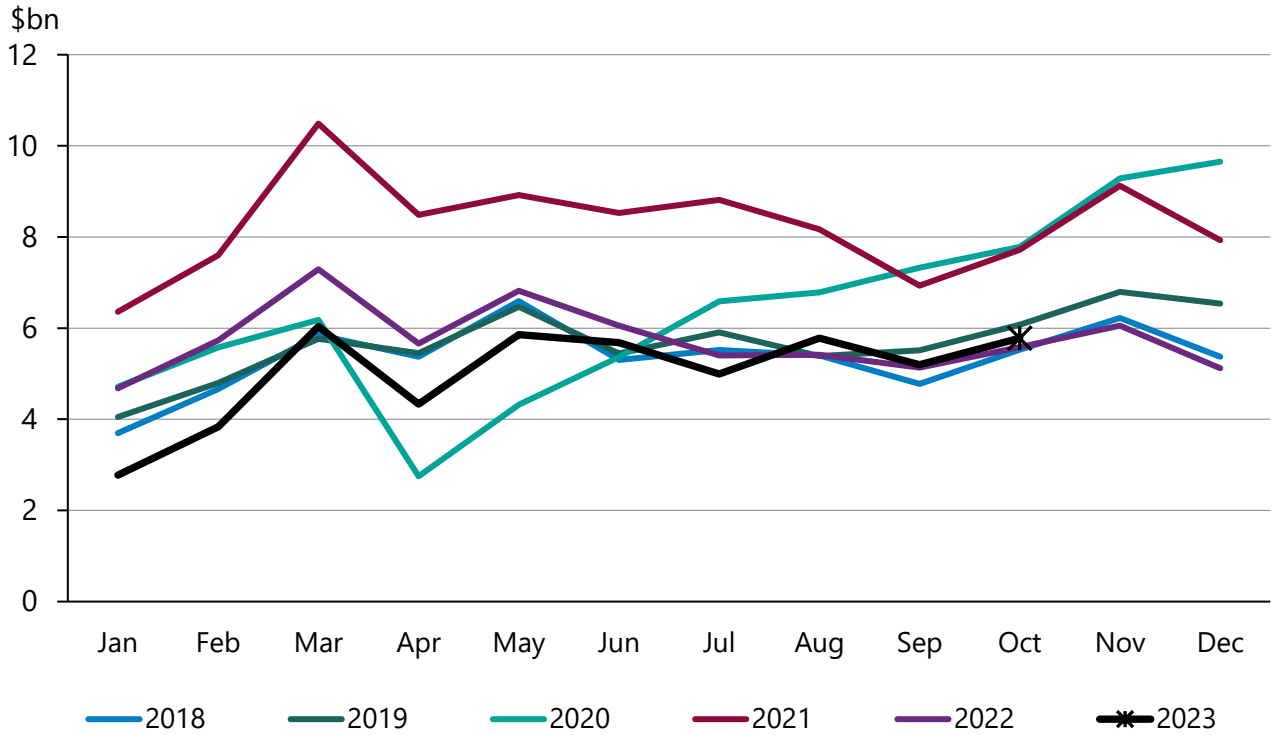


Figure 2: Seasonally adjusted total new mortgage commitments value

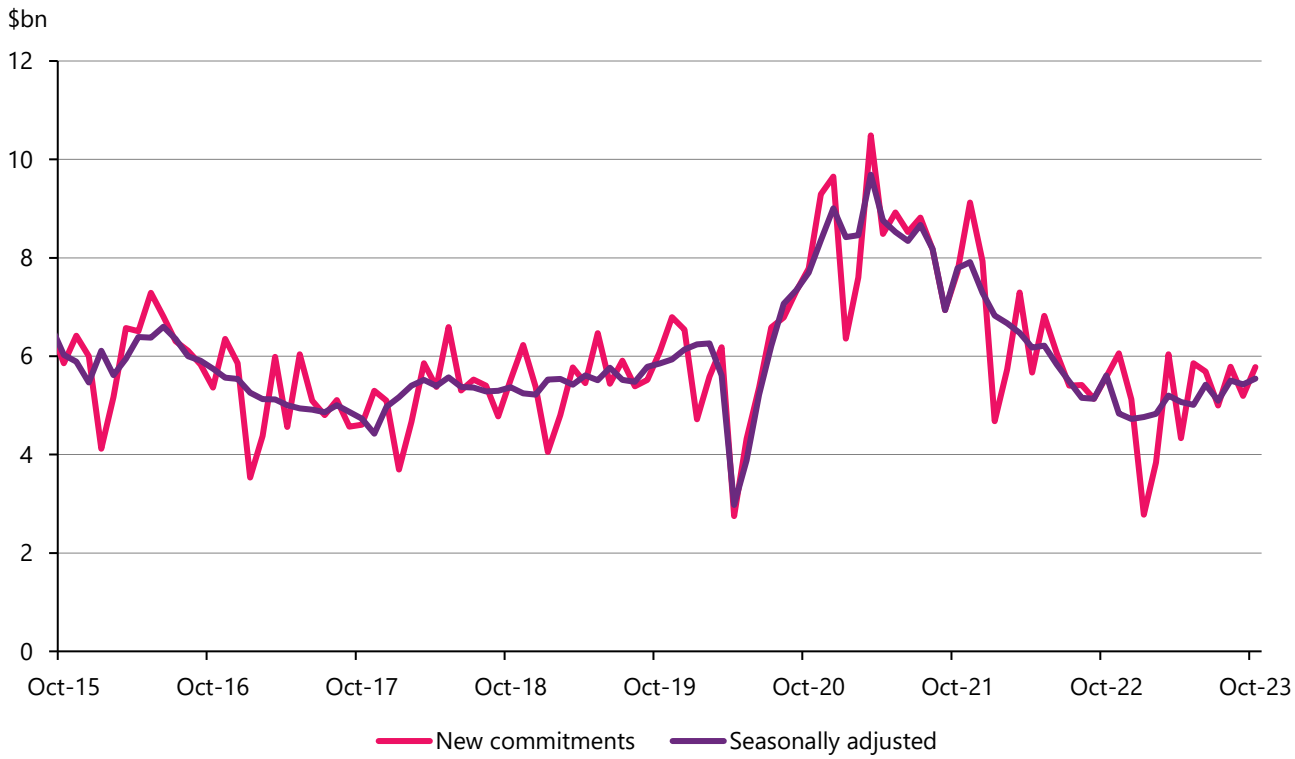


Figure 3: Annual growth in the value of new mortgage commitments

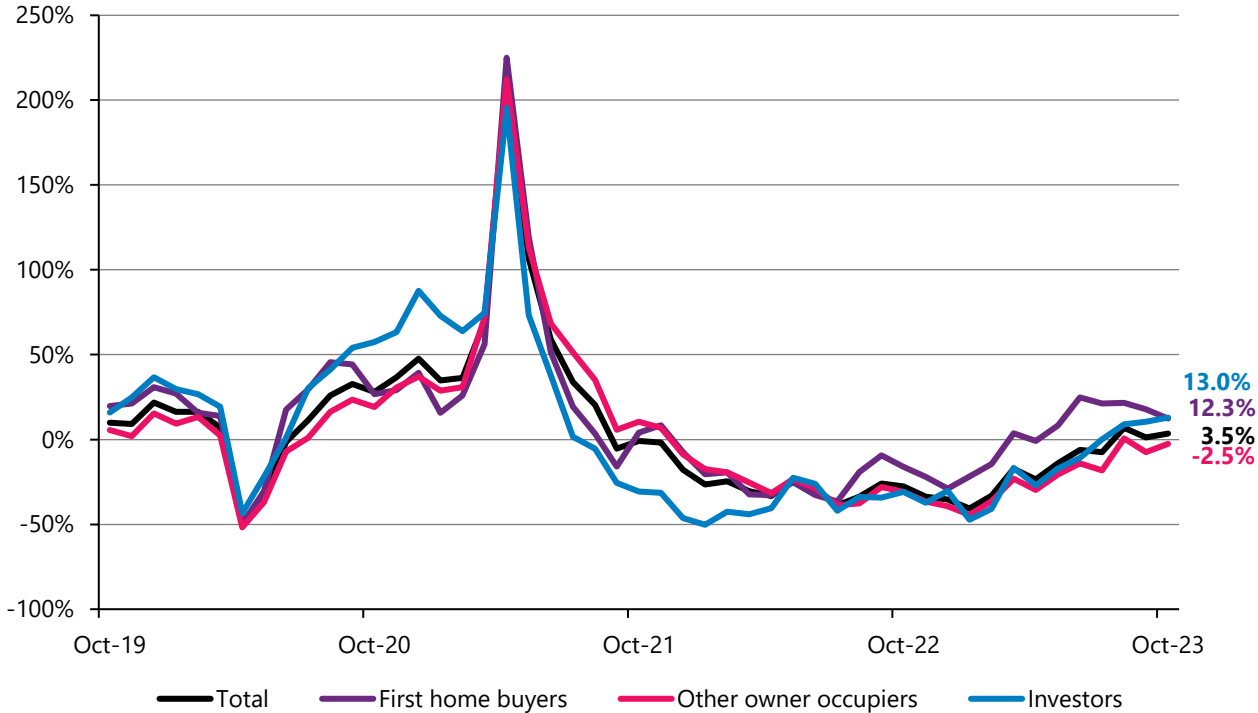


Figure 4: Share of value of total new mortgage commitments by borrower type

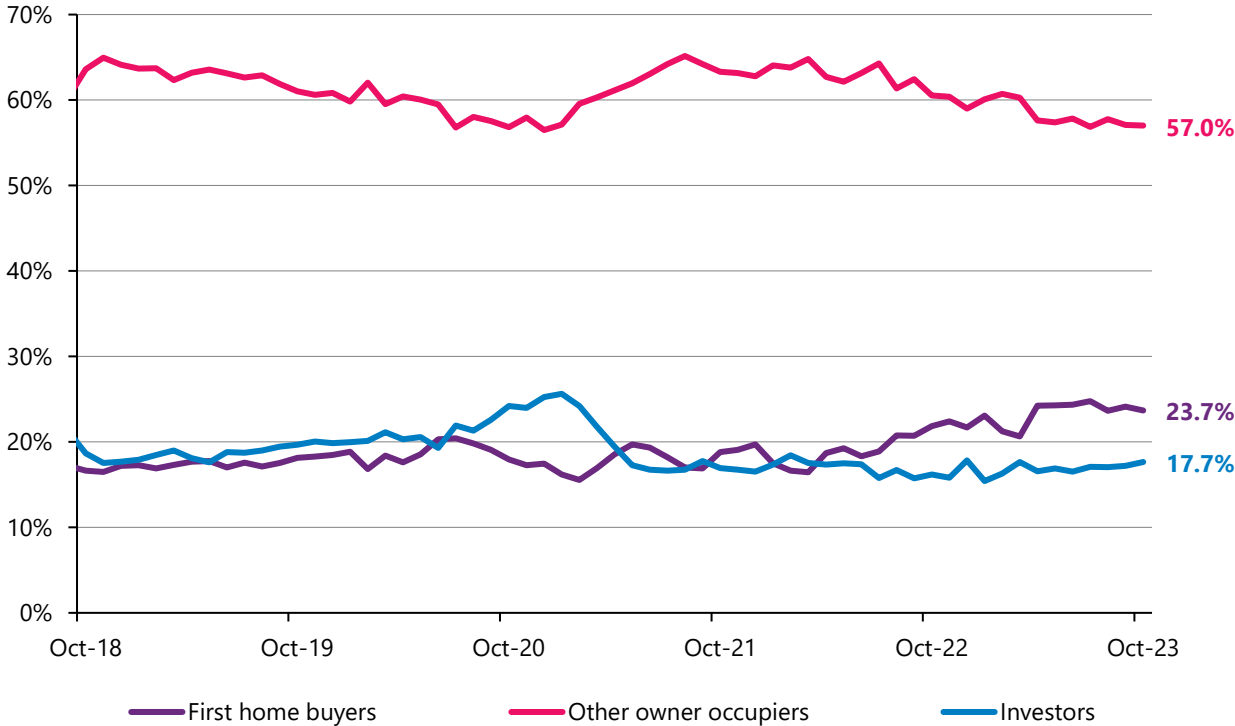


Figure 5: Share of value of total new mortgage commitments by loan purpose

