

Media Release

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UDIA Land Report Highlights Ongoing Undersupply

The Urban Development Institute of Australia (UDIA) has today released its annual State of the Land Report which provides the most comprehensive assessment of land supply in Australia's capital cities. UDIA is the peak industry body for the urban development industry and its 2012 State of the Land Report highlights the insufficient levels of land supply in Australia's major cities.

The report will be launched today by UDIA National President Julie Katz at the UDIA National Congress in Perth. The State of the Land Report shows that the undersupply of land, and consequently housing, is putting substantial pressure on affordability.

UDIA National President Julie Katz said that, "Releasing a steady stream of serviced land to the market is critical if we are to overcome our affordability and housing supply challenges".

"The report makes a strong correlation between historically low levels of lot production and higher land prices, the net effect of which is declining levels of affordable housing," said Ms Katz.

While the barriers to supply vary from state to state, there are commonalities nationwide. "Throughout Australia land supply is being constrained by the delayed roll out of infrastructure, the time-consuming planning approval processes and ever-increasing infrastructure charges or homebuyer levies," said Ms Katz.

Sydney continues to experience a chronic undersupply of serviceable land, with forecast data showing it producing the least lots in the country. The supply of land is spiraling downwards in Brisbane, with the city producing its lowest level of lots in a decade. Perth has experienced a slight increase in lots produced, while Adelaide and Melbourne have performed relatively well. However, none of the capital cities are well placed for a potential surge in demand.

The 2012 UDIA State of the Land Report makes the following recommendations to start addressing the gravity of the issue in Australia's cities:

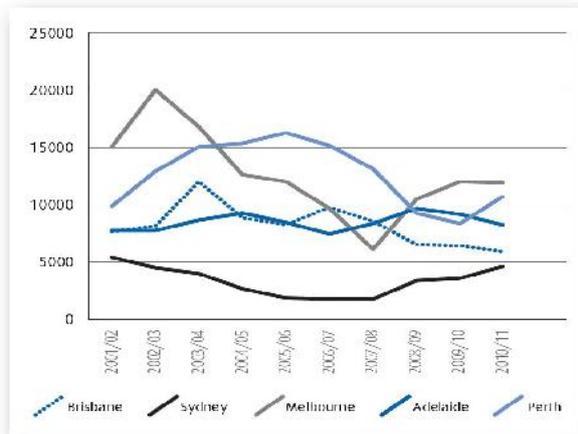
- 1) Federal and State Governments should provide more funding to Local Governments and relevant state agencies for the financing of local infrastructure.**
- 2) Each State Government should create a body to coordinate and monitor the timely, efficient and coordinated roll-out of infrastructure in both greenfield and infill developments.**

- 3) **State and Territory planning systems should be made consistent with COAG's nine criteria for future strategic planning of capital cities.**
- 4) **Through the identification of leading practice, State Governments should encourage local councils and relevant state agencies to reform the processes involved in assessing applications for development.**

For further information or comment, please contact:
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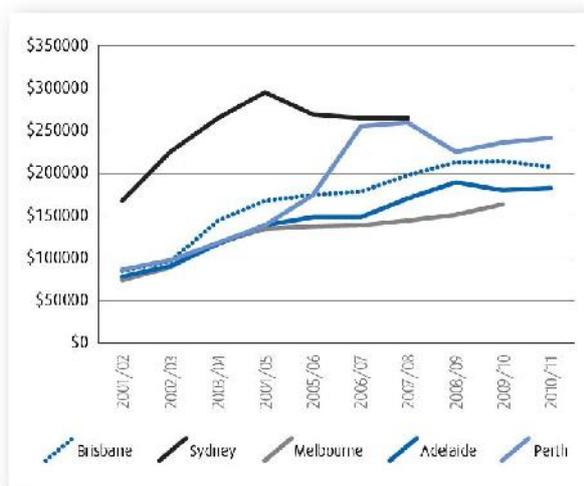
The key diagrams from the report are provided overleaf. This data can be supplied to media in raw format on request:

Lot Production*



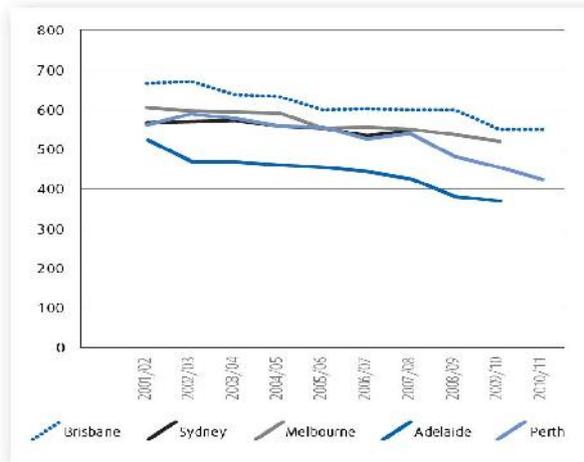
Source: UDIA
* Figures for Sydney from 2007/8 to 2010/11 and Melbourne for 2010/11 are UDIA forecasts

Median Lot Price



Source: UDIA

Median Lot Size*



Source: UDIA

* Melbourne Data based on Average Lot Size