

15th August 2026

Land Price Rises Strain Affordability

The pace of median land price growth has eased slightly but not enough to improve affordability.

The Housing Industry Association's (HIA) latest Residential Land Report says median land prices rose by just 0.4% in the March quarter to \$403,570.

Year-on-year medians are 8.7% higher – growth which is three times faster than wages, according to HIA Senior Economist Tom Devitt. The report analyses 52 major housing markets in Australia. It also shows that the number of residential lots sold dropped by 7.6% during the quarter.

Devitt says the combination of high land prices and weaker sales means Australia is running short of shovel-ready land.

"Population growth remains strong, new households continue to form and Australia continues to build fewer homes than are needed," Devitt says.

Oliver Hume's Q2, 2026 Quarterly Market Insights report says across Australia there are large differences in the underlying demand-supply balance for land.

It says Melbourne had a median land value of \$404,000 in the quarter, Southeast Queensland is \$544,900 and Adelaide is \$309,500.



Quote Of The Week

"It's a timely reminder that property is about the long game, not getting distracted by the short-term fluctuations."

Domain chief
residential
economist
Nicola Powell



SMSF Changes Come Into Force

A ban on new residential Self-Managed Super Fund (SMSF) lending has now come into effect.

From August 10, investors are no longer able to borrow through their SMSF to buy residential property.

Existing loans are grandfathered, allowing current borrowers to continue under existing terms and refinance if needed.

According to data from the Australian Finance Industry Association, more than 16,000 new residential SMSF loans worth \$10.3 billion were written in FY2026.

A survey by Money.com.au found 27% of SMSF investors plan to continue buying residential property outside their super once the ban takes effect.

About a quarter of respondents say they will redirect their attention to commercial property through their SMSF, which has not been banned.

It also says that 82% of Australians no longer see the benefit of establishing an SMSF if it cannot be used to borrow for residential property.

Real Estate Institute of Australia president Jacob Cain says it is among a variety of changes which have shattered confidence in the Australian property market.





Regional Sellers Chalking Up Profits

Regional sellers are chalking up profits more than their capital city counterparts. Domain's Profit and Loss report shows that while the percentage of resales during the quarter that generated a profit nationally dropped by 0.1%, the regions are still largely sheltered from the downturn.

In Regional Australia, 97.6% of sales generated a profit, compared to 97.3% of capital city sales. Domain chief residential economist Nicola Powell says profitability in the regions outperforms the capitals in both house and unit markets.

Queensland is the strongest performing regional market, with 98.4% of house sales turning a profit, followed by New South Wales (97.5%), Tasmania (97.2%), South Australia (96.7%), Victoria (96.3%), Western Australia (95.2%) and the Northern Territory (78.4%).

Record median profits were recorded in Regional New South Wales, Queensland and South Australia house and unit markets. The Regional Western Australia house market and the regional Tasmania unit market also had record profits.

According to Powell, the majority of those selling their properties at a loss fell into two categories: investors willing to take the hit as a tax write-off and those forced to sell under financial pressure.

"It's a timely reminder that property is about the long game, not getting distracted by the short-term fluctuations."



Investor Sentiment Eases

Government and legislation changes are stopping almost a third of potential investors from buying, according to the latest APIM Property Sentiment Report.

Its Q2 report says those that are keen to invest consider Queensland the best option (35% of respondents), followed by Western Australia (20%), Victoria (18%) and New South Wales (12%).

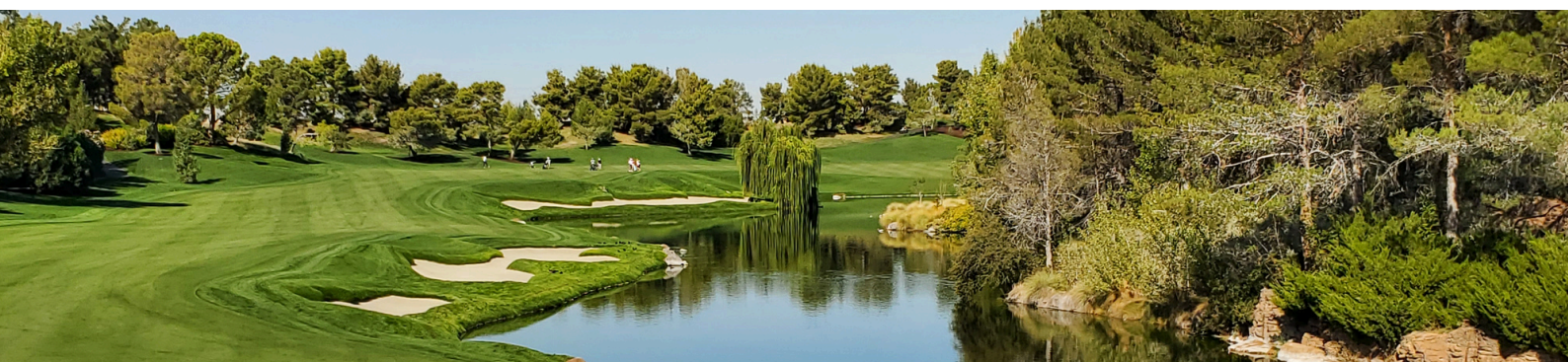
The report says the Australian property market has undergone a "stunning shift" in confidence.

"This quarter's findings suggest sentiment has moved beyond caution into outright pessimism, driven largely by changes to the Federal Budget and associated concerns over government policy," it says.

The report says the drop in confidence does not point toward a widespread disengagement from property.

"It suggests, instead, that investors are reassessing their strategy. Buying intentions have softened and selling intentions have increased, but many respondents remain focused on long-term objectives such as retirement planning and strengthening their financial position," it says.

"While opportunities remain, the survey suggests investors are approaching the market with greater caution and a growing awareness that government intervention may play an increasingly significant role in shaping investment outcomes."



Registered Clubs Could Unlock Land

Australia's registered clubs are sitting on a wealth of surplus land which could be used to help ease the housing crisis. Analysis by the McKell Institute of surplus land held by golf clubs, bowling clubs, RSLs and leagues clubs says it could generate tens of thousands of dwellings in New South Wales alone. It says the surplus land is a "significant and overlooked" source of potential housing supply.

According to the report, registered clubs are among the largest private institutional landowners. The clubs are often within prime locations and already within walking distance of public transport. "Importantly, this housing can be delivered without closing a single club," it says. The model assumes clubs retain their core operations, developing only the surplus portions of their sites: overflow car parks, underused function spaces, driving ranges, or greens that can be consolidated.

It says there are planning barriers in New South Wales as clubs are on land zoned for Private Recreation. Victoria's Development Facilitation Program names golf courses and racing tracks as candidates for fast-tracked rezoning. Queensland has created a pathway for community housing on faith and charity-owned land.