The Northern Territory Home Loan Affordability Indicator (HLAI) has dropped to its lowest level since the December quarter of 1996 the AMP Banking/Real Estate Institute of Australia HLAI report for the March quarter has revealed.

CLP Leader Terry Mills said the report reveals a slide in the affordability of home loans since March 2003 in the Territory and is consistent with Territory Real Estate Institute claims that first homebuyers are being priced out of the market because of soaring housing prices.

It is also consistent with latest Territory Real Estate Industry figures showing we have the lowest home ownership levels in Australia.

“The absence of anything for first homebuyers in the Territory Budget has failed average Territory families and put the dream of owning a home further out of their reach,” Mr Mills said.

“While the Martin Government is busy giving itself a pat on the back it would do well to listen to what the real world is saying.

“The AMP Banking HLAI reports that while during the March quarter the total number of new mortgages issued increased 3.9%, the average monthly loan repayment increased 7.1%.

“Significantly it says the NT median weekly family income fell by 0.3% and the proportion of family income required to meet the average mortgage repayment increased from 17.8% to 19.1%.

“The report says the effect on the NT HLAI was to cause it to deteriorate 6.9% over the quarter and 16.4% over the year to the lowest recorded since December 1996.”

Ends