

Builder bucking the trend

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IT'S not all doom and gloom in the home building sector.

One local home builder is going against the trend, reporting double digit growth both in houses built and revenue.

Palladio Homes set a goal to double the number of homes it builds this financial year and, according to chief executive Brad Fullin, it is on track through the first four months.

Mr Fullin said there was no magic in what his company was doing - it all comes down to listening to the client.

"Working with clients to provide the best outcome for them is critical in this environment," he said.

"We have shaved our margins and worked hard with our suppliers to provide our home-owners with a range of benefits. A lot of what you see in our homes as standard equipment are costly options in competitor homes."

For example, Mr Fullin said, his research had found that every home buyer wants air-conditioning, but many cannot afford it. Palladio Homes had solved the dilemma by including free ducted airconditioning in all new homes.

"For some time we have

prepared a home for future ducting," he said. "Now we are simply taking it one step further."

Mr Fullin said the hard work by his team and the incentive program have put the company on track to double new home completions over last year.

Palladio Homes recently completed homes in Redland Bay, Thornlands and Waterford.

At the same time, the Housing Industry Association has reported that new home sales continue to fall.

"The number of loans for the construction or purchase of a new dwelling fell by 0.4 per cent in June," said HIA senior economist Andrew Harvey.

"For the first half of 2011 new home lending is down by 13.7 per cent when compared to the first six months of 2010."

"New home lending is a leading indicator of residential building activity - so, unfortunately, the current low number of loans reinforces HIA's view that dwelling starts will fall by at least 14 per cent in calendar year 2011."

Mr Fullin said despite the tough market, Palladio has proved there were families near Brisbane willing to buy quality product at the right price.



SHAVED MARGINS: Palladio Homes' Brad Fullin says his firm's new home numbers are up despite the tough climate.