



[www.MortgageePROPERTY.com](http://www.MortgageePROPERTY.com)

Apartment Settlement Risk for Australian Property Developers in Brisbane and Melbourne as record high supply levels complete, banks stop foreign investor loans

## Apartment Settlement Risk for Australian Property Developers in Brisbane and Melbourne

Apartment Settlement Risk for Australian Property Developers in Brisbane and Melbourne as record high supply levels complete, banks stop foreign investor loans



The number of off the plan apartments due to complete and settle over the next 24 months has hit record highs in Australia's capitals. With all the major Australian bank refusing to lend to overseas investors, many of the foreign investors will not make good on their purchases and settle with the developer.

The apartment supply levels should be organic to the local market demand. The apartment levels have been falsely increased to cater to the spin masters selling CBD apartments to uninformed Asian investors and, property developers taking advantage of the false (none organic) market demand.

Date: May 13, 2016

Published by: Mortgagee Property Australia

Reporter: Scott O Talbot

Category: Australian Property Market

<http://mortgageeproperty.com/apartment-settlement-risk-for-australian-property-developers.html>

**Reported in the Australia Financial Review on May 12 2016 at 12:07 PM : Brisbane, Melbourne face rising apartment settlement risk.**

The number of new apartments due to settle over the next two years has hit record highs in Australia's capitals, raising the risk some buyers will not make good on their purchases. The volume of new apartments is approaching, and even exceeding, the average number of apartment sales overall in the past five years, on CoreLogic figures.

That creates a "big disconnect" in the market, said CoreLogic researcher Cameron Kusher, especially in the largest cities. In Brisbane, the number of units due to settle in the next 12 months is now more than the average number of apartments, new and established, sold each year.