

MEDIA RELEASE



16 September 2020

Victorian New Home Sales Down 14 per cent

“New home sales in Victoria have declined by 14.4 per cent in August as the stage 4 restrictions more than offset the boost provided from HomeBuilder,” said HIA’s Victorian Executive Director, Fiona Nield.

The HIA New Home Sales Report – a monthly survey of the largest volume home builders in the five largest states – is a leading indicator of trends in the residential building industry.

“New home sales picked up across the country in June and July following the announcement of HomeBuilder, but the restrictions on travel and closure of display homes in August has had a significant and immediate impact on sales in Victoria.

“All states, other than Victoria, have seen new home sales rise in August as HomeBuilder and improved market confidence continued to pull the housing market forward.

“During stage 4 restrictions, Victorian home buyers have been unable to visit display homes and meet with builders around all the critical decisions necessary for contract signings. August’s results clearly reflect this situation.

“If sales in Victoria continue to decline in September, which appears likely given the ongoing restrictions, this will impact on the number of homes commencing construction later this year and into 2021.

“The stage 4 restrictions are also now inhibiting many Victorians ability to access HomeBuilder, which is available for a very limited period of time.

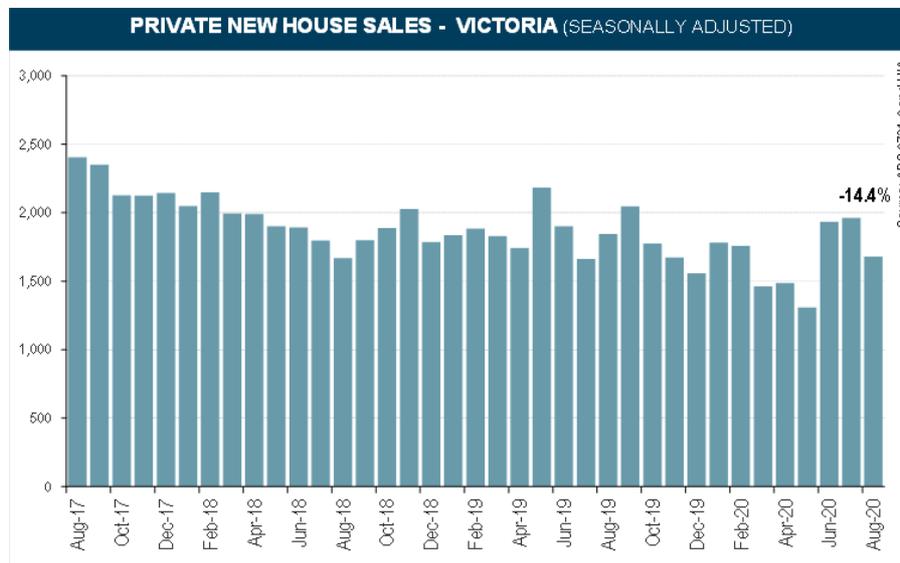
“To be eligible for the grant, home buyers need to sign a home building contract by 31 December 2020. Even after home buyers are able to visit display suites and choose their builder, there will be limited time to complete the detailed design requirements before this deadline.

“Home buyer access to display homes and centres for material selection are pivotal for the signing of home building contracts. It is critical that home buyers be permitted to attend these premises by appointment as soon as possible.

“Display homes and centres operated safely throughout the COVID-19 restrictions until stage 4 with builders applying minimum numbers of visitors, along with appointment only arrangements, and all necessary cleaning and tracing protocols in place.

“The recent introduction of COVID safe plans brings these practices together and provides a solid framework for ongoing management of these premises. HIA believes these practices should be applied now to assist these premises to re-open as soon as possible,” concluded Ms Nield.

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