



29 August 2017

New Home Sales Continue to Ease from Record Highs

“A drop in new apartment sales have contributed to the continuing decline in new home sales nationally since they peaked in mid 2015,” stated HIA’s Principal Economist, Tim Reardon.

“July’s result was driven by a 15.7 per cent decline in multi-unit sales and a more measured reduction in detached house sales. The large drop in multi-unit sales this month is in contrast to strong sales volumes late in 2016 and early 2017,” outlined Mr Reardon.

The HIA New Home Sales report - a monthly survey of the largest volume home builders in the five largest states - show that sales volumes declined by 3.7 per cent during July 2017 compared with June 2017. Sales for the first seven months of this year are 4.6 per cent lower than in the same period of 2016.

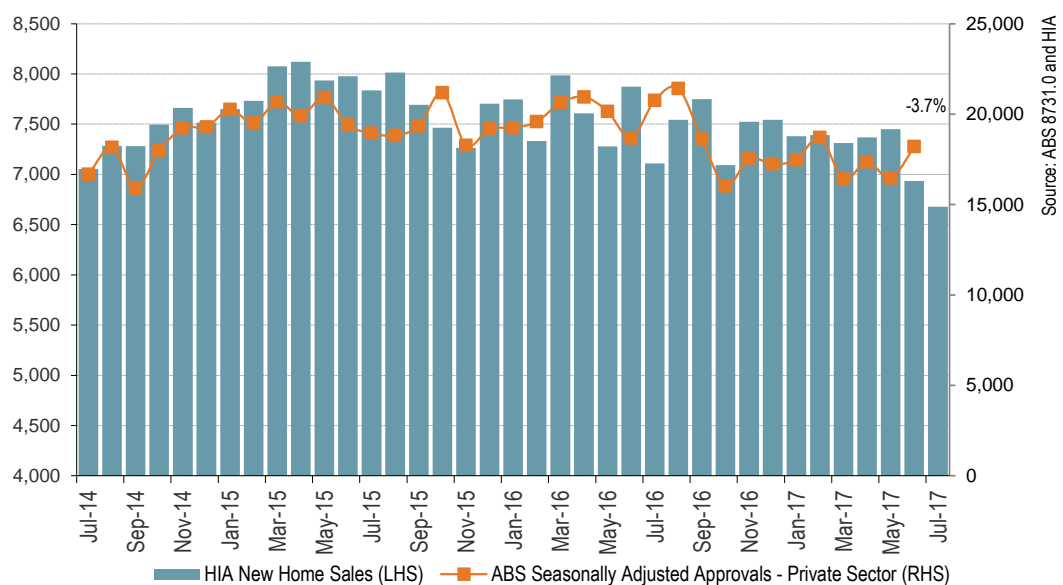
“This trend is consistent with HIA’s expectation that activity will decline modestly from these record high levels over a number of years,” added Mr Reardon.

“Victoria was the notable exception – as the only state to grow sales during July 2017. Sales were up by 9.8 per cent on what is already a very high level of activity.

“On the other hand, the Western Australian Government’s First Home Buyers boost ended on 30 June 2017 and as a consequence sales in July fell sharply from what was already a very low base.

Sales of new detached houses during July 2017 fell by 0.4 per cent nationally to their lowest level since October 2014. Victoria was the only state to experience growth (+9.8 per cent). Detached house sales fell in South Australia (-16.2 per cent), Queensland (-16.1 per cent), Western Australia (-9.1 per cent) and New South Wales (-5.2 per cent) during the month.

PRIVATE NEW DWELLING SALES - AUSTRALIA (SEASONALLY ADJUSTED)



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