



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

Australia property developers get Cold Feet with property bubble and apartment oversupply driving down prices and Australian banks no longer lending

# Australian Property Developers Cold Feet Property Bubble

Australia property developers get Cold Feet with property bubble and apartment oversupply driving down prices and Australian banks no longer lending

Australian property development, Apartment deals worth \$5billion 'put on ice in ONE week' as developers get cold feet on Australia's once-booming property market.



Property construction is slowing across the country as the cost of labour rises and an oversupply of apartments means there is less money to be made in new building projects. Major projects have been halted or stalled in Sydney, Melbourne, Brisbane and Perth to the tune of almost \$5bn, reported the Australian Financial Review.

Almost \$5bn worth of property deals have fallen through in the past week Nationwide 'oversupply' of apartments is driving prices down and costs up Banks are 'no longer lending money' to developers to build apartments One planning expert said: 'Developers are more cautious and sensibly so'

<http://mortgageeproperty.com/australia-property-developers-cold-feet-property-bubble.html>

Date: May 30, 2016

Published by: Daily Mail Australia

Reporter: Steven Trask

Category: Australia Housing Bubble

Apartment prices at 673 La Trobe Street (left) in Melbourne have fallen by as much as 24 per cent as housing supply outstrips demand. An apartment which cost \$410,000 in 2010 can be bought for \$330,000 today

On Tuesday developer Mirvac reportedly ceased an agreement to build the \$3bn Perth City Link, which would have seen 1,200 apartments built in the city centre.

And in Melbourne cost comparisons show drastic falls in the asking price of luxury city apartments as the supply of property outstrips demand.