



The Week In Real Estate

Edwards Windsor
(03) 6234 5500
Level 2, 89 Brisbane Street
Hobart TAS 7000
reception@ewre.com.au
www.ewre.com.au

February 15, 2025



More Options For Buyers

Buyers now have more options, with new data showing an increase in listings in January. According to SQM Research, national listings are up by 4.5% in January and are 10.3% higher than at the same time last year.

It says there are now 243,642 properties listed for sale. Brisbane recorded the biggest rise in listings in January (9.8%), followed by Perth (7.9%) and Sydney (7.3%).

Hobart listings are up 6.8%, Adelaide, 6.8%, Canberra, 3.3% and Melbourne is up 2.1%.

Darwin is the only capital city where listings dropped during the first month of the year (down by 1.3%).

SQM Research Managing Director Louis Christopher, says the data shows that 2025 has started strong in terms of the number of properties being offered for sale.

He believes if the Reserve Bank of Australia moves on interest rates this week it will improve confidence in the market further.

"If an interest rate cut does occur, we believe this will lift confidence in buyer demand, with housing prices expected to rise between 6% and 10% for the year," he says.

Build And They Will Come

Commitment to a big infrastructure spending program will go a long way toward improving Australia's housing options, according to the Housing Industry Association (HIA).

It says the upcoming Federal Budget needs to commit to a \$12 billion infrastructure spend on roads, water, and utilities.

This it says, will result in more homes being built, which in turn will ease housing supply issues. HIA managing director Jocelyn Martin says infrastructure development helps unlock land supply.

"Right now, the single biggest obstacle to housing supply is the lack of shovel-ready land," she says. "Without essential infrastructure in place, land cannot be developed, and homes cannot be built." "Without this investment, Australia will fall further behind its housing targets, leaving families and renters to bear the brunt of rising prices and worsening affordability."

Martin says Australia needs to build 240,000 homes a year to keep pace with demand, but last year it fell short by 60,000 homes.

She says if developers have to foot the costs of infrastructure, it is home buyers who will end up paying for it.



Quote Of The Week

"The single biggest important component for property market performance is always local economic conditions."

Propertyology Managing Director, Simon Pressley



Long Term Game

New figures show property is definitely a long-term game, with house prices doubling in more than 29 townships in the past five years.

The analysis by Propertyology shows a further 50 suburbs or towns, grew by between 70% and 90% during the same period. Propertyology Managing Director, Simon Pressley, says the past five years have resulted in some of the strongest national property market performances since Federation. And he says regional locations have come out on top with 11 inland towns in the top 35 for price growth. Pressley says these markets are in demand because they are affordable and they have strong job markets, particularly in the agribusiness and resources sector.

“The single biggest important component for property market performance is always local economic conditions,” he says.

The top performers in Queensland include Gatton, Kingaroy, Somerset, Bundaberg, Rockhampton and the Western Downs.

In Western Australia, the leaders are Port Hedland, Mandurah, Busselton and Geraldton, while in South Australia, Murray Bridge, Mount Gambier and Port Pirie performed well.



Auction Market Builds

The auction market has picked up pace with a 13% increase in the number of properties being offered under the hammer last week.

The clearance rate for the combined capital cities is 67.4%, according to CoreLogic data, the highest level since October 2024. Of the 1712 auctions last weekend, Sydney's clearance rate was (73%) followed by Melbourne (68.4%).

The results show an interesting shuffling of the leaderboard, which for the last six months of 2024 was dominated by the smaller capital cities and generally led by Adelaide.

Last week Canberra's clearance rate was 64.1%, Adelaide, 63.3% and Brisbane, 50.7%. CoreLogic, Executive Research Director, Tim Lawless says the volume of auctions is set to ramp up further over the coming weeks, with activity historically peaking the week prior to the Easter long weekend.

Lawless says the early trend is showing an improvement in selling conditions, which might reflect some renewed confidence as buyers begin to think the likelihood of an interest rate cut is improving.



Property Confidence Gains Ground

Those working at the coalface of the market are feeling more confident about property price growth in 2025.

CoreLogic's 2025 Outlook says 65% of real estate agents anticipate prices will continue to rise this year, compared with 57% at the same time in 2024. Head of Australian Research, Eliza Owen, says the results also show industry insiders expect the Melbourne market will have a better year in 2025.

“Melbourne has established an affordability advantage and could experience improved capital growth performance in 2025, driven by lower interest rates, higher real incomes, and better affordability,” she says.

The Q4 2024 APIM Property Sentiment report, released this week, also shows a move in interest to the Victorian property market. It was the second most popular state for buyers in the past 12 months, second only to Queensland. The report also says it is second only to Queensland for having the best property investment prospects in the next 12 months.

In all, 345 of respondents picked Queensland as the top state for investment in 2025, 20% picked Victoria, 18% picked Western Australia, and 13% picked New South Wales.