Urban Taskforce
AUSTRALIA

MEDIA RELEASE

NSW and Victorian apartment approvals falling fast

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The latest data from the Australian Bureau of Statistics indicates a sharp drop in apartment approvals in NSW and Victoria, says the Urban Taskforce.

"The overall housing approval figures are falling in NSW and Victoria with the major falls being in the apartment market," says Urban Taskforce CEO, Chris Johnson. "House approvals in NSW have dropped from 2,504 based on trends in March 2018 to 2,336 in August 2018 while house approvals in the smaller state of Victoria were more robust at 3,174 in August 2018."
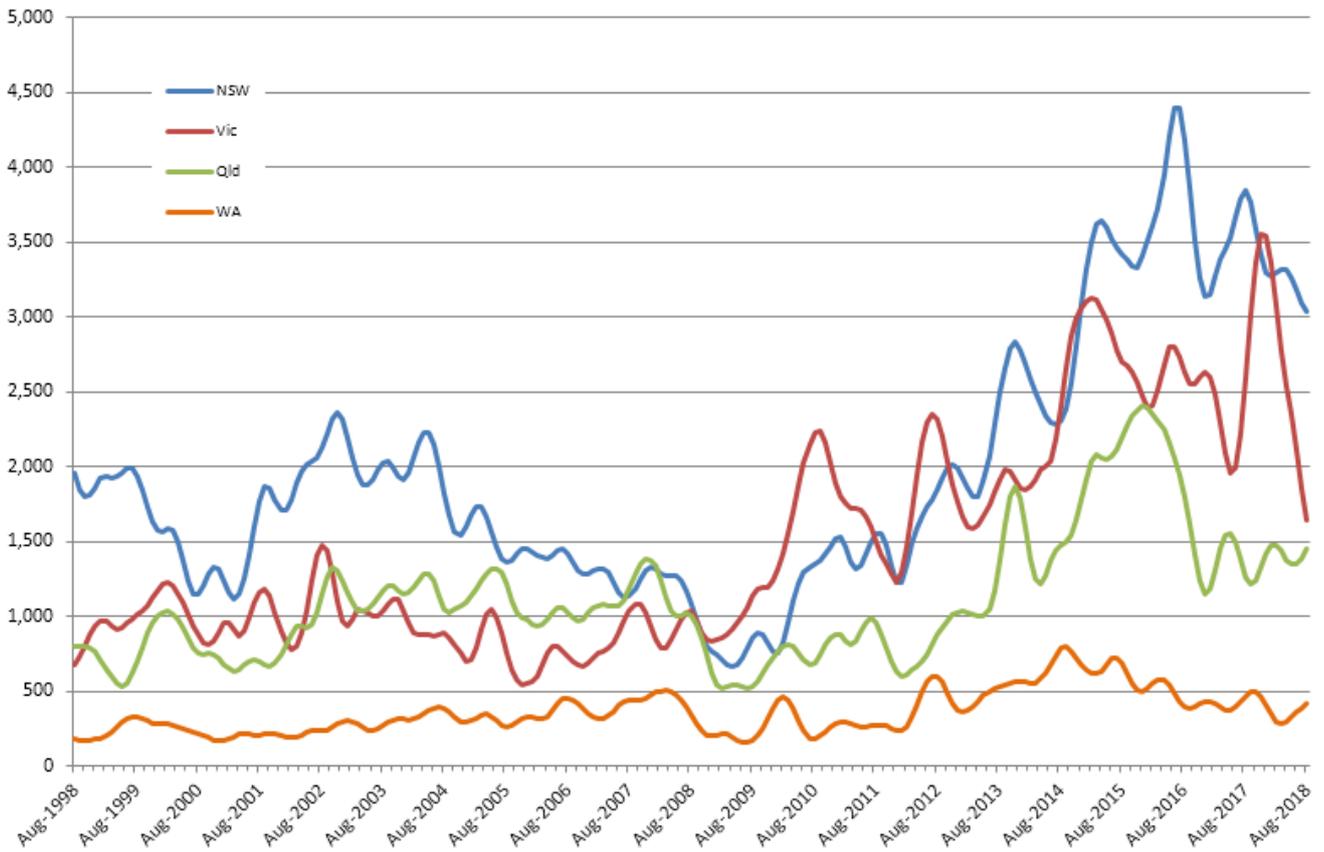
"It is the apartment market where approvals are falling fastest with NSW having 3,764 in September 2017 but this has fallen to 3,041 in August 2018. The Victorian apartment approvals have fallen even further from a high of 3,542 in December 2017 to less than half of this in August 2018 at 1,642 approvals."

"It appears that confidence in the apartment market in both Melbourne and Sydney is slowing rapidly with many developers indicating that presales are much less than a year ago."

"The Urban Taskforce urges governments to develop policies that support new housing supply as population growth targets have not changed. The pre- election environment in NSW has led to back downs on a number of planning policies including the 'Missing Middle' code, the Sydenham to Bankstown Planned Precincts and planning proposals in Ryde. The concerns by some community groups about the extent of new development in Sydney seems to have led to a move away from housing supply targets and this is lowering confidence in the development industry."

See below graph on 'Higher Density by State' based on ABS figures:

New monthly private sector higher density home approvals by state; Aug 1998 – Aug 2018; trend

The **Urban Taskforce** is a property development industry group, representing Australia's most prominent property developers and equity financiers.

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