

STRONG END OF YEAR FOR NEW HOME SALES

After falls throughout the middle of 2004, new home sales had a welcome bounce in the final months of the year.

HIA New Home Sales figures released today showed that new home sales rose again in November 2004, up 7 per cent on the October result and the second consecutive increase.

Australia's peak building industry body, HIA, said that confidence after the election appears to have spilled over into November keeping display home traffic numbers steady and sales at a reasonable rate, albeit well down on earlier in the year.

HIA's Chief Economist, Mr Simon Tennent, said that the increase in the sale of private detached houses, up 11 per cent, more than offset the continued weakness in the sale of flats, units and apartments which fell 15 per cent to be at levels 30 per cent lower than late 2003.

"Today's numbers are pleasing in that sales have jumped up in all of the 5 surveyed states, clearly showing that there is still some confidence among the new home buying public," Mr Tennent said.

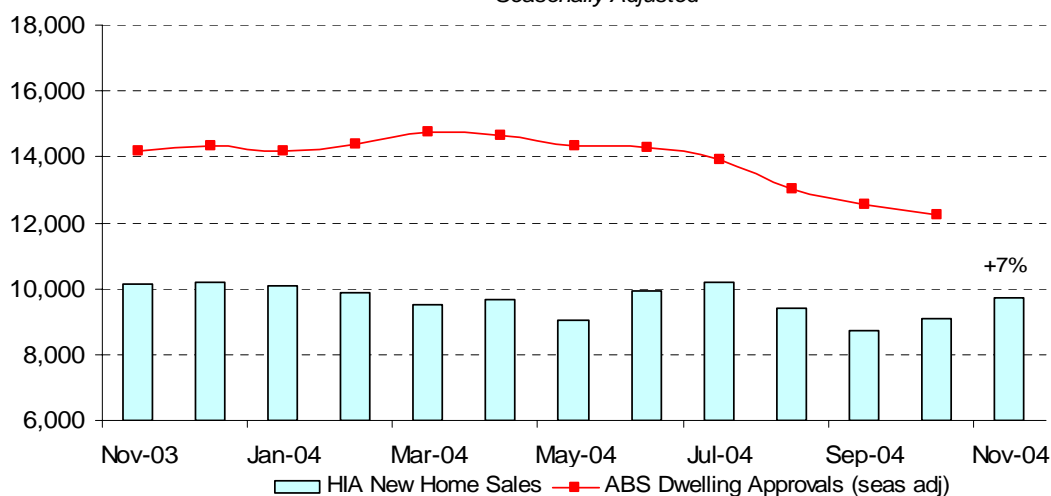
"It does however still remain a buyers market with potential buyers able to look at many more completed house and land packages than was the case over the past two years, which has slowed down the decision making process" Mr Tennent added.

HIA's New Home Sales Survey is compiled from a sample of the largest 100 residential builders in Australia and is the most leading indicator on new housing activity.



New Private Dwelling Sales - Australia

Seasonally Adjusted



Source: ABS 87310 and HIA

For further information or for a full copy of the New Home Sales monthly report (media only) please contact: Simon Tennent, Chief Economist, on 0419 445 557
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