

MEDIA RELEASE



10 June 2021

New home sales strengthen in May

“New home sales increased by 15.2 per cent in May 2021 compared to the previous month,” stated HIA Economist Tom Devitt.

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 future detached home construction.

“This increase sees sales in the two months since the end of HomeBuilder, 2.9 per cent higher than the same time in 2019,” added Mr Devitt.

“This solid level of sales in April and May indicates ongoing demand for new detached homes, even in the absence of stimulus.

“A record number of new homes are expected to commence construction in 2021. The low interest rates and confidence in the housing market are continuing to facilitate demand.

“New South Wales has driven the solid result of the last two months more than any other state. Sales in April and May were 36.9 per cent higher in this state than at the same time in 2019.

“New South Wales saw the smallest uptake of the HomeBuilder program, but is demonstrating the strongest demand following the end of the program.

“The strength of demand in New South Wales suggests that other states will also begin to demonstrate a solid demand for new homes as the impact of HomeBuilder fades,” concluded Mr Devitt.

Comparing the last two months of April and May to the same months in 2019, New South Wales led the pack, up by 36.9 per cent. This was followed by Western Australia (+26.0 per cent), Queensland, (+4.0 per cent), South Australia (-14.2 per cent) and Victoria (-16.1 per cent).

For further information please contact:

Tom Devitt, Economist

0439 514 656

Angela Lillicrap, Economist

0404 406 567

PRIVATE NEW HOUSE SALES - AUSTRALIA (SEASONALLY ADJUSTED)

