



# The Week In Real Estate

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## The Outperforming Regional Markets

Growth in Australia's regional property markets continues to outpace capital city price growth. In the three months to January, dwelling value growth in Australia's regional markets is up by 3.2%, while combined capital city markets during the same period are up by 2.1%.

The latest Cotality Regional Market Update shows that Wagga Wagga in New South Wales is the best performer with its dwelling values up by 8.1% over the quarter, followed by Albany in Western Australia which is up by 7.7%.

Launceston in Tasmania is up by 7.4%, in South Australia, Victor Harbor-Goolwa is up by 6.4%, Toowoomba in Queensland is up by 5.7% and Ballarat in Victoria is up by 5.8%.

According to the report, selling conditions are strongest in regional Western Australia and Queensland with median days on market of 20 and 24 days, respectively. Vendor discounting for both markets is at just 3.3%. "Regional sales activity remained mixed," it says. "Victoria recorded the strongest uplift, with sales up almost 27% over the year."

## Housing Reform Leaders

Not all states have done enough to implement major planning reforms to help them to meet Federal Government housing targets, according to a new Housing Industry Association (HIA) scorecard.

Western Australia and South Australia are the standout performers when it comes to planning reform, according to the HIA. It says both states are making stronger progress on housing supply, driven by large-scale rezonings and land release programs.

According to the HIA analysis in FY2025, 173,232 dwellings were built nationally which is 66,768 homes short of the annual Housing Accord target. To try to catch up, 260,000 homes will need to be built every year for the next four years.

HIA executive director of planning and development, Sam Heckel, says the reforms implemented in Western Australia mean it is delivering more shovel-ready land.

He says planning systems are improving but still constrained in Victoria and the Australian Capital Territory, while there is uncertainty about whether the introduction of transport-oriented development rezonings in New South Wales will translate to sustained housing supply.

According to the HIA, housing delivery remains hampered by weak land supply planning in Tasmania. It says Queensland and the Northern Territory are the poorest performers in housing reform.

"Reforming outdated planning systems is the first step in empowering the building industry to increase its output," Heckel says.



## Quote Of The Week

***"Reforming outdated planning systems is the first step in empowering the building industry to increase its output."***

**HIA executive director of planning and development, Sam Heckel**



## New Listing Lift

New listings rose in every capital city market in January, despite remaining below the levels of a year ago.

The latest REA Group Listing Report shows that new listings are down 8% year on year but the good news is that many locations have increased new listings (properties listed for the first time) in the past month.

During January, new listings rose in every capital city market with Sydney well out front with a 169% increase. Darwin's new listings rose by 114% and Adelaide by 109%.

Results were a little mixed in regional areas with the largest increase in new listings 39% in Regional Queensland, followed by Regional Northern Territory, 16% and Regional Tasmania, 14%.

Regional Victoria, South Australia and Western Australia all had drops in new listings in January. Year on year, new listings are lower in almost every capital city and regional market with Canberra the exception with its new listings up 5.3%.



## The City Investors Are Targeting

While just a few years ago high taxes were driving investors out of Melbourne, new data shows investors are now back in force. The FOUNDIT Investor Index shows that in the three months to February 2026, investors have been particularly attracted to Victorian markets with a high percentage of houses and larger blocks of land.

Latrobe Valley had the highest increase of investors of 71.7%, followed by Wallan at 47.9%, Casey-South 42.6% and Wyndham 32%. The analysis says investors in Western Australia are also turning away from apartments and towards house and land options.

It says Perth City, which is dominated by unit markets, had a 33.3% drop in investor purchases, as did Inner Brisbane in Queensland which is down 51.4%.

Foundit head of research Kent Lardner said investors have spotted a "rare window" in Victoria where entry prices and tenant demand are aligning.

He says South Australia continues to perform as a low-volatility market with a steady increase in investor activity across metropolitan Adelaide.



## Building Prices to Spike

The cost of building a new home continues to rise as the price of some materials increases at four times the rate of inflation. Altus Group's Australian construction price outlook - Q4 2025, shows that copper prices in particular have spiked by 16.5% in the past 12 months. The increase is on the back of rising demand from electrification, renewables and data centres. Altus Group's Head of Development Advisory APAC, Niall McSweeney, says unlike timber or steel, copper can't be substituted once building starts – it's embedded in late-stage trades like electrical, plumbing and mechanical work, trapping developers into having to pay the higher costs.

He says concrete costs are also climbing. The report says Brisbane has overtaken Sydney as Australia's most expensive city to build in, as Olympic infrastructure projects lead to increasing demand for trades. Longer construction timelines are also leading to additional costs. According to Altus, although housing approvals and commencements have lifted, completions have not. It says there is "growing evidence" that some approvals are being pursued to lift land values, rather than to progress delivery.