The Week In Real Estate

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Pace Of Growth Slows

While the pace of growth may be slowing slightly, new data shows that Australian property values are continuing to rise.

According to Cotality, median dwelling values in Australia are up by 0.3% over April and units by 0.3%, with almost all major capital city or regional markets recording an increase.

The Perth market shows it still has plenty of steam left in it, with dwelling values up by 6.8% over the quarter, followed by Brisbane (4.7%), Adelaide (3.5%) and Darwin (3%).

Hobart dwelling values are up by 2.6% and Canberra by 0.4%.

While both Sydney and Melbourne recorded drops of 0.9% and 1.5% respectively, both markets are still at higher levels than 12 months ago.

Cotality's head of research for Australia, Gerard Burg, says: "It does look like the direction we're heading in is a further slowdown at best, with some markets continuing to soften even further, notably Sydney and Melbourne."

Land Values Continue to Soar

The national land market performed strongly in 2025 and continues to surge, particularly in Australia's smaller cities and regions.

Oliver Hume data shows that South-East Queensland's median land prices rose by 10.3% ($51,900) in the March quarter to pass $500,000 for the first time. Its median lot price is now $543,400.

The price per sq metre of land across South-East Queensland is up by 11.8% to $1,308/sq m, compared to $953/sq m in Adelaide and $1,057/sq m in Melbourne.

The median lot price in Adelaide rose by 11.3% to $417,500 in the March quarter, which is almost $100,000 higher than 12 months ago and higher than Melbourne for the first time.

Median land prices across Melbourne fell 0.8% in the March quarter and are down 0.7% over the past 12 months. The median lot price is now $406,000.

Oliver Hume chief economist Matt Bell says South-East Queensland's performance reflects very strong demand and not enough supply.

Quote Of The Week

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Cotality's head of research for Australia, Gerard Burg

Top Luxury Markets

Three Australian cities have emerged as the unexpected Australian leaders of a surge in luxury property prices.

Knight Frank's The Wealth Report 2026 features Perth, the Gold Coast and Brisbane in its Top 100 international list for luxury property price growth.

It says that Perth luxury property prices increased by 4.1% in the past year, the Gold Coast is up by 2.8% and Brisbane is up by 2.1%.

Both Sydney and Melbourne are also in the Top 100 but both capital cities recorded a decline in luxury property prices of 0.5% and 1.3%, respectively.

According to the report, Brisbane in particular has performed well in the past 12 months, with its rapid growth propelled by the 2032 Olympic Games and significant government infrastructure investment.

"A favourable planning environment has allowed developers to fast-track luxury projects, pushing top-end apartment prices from a historical ceiling of around $9 million to more than $15 million in just 12 months," it says.

Internationally luxury residential prices rose by 3.2% in 2025.

Apartment Approvals Up

Monthly detached housing and unit approvals have hit a four-year high.

New Australian Bureau of Statistics data shows that the number of detached homes approved in Australia increased by 0.9% to 10,310 in March 2026. This is the highest monthly increase since December 2021.

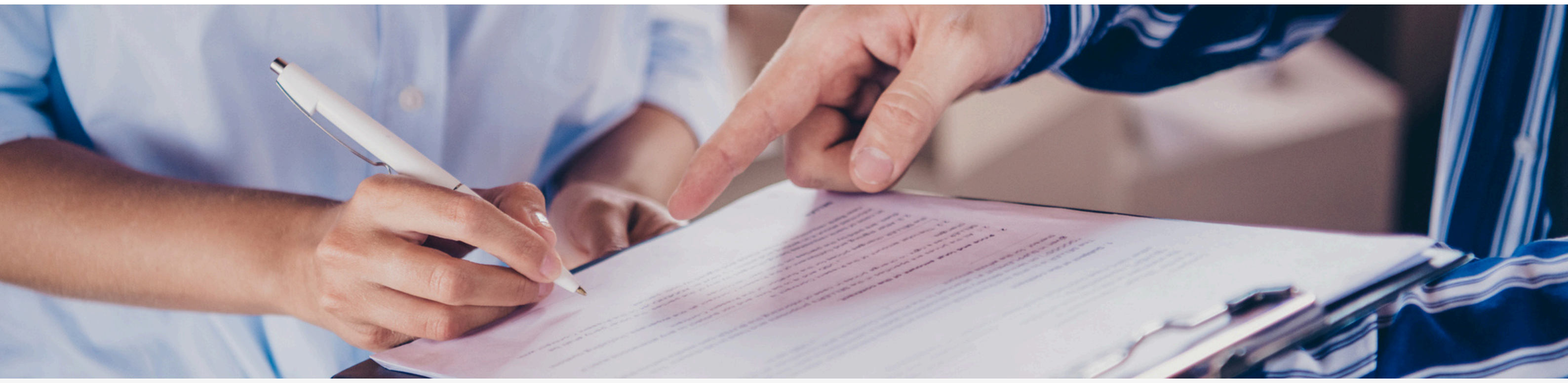
Housing Industry Association Senior Economist Maurice Tapang says that in the March quarter, 30,590 detached dwellings were approved, which is 9.5% higher than at the same time last year.

Western Australia had the biggest increase in detached house approvals in the March quarter 2026 - up by 21.2% on the same time in 2025.

New South Wales is up 13.1%, Queensland 9.5%, Victoria 5.6% and the ACT, 6.3%. The Northern Territory is down by 29% on the same quarter in 2025, South Australia is down 3.2% and Tasmania 1.8%.

At the same time, the value of renovation approvals is increasing – up 7% on the same time last year.

Tapping says land constraints are pushing more owners into renovating rather than moving or building.



Investor Borrowing Rising

Investment loans are rising at the fastest rate in a decade - despite concerns the upcoming Federal Budget will toughen capital gains tax levels and negative gearing. Reserve Bank of Australia data shows investor loans grew in the year to March by 9.6% - the fastest level since September 2015. In the year to March 2026, loans to owner-occupiers rose by 6.2%.

Data from the Australian Prudential Regulation Authority (APRA) shows that the investor share of Australia's loan market has risen for ten consecutive months.

It says investment loans now account for 32.5% of all residential lending on the books, up by $48.4 billion to $800.5 billion between June 2025 and March 2026.

ANZ economist Madeline Dunk expects investor housing credit to slow, especially if interest rates continue to rise. "We've seen that drop-off in activity in the housing market and a lot of that will be driven by slowing in investor activity," she says.