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# Brisbane homes now more expensive than Melbourne real estate

For the first time since 2010, Brisbane's median property value has gone past Melbourne's, as the Queensland capital continues to record strong growth.

By **Melinda Jennison** (/experts/streamline-property-buyers/melinda-jennison?ce\_code=NC62LzwL3Ej9dptCpviRr4SbvaxgavM), Buyers Agent, Streamline Property Buyers | 3-1-2024 | Residential (/news/category/residential?ce\_code=NC62LzwL3Ej9dptCpviRr4SbvaxgavM) | 5 min read



Brisbane's prestige property market has led the way for capital growth. (Image source: Shutterstock.com)

It is now more expensive to buy property in Brisbane than it is in Melbourne.

The Queensland capital's median dwelling value has crept above \$787,000, almost \$7,000 above Melbourne's corresponding average property price.

It marks the first time since 2010 that Brisbane property has overtaken [the Victorian capital](#) ([/news/article/melbourne-sydney-put-brakes-on-national-property-price-growth](#)), and it now ranks as the third most expensive real estate market in Australia behind Sydney and Canberra.

In 2023, Brisbane's property market rebounded remarkably, overturning the negative growth witnessed in late 2022 despite five interest rate hikes throughout the year.

Over the course of the year, dwelling values in Brisbane surged by 13.1 per cent. Although growth moderated month-to-month in December, the year concluded well within positive growth territory. Since May 2023, Brisbane's dwelling values have consistently risen by more than 1 per cent each month.

Index results as at 31 December, 2023	Change in dwelling values				Median value
	Month	Quarter	Annual	Total return	
Sydney	0.2%	0.8%	11.1%	14.3%	\$1,128,322
Melbourne	-0.3%	-0.2%	3.5%	7.0%	\$780,457
<b>Brisbane</b>	<b>1.0%</b>	<b>3.7%</b>	<b>13.1%</b>	<b>17.9%</b>	<b>\$787,217</b>
Adelaide	1.3%	3.7%	8.8%	13.2%	\$711,604
Perth	1.5%	5.1%	15.2%	20.7%	\$660,754
Hobart	-0.3%	0.4%	-0.8%	3.2%	\$656,947
Darwin	0.7%	0.4%	-0.1%	5.9%	\$496,309
Canberra	-0.1%	0.6%	0.5%	4.5%	\$843,171
<b>Combined capitals</b>	<b>0.4%</b>	<b>1.5%</b>	<b>9.3%</b>	<b>13.1%</b>	<b>\$832,193</b>
<b>Combined regional</b>	<b>0.3%</b>	<b>1.5%</b>	<b>4.4%</b>	<b>8.9%</b>	<b>\$605,780</b>
<b>National</b>	<b>0.4%</b>	<b>1.5%</b>	<b>8.1%</b>	<b>12.1%</b>	<b>\$757,746</b>

Source: CoreLogic

On a national scale, 2023 witnessed significant performance variations.

Brisbane secured the second spot in growth, [trailing Perth](#) ([/news/article/sydney-melbourne-investors-targeting-perths-double-digit-growth](#))'s 15.2 per cent increase throughout the year. Meanwhile, smaller capital cities like Darwin, Canberra, and Hobart experienced fairly stable property prices, remaining largely unchanged over the 12-month period.

The diversity in market performance can be attributed to factors like affordability and supply levels.

In Brisbane and Perth, housing affordability is less challenging than Sydney.

Additionally, areas experiencing the most price escalation exhibit persistently low listing volumes, while cities with lower or negative growth display higher-than-average listing volumes. This suggests that in the latter locations, where price changes throughout 2023 have been low or in negative territory, buyers have more options, leading to a more diluted demand.

Brisbane, Perth, and [Adelaide property prices](#) ([/news/article/booming-adelaide-promises-ongoing-value-for-investors-in-2024](#)) have reached new peaks this month. In contrast, several other capital cities remain below their previous highs, with declines noted in Sydney (-2.1 per cent), Melbourne (-4.1 per cent), Hobart (-11.2 per cent), Darwin (-7.2 per cent), and Canberra (-6.3 per cent).

In the four weeks ending December 3, 2023, new listings in Brisbane declined by 9.8 per cent, with total listings down by 18.3 per cent, compared to the same period 12 months prior, according to CoreLogic.

Despite this, the median days on the market remained low, suggesting that buyers continued to act swiftly when properties were listed for sale. PropTrack data also affirmed the heightened interest in housing across Brisbane, with the number of enquiries per listing surpassing figures from a year ago.

## Brisbane's suburbs to watch

Several suburbs are catching the attention of professionals nationwide, with property experts identifying suburbs such as [Keperra](/research/suburb-profile?id=9895&text=Keperra%20QLD%204054) for its investment potential, affordability, and infrastructure; [Brighton](/research/suburb-profile?id=7340&text=Brighton%20QLD%204017) for its strategic location and affordability; and [Bulimba](/research/suburb-profile?id=11454&text=Bulimba%20QLD%204171) for its amenities, family appeal, and prime location.

Additional top suburbs include [Beaudesert](/research/suburb-profile?id=4280&text=Beaudesert%20QLD%204285), [Cleveland](/research/suburb-profile?id=3546&text=Cleveland%20QLD%204163), [Darra](/research/suburb-profile?id=13759&text=Darra%20QLD%204076), [Morayfield](/research/suburb-profile?id=7758&text=Morayfield%20QLD%204506), [Petrie](/research/suburb-profile?id=666&text=Petrie%20QLD%204502), [Springfield Lakes](/research/suburb-profile?id=2112&text=Springfield%20Lakes%20QLD%204300), [Taringa](/research/suburb-profile?id=5043&text=Taringa%20QLD%204068), and [Woolloongabba](/research/suburb-profile?id=1754&text=Woolloongabba%20QLD%204102).

Data from Apollo auctions in Brisbane indicates a dip in the average number of registered bidders in December to 3.3 per auction, compared to 3.67 in November. This is a typical trend in the three weeks leading up to Christmas, as many buyers temporarily exit the market for holiday preparations.

[Clearance rates](/research) experienced a slight decline, moving from 63.25 per cent in November to 57.3 per cent in December. Meanwhile, the percentage of active bidders increased from 58.15 per cent in November to 65.4 per cent in December.

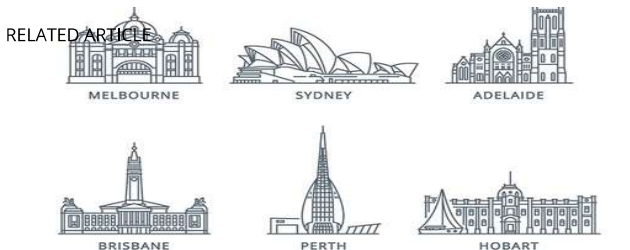
While last month showed slightly stronger growth in the lowest 25 per cent of dwelling values in Greater Brisbane, with the middle segment and the top 25 per cent not far behind, this trend has shifted once again.

The top 25 per cent of property values has risen to reflect growth patterns similar to the lowest 25 per cent.

This contrasts with most other capital city markets, except for the ACT, highlighting the strength in the top end of the Brisbane market at a time when other cities have experienced a decline in growth rates for high-end properties in recent months.

## Units, houses neck and neck in growth race

In December, house price growth in Brisbane rose by 1 per cent, as reported by CoreLogic, marking the first month in the last four where the rate of growth has slightly decelerated.



[/news/article/biggest-state-capitals-tipped-to-reclaim-place-at-top-of-property-tree?ce\\_code=NC62LzwL3Ej9dptCApviRr4SbvaxgavM](/news/article/biggest-state-capitals-tipped-to-reclaim-place-at-top-of-property-tree?ce_code=NC62LzwL3Ej9dptCApviRr4SbvaxgavM)

**Biggest state capitals tipped to reclaim place at top of property tree**  
[/news/article/biggest-state-capitals-tipped-to-reclaim-place-at-top-of-property-tree?ce\\_code=NC62LzwL3Ej9dptCApviRr4Sbvaxgav](/news/article/biggest-state-capitals-tipped-to-reclaim-place-at-top-of-property-tree?ce_code=NC62LzwL3Ej9dptCApviRr4Sbvaxgav)

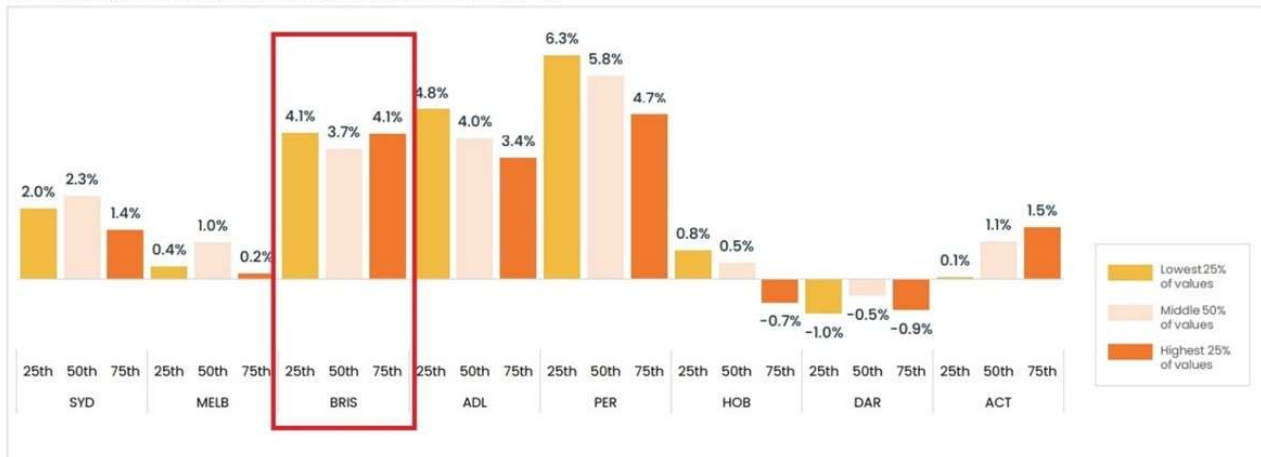
Perth and Adelaide have been the property success stories of 2023 but which cities and regional areas are set to deliver real estate investors the best gains in 2024?

Over the year, Brisbane has seen a substantial 13.3 per cent increase in house prices, bringing the current median value to \$875,991. This reflects an increase of \$5,465 from the previous month and \$102,821 compared to 12 months ago.

## AUSTRALIAN DWELLING VALUES

### Capital cities

Quarterly change in stratified hedonic dwellings index (3 months to November)



Source: CoreLogic

In December, unit values in Brisbane continued their upward trajectory, registering an additional 1.1 per cent growth, as reported by CoreLogic.

Concluding 2023, the house market in Brisbane slightly outperformed the unit market.

Annual unit growth, according to CoreLogic, reflected a significant change of 12.2 per cent. The median value of a unit in Greater Brisbane has now reached \$561,016, marking an increase of \$8,684 from the previous month and a change of \$61,002 over the year.

### Rental market still tight despite slight easing

Between October and November, rental vacancy rates in Brisbane slightly eased, shifting from 0.9 per cent to 1 per cent, indicating a minor change but still signifying [limited rental properties](#) ([/news/article/investors-urged-to-get-on-board-for-rent-capital-growth-in-2024](#)) citywide.

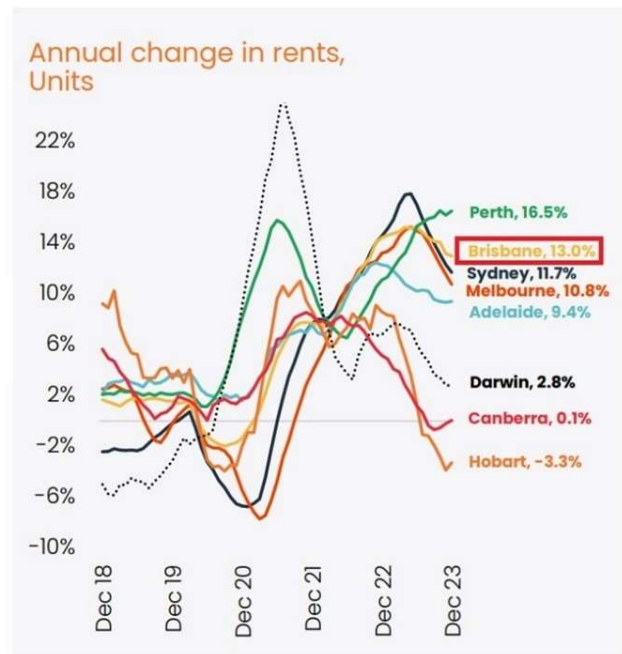
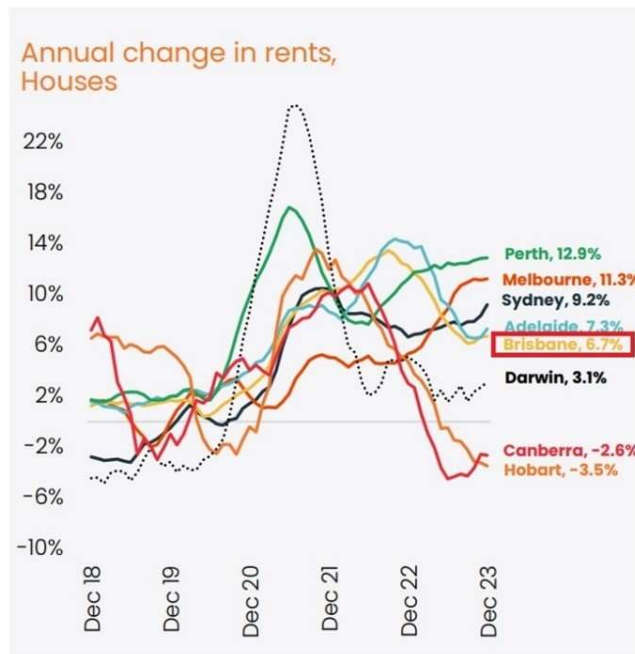
For Brisbane houses, rents exhibited a growth rate of 6.7 per cent over the year, with gross yields holding steady at 3.7 per cent from November to December.

Unit rents in Brisbane experienced an annual change of 13 per cent, while gross rental yields remained unchanged at 5.2 per cent. Nationally, house rents increased by 7.5 per cent, and unit rents increased by 10.2 per cent.

In both market segments, Brisbane's rent price growth outperformed the national average over the last 12 months.

Given consistently low vacancy rates and a lack of substantial responses in rental supply, rents are anticipated to face upward pressure in 2024.





This news may not be favourable for tenants, potentially leading to changes in household compositions due to affordability constraints. Such structural adjustments are not uncommon, particularly during periods of low rental supply and exceptionally high demand.

### Jobs, tax cuts and Olympics

The slower growth towards the end of 2023 can at least in part be attributed to the November rate rise, which is likely to have caused some uncertainties for buyers after several previous months of rate stability.

[Further rate hikes in 2024 seem increasingly unlikely \(/news/article/where-will-interest-rates-head-in-2024\)](#). Australia is witnessing a trend of lower inflation, weakened economic conditions and reduced consumer consumption.

While the labour market is loosening slightly, the national unemployment rate remains historically low. There's a growing likelihood of a 0.25 basis points interest rate cut in the first half of 2024.

Across Australia, we have strong wages growth, having risen more than 10 per cent in the last two years.

Tax cuts, expected from July 2024, may contribute further to increased household income.

Australians earning more than \$45,000 per annum will see more money unless the government scraps this measure beforehand due to inflationary concerns.

In Brisbane, job growth has been robust up to October 2023, which has the potential to maintain strong property demand, especially if interest rates remain stable or decline. Confidence typically improves when job security is strong and financing costs are fixed or decreasing.

Optimism for Brisbane property prices in 2024 persists due to tight supply, historically low listing volumes, and constrained new supply amid construction cost pressures. With the [upcoming 2032 Olympics \(/news/article/olympic-games-poorly-spent-money-delivers-property-price-spikes\)](#), Brisbane is clearly poised for growth.

Elevated demand, coupled with a smaller inventory, leads to increased competition among buyers. While these conditions persist, prices are expected to rise, although not uniformly across all of Greater Brisbane.

## Article Q&A

### **How expensive is Brisbane property?**

It is now more expensive to buy property in Brisbane than it is in Melbourne. The Queensland capital's median dwelling value has crept above \$787,000, almost \$7,000 above Melbourne's corresponding average property price, and only behind Sydney and Canberra in Australia.

### **Are property prices rising in Brisbane?**

Over the course of the year, dwelling values in Brisbane surged by 13.1 per cent. Although growth moderated month-to-month in December, the year concluded well within positive growth territory.

### **Where should property investors buy in Brisbane in 2024?**

Several suburbs are catching the attention of professionals nationwide, with property experts identifying suburbs such as Keperra for its investment potential, affordability, and infrastructure; Brighton for its strategic location and affordability; and Bulimba for its amenities, family appeal, and prime location.

### **Is the rental market improving in Brisbane?**

For Brisbane houses, rents exhibited a growth rate of 6.7 per cent over the year, with gross yields holding steady at 3.7 per cent from November to December. Unit rents in Brisbane experienced an annual change of 13 per cent, while gross rental yields remained unchanged at 5.2 per cent. Between October and November, rental vacancy rates in Brisbane eased slightly.