

26 March 2024

Loan to value ratio new commitments summary

Key points for February 2024

- Total monthly new mortgage commitments were \$4.9bn in February-24, up 44.0 per cent from \$3.4bn in January-24 (Figure 1). The seasonally adjusted value increased by 4.0 per cent from January-24 (Figure 2).¹
- Annually, the value of new commitments has risen by 28.1 per cent from \$3.8bn in February-23.
- The value of new commitments to first home buyers increased by 36.0 per cent compared to February-23. The value of new commitments to other owner occupiers increased by 23.7 per cent over this period, and the value to investors increased by 35.9 per cent (Figure 3).
- The share of new mortgage commitments to first home buyers has fallen to 22.6 per cent in February-24, down from 24.1 per cent in January-24, however, this is a year-on-year increase from 21.3 per cent in February-23.
- The share of new commitments to investors decreased to 17.3 per cent, down from 17.8 per cent in January-24. In February-23, the share to investors was 16.3 per cent (Figure 4).
- The share of new mortgage commitments to other owner occupiers increased to 58.6 per cent this month, up from 56.6 per cent in January-24. In February-23, the share to other owner occupiers was 60.7 per cent.
- There were 14,391 new mortgage commitments this month, up 39.3 per cent from 10,334 in January-24. In comparison to February-23, the number of new mortgage commitments has risen by 25.5 per cent from 11,468.
- The average new loan value across all borrower types increased to \$341,533 this month, up 3.4 per cent from \$330,269 in January-24.² The average value of loans for first home buyers increased by 0.4 per cent from January-24, the average value for investors decreased by 0.7 per cent to \$481,063. Compared with February-23, average values across all borrower types have increased by 2.1 per cent from \$334,496.
- The total number of new commitments in February-24 rose by 25.5 per cent compared to February-23. The number of new commitments for a change in loan provider increased by 17.4 per cent compared to February-23 and rose by 44.5 per cent compared to January-24. Top-ups and property purchases rose by 28.7 and 34.2 per cent respectively over the same annual period.
- The share of the value of new commitments for property purchases decreased to 63.8 per cent this month, down from 64.6 per cent in January-24 (Figure 5). The share for changes in loan provider decreased slightly to 19.7 per cent this month, down from 19.8 per cent in January-24. The share for top ups increased from 11.6 per cent in January-24 to 12.2 per cent in February-24.

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

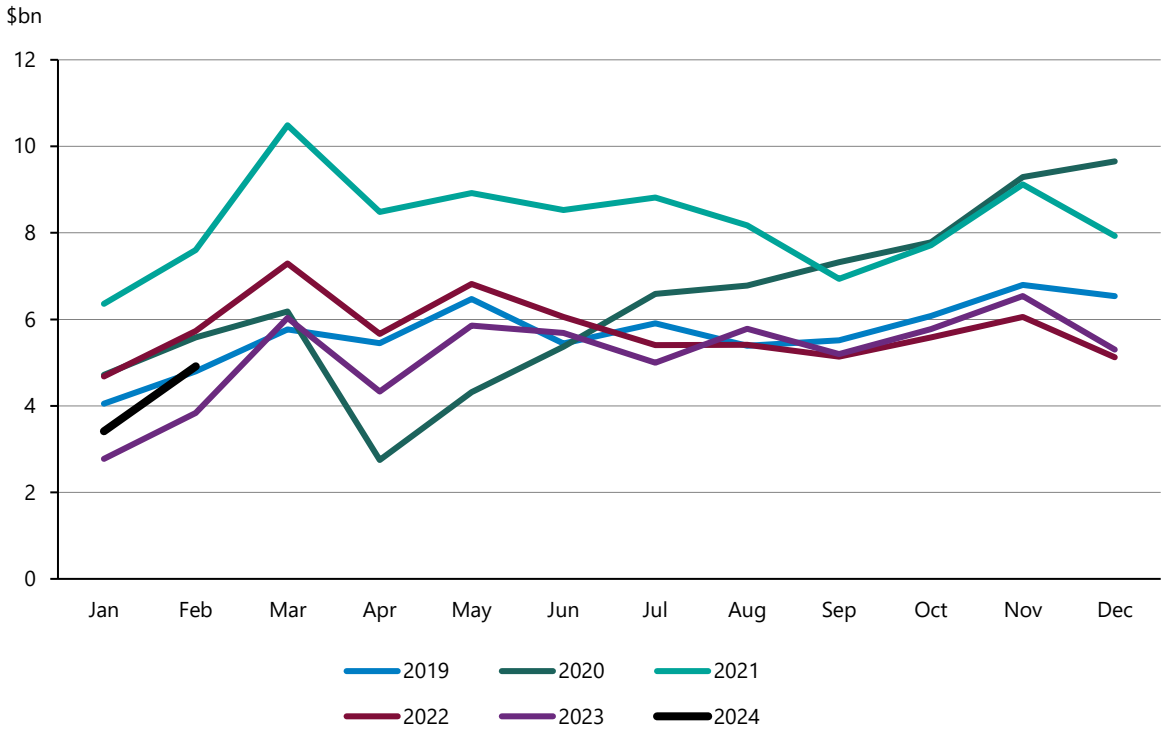


Figure 2: Seasonally adjusted total new mortgage commitments value

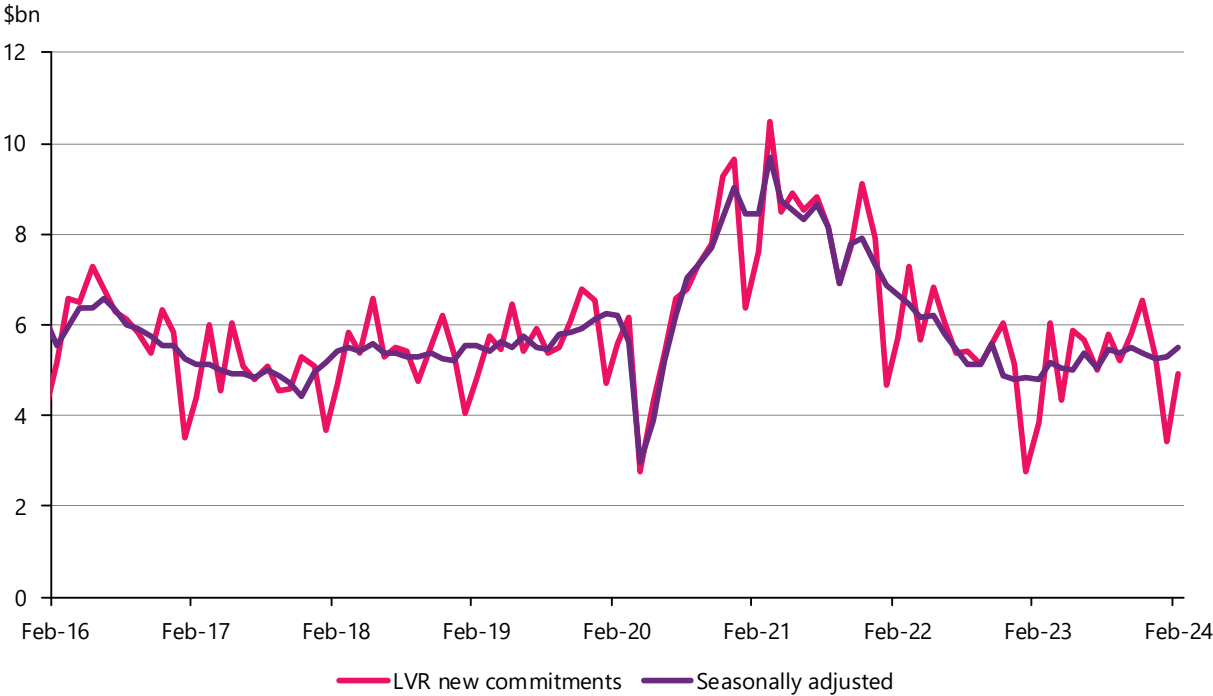


Figure 3: Annual growth in the value of new mortgage commitments

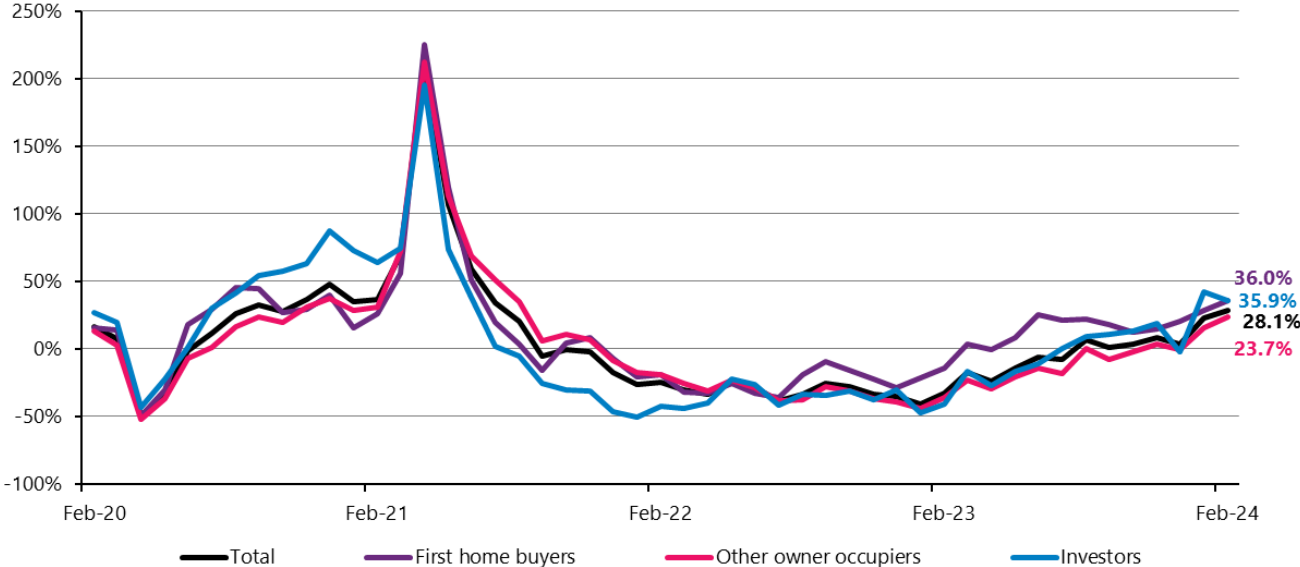


Figure 4: Share of value of total new mortgage commitments by borrower type

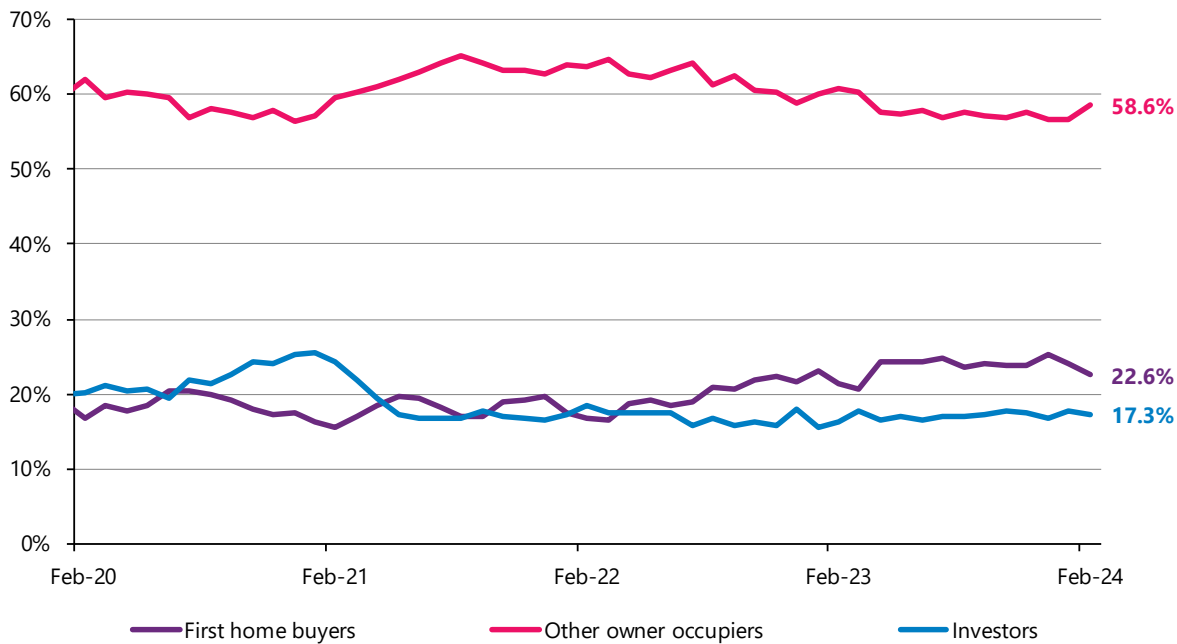


Figure 5: Share of value of total new mortgage commitments by loan purpose

