



## Scarce listings drive Brisbane back to top of national property market

Newly appointed REBAA President and regular API Magazine columnist, Melinda Jennison, provides insight into Brisbane's resurgent property market and its prospects over upcoming months.

By **Melinda Jennison** ([/experts/streamline-property-buyers/melinda-jennison?ce\\_code=J5GkeE6v20hjectlkrR7FfFF4dFkEx](/experts/streamline-property-buyers/melinda-jennison?ce_code=J5GkeE6v20hjectlkrR7FfFF4dFkEx)), Buyers Agent, Streamline Property Buyers

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Brisbane has reaffirmed its position as the leading capital city unit market over the past three months. (Image source: Shutterstock.com)

**B**risbane has once again secured its position as Australia's fastest-growing capital city market based on monthly data for August.

The main driver of price growth is the combination of limited property listings and strong buyer demand. This competition among buyers for a limited supply of properties continues to push prices upward.

Since the national market hit its lowest point earlier this year, Sydney has led the way with a price increase of 8.8 per cent, while Brisbane has seen gains of 6.6 per cent.

Meanwhile, other markets have remained relatively stable, with Hobart values remaining unchanged since April, and the values in the Australian Capital Territory (ACT) increasing by only 1 per cent during the same period. Notably, these markets have experienced an increase in listing volumes, which appears to be a significant factor contributing to the slower price growth.

Listing volumes in Brisbane have remained consistently low for a considerable period.

According to CoreLogic, new listings in Brisbane were 15.6 per cent lower last month compared to the same period one year ago. The data also confirmed that total listings decreased 22.3 per cent during this same timeframe.

Additionally, SMQ Research indicated a decline in both new and total listings year-on-year, with a noticeable decrease from July 2023 to August 2023.

Recent findings from the *API Magazine Property Sentiment Report for Q2 2023* (</research/property-sentiment-report/>) further support the idea that Queensland is perceived as a promising investment destination.

Notably, 31 per cent of all investors across Australia believe Queensland holds the best investment prospects for the future. The same report indicated that a significant majority, 71.8 per cent of property investors, anticipate ongoing property price increases.

This suggests buyers with the means to purchase property remain active in the market, keen to secure properties before prices climb further.


## Investors usurping first home buyers

It's worth noting that first home buyers in Queensland seem to be making up a progressively smaller portion of housing finance commitments, possibly due to affordability challenges. In contrast, investors continue to account for 34.7 per cent of all Housing Finance commitments, as per data from the Australian Bureau of Statistics.

Perhaps owing to the factors highlighted earlier, as well as the relative affordability and steady population growth, demand remains robust in both the housing and unit market sectors of Brisbane.

While sales volumes have decreased by 19.9 per cent in Brisbane over the past year, this decline is more likely a result of a reduced number of properties available for sale, rather than a decrease in buying activity.

According to Apollo Auctions data, the average auction clearance rate in Brisbane for August stood at 68 per cent, slightly higher than the preceding two

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months. On average, each auction had 3.8 registered bidders, marking a slight increase from the previous month. Furthermore, among those who had registered, the proportion of active bidders increased in August to 63.35 per cent.

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Australians are borrowing less and builders are seeing a fall in dwelling approvals as households tighten their belts to contend with high interest rates.

The Reserve Bank of Australia (RBA) holding interest rates steady for the third consecutive month has instilled greater optimism among buyers.

Inflation has peaked and the monthly CPI indicator for July showed further declines, aligning with predictions. These elements collectively influence buyer sentiment, which remains robust in many areas of Queensland's capital city.

**Brisbane property prices outpace nation**

In August, Brisbane's median dwelling values, as reported by CoreLogic, rose by 1.5 per cent.

This solidifies Brisbane's status as the fastest-growing capital city market in all of Australia, both in terms of monthly and quarterly growth. Over the last quarter, Brisbane has experienced growth of 4.2 per cent, slightly surpassing Sydney (</news/article/sydney-brisbane-lead-the-charge-as-property-prices-keep-rising>), which recorded a 3.8 per cent price increase during the same period.

AUSTRALIAN DWELLING VALUES

**Capital cities**

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



Source: CoreLogic.

Currently, the median value for a dwelling in Greater Brisbane stands at \$747,626. This marks a remarkable 37 per cent increase compared to pre-Covid levels, as per CoreLogic's data.

Over the past three months, the strongest price growth in Brisbane has been driven by the top 25 per cent of property values. According to data from CoreLogic, high-value properties have experienced a growth rate of 4.5 per cent during this period, while the middle tier of the market has seen a 4 per cent increase, and the lower segment has recorded a more modest 3.9 per cent growth rate.

In August, house values in Brisbane surged by 1.6 per cent. Over the past quarter, there has been a solid growth rate of 4 per cent. Currently, the median house values in Brisbane stand at \$832,247, representing an increase of \$12,415 compared to the previous month.

Houses								
Month	1.1%	0.6%	1.6%	1.1%	0.9%	0.2%	0.1%	0.4%
Quarter	4.1%	1.5%	4.3%	3.6%	2.9%	-0.4%	0.8%	0.6%
YTD	8.3%	1.7%	4.0%	3.5%	5.0%	-3.8%	1.0%	-1.4%
Annual	1.3%	-2.9%	-4.2%	1.8%	4.7%	-9.9%	-0.8%	-6.9%
Total return	4.2%	-0.2%	-0.2%	5.3%	9.5%	-6.1%	3.8%	-3.5%
Gross yield	2.7%	3.0%	3.9%	3.9%	4.7%	4.0%	6.0%	3.7%
Median value	\$1,359,936	\$925,374	\$832,247	\$733,501	\$634,169	\$700,629	\$585,014	\$953,166

Source: CoreLogic.

In August, median unit values in Brisbane saw a notable increase, as reported by CoreLogic, with a monthly uptick of 1.1 per cent. This contributes to a robust quarterly growth rate of 3.8 per cent for Brisbane's unit market, reaffirming its position as the leading capital city unit market over the past three months.

The median value for a unit in Greater Brisbane stands at \$526,159, marking an increase of \$5,813 compared to the previous month.

Units								
Month	1.0%	0.3%	1.1%	1.1%	1.2%	-1.6%	2.2%	0.0%
Quarter	2.9%	1.6%	3.8%	2.7%	2.8%	-0.9%	3.3%	0.4%
YTD	5.2%	1.7%	5.9%	3.6%	4.4%	-5.0%	-2.2%	0.0%
Annual	1.1%	-0.7%	3.8%	5.6%	3.1%	-10.2%	-2.3%	-2.5%
Total return	5.2%	3.3%	9.5%	11.1%	9.4%	-5.7%	4.9%	2.3%
Gross yield	4.1%	4.6%	5.4%	5.2%	6.4%	4.7%	7.5%	5.0%
Median value	\$822,145	\$603,642	\$526,159	\$460,903	\$431,474	\$522,461	\$379,918	\$601,910

Source: CoreLogic.

Over the past three months, Brisbane's vacancy rates have remained stable, as indicated by SQM research, currently resting at 1 per cent.

But there are variations at the suburb level.

For instance, in [Petrie \(/research/suburb-profile?id=666&text=Petrie%20QLD%204502\)](#), vacancy rates are currently at 0.4 per cent, while [Keperra \(/research/suburb-profile?id=9895&text=Keperra%20QLD%204054\)](#) stands at 0.6 per cent. Some other areas have slightly higher vacancy rates, such as [Darra \(/research/suburb-profile?id=13759&text=Darra%20QLD%204076\)](#) at 1.6 per cent and [Sinnamon Park](#) at 2.4 per cent.

Nevertheless, there are signs that the rate of rental price increases is beginning to moderate from month to month.

House rents in Brisbane have risen by 6.9 per cent over the past 12 months, while unit rents have surged by 15.4 per cent. While this growth remains robust, there is some optimism among tenants that the rapid pace of rental price hikes observed earlier this year may be showing early signs of slowing down.

## Queensland capital's resurgence unhindered

It's clear the Brisbane real estate market is firmly in a recovery phase following the price declines experienced in late 2022.

The imbalance between available properties for sale and the number of interested buyers is evident across various property types and in multiple suburbs within Greater Brisbane.

Buyers are growing increasingly frustrated. They are grappling with uncertainty regarding property values due to recent price fluctuations, compounded by the rapid recovery.

High levels of competition and a growing sense of urgency prevail, as more buyers vie for limited available properties.

Looking ahead, it's unlikely property prices will stabilise while the supply remains constrained. Buyers are searching for more options, but sellers appear hesitant to list their properties for sale, possibly because many sellers are also looking to buy and seek certainty about their new housing arrangements before selling their current homes.

Relying on the rental market as an interim solution is challenging, further disrupting the typical sales flow.

The Brisbane market faces an undersupply issue, with limited properties available for both purchase and rent. As long as these conditions persist alongside strong buyer and renter demand, [continued competition that exerts upward pressure on prices is anticipated \(/news/article/brisbanes-10-best-and-worst-suburbs-and-whats-hot-in-2024\)](#).

## Article Q&A

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

Brisbane has once again secured its position as Australia's fastest-growing capital city market based on monthly data for August. Brisbane's median dwelling values, as reported by CoreLogic, rose by 1.5 per cent.

### **Why are Brisbane property prices rising?**

Listing volumes in Brisbane have remained consistently low for a considerable period. According to CoreLogic, new listings in Brisbane were 15.6 per cent lower last month compared to the same period one year ago. The data also confirmed that total listings decreased 22.3 per cent during this same timeframe.

### **What is the median unit price in Brisbane?**

The median value for a unit in Greater Brisbane stands at \$526,159, marking an increase of \$5,813 compared to the previous month.

### **What is the median house price in Brisbane?**

The median house values in Brisbane stand at \$832,247, representing an increase of \$12,415 compared to the previous month.