

Media release

Property still hot for investors with growing number of Australians owning investment homes

9 November, 2016: According to ING DIRECT's latest Financial Wellbeing Index, property still holds strong appeal for investors with one in every five (20%) Australians saying they own an investment property.

Despite tightened investor lending and signs that the property market is slowing, investor demand has continued to grow with the number of Australians investing in property growing by three per cent since mid-2015.

Demand high in NSW and WA while SA appetite diminishes

NSW and WA continue to lead the pack in terms of the highest percentage of residents with at least one investment property (22% each), both growing year on year by four per cent.

WA has also taken the crown from NSW and Victoria in terms of those with multiple investment properties more than doubling in the past year from four per cent to nine per cent.

The only state where appetite for investment property has dampened is South Australia, in which approximately one in every 10 (11%) people owns an investment property, down from 15 per cent in 2015.

	2016	2015	1 investment property	2+ investment properties
National	20%	17%	14%	6%
NSW	22%	18%	16%	6%
VIC	21%	17%	16%	5%
QLD	17%	18%	10%	7%
SA	11%	15%	9%	2%
WA	22%	18%	13%	9%

Younger investors lead property demand

Looking across the generations, Mr Woolnough, Head of Third Party Distribution, ING DIRECT, commented: "What's interesting is that while there are continued questions around affordability and the challenges for younger generations in getting onto the property ladder, it's actually Gen Y that is leading the property investment pack."

22 per cent of Gen Y (18-34 year olds) own at least one investment property, followed by 20 per cent of Gen X (35-49 year olds) and 19 per cent of Baby Boomers (50-64 year olds).

Mr Woolnough added: "Ultimately we're seeing that Australians still hold faith in the long term investment benefits of property. Property is a great opportunity to build wealth, but it definitely pays to do your research, take your time, speak to the experts such as a mortgage broker or buyers' agent, and focus on the financials of the investment rather than the emotions of a purchase."

The latest property trends across the nation are available through ING DIRECT's Autumn Property Guide 2016 which is now available for download.

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Notes to editors:

The ING DIRECT Household Financial Wellbeing Index was conducted online by Galaxy Research between Tuesday 6 September and Friday 9 September 2016. The sample of 1,004 household financial decision-makers aged 18–69 years was distributed throughout Australia, with the data weighted by region and household size to reflect the Australian household population based on the latest ABS population projection of the 2011 census.

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About ING DIRECT

ING DIRECT changed the way Australians bank 17 years ago by launching the country's first high interest, fee free online savings account. Since then, we've brought this low fee value to home loans, transactional banking and superannuation.

With over 1.6 million customers – and \$34 billion in savings and \$40 billion in mortgages – ING DIRECT has the highest Net Promoter Score of any bank.

Australia's most recommended bank.

Source: Nielsen Consumer & Media View Mar '16 – Aug '16 (n=10,597) when compared by customers of 14 other banks operating in Australia.