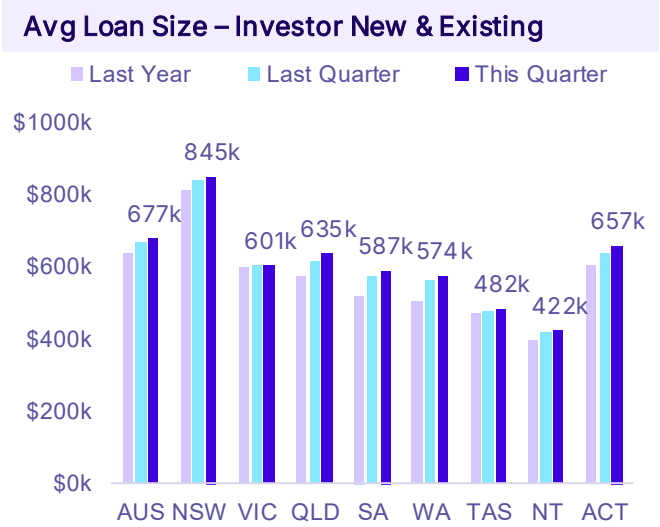
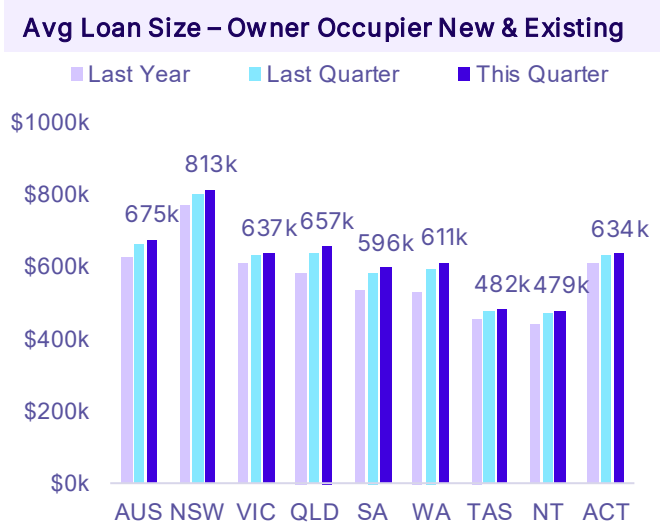


# MORTGAGE INSIGHTS: STATE BY STATE

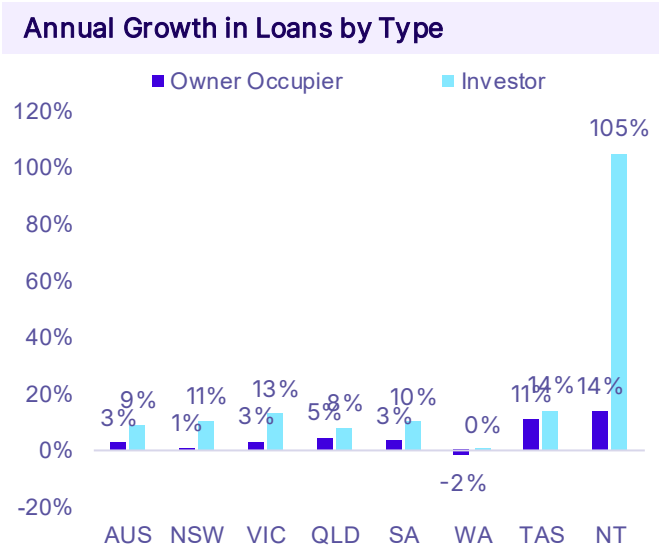
Investor loans have surged to record levels, with 205,533 new loans issued in the past year — up 9% year-on-year. Since 2021, investor lending has grown by 26.4% overall.

On an annual basis, the upswing is led by Victoria, where investor lending rose 12.9% annually, alongside above-market growth in NSW and South Australia, both recording more than 10% growth. By comparison, owner occupier lending grew just 2.7% annually, reinforcing that investors are continuing to dominate the mortgage market. The gap between investor and owner occupier loan growth is most evident in NSW and Victoria, where investor loan growth is running around nine percentage points higher.

While NSW still has the largest average annual home loan sizes, other states are catching up as prices rise faster in the rest of the country. For owner occupiers, average annual loan sizes outside NSW increased 9% to \$628,975, compared with 6% growth in NSW. As a result, NSW owner occupier loan values are 29% higher than the rest of the country, but down from 36% two years ago. A similar trend is evident in the investor market, where the gap in average investor loan values has narrowed from 48% to 40%.



NSW's loan size premium over other states is shrinking.



Note: This report uses year to September 2025 figures to provide a clearer view of market trends by smoothing out short-term swings and seasonal variations.

# NEW SOUTH WALES

Overview

New South Wales

Victoria

Queensland

South Australia

Western Australia

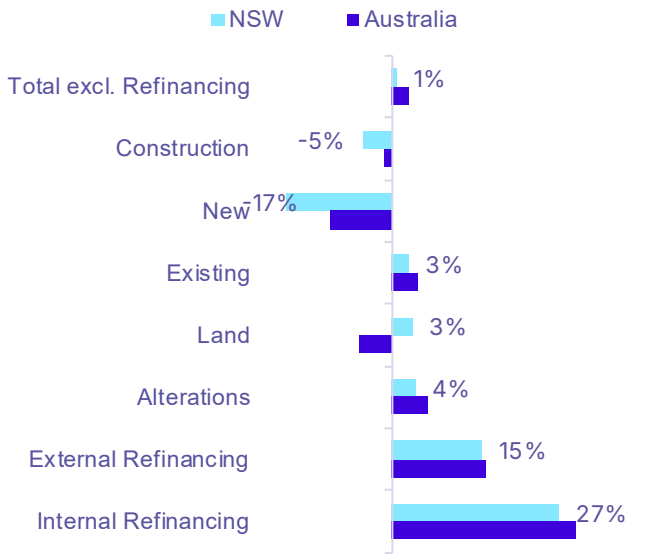
Tasmania

Investor lending in NSW has reached record levels (62,501 loans) after growing 10.5% annually, making it one of only two states — alongside South Australia — to hit a new peak. Since 2021, investor lending in NSW has grown by 16%.

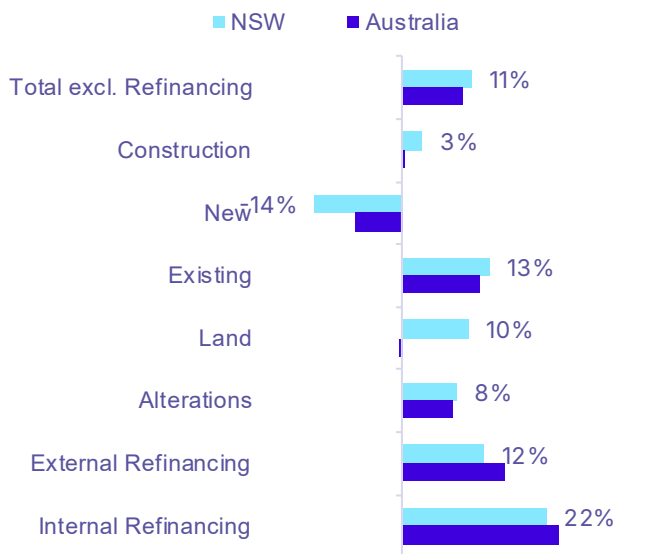
On an annual basis, growth in NSW is being driven by existing homes, with investor lending for established dwellings rising 13.2%, compared with 2.7% growth in owner occupier lending. Within the investor segment, loans for existing dwellings, construction and land all reached record highs, pointing to sustained demand across multiple property types.

NSW's average owner occupied annual loan size has exceeded \$800,000 for the first time, reaching \$812,644 in the latest quarter. This is up from \$767,033 a year earlier, representing annual growth of 6%, despite already elevated borrowing values in the state.

Annual Growth in Owner Occupier Loans

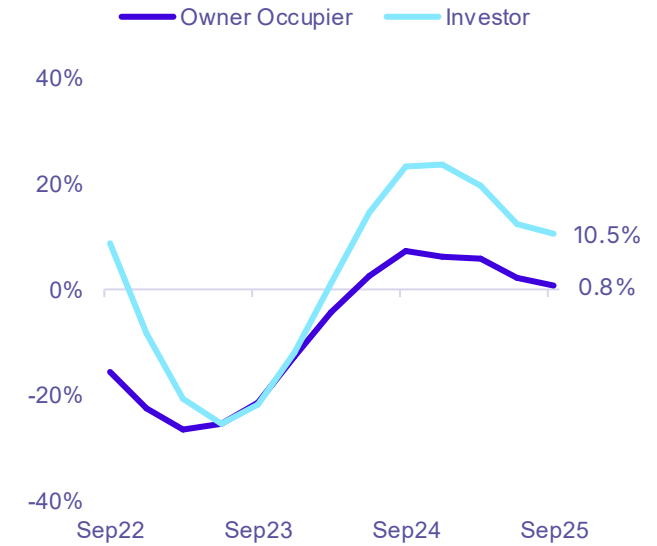


Annual Growth in Investor Loans



Investor lending in NSW has reached record levels (62,501 loans) after growing 10.5% annually.

Annual Growth in Annual New Loan Numbers



# VICTORIA

Overview  
New South Wales  
**Victoria**  
Queensland  
South Australia  
Western Australia  
Tasmania

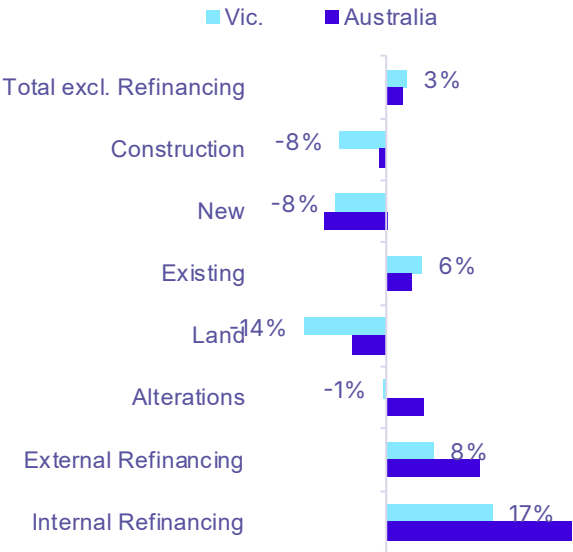
Victoria is the fastest-growing major state for investor lending, with investor loans rising 13% annually to 47,732 loans — up from 9% growth a year earlier. The state also recorded its largest quarter on record for investor loan numbers.

Growth is driven by investor demand for existing dwellings, with loans in this segment up 19% annually, with 36,363 issued over the year.

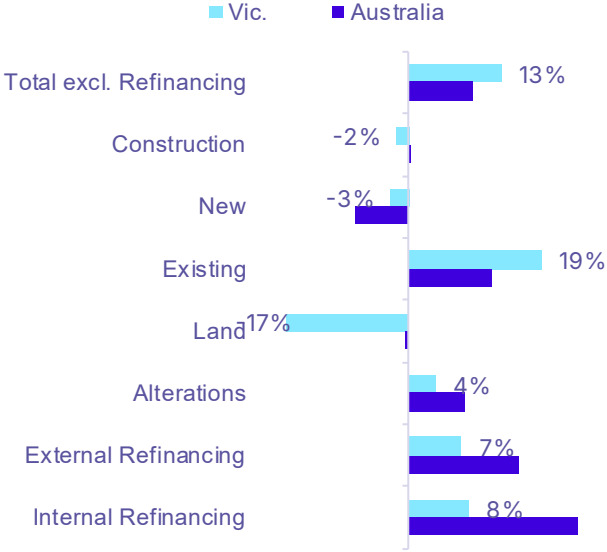
This momentum is narrowing the gap with Queensland. In the most recent quarter, Victoria issued 695 more investor loans than Queensland, although Queensland still holds a narrow annual lead of 364 loans.

If Victoria records another strong quarter, it's well positioned to reclaim second place in the national investor loan market, overtaking Queensland for the first time in several years.

Annual Growth in Owner Occupier Loans

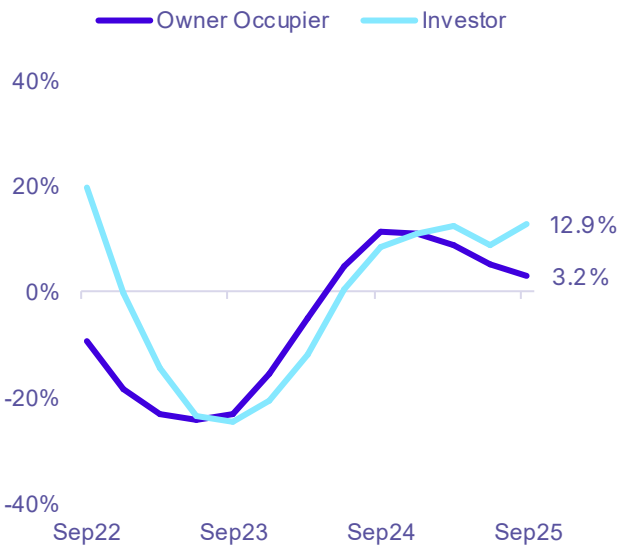


Annual Growth in Investor Loans



Since 2021, investor lending in Victoria has grown by 10.4%.

Annual Growth in Annual New Loan Numbers



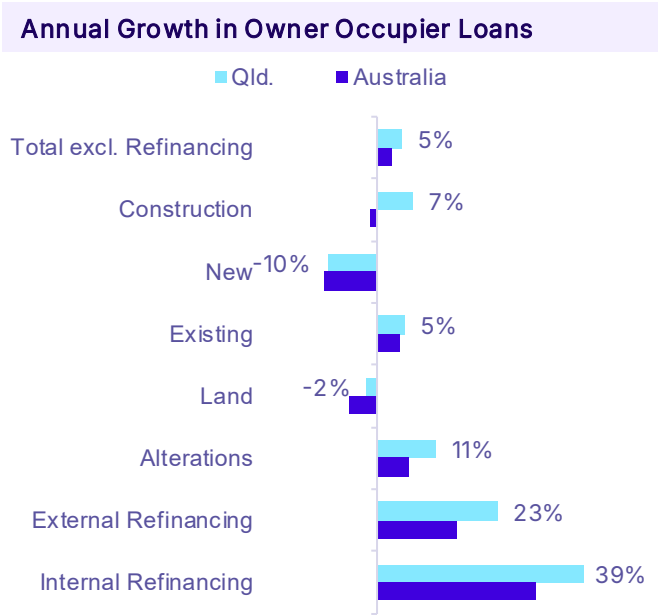
# QUEENSLAND

Overview  
New South Wales  
Victoria  
**Queensland**  
South Australia  
Western Australia  
Tasmania

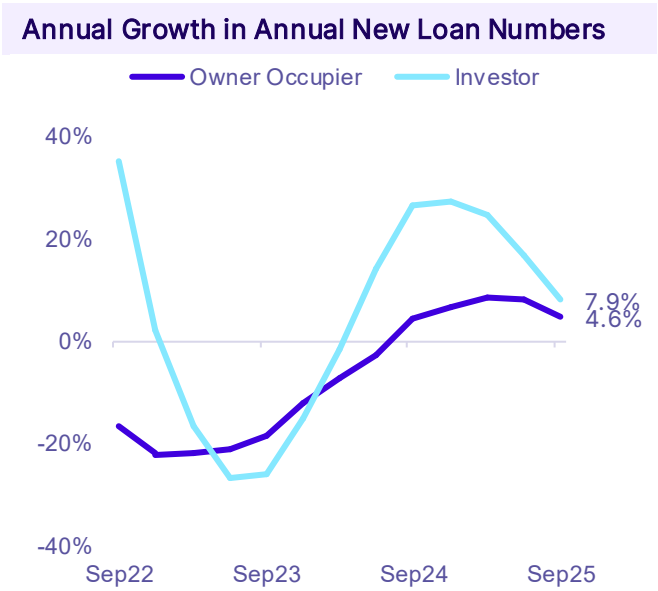
Owner occupier lending in Queensland rose 4.6% annually, well above the national average of 2.7%. The Sunshine State is one of the strongest owner occupied markets in the country. In contrast, investor lending grew 7.9%, falling below the national rate and marking a sharp slowdown from recent highs.

Rather than expanding portfolios, investors are increasingly doubling down on existing properties. Lending for alterations and refinancing hit record levels, with 47,339 loans issued across the two categories, pointing to a shift toward upgrading homes and restructuring debt amid mounting affordability pressures.

Queensland has surpassed 48,000 investor loans for the first time since June 2022, retaining its position as Australia's second-largest investor market. However, Victoria is closing in, sitting just 364 loans behind, setting up an increasingly competitive race between the two states for national ranking.



QLD surpassed 48,000 investor loans for the first time since June 2022, but annual growth has halved from 17% to 8%.



# SOUTH AUSTRALIA

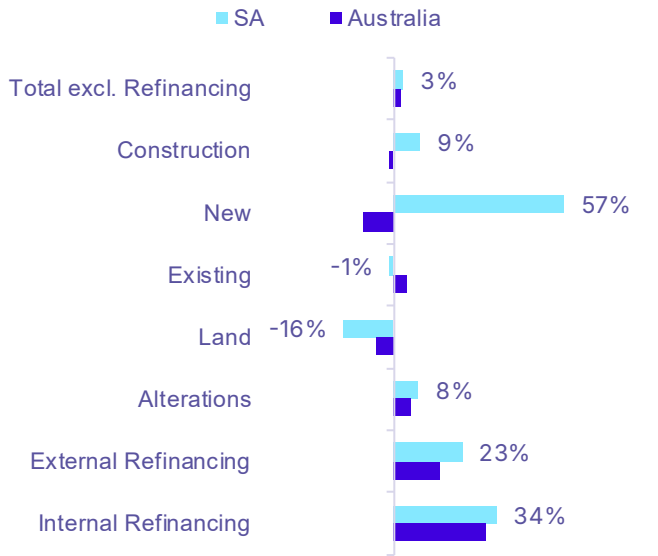
- Overview
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- Victoria
- Queensland
- South Australia**
- Western Australia
- Tasmania

South Australia is also outperforming the national market in home loan growth, with owner occupier lending up 3.5%, compared with 2.7% nationally, and investor lending rising 10.1% versus 9% nationally.

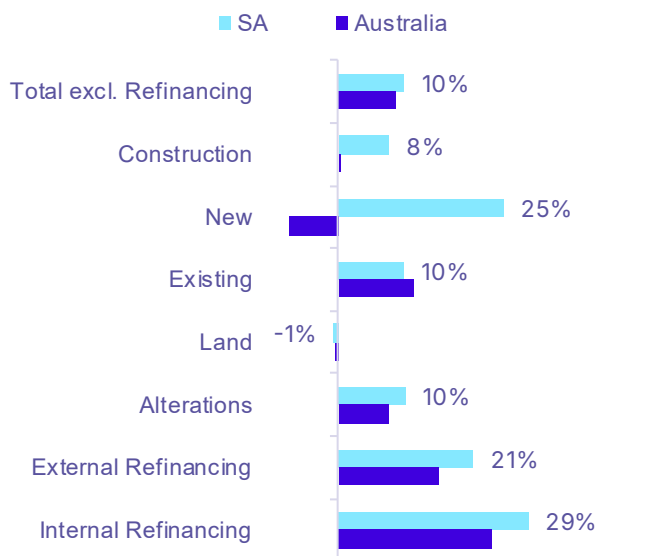
SA stands out for its strength in new housing loans. It's leading the country with 56.6% annual growth in owner occupier loans for new builds and 25.2% growth in the comparable investor segment. SA is also the only state to record a new high in investor loans for new buildings (467 loans), making it unique nationally.

For owner occupiers, one in eleven loans issued in South Australia are for new builds — the highest proportion on record and well above the national average of one in sixteen. This highlights both strong construction activity and buyer demand, positioning South Australia as the standout state for new dwelling investment and owner occupied housing.

Annual Growth in Owner Occupier Loans

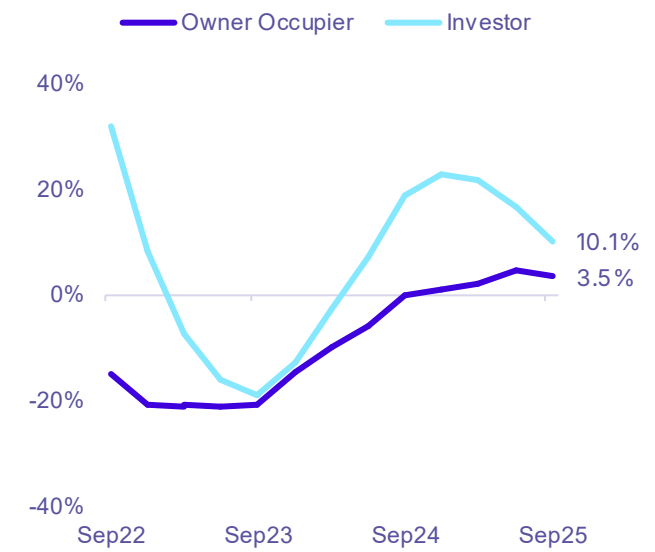


Annual Growth in Investor Loans



For owner occupiers, one in eleven loans issued in SA are for new builds — well above the national average of one in sixteen.

Annual Growth in Annual New Loan Numbers



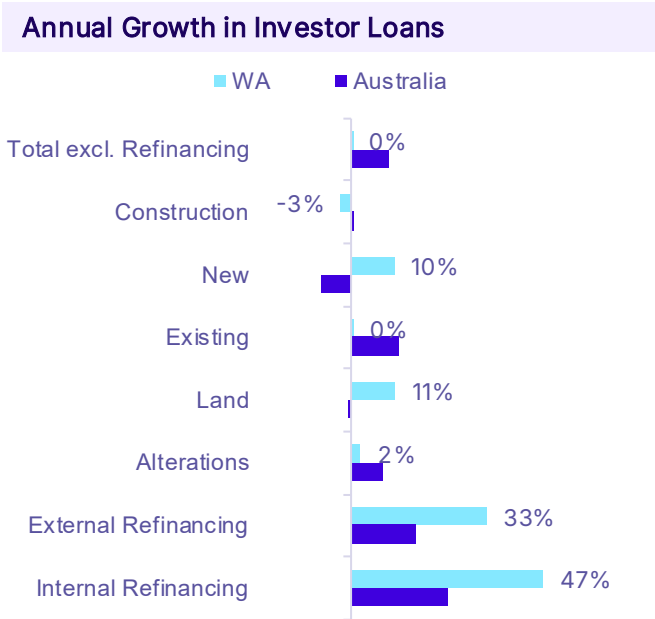
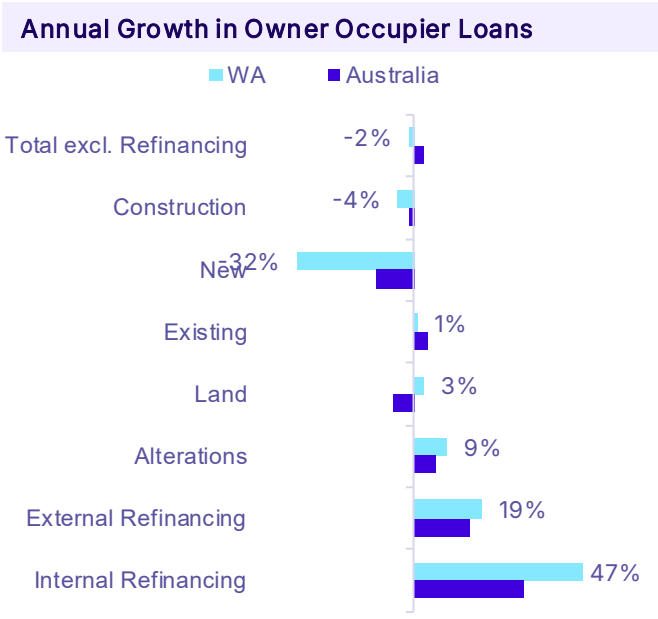
# WESTERN AUSTRALIA

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- Western Australia**
- Tasmania

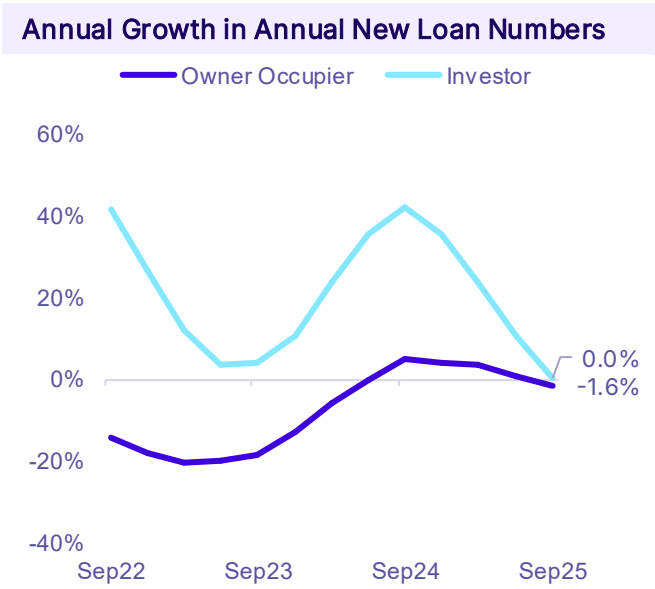
Western Australia is the only state to record a decline in owner occupier lending over the past year, down 1.6% to 40,758 loans. The fall is driven by a sharp pullback in new-build lending, which fell 32% annually, while lending for existing homes remained steady, up 1%.

Investor momentum in WA has also stalled, with annual growth slowing from 10% to zero, suggesting the market has reached a saturation point amid elevated prices. Investor loan activity in WA peaked in December 2024, with investors increasingly redirecting capital to other states.

This divergence is notable given national investor lending reached new record levels by September 2025. WA's share of investor loans has fallen from 12.8% to 12.2%, with most of that shift flowing to NSW (up 0.4 percentage points) and Victoria (up 0.7 percentage points) — reinforcing the geographic reallocation of investor demand away from WA.



WA is the only state to record a decline in owner occupier lending over the past year, down 1.6%. Investor loan growth slowed from 10% to zero.



# TASMANIA

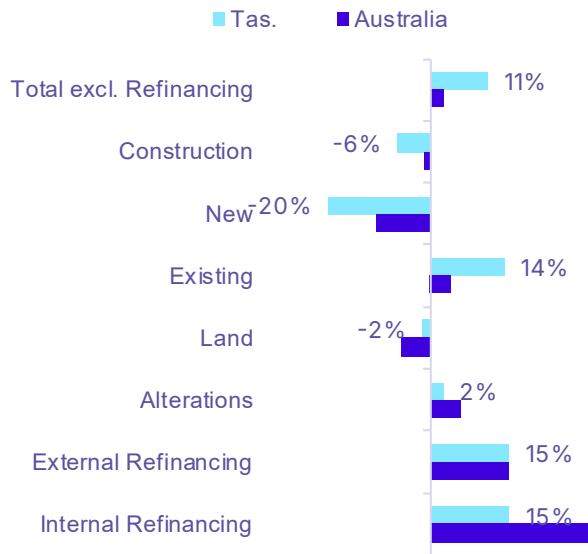
- Overview
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- Queensland
- South Australia
- Western Australia
- Tasmania

Tasmania recorded the strongest home loan growth among the six reported states, with owner occupier lending up 11.1% and investor lending rising 14.1% annually. Growth is being driven largely by loans for existing homes, alongside modest increases in investor land loans, which remain a relatively small segment.

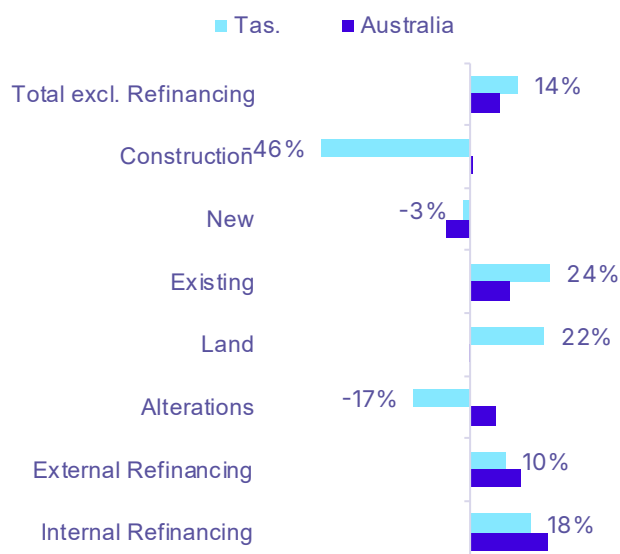
Despite this momentum, total loan volumes in TAS are still around 25% below 2022 levels, indicating the state is in a recovery phase rather than a boom. While investor lending is growing faster, Tasmania remains the most untapped market for investors nationally.

This reflects Tasmania's unique market dynamics, including geographic distance, a smaller rental pool, and greater affordability, which supports higher rates of home ownership. Owner occupiers account for 72.7% of Tasmania's lending market, well above the national average of 61.7%, highlighting a fundamentally different profile to investor-led states like NSW and Queensland.

Annual Growth in Owner Occupier Loans

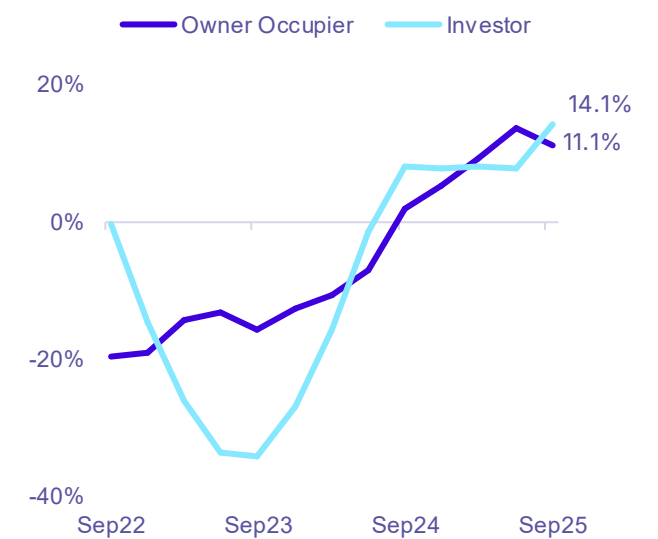


Annual Growth in Investor Loans



Tasmania leads all states in investor loan growth at 14.1%, although loan volumes remain around 25% below 2022 levels.

Annual Growth in Annual New Loan Numbers



## DATA USED:

This report uses publicly available data from the Australian Bureau of Statistics (ABS) Home Lending dataset. The latest data used is for September 2025.

The data used in this report is primarily original data, not seasonally adjusted. The ABS does not provide seasonally adjusted figures in a number of datasets, including loan units (as opposed to dollar value). Without that, we cannot do an accurate calculation of average loan size across loan type. We can also not fully compare all loan types, because some are not available seasonally adjusted.

*Note: creating annual figures smooths the data in much the same way as seasonal adjustments; the annual data for total loans is almost identical looking at seasonally adjusted versus original.*

When seasonally adjusted data is used, it is noted in the charts.

Any forecasts / projections on industry growth are using a formula for growth based on prior periods. It doesn't take into account macro economic changes or recent events and should be used as a guide only.

### **Growth figures:**

- Annual growth means annual change in annual loans. This shows the trend. Loan numbers are used, not loan value.
- Looking at growth this quarter versus last quarter shows the current growth, but also where it is headed (up or down).

### **Other notes:**

- New & existing dwellings refers to the loans for purchase of newly erected dwellings, existing dwellings and construction of dwellings; and excludes land and alterations.
- Total new loans refers to all new loans, excluding refinancing.
- State data totals for ACT and NT is not always available, so both Territories have been excluded in this State report.



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