

13 June 2007

## INCREASE IN NEW SALES – BUT WELL OFF 2006 LEVELS

New home sales posted a modest improvement in April but the level remains considerably lower than a year ago.

HIA's New Home Sales figures released today show a rise of 7.1 per cent for the sale of new homes and units among Australia's largest builders and developers, sales reaching a level of 8,776 dwellings for April.

Private detached house sales increased by 7.2 per cent after a flat result in March. The sale of multi-units rose by 6.5 per cent following two consecutive falls.

Sales were up over the three months to April but were nevertheless still 14 per cent lower than the level over the three months to April 2006.

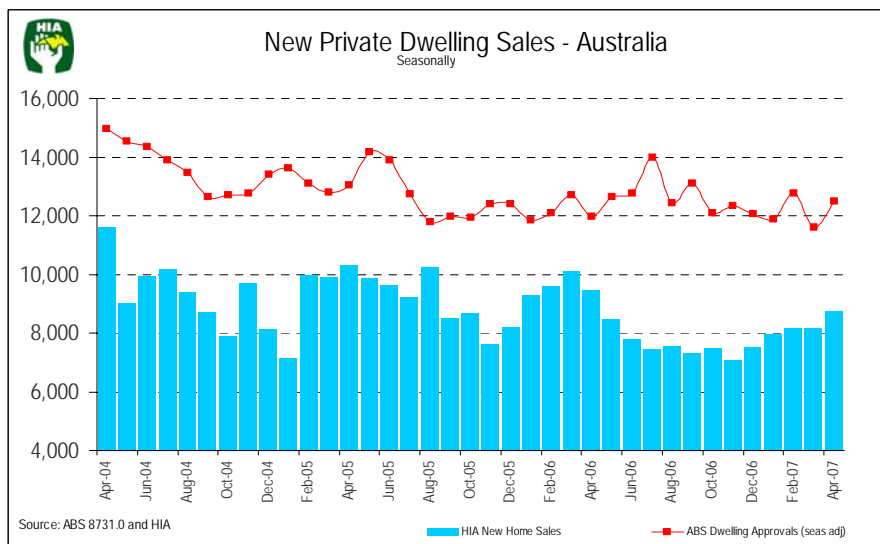
Australia's peak building industry body, HIA, said that while the April rise was welcome, sales levels across all five mainland states remained lower than during the same period last year.

HIA Chief Economist, Mr Harley Dale, said that new home sales, as with building approvals and housing finance for construction, suggested a sustained recovery in new home building was yet to emerge.

"A strengthening economy is reflected in a recovery in the established housing market," Mr Dale said.

"We have, however, seen housing affordability continue to fall in early 2007 and a lack of action to redress the on-going slide is preventing the residential construction market from displaying the same signs of life as established housing," he 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.



### For further information please contact:

Harley Dale, HIA Chief Economist, on 0414 994 186

Chris Lamont, HIA Senior Executive Director of Industry Policy, on 0414 765 040

Website: <http://economics.hia.asn.au>

\*\*\*For a full copy of the New Home Sales Report (media only) or for an annual subscription, please contact Kirsten Lewis on (02) 6245 1393 or [k.lewis@hia.com.au](mailto:k.lewis@hia.com.au)