

28 November 2007

FLAT OCTOBER FOR NEW HOME SALES

New home sales were effectively flat in October.

HIA's New Home Sales figures released today for the month of October show a 0.8 per cent rise in the sale of new homes and units among Australia's largest builders and developers.

The key measure, private sector detached house sales, fell by 1.6 per cent and was down by 2 per cent over the three months to October.

Sales in the more volatile apartments component increased by 25.3 per cent following an equivalent fall in September. Apartment sales were down by 10 per cent over the three months to October.

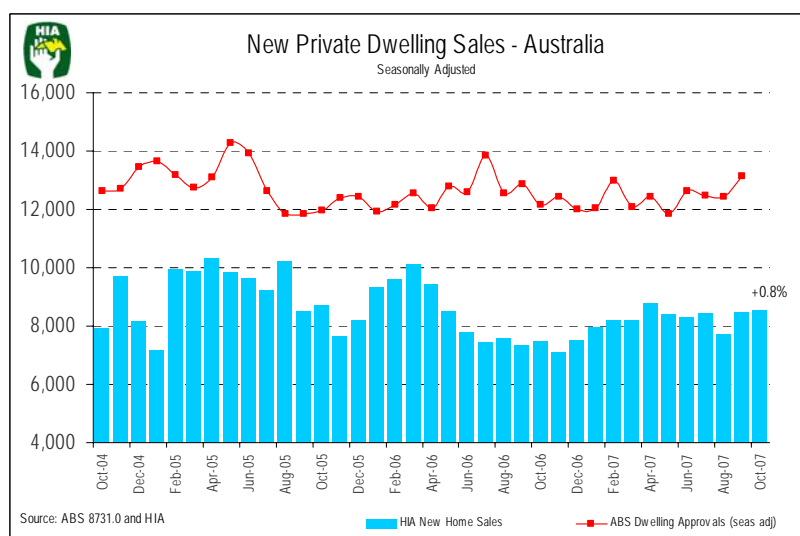
HIA Chief Economist, Mr Harley Dale, said that no clear upward trend was apparent in new home sales over the year to date.

"2007 looks set to mark the fourth consecutive year of weakness for new home sales," Mr Dale said.

"This situation reinforces the importance of the new Government's commitment to a national housing policy and highlights the need to implement such policy as soon as practicable," Mr Dale said.

On a state by state basis Victoria enjoyed a very strong October with detached house sales jumping by 28 per cent. Sales rose modestly in Western Australia and New South Wales, up by 2.7 per cent and 2.1 per cent, respectively. Sales fell by 5.5 per cent in South Australia and were down by 8.7 per cent in Queensland.

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



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***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