

MAJOR RENOVATION ACTIVITY IN THE ACT HITS A NEAR FOUR YEAR LOW

After a sustained run of strong growth, activity in the major renovation market in The Australian Capital Territory has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 40.5 per cent to \$11.4 million. Compared to 12 months ago, activity was down by a far more modest 6.1 per cent.

HIA's Regional Director, Australian Capital Territory, Ms Caroline Lemezina, said that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

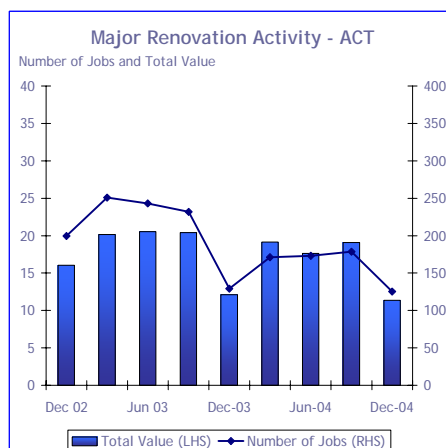
"For the renovation sector, general fears over higher interest rates at a time when house prices were falling has led to potential home renovators taking a wait-and-see approach," Ms Lemezina said.

"Last weeks interest rate rise will clearly keep a lid on an expected bounce in renovation activity this current quarter, but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," she added.

"Looking ahead, there is further support for renovation demand mounting a partial recovery given the high transaction costs associated with moving house. Nevertheless, the breakneck pace of growth in renovations we have become accustomed to over recent years will be tempered for some time to come," Ms Lemezina said.

A total of 125 households undertook major home renovations over the three months to December at an average value of \$90,579 for each job, the highest average value in Australia.

For further information, please contact:
 Ms Caroline Lemezina, Executive Director
 HIA ACT Southern New South Wales on
 0439 447 860. Please note that other
 state based releases or a copy of the 11
 page report are also available by
 contacting Kirsten Lewis on (02) 6245
 1393.



MAJOR RENOVATION ACTIVITY IN THE HUNTER DIPS AT END OF 2004

Major renovation activity in the Hunter Region dropped sharply at the end of last year.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 27.2 per cent to \$46.4 million. Compared to 12 months ago, activity was down 21.5 per cent.

HIA's Executive Director for the Hunter Region, Mr Steve Jeffries, said that while today's figures pre-date last week's interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

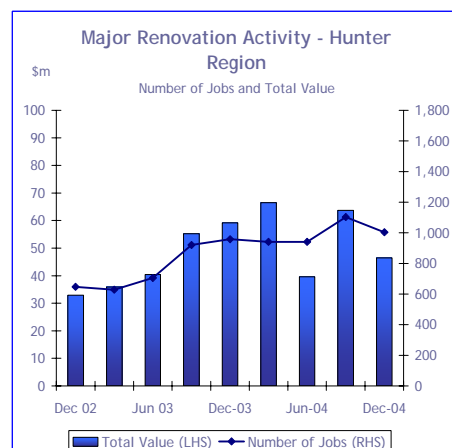
"For the renovation sector, general fears over higher interest rates at a time when house prices were either falling or the growth in prices was slowing has led to potential home renovators taking a wait-and-see approach," Mr Jeffries said.

"Last week's interest rate rise will clearly keep a lid on any expected bounce in this current quarter, but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," he added.

"Looking ahead, renovation demand is likely to mount a partial recovery given the shrinking pool of new land and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come," Mr Jeffries said.

A total of 1,004 households undertook major home renovations over the three months to December at an average value of \$46,226 for each job.

For further information, please contact:
Mr Steve Jeffries, Executive Director HIA Hunter Region on 0417 696 546. Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.



MAJOR RENOVATION ACTIVITY IN NSW HITS A TWO YEAR LOW

After two years of robust growth, activity in the major renovation market in New South Wales has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 32.6 per cent to \$382 million. Compared to 12 months ago, activity was down 14 per cent.

HIA's Regional Director, New South Wales, Ms Elizabeth Crouch, said that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

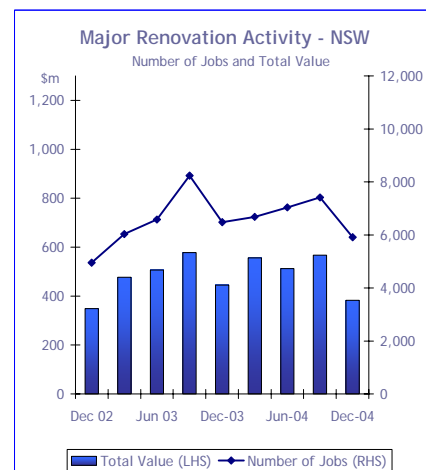
"For the renovation sector, general fears over higher interest rates at a time when house prices were falling has led to potential home renovators taking a wait-and-see approach," Ms Crouch said.

"Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," she added.

"Looking ahead, renovation demand is likely to remain robust given the shrinking pool of new land and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come," Ms Crouch said.

A total of 5,917 households undertook major home renovations over the three months to December at an average value of \$64,679 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$102,382 and around 69 square metres in size.

For further information, please contact :
Ms Elizabeth Crouch, Executive Director
HIA New South Wales on 0419 868 684.
Please note that other state based releases
or a copy of the 11 page report are also
available by contacting Kirsten Lewis on
(02) 6245 1393.



MAJOR RENOVATION ACTIVITY IN QUEENSLAND NEAR A TWO YEAR LOW

After a sustained period of robust growth, activity in the major renovation market in Queensland has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 19 per cent to \$213 million. Compared to 12 months ago, activity was down 23 per cent.

HIA's Regional Director, Queensland, Mr Rick Wiley, that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

"For the renovation sector, general fears over higher interest rates at a time when house prices were either falling or the growth in prices was slowing has led to potential home renovators taking a wait-and-see approach," Mr Wiley said.

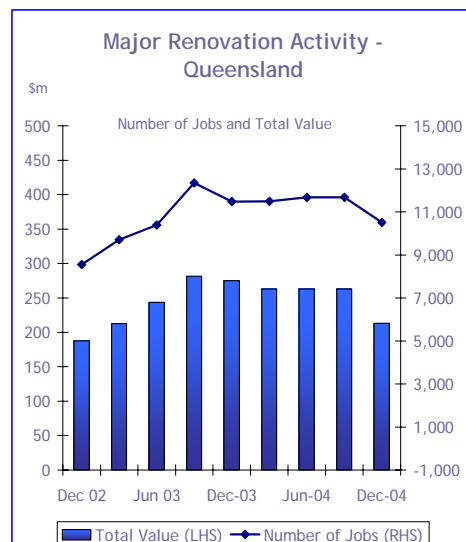
"Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," he added.

"Looking ahead, renovation demand is likely to remain robust given the shrinking pool of new land and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come," Mr Wiley said.

The most popular major renovation over the three months was a ground floor extension valued at \$102,382 and around 69 square metres in size.

For further information, please contact :

Mr Rick Wiley, Executive Director HIA Queensland on 0419 751 195. Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.



MAJOR RENOVATION ACTIVITY IN SOUTH AUSTRALIA HITS A THREE YEAR LOW

After a sustained run of strong growth, activity in the major renovation market in South Australia has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 19.1 per cent to \$60 million. Compared to 12 months ago, activity was down 13.9 per cent.

HIA's Regional Director, South Australia, Mr Brenton Gardner, said that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

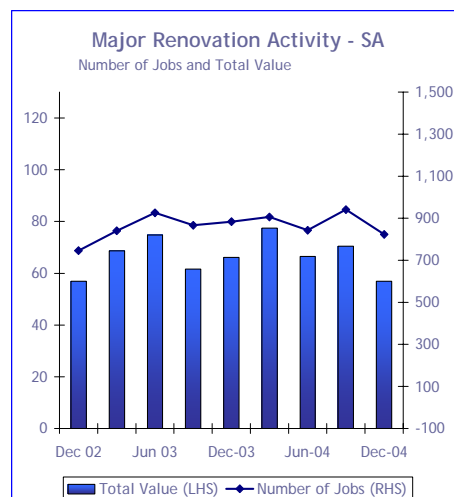
"For the renovation sector, general fears over higher interest rates at a time when house prices were either falling or the growth in prices was slowing has led to potential home renovators taking a wait-and-see approach," Mr Gardner said.

"Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," he added.

"Looking ahead, renovation demand is likely to mount a partial recovery given the shrinking pool of new land and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come," Mr Gardner said.

A total of 823 households undertook major home renovations over the three months to December at an average value of \$69,182 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$102,382 and around 69 square metres in size.

For further information, please contact:
Mr Brenton Gardner, Executive Director
HIA South Australia on 0418 500 663.
Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.



MAJOR RENOVATION ACTIVITY IN TASMANIA HITS LOWEST LEVEL IN NEARLY TWO YEARS

After a sustained run of strong growth, activity in the major renovation market in Tasmania has fallen significantly, although the fall was less severe than for any other state in the country.

Commenting today on the latest release of HIA’s quarterly *Renovations Monitor*, Australia’s peak building industry body, HIA, said that activity fell in the December quarter 2004 by 9.9 per cent to \$15.9 million. This compares to a drop for Australia as a whole of 26.8 per cent.

HIA’s Regional Director, Tasmania, Mr Tim Reardon, said that while today’s figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

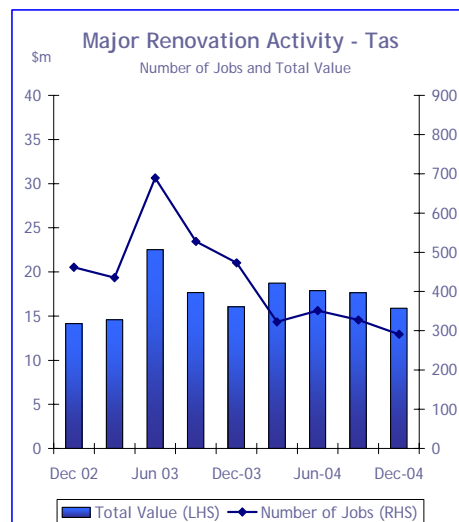
“For the renovation sector, general fears over higher interest rates at a time when house prices were either falling or the growth in prices was slowing has led to potential home renovators taking a wait-and-see approach,” Mr Reardon said.

“Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs,” he added.

“Looking ahead, renovation demand is likely to mount a partial recovery given the shrinking pool of new land and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come,” Mr Reardon said.

A total of 291 households undertook major home renovations over the three months to December at an average value of \$54,537 for each job.

For further information, please contact:
 Mr Tim Reardon, Executive Director HIA Tasmania on 0423 141 031. Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.



MAJOR RENOVATION ACTIVITY HITS A FOUR YEAR LOW IN VICTORIA

After a sustained run of strong growth, activity in the major renovation market in Victoria has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 26.1 per cent to \$300 million. Compared to 12 months ago, activity was down 19.6 per cent.

HIA's Regional Director, Victoria, Mr Graham Wolfe, said that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the industry and the economy were slowing late last year.

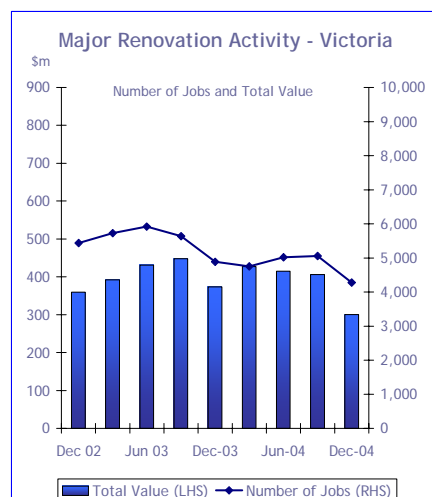
"For the renovation sector, general fears over higher interest rates at a time when house prices were falling has led to potential home renovators taking a wait-and-see approach," Mr Wolfe said.

"Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," he added.

"Looking ahead, renovation demand is likely to mount a partial recovery with the desire of many families to remain in their local area and the high transaction costs associated with moving house. However, these historically high costs will temper activity for some time to come," Mr Wolfe said.

A total of 4,273 households undertook major home renovations over the three months to December at an average value of \$70,320 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$102,382 and around 69 square metres in size.

For further information, please contact:
Mr Graham Wolfe, Executive Director HIA Victoria on 0419 751 188. Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.



MAJOR RENOVATION ACTIVITY IN WESTERN AUSTRALIA HITS A TWO YEAR LOW

After a sustained run of strong growth, activity in the major renovation market in Western Australia has fallen sharply.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that activity fell in the December quarter 2004 by 15.5 per cent to just over \$90 million. Compared to 12 months ago, activity was down 17 per cent.

HIA's Regional Director, Western Australia, Mr John Dastlik, said that while today's figures pre-date last weeks interest rate rise, they are another in the growing list of indicators that confirm that the pace of growth in the industry was beginning to cool by late last year.

"For the renovation sector, general fears over higher interest rates at a time when house prices were either falling or the growth in prices was slowing has led to potential home renovators taking a wait-and-see approach," Mr Dastlik said.

"Last weeks interest rate rise will clearly keep a lid on any expected bounce in this current quarter but of deeper concern is the continued rise in building costs brought about by skills shortages and increasing compliance costs," he added.

"Looking ahead, renovation demand is likely to mount a partial recovery. However, the breakneck pace of growth in renovations we have become accustomed to over recent years will be tempered for some time to come," Mr Dastlik said.

A total of 1,225 households undertook major home renovations over the three months to December at an average value of \$75,130 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$102,382 and around 69 square metres in size.

For further information, please contact:

Mr John Dastlik, Executive Director HIA Western Australia on 0417 983 639. Please note that other state based releases or a copy of the 11 page report are also available by contacting Kirsten Lewis on (02) 6245 1393.

