

## NSW RENOVATION BOOM COOLS FURTHER

Flat house prices and a difficulty finding building trades has slowed demand among New South Wales home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 1.5 per cent in the September quarter of 2005 to \$417 million.

HIA's Executive Director New South Wales, Mr Wayne Gersbach, said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Gersbach said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of council approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Gersbach said.

"It is in this context that while renovation activity is forecast to cool further, the fall will be modest compared to previous cycles."

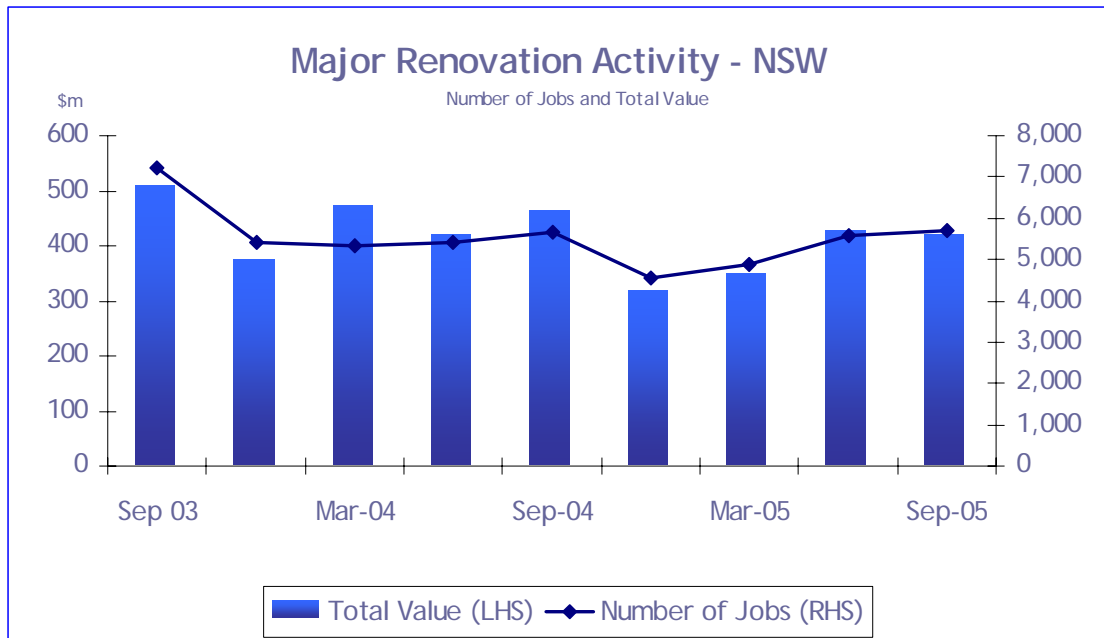
## NOTES TO EDITORS

Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

Notes:

a). The *HIA Renovations Monitor* is a quarterly review of major renovation activity. Compiled from six years of insurance certificates from all states and territories, it splits major renovation activity into the categories of ground and second storey extensions, kitchens, bathrooms, garages, roofing and cladding, external improvements, and repairs and maintenance.

b). Market share adjustments have led to a revision to the history of the levels of major renovations expenditure and the number of major renovation jobs. The magnitudes of quarterly changes to renovation activity are little changed.



**For further information please contact :**

Wayne Gersbach on 0410 697 404

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## VICTORIA'S RENOVATION BOOM COOLS FURTHER

Flat house prices and a difficulty finding building trades has slowed demand among Victoria's home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 8.6 per cent in the September quarter of 2005 to \$430 million.

HIA's Executive Director Victoria, Mr Graham Wolfe, said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Wolfe said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of council approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Wolfe said.

"It is in this context that while renovation activity is forecast to cool further, the fall will be modest compared to previous cycles."

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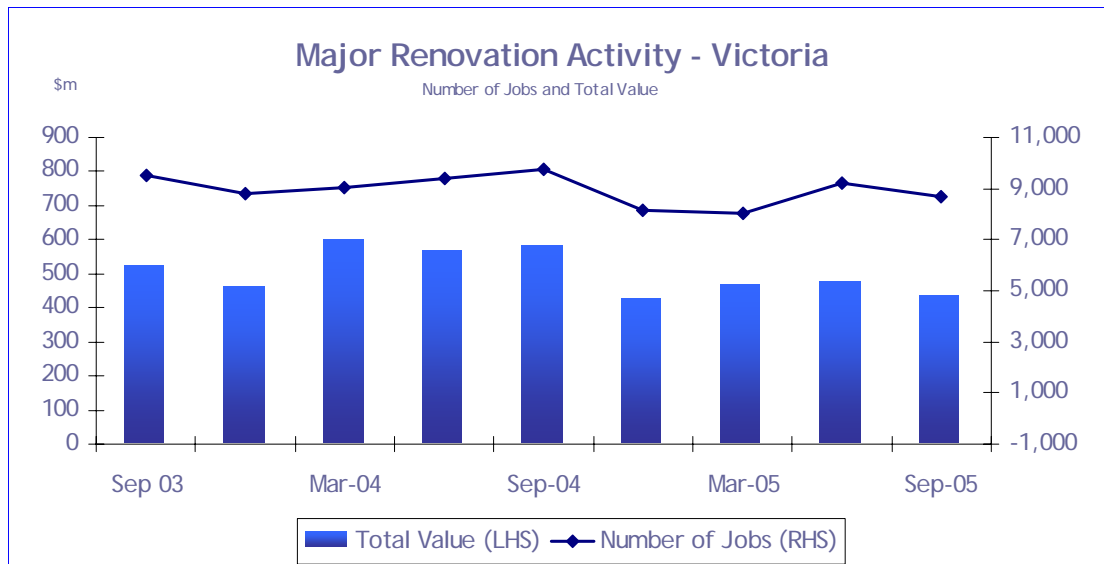
## NOTES TO EDITORS

Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

Notes:

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b). Market share adjustments have led to a revision to the history of the levels of major renovations expenditure and the number of major renovation jobs. The magnitudes of quarterly changes to renovation activity are little changed.



**For further information please contact :**

Graham Wolfe on 0419 751 188

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## QUEENSLAND'S RENOVATION BOOM COOLS FURTHER

Flat house prices and a difficulty finding building trades has slowed demand among Queensland's home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 3.0 per cent in the September quarter of 2005 to \$325 million.

HIA's Executive Director Queensland, Mr Rick Wiley, said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Wiley said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of council approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Wiley said.

"It is in this context that while renovation activity is forecast to cool further, the fall will be modest compared to previous cycles."

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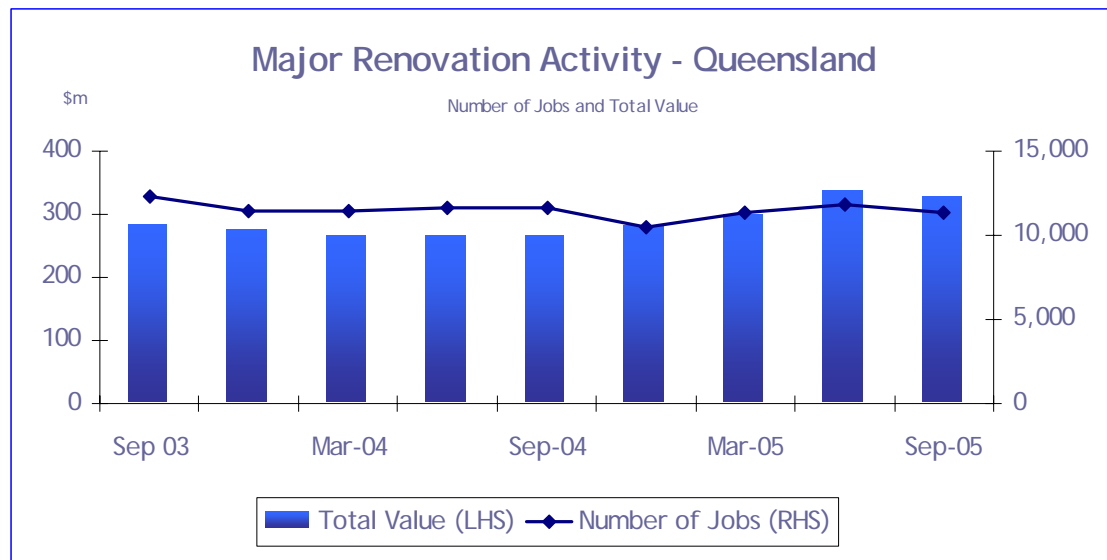
## **NOTES TO EDITORS**

Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

Notes:

a). The *HIA Renovations Monitor* is a quarterly review of major renovation activity. Compiled from six years of insurance certificates from all states and territories, it splits major renovation activity into the categories of ground and second storey extensions, kitchens, bathrooms, garages, roofing and cladding, external improvements, and repairs and maintenance.

b). Market share adjustments have led to a revision to the history of the levels of major renovations expenditure and the number of major renovation jobs. The magnitudes of quarterly changes to renovation activity are little changed.



**For further information please contact :**

Rick Wiley on 0419 751 195

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## SOUTH AUSTRALIA'S RENOVATION BOOM COOLS

Flat house prices and a difficulty finding building trades has slowed demand among South Australia's home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 7.0 per cent in the September quarter of 2005 to \$43 million.

HIA's Executive Director Queensland, Mr Brenton Gardner, said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Gardner said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of council approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Gardner said.

"It is in this context that while renovation activity is forecast to cool further, the fall will be modest compared to previous cycles."

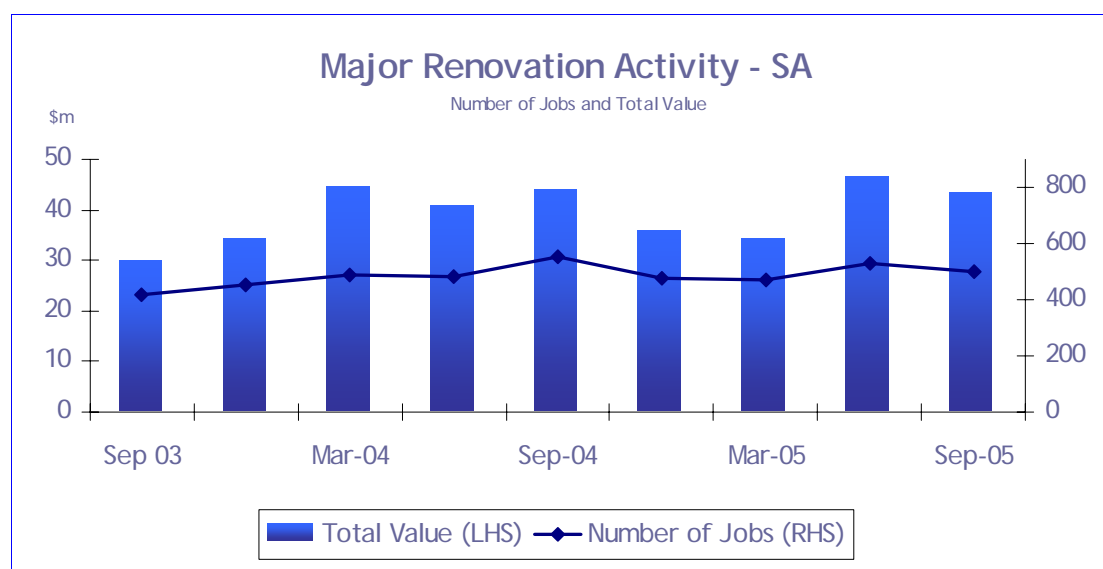
## NOTES TO EDITORS

Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

Notes:

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b). Market share adjustments have led to a revision to the history of the levels of major renovations expenditure and the number of major renovation jobs. The magnitudes of quarterly changes to renovation activity are little changed.



**For further information please contact :**

Brenton Gardner on 0418 500 663

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## WA RENOVATORS REMAIN CONFIDENT

Despite flattening house prices and difficulty finding building trades, demand among Western Australia's home renovators has remained strong.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) rose 1.3 per cent in the September quarter of 2005 to \$49 million.

HIA's Executive Director Western Australia, Mr John Dastlik said that the solid result is consistent with the continuing buoyant conditions in the housing sector however still remains down on the boom times of 2004.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Dastlik said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of government approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Dastlik said.

"It is in this context that while renovation activity is forecast to cool, the fall will be modest compared to previous cycles."

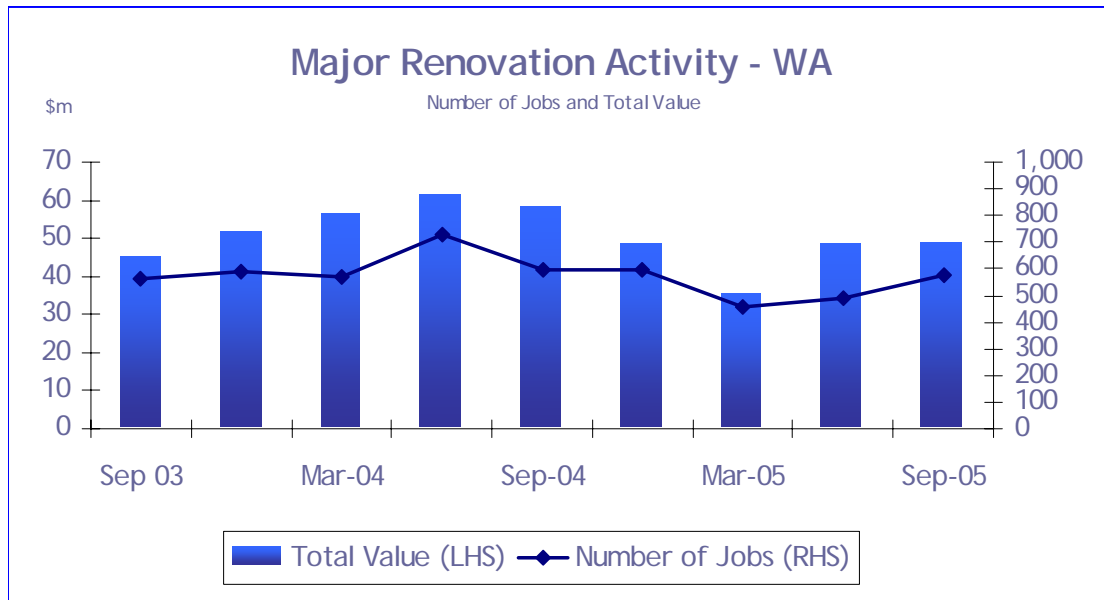
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Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

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b). Market share adjustments have led to a revision to the history of the levels of major renovations expenditure and the number of major renovation jobs. The magnitudes of quarterly changes to renovation activity are little changed.



**For further information please contact :**

John Dastlik on 0417 983 639

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## TASMANIA'S RENOVATORS REMAIN CONFIDENT

Despite flattening house prices and difficulty finding building trades, demand among Tasmania's home renovators has remained strong.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) rose 5.7 per cent in the September quarter of 2005 to \$21 million.

HIA's Executive Director Tasmania, Mr Tim Reardon said that the solid result is consistent with the continuing buoyant conditions in the housing sector however still remains down on the boom times of 2004.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Mr Reardon said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," he added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of government approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Mr Reardon said.

"It is in this context that while renovation activity is forecast to cool, the fall will be modest compared to previous cycles."

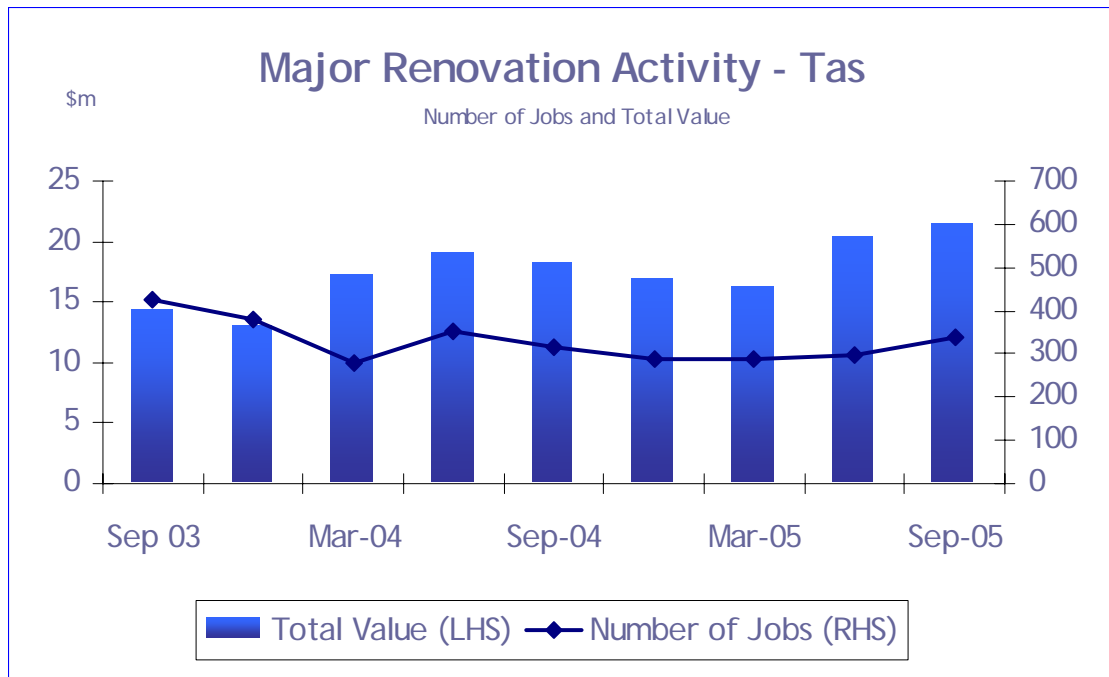
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Nationally, a total of 10,375 households undertook major home renovations over the three months to September at an average value of \$76,856 for each job. The most popular major renovation over the three months was a ground floor extension valued at \$112,490 and around 63 square metres in size.

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**For further information please contact :**

Tim Reardon on 0423 141 031

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## CANBERRA'S RENOVATION BOOM COOLS

Flat house prices and a difficulty finding building trades has slowed demand among Canberra's home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 21.4 per cent in the September quarter of 2005 to \$40 million.

HIA's Executive Director of ACT/Southern New South Wales, Ms Caroline Lemezina, said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Ms Lemezina said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," she added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of government approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Ms Lemezina said.

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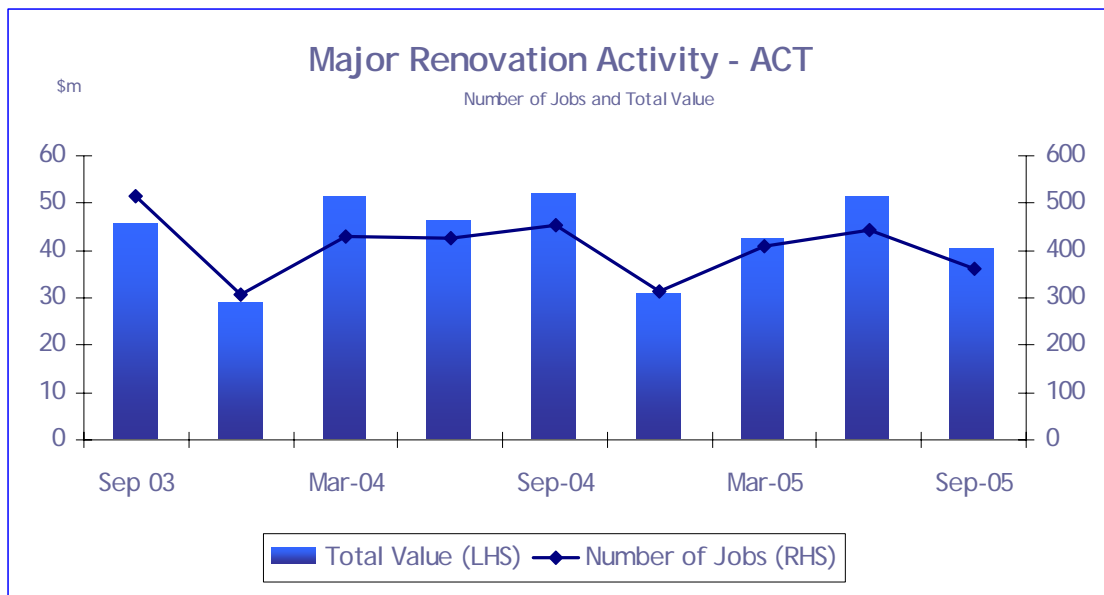
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**For further information please contact :**

Caroline Lemezina on 0439 447 860

**For other State based releases or a copy of the full report (media only) please contact**

Kirsten Lewis (02) 6245 1393

## HUNTER RENOVATION BOOM COOLS

Flat house prices and a difficulty finding building trades has slowed demand among the Hunter's home renovators.

Commenting today on the latest release of HIA's quarterly *Renovations Monitor*, Australia's peak building industry body, HIA, said that major renovation activity (jobs carried out by licensed builders and contractors) fell 2 per cent in the September quarter of 2005 to \$49 million.

HIA's Acting Executive Director Hunter Region, Ms Maryka Gibson said that the weak result is consistent with the overall cooling in the housing sector but still remains historically high.

"With a peaking in the house price cycle, many households are choosing to pay down debt rather than keep withdrawing equity," Ms Gibson said.

"As a result, that speculative element has all but disappeared from the market as those households spending tens of thousands on renovations in an effort to boost their home's value are being disappointed come sale time," she added.

"On the other hand however, the lack of affordable new land and the prohibitive costs associated with moving house are two significant factors that have put a floor under renovation activity."

"For those households who are in it for the long haul and wish to improve their standard of living, the attraction of adding floor area continues as evidenced by the value of government approved alterations and additions – primarily ground floor and second storey extensions - barely falling over the past year," Ms Gibson said.

"It is in this context that while renovation activity is forecast to cool further, the fall will be modest compared to previous cycles."

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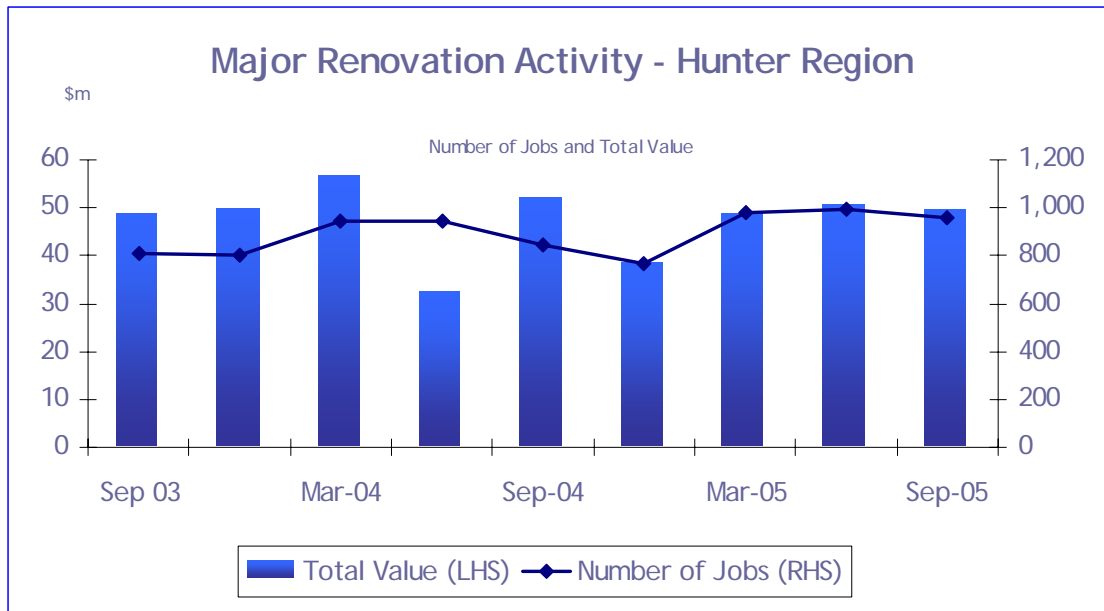
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**For further information please contact :**

Maryka Gibson on 0408 235 021

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Kirsten Lewis (02) 6245 1393