



New Home Sales

A monthly update of the sales of new homes

June 2007

ANOTHER WEAK YEAR FOR HOME SALES

The 2006/07 financial year results are in for new home sales and the results are very sobering. Over the 2006/07 financial year new home sales fell by 12.1 per cent.

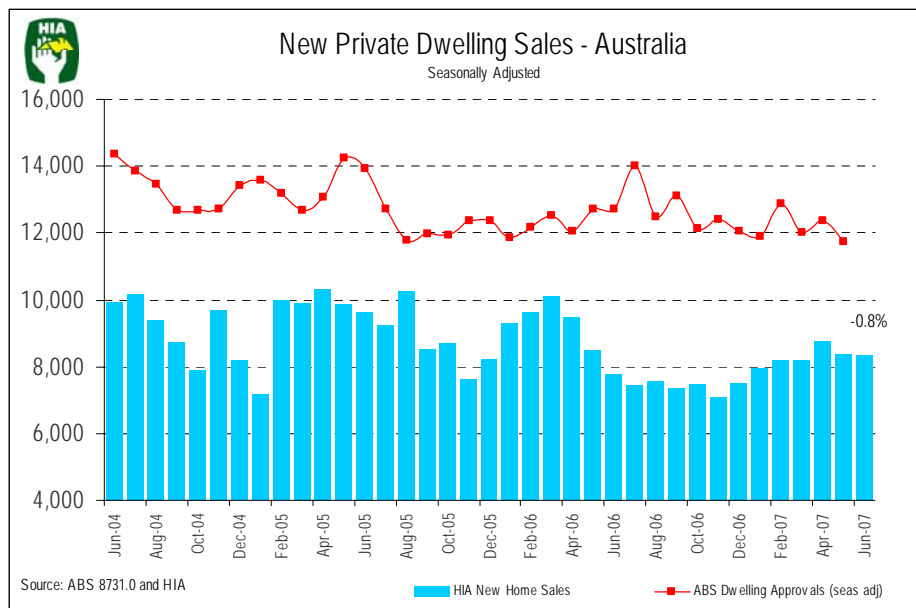
Despite strong population growth and underlying requirements for housing, new home sales have fallen over each of the last five years. The decline in new home sales is clearly a result of poor and deteriorating affordability.

Detached house sales have been the worst hit over the 2006/07 financial year, with the level of sales down 13.9 per cent.

Multi-unit sales were slightly higher, up 1.3 per cent.

Monthly sales in June were also rather disappointing, with new home sales down 0.8 per cent. Detached house sales were moderately higher, up 2.3 per cent, while multi-unit sales fell by 20.1 per cent.

ABS private dwelling approvals have also failed to gain any traction, with approvals down 5.2 per cent in May. Both detached house and multi-unit approvals were lower, down 3.2 per cent and 10 per cent, respectively.



HIGHLIGHTS

- National sales of new houses and units were 0.8 per cent lower in June.
- Private house sales rose by 2.3 per cent.
- Multi-unit sales fell by 20.1 per cent.
- ABS private dwelling approvals decreased by 5.2 per cent in May.
- This month's sample size captures 18.0 per cent of Australia's home building industry.

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