

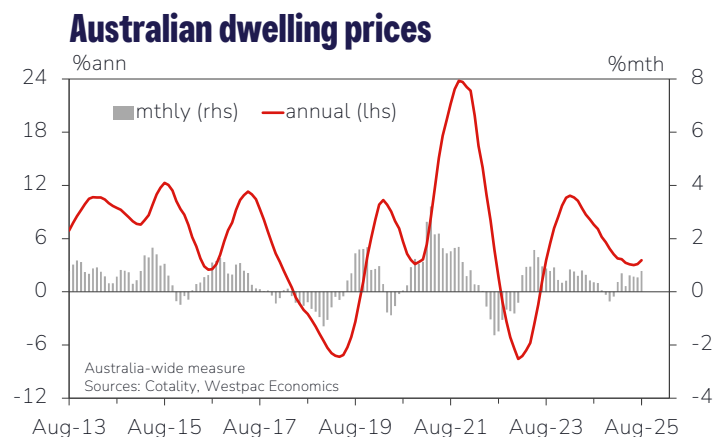
1 September 2025

AUSTRALIAN DWELLING PRICES BULLETIN

Price momentum lifts again, turnover rising, supply tight

Key points

- The Cotality home value index rose 0.8% in August, a slight step-up on the 0.5-0.6% pace over the previous three months. Annual growth lifted to 3.6%yr, with price gains tracking at an 8% annualised pace since April.
- All major capital cities again recorded monthly price rises ranging from 0.3% in Melbourne to 0.8% in Sydney, 0.9% in Adelaide, 1.1% in Perth and 1.2% in Brisbane - these last two cities continuing to show the strongest price momentum over the last four months.



**Aug Cotality
home value
index: +0.8%**mth**;
+3.6%**yr****

Momentum lifts



Matthew Hassan
Head of Australian Macro-Forecasting

The Cotality (formerly CoreLogic) home value index, covering the eight major capital cities, rose 0.8% in August, marking a step-up from the 0.5-0.6%*mt* gains over the previous four months. Annual growth has now lifted from a low of 3.1%*yr* in June to 3.6%*yr* currently with prices rising at an 8% annualised pace over the last four months.

Note that, unless specified, the figures in titles, tables and commentary below are in non-seasonally adjusted terms, consistent with the 'headline' figures reported by Cotality. Figures in charts are in seasonally adjusted terms.

All five major capitals recorded price gains in August. The Brisbane and Perth markets has seen stronger gains over the last four months – tracking a 12% annualised pace – with momentum more subdued in Melbourne, which has seen prices rising at just under a 5% annualised pace.

Turnover estimates has also been seeing modest gains, weak preliminary estimates again revised up by more than anticipated. The latest figures suggest quarterly growth is tracking in the 1-4.5% range. With new listings drifting lower from a soft starting point, the mix implies a significant tightening in 'on-market' supply that is likely adding to price momentum.

Sydney posted a 0.8%*mt* rise lifting annual growth to 2.1%*yr*. Houses showed a stronger pick up with gains in the 1.6-1.8% across all tiers. 'Top tier' unit prices were more sluggish.

Melbourne saw a mixed performance with prices up 0.3%*mt* overall. 'Lower and middle tier' houses were much firmer but units were more subdued with 'top tier' unit prices dipping slightly.

Brisbane prices rose 1.2%*mt* with near-uniform gains across all dwelling-type segments.

Adelaide recorded a solid 0.9%*mt* rise but the gain not enough to stop annual growth moderating to 6.5%*yr* (markets coming off strong double-digit price growth in 2024).

Perth recorded a 1.1% gain but also saw a slowing in annual growth to 6.6%*yr*.

Darwin saw a 1.1% gain, annual growth to 10.2%*yr*, half of that gain coming in the last three months.

Canberra posted a more subdued 0.4%*mt* rise, while Hobart was the only capital city to record a monthly decline, prices down 0.2%*mt* in August, annual growth at a sluggish 2.6%*yr*.

Cotality home value index: Aug 2025

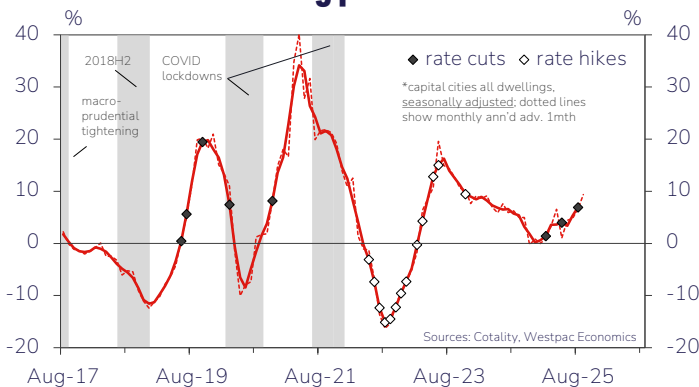
	%mt				%ann			
	May	Jun	Jul	Aug	May	Jun	Jul	Aug
Australia*	0.6	0.6	0.5	0.8	3.1	3.0	3.1	3.6
seas. adjusted	0.4	0.4	0.5	0.7	3.1	3.0	3.1	3.5
– houses	0.7	0.6	0.6	0.9	3.6	3.5	3.6	4.1
– units	0.4	0.3	0.3	0.6	1.5	1.4	1.4	1.8
Major capital cities								
Sydney	0.6	0.5	0.4	0.8	1.6	1.5	1.6	2.1
Melbourne	0.6	0.4	0.3	0.3	-0.6	0.0	0.6	1.4
Brisbane	0.8	1.0	0.8	1.2	7.6	7.6	7.6	7.9
Adelaide	0.2	0.4	0.8	0.9	8.3	7.6	7.0	6.5
Perth	0.7	0.9	1.1	1.1	8.9	7.4	6.8	6.6
Turnover ^Δ	3.9	4.5	2.7	1.1	2.4	5.3	3.1	2.1

* combined capital cities

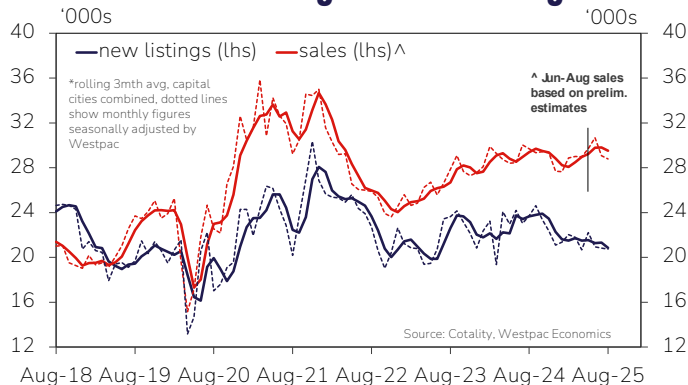
Sources: Cotality, Westpac Economics.

^Δ rolling 3mth total, %3mth and %ann ch, seasonally adjusted by Westpac.

Australian dwelling prices



Australian dwelling sales and listings



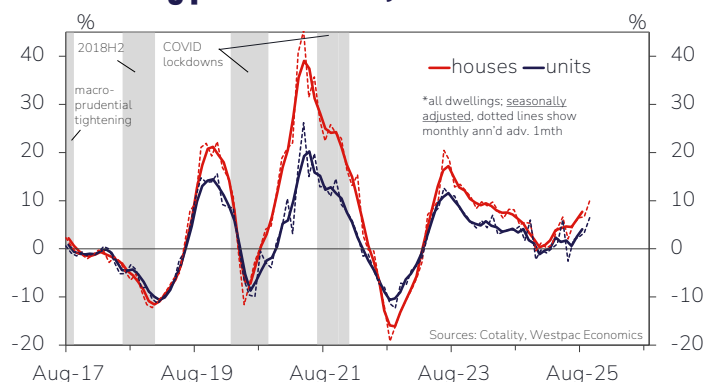
Auction clearance rates (seasonally adjusted by Westpac) in Sydney and Melbourne continue to hold at around 70%, having risen notably over the last few months.

Preliminary estimates for the latest week are closer to 75% but have tended to be marked down more heavily in recent months once final estimates come in. Either way, a 70% clearance rate is broadly consistent with price growth tracking an 8% annual pace.

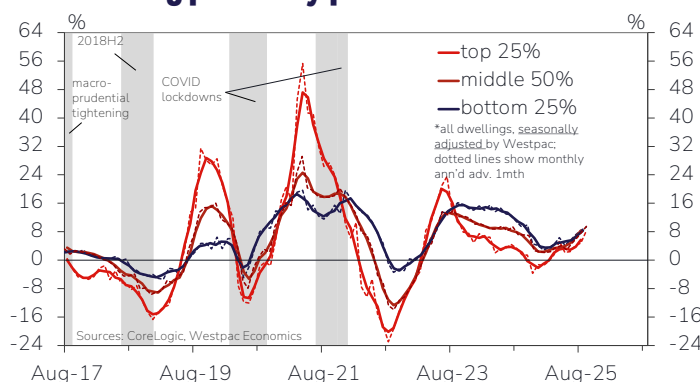
The RBA's three rate cuts this year have clearly given housing markets a 'shot in the arm'. With sentiment lifting and supply tight, markets are carrying sold momentum heading into the Spring high season. Westpac expects another 25bp rate cut in November will reinforce the upturn with two further 26bp cuts in the first half of 2026.

Affordability constraints will come back into frame at some stage but these look unlikely to really 'bite' until we get well into 2026.

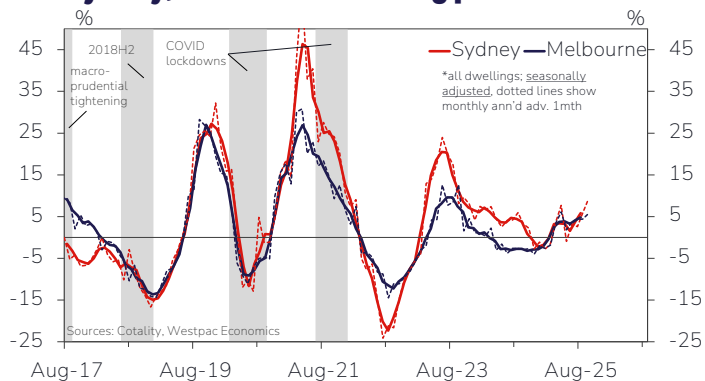
Dwelling prices: houses, units



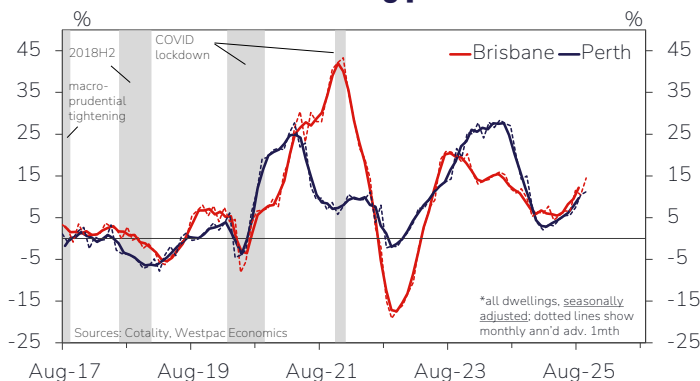
Dwelling prices: by price tie



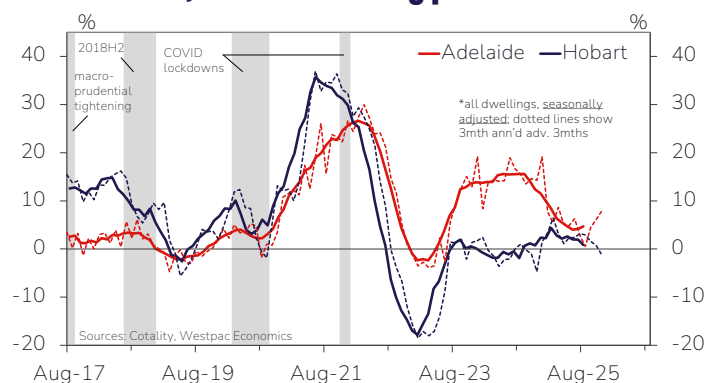
Sydney, Melbourne dwelling prices: 3mth ann'd



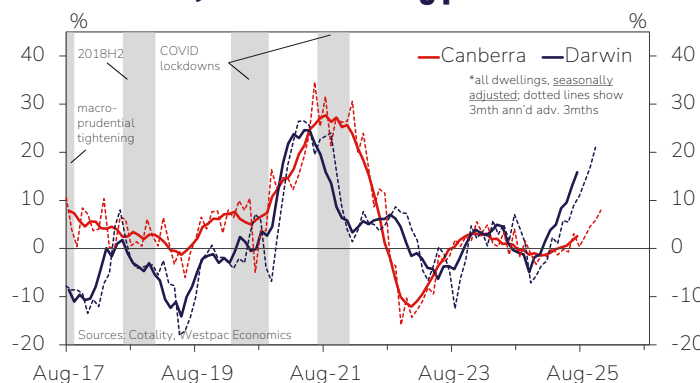
Brisbane, Perth dwelling prices: 3mth ann'd



Adelaide, Hobart dwelling prices: 6mth ann'd



Canberra, Darwin dwelling prices: 6mth ann'd



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