

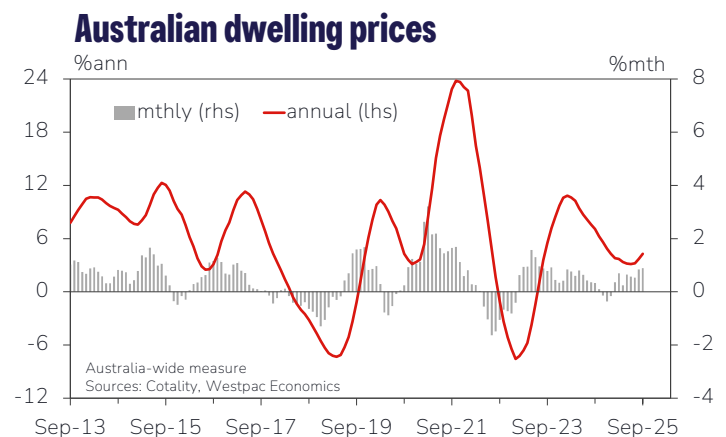
1 October 2025

AUSTRALIAN DWELLING PRICES BULLETIN

Further firming in price growth

Key points

- The Cotality home value index moved another step higher with prices up 0.9% in September. This compares to a 0.8% gain in August and a 0.5-0.6% pace in the three months prior. Annual growth lifted to 4.3%yr, with quarterly gains tracking at a 9.4% annualised pace.
- All capital cities again recorded monthly rises, ranging from 0.5% in Melbourne to 0.8% in Sydney, 0.9% in Adelaide, 1.2% in Brisbane and 1.6% in Perth. Gains ranged between 0.2-1.7% in the smaller capitals.
- We forecast housing prices to lift 6% nationally in 2025, underpinned by stronger purchasing intentions, RBA rate cuts to date, and tight on-market supply. The expanded First Homebuyer Guarantee scheme, in effect from today, should have a limited impact on prices as passing serviceability becomes a bigger hurdle.



**Sep Cotality
home value
index: +0.9%mth;
+4.3%yr**

All capitals gain, sixth time this year



Neha Sharma
Economist

The Cotality (formerly Corelogic) home value index, covering the eight major capital cities, rose 0.9% in September, the strongest monthly gain in almost two years. The turnaround in 2025 has been striking, moving from a -0.2% fall in January to 0.5-0.6% monthly gains through the middle of the year to 0.8-0.9% over the past two months. Annual growth is running at 4.3%, while the three-month annualised pace has accelerated to 9.4%. Regional areas rose 0.7%*mt* and 6.6% annually.

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.

For the sixth time this year, all eight capitals recorded monthly price gains. While capital city performances are less diverse than in the previous cycle, Darwin, Perth and Brisbane remain a step above the rest, with Melbourne still lagging slightly.

The supply-demand imbalance remains stark, supporting prices into the Spring high season. Preliminary turnover estimates (which typically revise higher) suggest combined capital sales were rising at 2-6%*qtr* over the past three-months, well-above the historical average of 1.3%*qtr*. At the same time new listings remain subdued (-1.3%*qtr*), pushing total listings down to just 2.3 months of sales – a tightening from 2.6 months six months ago.

The September price results by capital city were as follows:

- **Sydney:** Prices rose 0.8%, lifting annual growth to 3.0%. Houses continue to outperform units which have been broadly flat over the year.
- **Melbourne:** Gained 0.5%, with annual growth at 1.9%. Unit price growth has turned positive annually for the first time since mid-2024.
- **Brisbane:** Prices increased 1.2% in September and 8.8% annually. Units have consistently outpaced houses here, reflecting very tight on-market supply. Encouragingly, Qld has recently seen a strong lift in unit approvals.
- **Adelaide:** Prices rose 0.9% in the month, 6.2% annually. It remains the only major capital where annual growth is still trending slowing.
- **Perth:** Prices surged 1.6%, the strongest in a year, pushing the annual growth rate to 7.5%.
- **Darwin:** Up 1.7% in the month, lifting the annual rate to 12.9% – its highest in nearly four years.

Cotality home value index: Sep 2025

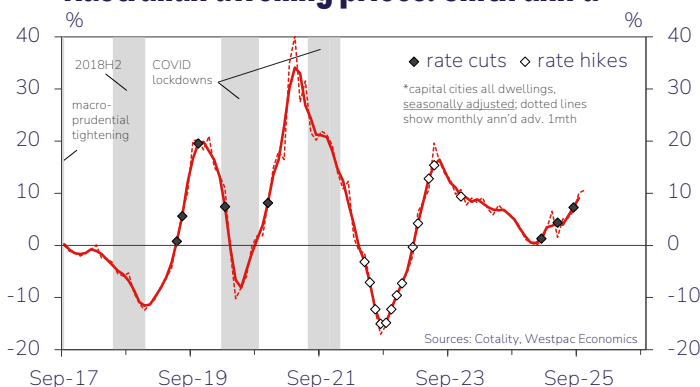
	% <i>mt</i>				% <i>ann</i>			
	Jun	Jul	Aug	Sep	Jun	Jul	Aug	Sep
Australia*	0.6	0.5	0.8	0.9	3.1	3.2	3.7	4.3
seas. adjusted	0.5	0.5	0.8	0.8	3.1	3.2	3.6	4.2
– houses	0.7	0.6	0.9	0.9	3.6	3.8	4.3	4.9
– units	0.3	0.3	0.7	0.7	1.4	1.3	1.9	2.3
Major capital cities								
Sydney	0.5	0.5	0.8	0.8	1.7	1.8	2.4	3.0
Melbourne	0.3	0.2	0.3	0.5	-0.1	0.5	1.2	1.9
Brisbane	1.1	0.8	1.4	1.2	7.7	7.8	8.2	8.8
Adelaide	0.4	0.7	1.0	0.9	7.7	6.8	6.5	6.2
Perth	0.9	1.0	1.3	1.6	7.7	7.0	7.0	7.5
Turnover ^Δ	6.0	5.6	5.1	1.0	5.3	5.0	6.1	4.3

* combined capital cities

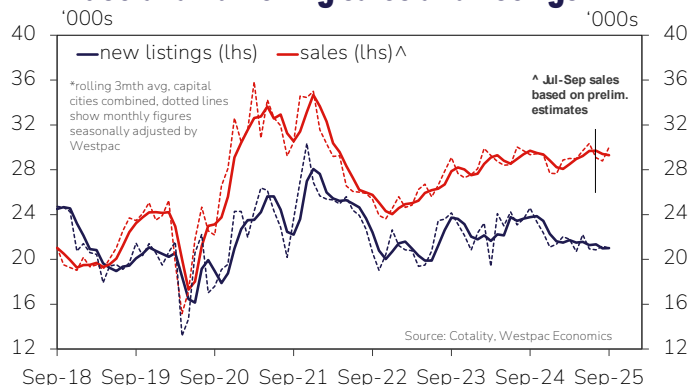
Sources: Cotality, Westpac Economics.

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

Australian dwelling prices: 3mth ann'd



Australian dwelling sales and listings

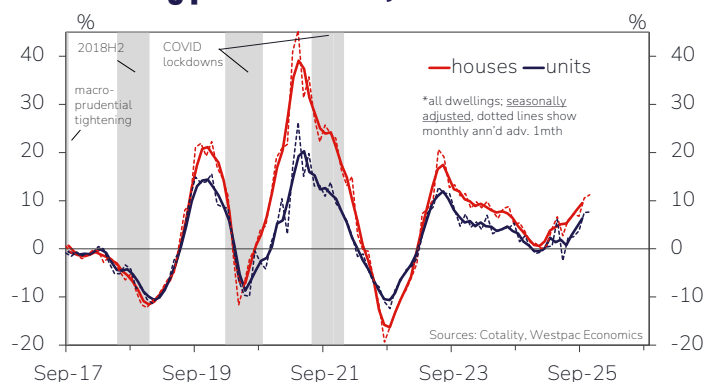


- **Canberra:** Up 0.7% in the month, its strongest in around 3.5 years, 2.5% annually.
- **Hobart:** Recovered slightly, up 0.1% to be 2.7% higher over the year.

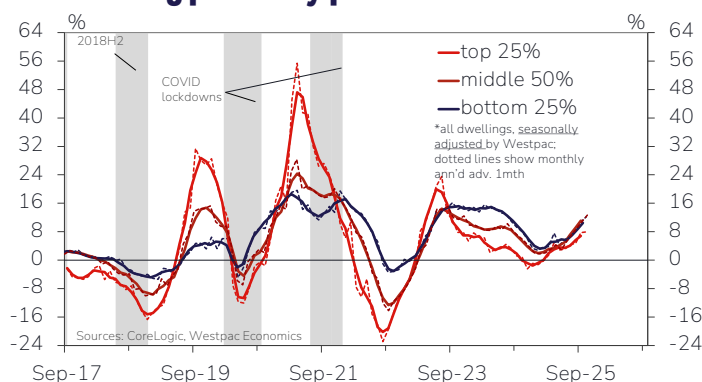
Auction clearance rates continue to hover around 70% in Sydney and Melbourne. We expect house prices nationally to finish 2025 up 6% for the full year. This outlook is underpinned by stronger purchasing intentions, easier borrowing conditions, and tight on-market supply.

The expanded First Homebuyer Guarantee scheme also comes into effect from today. Our analysis shows that while a relatively large share of eligible buyers have the 5% deposit, serviceability will be a major impediment. Meanwhile, we see affordability as the key headwind but are noticing a shift in how purchases are funded. There has been a greater reliance on non-debt sources recently, potentially including intergenerational transfers for new buyers. If this persists, it may relieve some of these constraints (see [here](#)).

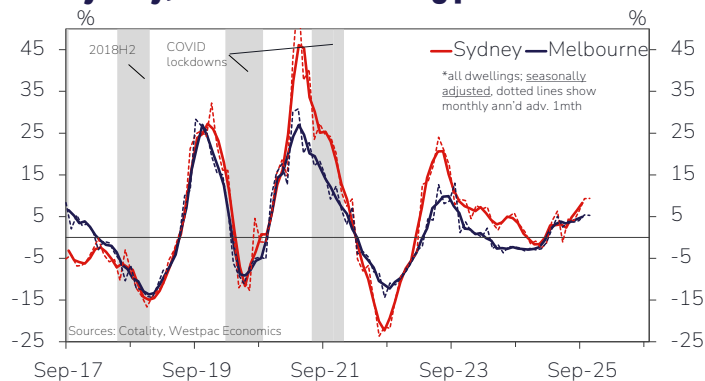
Dwelling prices: houses, units: 3mth ann'd



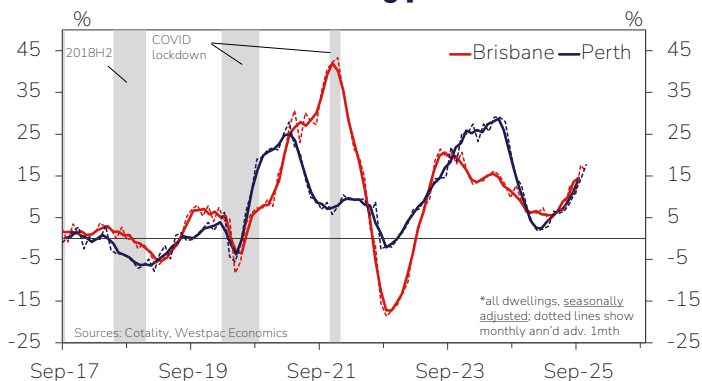
Dwelling prices: by price tier: 3mth ann'd



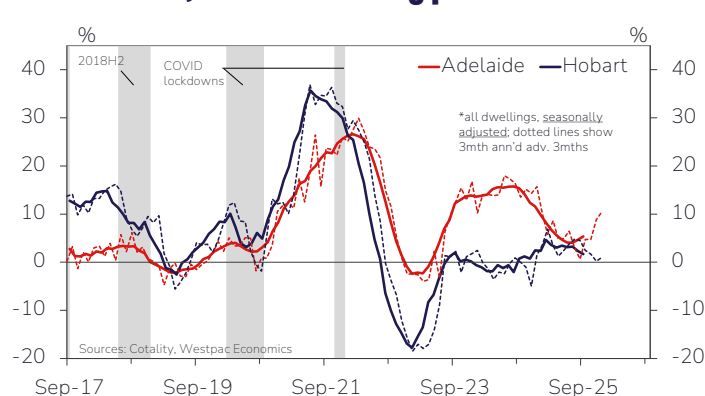
Sydney, Melbourne dwelling prices: 3mth ann'd



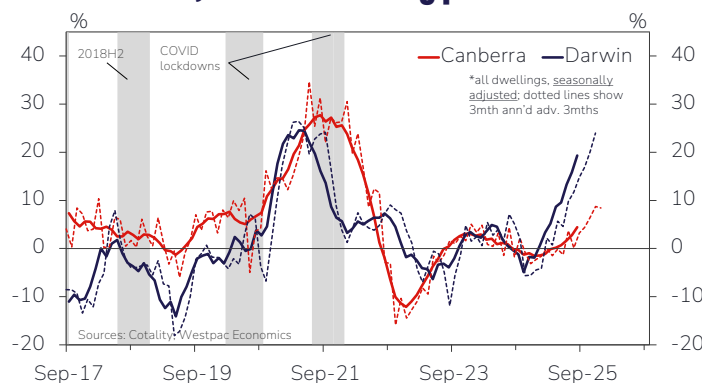
Brisbane, Perth dwelling prices: 3mth ann'd



Adelaide, Hobart dwelling prices: 6mth ann'd



Canberra, Darwin dwelling prices: 6mth ann'd



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