

## A BETTER YEAR FOR AUSTRALIA'S "HOUSING 100"

Australia's largest home builders have turned in a remarkable performance in 2005/06, increasing both their number of starts and their market share.

In a year when 150,000 homes were commenced, the thirteenth annual **HIA Housing 100** shows that total home starts crept up among the nation's largest 100 builders, while their share of the whole market increased from 38 per cent to 40 per cent.

They started 60,759 dwellings in 2005/06 made up of 49,916 houses and 10,843 flats, units and townhouses.

Western Australia based **BGC (Australia)**, with 4,558 starts, was Australia's biggest builder for the fourth consecutive year. The company which in 2005/06 traded under the brands BGC Residential, J-Corp, and Ventura Homes, built 3,745 detached houses and 813 units. These starts all occurred in Western Australia where they have an estimated 17.8 per cent market share – down from 19.9 per cent last year.

Glenwood homes were the nation's largest multi-unit builder over the year with 1538 starts, up on the 674 starts achieved in 2004/05 and well ahead of Meriton Apartments in second place.

The revenue earned by the largest 100 builders is estimated to have fallen by 28 per cent, from \$15.5 billion in 2004/05 to \$11.2 billion in 2005/06.

HIA's Executive Director Housing and Economics Mr Simon Tennent said that the increase in starts is a reflection of capital city markets stabilising and regional markets still falling under the weight of poor housing affordability and a lack of land.

"Just as the regional boom has played a dominant role in boosting the prospects of smaller builders last year, the reversal this year has seen the larger city builders gain momentum again," Mr Tennent said.

"The fall in revenue however is of concern and reflects the move towards building smaller more affordable homes and the need for larger builders to squeeze margins further to keep order books ticking over."

"For 2006/07, there are some encouraging signs for this group with city dwelling approvals stabilising, however interest rates will be key for this market as will the pace at which pressure is relieved on the price of undeveloped land," Mr Tennent said.

### **CONTACT:**

For further information please contact Simon Tennent, HIA Executive Director Housing and Economics on 0419 445 557

For state based releases or for a copy of the full HIA Housing 100 Report (media only), please contact Kirsten Lewis on 0402 208 321. To order a copy of the full report please go to <http://economics.hia.asn.au>



## LARGEST 20 Home Builders

Rank		Company	Starts	
2005/06	2004/05		2005/06	2004/05
1	1	BGC (Australia)	4,558	4,535
2	2	Alcock/Brown-Neaves Group	3,502	3,521
3	3	Glenwood Homes	2,211	1,217
4	4	JWH Group	2,053	1,455
5	6	Henley Properties	1,790	1,859
6	5	Metricon Homes	1,706	1,567
7	7	Investa Property Group	1,492	2,708
8	11	Hotondo	1,242	1,389
9	20	Mirvac Group	1,240	2,599
10	9	Tamawood	1,240	1,098
11	8	Summit Homes Group	1,131	781
12	10	Coral Homes	1,121	1,397
13	13	Simonds Group	1,049	1,470
14	14	Devine Group	1,024	1,321
15	15	Meriton Apartments	994	1,600
16	80	Porter Davis Homes	930	775
17	19	Content Living	928	982
18	17	Weeks Group of Companies	920	725
19	16	JG King	905	745
20	21	Australand Holdings	856	929

\* All dwellings built under franchise

## Biggest Movers in 2005/06

Builders who increased their starts by 50 or more

Rank		Company	Increase in starts in 2005/06	
2005/06	2004/05		No.	%
3	15	Glenwood Homes	994	82
4	20	JWH Group	598	41
38	93	Matrix Group	387	667
11	25	Summit Homes Group	350	45
35	59	Hickory Developments	298	117
31	39	Burbank Homes	210	47
18	29	Weeks Group of Companies	195	27
19	28	JG King	160	21
16	26	Porter Davis Homes	155	20
10	17	Tamawood	142	13
6	8	Metricon Homes	139	9
23	30	GJ Gardner Homes*	113	18
46	67	Allcastle Homes	90	41
57	82	Heritage Pacific	86	54
32	34	Hansen Yuncken	84	15
37	44	Villa World	78	20
30	33	The Ross North Group	76	13
50	66	McDonald Jones Homes	60	27
56	74	Trlin Developments	56	29

\* All dwellings built under franchise