UDIA State of The Land 2026

National Residential Greenfield and Apartment Market Study

Released March 2026

UDIA STATE OF THE LAND 2026

Urban Development Institute of Australia
NATIONAL

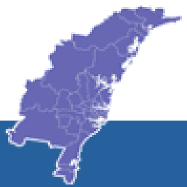
STATE OF THE LAND REPORTING COVERAGE

The UDIA State of the Land report has evolved into one of the most comprehensive annual accounts of new residential market activity across Australia's major capital cities. The core data we showcase in this publication is provided by our State of the Land Research Partners: Researchfour (greenfield land), Cotality (multi-unit sales volumes and pricing) and Charter Keck Cramer (multi-unit supply and completions forecasts).

Between 2013 and 2025 core State of the Land (SOTL) reporting has captured on average 68% of total national net dwelling additions. State of the Land reporting now also includes whole of market historic completions and five year forecasts for each SOTL reporting region.

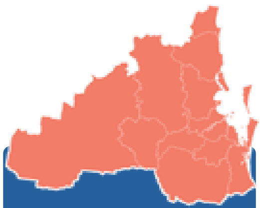
Nevertheless, the strong national coverage featured in UDIA's State of the Land, twinned with inputs from across the national development sector strongly positions UDIA to provide informed market performance forecasts for our major capital city regions and recommendations for policy reform and development.

State of the Land 2026 Reporting Geographies



Sydney Megaregion

- **Total Geographic Area:** 1,727,561 Ha
- **Total Pop.(ABS ERP, 2024):** 6,639,810
- **National Population (%):** 24.42%
- **Local Government Authorities :** 43
- **National Housing Accord Annual Dwelling Target (as % National pop):** 58,180

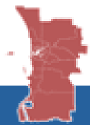


South East Queensland

- **Total Geographic Area:** 3,527,310 Ha
- **Total Pop.(ABS ERP, 2024):** 4,118,620
- **National Population (%):** 15.15%
- **Local Government Authorities :** 12
- **National Housing Accord Annual Dwelling Target (as % National pop):** 36,360

Greater Melbourne & Greater Geelong

- **Total Geographic Area:** 1,857,117 Ha
- **Total Pop.(ABS ERP, 2024):** 5,640,270
- **National Population (%):** 20.74%
- **Local Government Authorities :** 33
- **National Housing Accord Annual Dwelling Target (as % National pop):** 49,780



Greater Perth

- **Total Geographic Area:** 725,851 Ha
- **Total Pop.(ABS ERP, 2024):** 2,309,400
- **National Population (%):** 8.56%
- **Local Government Authorities :** 32
- **National Housing Accord Annual Dwelling Target (as % National pop):** 21,050

Greater Adelaide

- **Total Geographic Area:** 608,825 Ha
- **Total Pop.(ABS ERP, 2024):** 1,449,170
- **National Population (%):** 5.4%
- **Local Government Authorities :** 27
- **National Housing Accord Annual Dwelling Target (as % National pop):** 12,960

2026 STATE OF THE LAND RESEARCH PARTNERS

cotality

research⁴

Charter Keck Cramer

CONTENTS

UDIA National President Welcome 2

Greenfield & Multi-Unit Summary Boards 4

Capital City Annual Change Dashboard 5

National Residential Market Overview 6

UDIA National Policy & Advocacy Focus 22

Queensland 24

New South Wales 36

Victoria 48

Western Australia 60

South Australia 72

Australian Capital Territory 84

About UDIA 94

Baldivis Sports Complex (WA)

UDIA NATIONAL PRESIDENT'S FOREWORD

Welcome to the 2026 annual State of the Land report

Welcome to the 2026 edition of the Urban Development Institute of Australia's annual State of the Land report.

Produced each year since 2008, The UDIA State of the Land remains the most comprehensive assessment of residential development activity across Australia's major capital cities. It provides industry, government and the broader community with a clear understanding of housing market dynamics, development pipelines and the economic forces shaping the delivery of new homes.

This year's report arrives at a critical chapter in Australia's housing story.

Governments across the country have committed to the ambitious goal of delivering 1.2 million new homes under the National Housing Accord by the end of the decade. However, the insights presented in this report highlight the scale of the challenge ahead. Current forecasts indicate that housing supply across the capital cities will remain materially below the levels required to meet this target, with a significant cumulative shortfall projected across the nation over the coming years.

The findings reinforce what the development industry has been highlighting for some time: Australia's housing challenge is fundamentally one of feasibility and supply certainty.

The industry has the capability to build the homes Australians need, but governments must ensure the conditions exist to actually deliver them.

Elevated construction costs, labour constraints, infrastructure funding challenges and increasingly complex planning systems are placing significant pressure on development feasibility and limiting the pace at which new housing can be delivered. These structural challenges are particularly evident in the apartment and multi-unit sectors, where development activity remains well below historic norms.

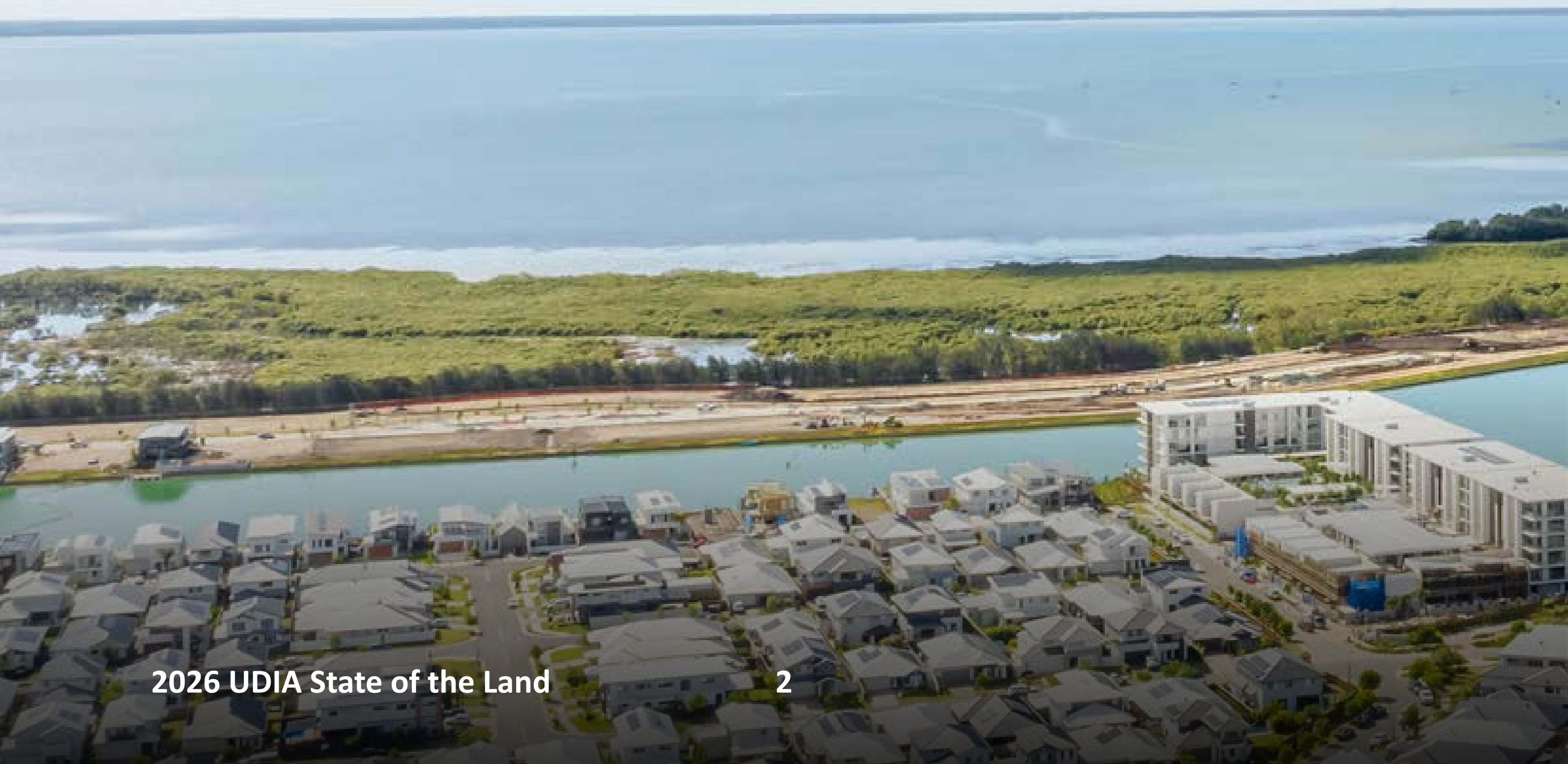
This weakness in higher-density markets is weighing heavily on overall dwelling production at a time when the nation urgently needs to increase housing supply.

At the same time, the research highlights the critical role that greenfield markets continue to play in supporting national housing delivery. Where development-ready land is available and infrastructure can be delivered efficiently, greenfield communities remain the most reliable source of new housing supply across Australia, delivering homes at scale and at comparatively lower construction costs.

However, meeting Australia's housing needs will require a broad and balanced pipeline of housing supply, including greenfield communities, infill housing, townhouses, apartments and emerging housing models such as Land Lease communities and Build to Rent.

Australia's housing shortage has developed over many years through a combination of structural supply constraints and consistently strong population growth. The cumulative impact of this under-delivery is now being felt through declining housing affordability, increasing rental pressures and reduced pathways to home ownership.

The data presented in this report makes it clear that without sustained action to enable housing delivery, these pressures will persist.



Encouragingly, we are beginning to see more and more examples of governments working together to address these challenges. The recent housing agreement between the Federal Government and South Australia demonstrates how collaboration between different levels of government can unlock new housing supply by aligning planning, infrastructure investment and policy settings.

This type of coordinated approach will be essential if Australia is to materially increase housing delivery.

To restore housing supply at the scale required, governments must prioritise policies that enable development to proceed efficiently and feasibly. This includes boosting development-ready land supply, streamlining planning approvals, addressing infrastructure funding constraints and ensuring planning systems support the timely delivery of new housing across all markets.

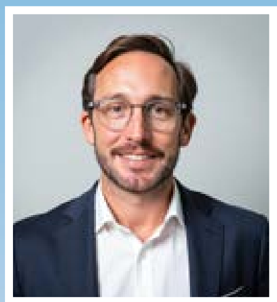
The State of the Land report provides a critical evidence base to support these policy discussions. By examining development activity across each capital city market, the report highlights both the opportunities and the barriers that currently shape Australia's residential development pipeline.

I would like to thank our research partners Research4, Cotality and Charter Keck Cramer for their continued contributions to this important publication. Their expertise and analysis underpin the insights presented throughout this report.

I also acknowledge the UDIA National and State teams, together with UDIA members across the country, whose knowledge and industry insights support the development of this research each year.

Australia's housing challenge is significant, but it is solvable. With the right policy settings and genuine collaboration between industry and government, our sector has the capability and experience to deliver the homes Australians need.

The insights contained in this report provide a clear reminder that increasing housing supply must remain a national priority.



Oscar Stanley
National President
Urban Development Institute of Australia

Newport by Stockland (QLD)

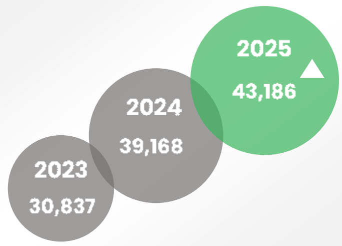
UDIA State of the Land 2026

Greenfield Summary

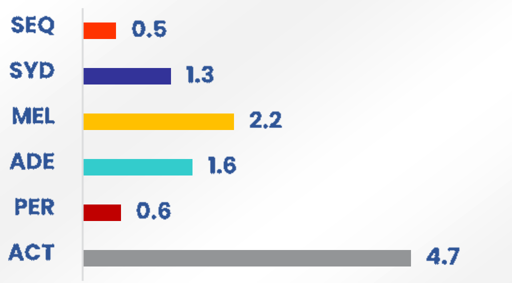
NEW RELEASES (2025)

		Annual Change
SEQ	9,907	▼ 10%
SYD	8,824	▲ 19%
MEL	12,191	▲ 16%
ADL	2,775	■ 0%
PER	10,695	▼ 8%
ACT	558	▲ 77%

NATIONAL ANNUAL LOT SALES

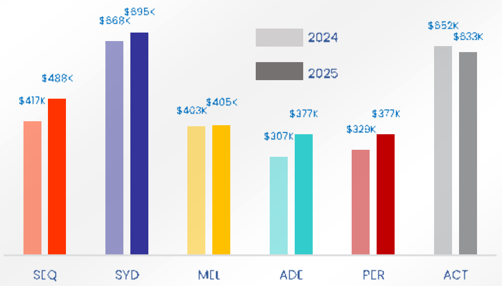


TRADING MONTHS OF STOCK (as at Q4 2025)



COMBINED CAPITAL CITIES ANNUAL MEDIAN LOT SIZE (sqm)

MEDIAN LOT PRICES (2024 v 2025)

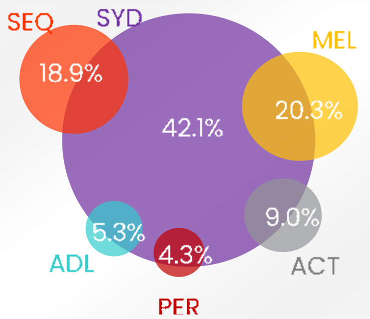


Multi-Unit Summary

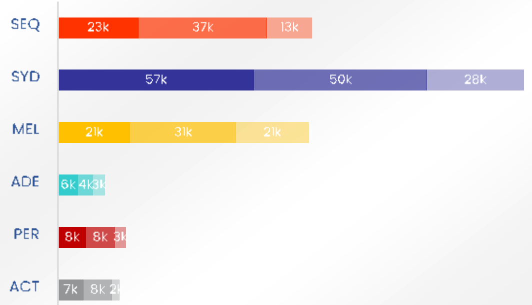
NEW UNIT COMPLETIONS (2025)

		Annual Change
SEQ	6,744	▼ 41%
SYD	9,982	▼ 41%
MEL	11,307	▼ 16%
ADL	1,782	▲ 120%
PER	1,054	▼ 26%
ACT	3,734	▲ 162%

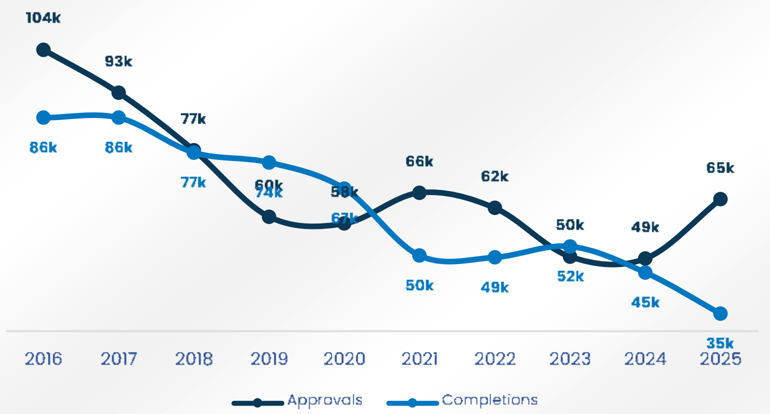
BTS COMPLETIONS SHARE



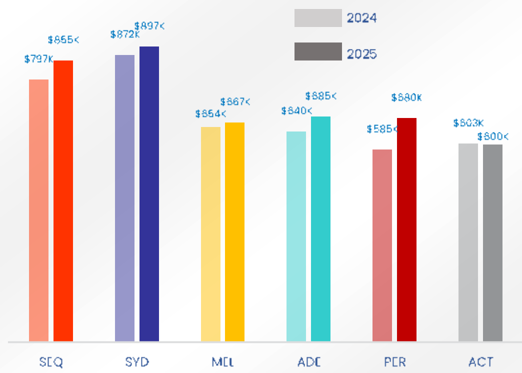
UNITS PIPELINE (as at Q4 2025)



ANNUAL NATIONAL NEW UNIT COMPLETIONS AND APPROVALS



MEDIAN SALE PRICE OF NEW UNITS (2024 v 2025)



Source: Cotality; Charter Keck Cramer; Researchfour

UDIA State of the Land 2026

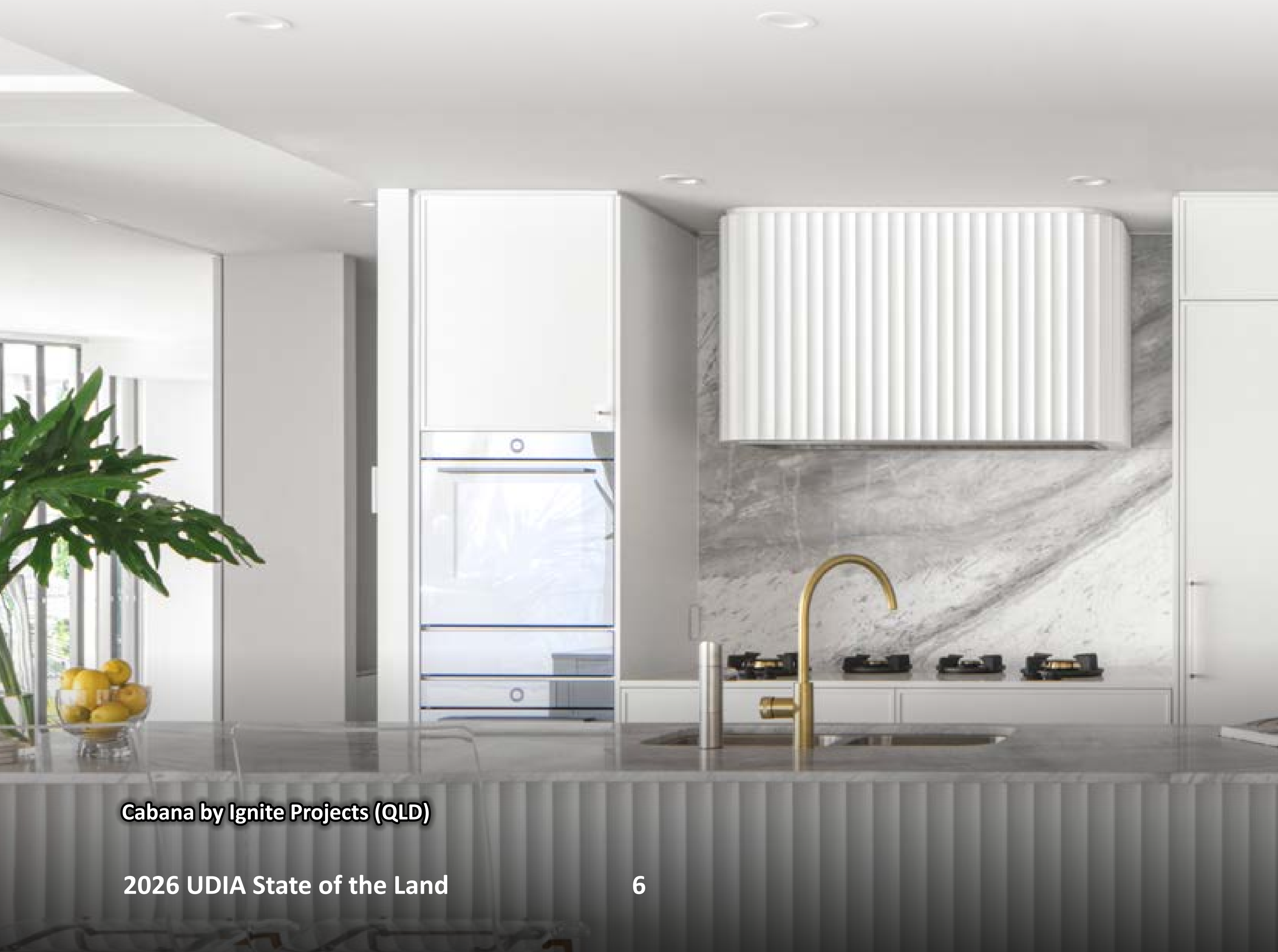
Capital City Market Performance Dashboard – Annual Change (2024 – 2025)

		SEQ	Greater Sydney	Greater Melbourne	Greater Adelaide	Greater Perth	ACT
	Total New Dwellings Completed	-25% ↓	-23% ↓	-2% ↓	27% ↑	-10% ↓	147% ↑
Greenfield Market	Greenfield Lot Sales	-7% ↓	29% ↑	50% ↑	-15% ↓	-4% ↓	62% ↑
Greenfield Market	Greenfield Lot Releases	-10% ↓	19% ↑	16% ↑	0% ⇆	-8% ↓	77% ↑
Greenfield Market	Greenfield Median Lot Price	17% ↑	4% ↑	1% ↑	23% ↑	15% ↑	-3% ↓
Greenfield Market	Greenfield Median Lot Size	414sqm ↓	428sqm ↑	360sqm ↑	385sqm ↓	375sqm ⇆	534sqm ↑
Multi-Unit | Infill Market	Multi-Unit Sales Volume (New)	-12% ↓	-23% ↓	-4% ↓	13% ↑	-33% ↓	18% ↑
Multi-Unit | Infill Market	Multi-Unit Completions	-41% ↓	-41% ↓	-16% ↓	120% ↑	-26% ↓	162% ↑
Multi-Unit | Infill Market	Multi-Unit Median Sale Price (New)	7% ↑	3% ↑	2% ↑	7% ↑	16% ↑	0% ⇆
Multi-Unit | Infill Market	Under Construction	45% ↑	7% ↑	-5% ↓	9% ↑	23% ↑	-49% ↓

NATIONAL RESIDENTIAL MARKET OVERVIEW

NATIONAL GREENFIELD PERFORMANCE SNAPSHOT, 2026

- The Combined Capital City region greenfield land markets recorded an 10% uplift in activity in the 2025 calendar year with aggregate annual lot sales reaching 43,185.
- Heightened consumer demand for greenfield lots was recorded in the ACT (+62%), Greater Melbourne (+50%) and Greater Sydney (+29%) markets. On the other side of the ledger there were aggregate sale volume retractions in in Greater Adelaide (-15%), SEQ (-7%) and Greater Perth (-4%).
- Responding to the overall improvement in the national demand profile, developers released a total of 44,950 lots to market in 2025 which reflected a 3% increase on 2024 releases. This annual volume of lots to market is 14% lower than the decade average and is a 43% reduction on the peak of 2021 release volumes.
- All capital city markets except the ACT recorded an increase in median lot pricing in 2025, led by Greater Adelaide (+23%) and SEQ (+17%) with Greater Sydney comfortably retaining the mantle as the most expensive retail greenfield market in the nation with a median lot price of $695,000.
- There was modest 1.6% growth in the combined capital median lot size in 2025 which averaged 416 sqm. There has limited change in the national median lot size since 2021.
- The national land price grew 6% across the year to $1,184 per sqm which while a relatively modest annual growth reflects a 48% increase since 2021.
- There were approximately 78,400 detached houses completed in the nation's capital city greenfield release areas and infill locations in 2025, representing a-1% annual moderation from 2024 completions.



Cabana by Ignite Projects (QLD)

NATIONAL RESIDENTIAL MARKET OVERVIEW

NATIONAL MULTI-UNIT PERFORMANCE SNAPSHOT, 2026

- Charter Keck Cramer estimates there was 19,315 BTS apartment completions in 2025, down 12% on 2024 volumes.
- The national new build multi-unit market experienced another soft year of activity with aggregate settled sales down 12% to total 18,700, which is down 40% on the decade average.
- Median pricing for new apartments and townhouses grew by 5.6% across the 2025 calendar year for the combined capital city regions to reach average 730,685. This annual growth rate is far stronger than the 3.2% average annual growth achieved across the last decade, and is symptomatic of limited supply and a general 'flight to quality' products across most markets.
- Cotality have estimated there was just 34,600 multi-unit completions across 2025 reflecting a 24% annual decline, with volumes 42% lower than the decade average completion volumes achieved in 2017 (the 20 year peak of national unit supply).
- The Build to Sell (BTS) apartment sector underpins national multi-unit completion volumes and this sector has exhibited the most weakness in recent years with aggregate completed supply dropping by two thirds since 2016.
- The emerging Build to Rent (BTR) apartment sector has also been impacted by the challenging conditions facing the broader multi-unit sector, including spiralling construction costs and skilled trades shortages.
- Nationally just 3,830 BTR units were completed in 2025 which is a 26% drop from 2024. It is however expected that there will be a upswing in BTR completions over the coming three years, which whilst positive will not counter-balance the broad scale softness in unit delivery expected across the combined capital cities.

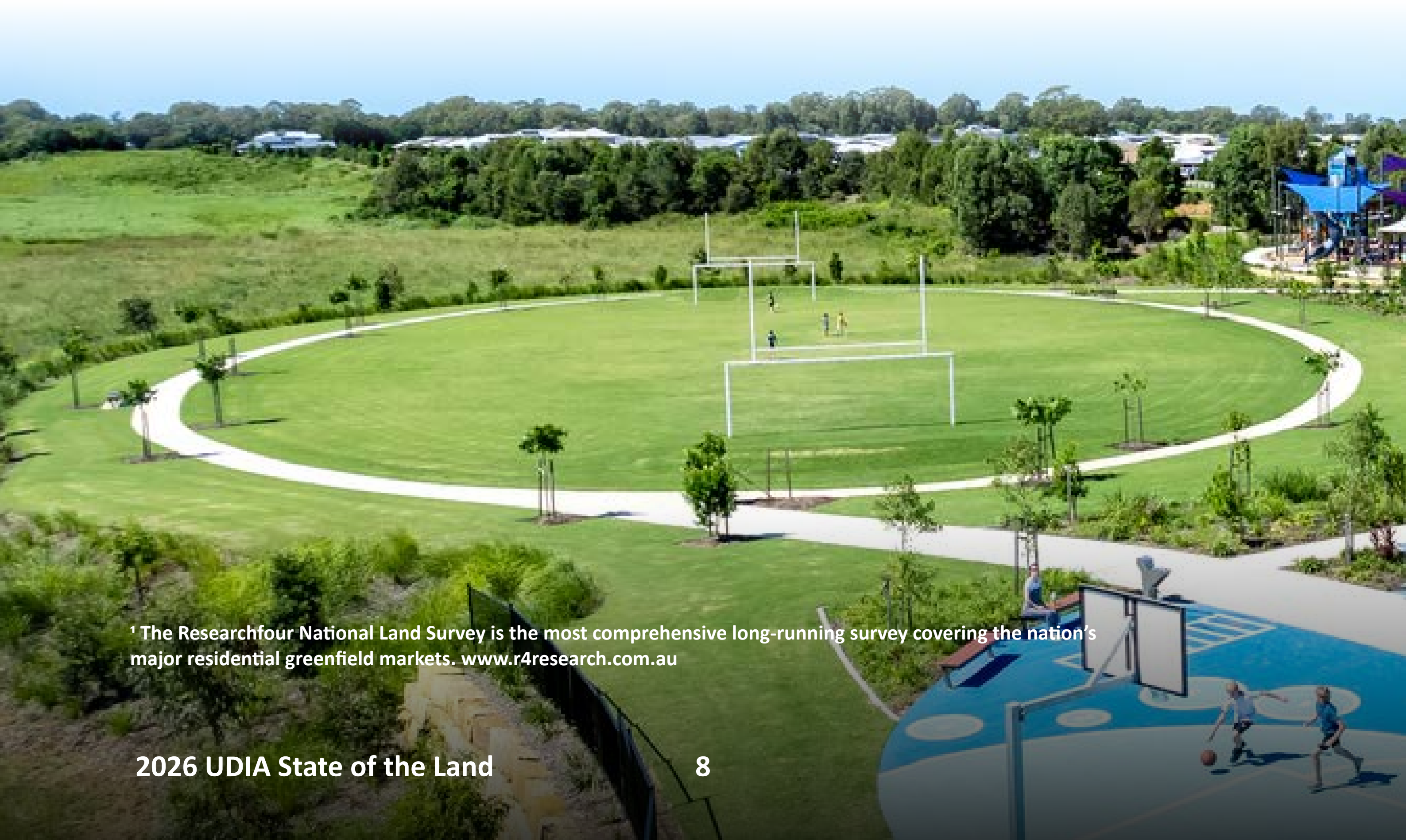
NATIONAL RESIDENTIAL MARKET OVERVIEW

GREENFIELD RESIDENTIAL LAND MARKET ANALYSIS

DATA STATEMENT: UDIA's State of the Land reporting harnesses data from Researchfour's National Land Survey[1] as the principal greenfield data for reporting on market activity and for forecasting forward detached dwelling completions across the nation's greenfield release corridors.

Lot Sales

- **Combined Capital City** residential greenfield lot sales in 2025 across the capital city markets increased by 10% on 2024 volumes with a total of 43,190 contracted lot sales, which was 11% lower than the decade average. It was a year of 'mixed fortunes' with three capital city markets recording solid uplift in sales volumes, while three recorded modest sales volume declines.
- **Greater Melbourne** was the stand-out 'resurgent' greenfield market in 2025 with a 50% annual uplift in lot sales with 11,150 in CY 2025. While this was the largest single market sales volume across the capital cities for the year, it remains 34% below the decade average.
- **Greater Sydney** recorded a robust 29% lift in lot sales in 2025 with the 8,000 transactions maintaining a three-year recovery from the record low volumes of 2023.
- **Greater Perth** recorded a modest 4% decline in annual sales in 2025 with 10,895, which was the second largest volume across the capital cities, and remains at a highly elevated aggregate level at ~45% higher than the decade average.
- **South East Queensland** also recorded a modest decline in annual lot sales (-7%) in 2025 with a total of 10,175, to place this market in second place in terms of aggregate capital city greenfield market lot sales.
- **Greater Adelaide's** lot sales were down 15% on 2024 volumes with 2,535 transactions, which is 55% lower than the peak sales volumes achieved in 2021 but only 12% below the decade average.
- **The Australian Capital Territory** recorded a fourth consecutive year of extremely low level of activity with just 2430 contracted sales. While this reflected a 62% uplift on 2024 volumes this was still 57% below the decade average.



[1] The Researchfour National Land Survey is the most comprehensive long-running survey covering the nation's major residential greenfield markets. www.r4research.com.au

NATIONAL RESIDENTIAL MARKET OVERVIEW

Figure 1.1: Annual Greenfield Lot Sales

Source: UDIA; Researchfour

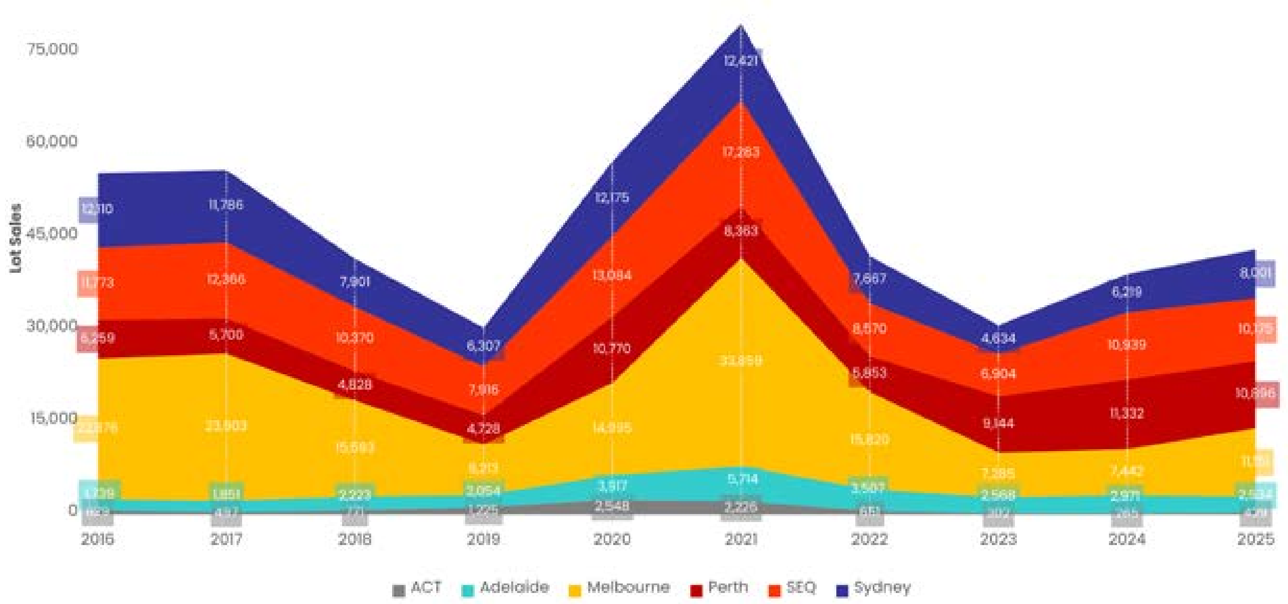
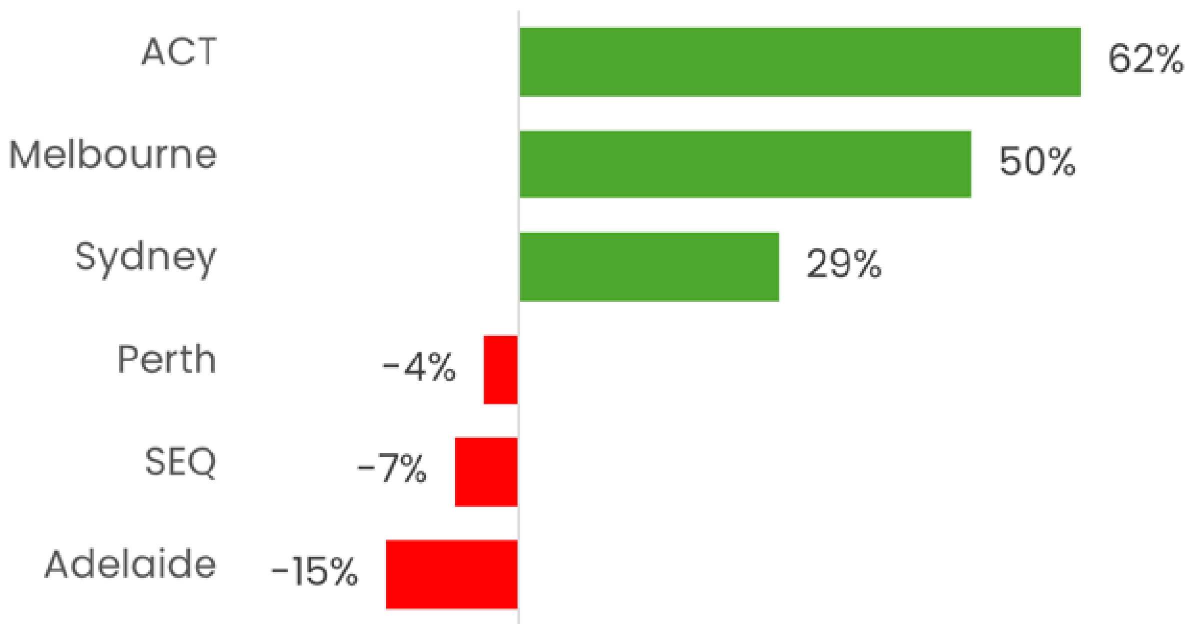
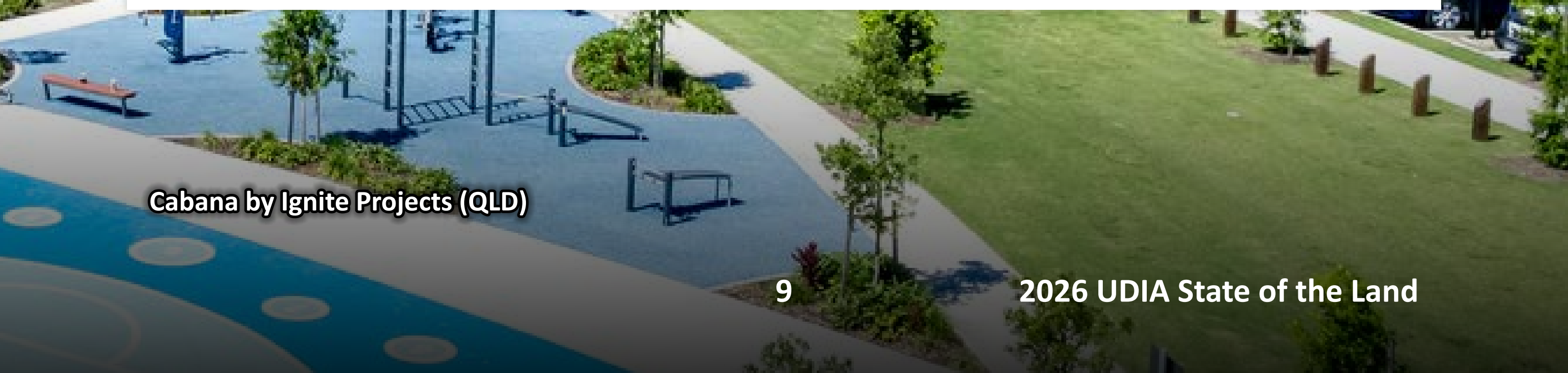


Figure 1.1.1: 2025 Annual Change

Source: UDIA; Researchfour





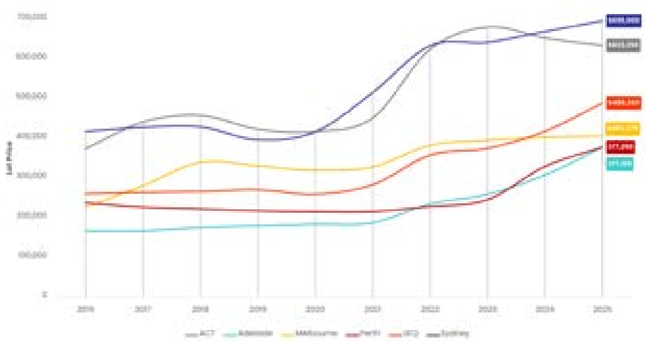
Cabana by Ignite Projects (QLD)

NATIONAL RESIDENTIAL MARKET OVERVIEW

Lot Prices ($)

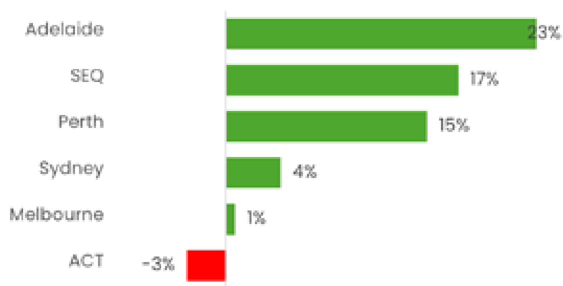
- The **Combined Capital City** greenfield lot price grew 12% to average $472,100 across CY 2025, which reflects a 26% growth over the last two years and 43% growth in the last five years.
- **Greater Adelaide's** median lot price grew the most of any city with a 23% growth to $377,135, which brought it back to parity with Greater Perth, and in so doing finishing the year as the equal most affordable major capital city land market in the nation.
- **SEQ's** median lot pricing with a 17% lift to $488,360, which reflects a $71,100 growth on 2024 pricing and almost double the second largest single year growth in this market (in gross dollar terms) recorded in 2024 (+$43,000).
- **Greater Perth** also recorded a strong 15% growth in median lot pricing to $377,250, which reflects a remarkable 66% median lot price growth in four years.
- **Greater Sydney** comfortably remains the nation's most expensive greenfield market with the median lot price growing a further 4% in CY 2025 to $695,000. This is median lot pricing is currently 47% higher than the combined capital city average.
- **Greater Melbourne's** Median lot price remained steady at $405,375 (+0.7% annual growth) continuing the trend of very modest pricing growth recorded over the last four years.
- **The ACT** was the only market that recorded a retraction in median lot pricing in 2025 with a 3% reduction to $633,250, which while it was the second straight year of pricing decline is still up 40% increase on 2021 pricing ($450,750).

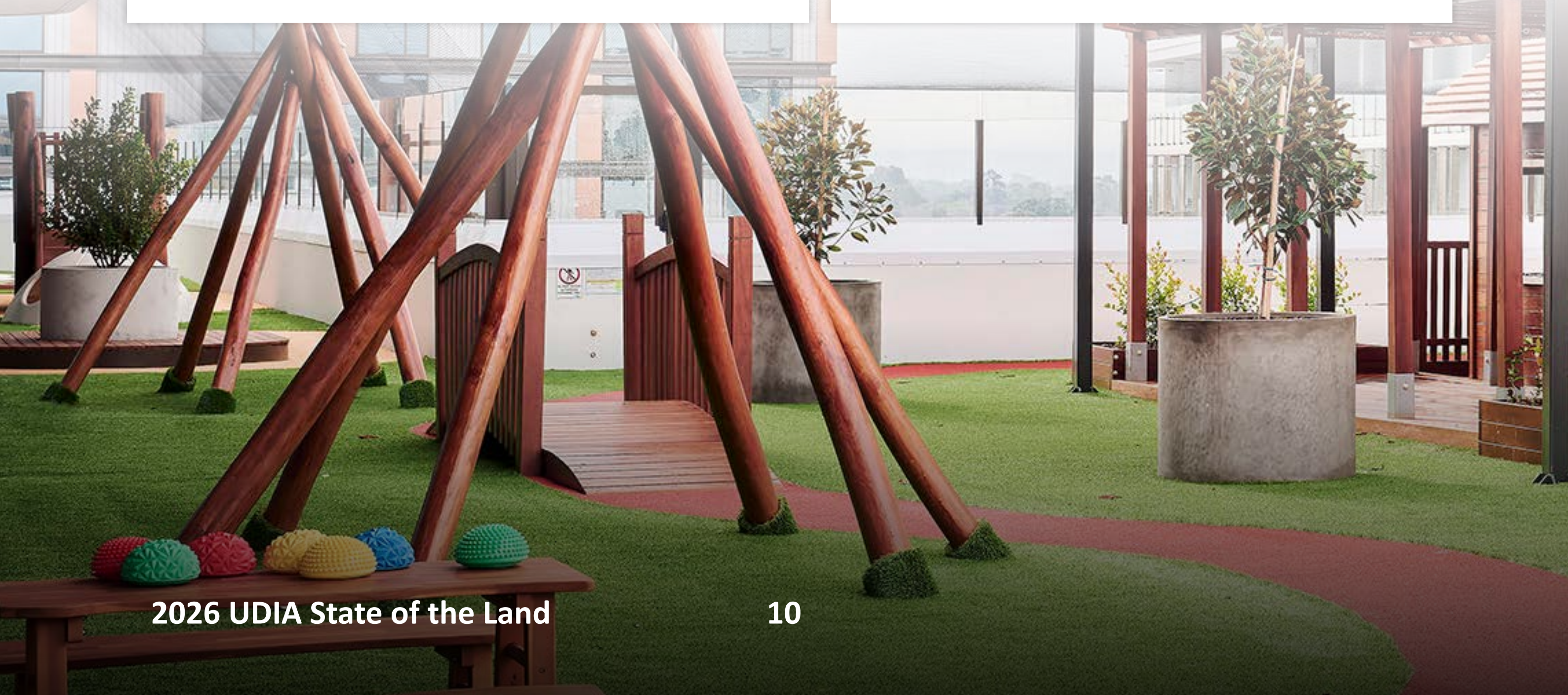
Figure 1.2: Median Lot Price



Source: UDIA; Researchfour

Figure 1.2.1: 2025 Annual Change



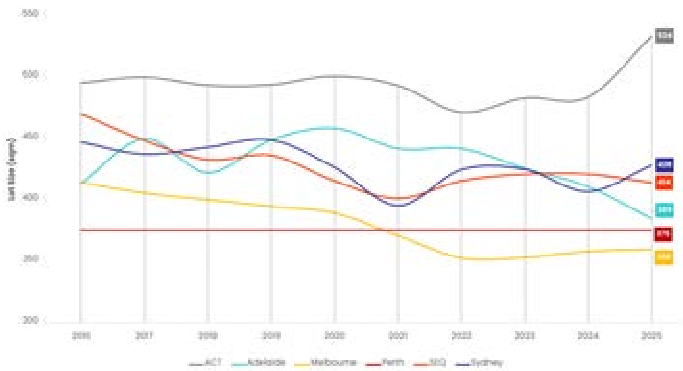


NATIONAL RESIDENTIAL MARKET OVERVIEW

Lot Sizes (sqm)

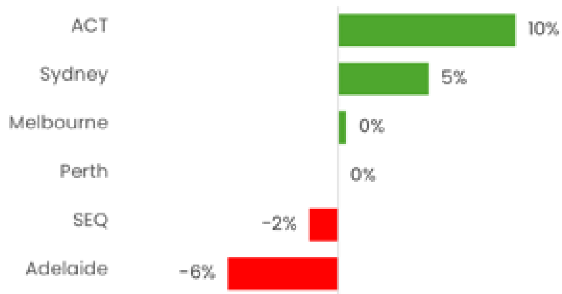
- The **Combined Capital City** median lot size grew marginally (+1.6%) to 416 sqm in CY 2025, which reflects the fifth straight year of relative stability in median lot sizes.
- The **ACT** further entrenched itself as featuring the largest lot sizes in the nation with a 10% growth across the year to median of 534 sqm. This returns the median lot size in the nation's capital to a size not seen since 2015 (528 sqm).
- **Greater Sydney** was the other market to record an increase median lot sizing, with a 5% growth to 428 sqm, meaning the nation's most expensive land market also has the second largest median lot sizes.
- **Greater Adelaide** recorded the largest annual decrease in median lot sizing with a drop of 6% to reach 385 sqm, marking the first time the Adelaide market has recorded a sub 400 sqm median lot size.
- There was no substantive change to **Greater Melbourne** or **Greater Perth's** median lot size, with the capital of the 'Golden State' recorded a remarkable tenth straight year of median lot pricing locked at 375 sqm.

Figure 1.3: Median Lot Size



Source: UDIA; Researchfour

Figure 1.3.1: 2025 Annual Change



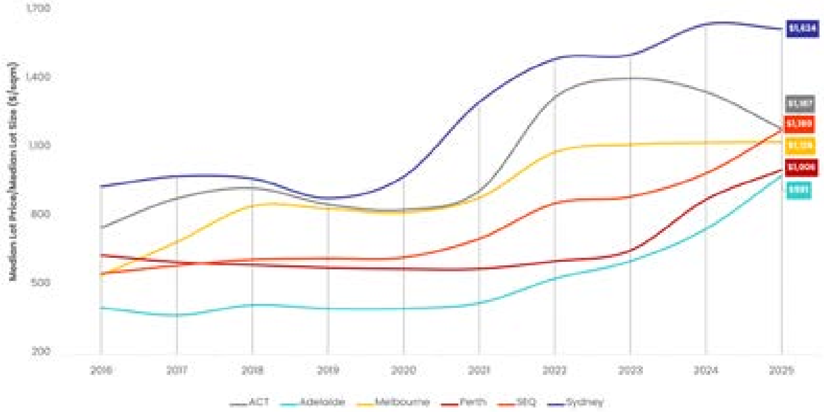
Murdoch Square (WA)

NATIONAL RESIDENTIAL MARKET OVERVIEW

Land Price ($/sqm)

- The **combined capital city** land price increased by 6% across CY 2025 to finish the year at $1,184 per sqm, which while a relatively modest annual growth reflects a 48% increase since 2021.
- **Greater Perth** recorded a strong 15% lift in annual land pricing to $1,006 sqm in 2025- marking the first time the lot price has exceeded the $1,000 psm mark in WA.
- **Greater Adelaide** recorded another strong year of land price growth (+31%) in to reach $981 sqm. This market has seen an eye watering 131% growth in land pricing since 2021.
- **SEQ** saw a 19% lift in the land price to $1,180 per sqm, which is twice the average annual growth rate achieved over the last 14 years.
- Despite a modest 1.2% annual decline in land pricing, **Greater Sydney** remains the most expensive land market in the nation with a median price of $1,624 per sqm.
- **Greater Melbourne's** land pricing remained flat with a median across the CY 2025 averaging $1,128 per sqm.

Figure 1.4: Median Land Price



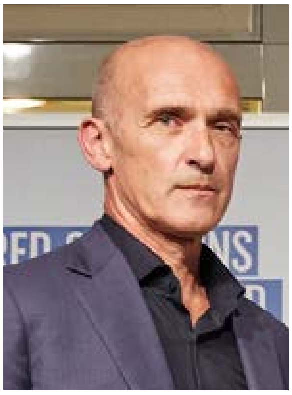
Source: UDIA; Researchfour

Figure 1.5: Combined Capital City Lot Sales, Lot Releases & Median Lot Pricing

Source: UDIA; Researchfour

NATIONAL RESIDENTIAL MARKET OVERVIEW

RESEARCHFOUR NATIONAL GREENFIELD OUTLOOK 2026



Colin Keane, Director, Researchfour

At the national level—covering Melbourne, Sydney, Southeast Queensland (SEQ), Perth, Adelaide, and the Australian Capital Territory (ACT)—land sales activity rose by 27% over the year. This increase was primarily due to a strengthening Melbourne market and significant growth in activity throughout Greater Sydney. SEQ, Perth, and Adelaide were already performing at optimal levels entering 2025. By the end of 2025, the market had reached 4,000 lots per calendar month, indicating a cyclical high comparable to the period from 2015 to 2018.

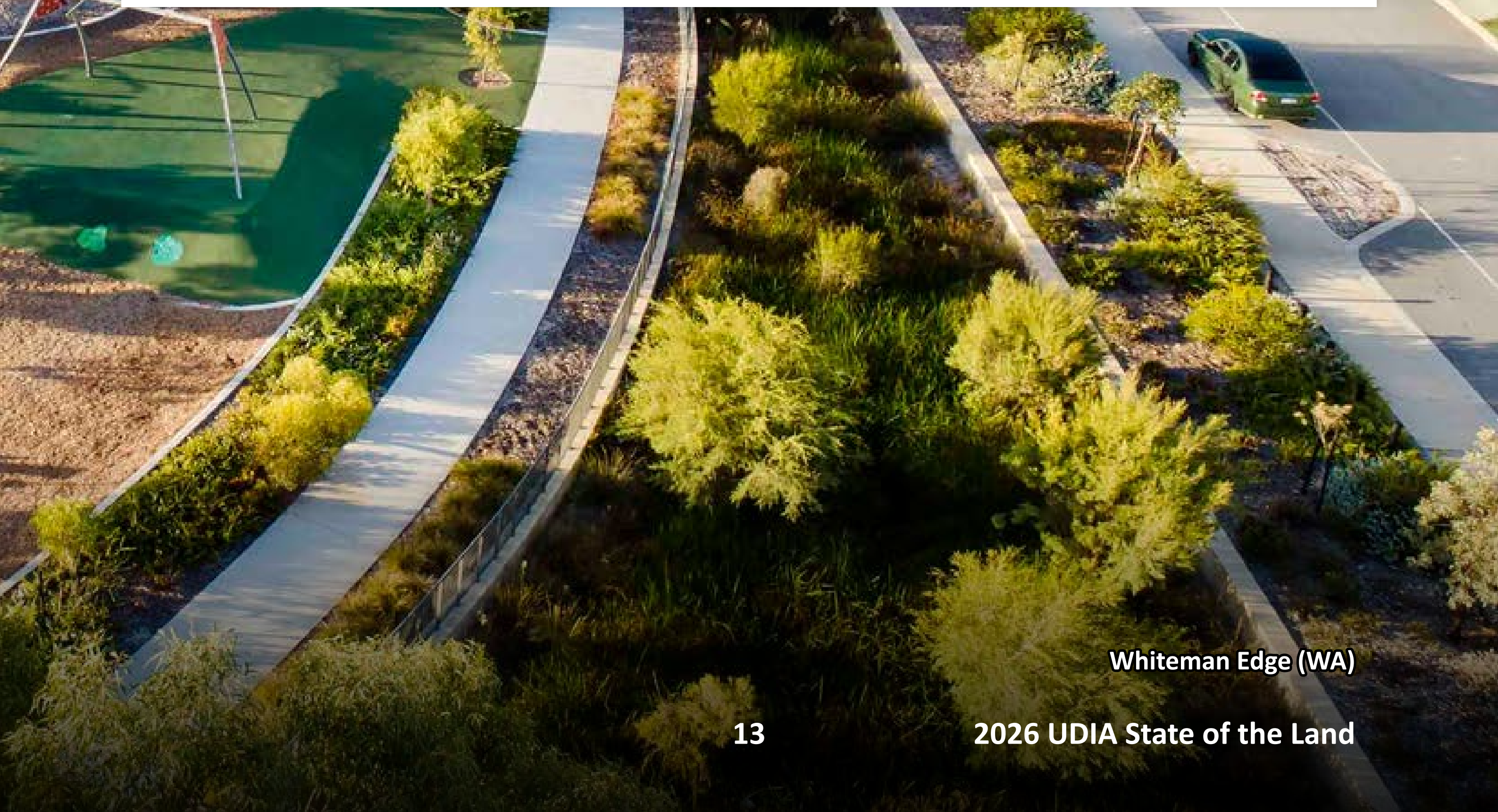
As of Q4 2025, the median lot price reached $493,740, representing a 10.9% increase over the year. This growth was observed across all markets, with Southeast Queensland making a particularly notable contribution.

A major challenge in the national Greenfield market is finding new projects of adequate scale to replace those that are ending. Since 2008, an average of 52 new estates have entered the market each quarter, with each estate averaging 339 lots. In the past year, however, the replacement rate has dropped to 42 estates per quarter, with the average estate size now at 145 lots.

Limited development capacity is currently affecting regions such as SEQ and Perth. When the market cannot adequately respond to demand, unmet demand accumulates, placing additional pressure on the industry and consequently driving prices upward. These markets are likely to remain under pressure throughout 2026.

The Melbourne market is slowly coming into play, meaning that total national sales is likely to hit a ceiling of 4,500pcm during 2026. Melbourne's recovery is not expected to be dramatic but more understated, similar to the 2015-2017 period. By mid-2026, the national market should have hit a peak, with sale volumes holding for the balance of the year, pending sufficient capacity.

In summary, all national Greenfield markets are expected to operate at full or near capacity in 2026, indicating strong results.



Whiteman Edge (WA)

NATIONAL RESIDENTIAL MARKET OVERVIEW

MULTI-UNIT RESIDENTIAL MARKET ANALYSIS

DATA STATEMENT: UDIA's State of the Land reporting harnesses a range of Cotality data and insights on historical and projected forward multi-unit market performance. The Cotality data is complemented by supply data supplied by Charter Keck Cramer which covers the Build-to-Sell (BTS) and Build-to-Rent (BTR) apartment sectors across all major Australian mainland capital city regions.

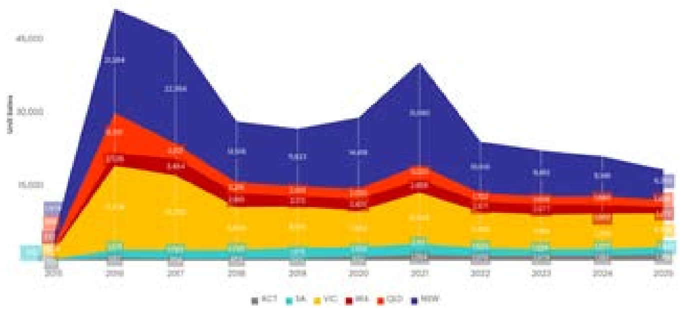
New Multi-Unit Sales Activity

- The **national** new build multi-unit market experienced another soft year of activity in 2025 with aggregate settled sales across the combined capital cities down 12% to total 18,700 which is down 40% on the decade average.
- **All markets** except the ACT and Adelaide recorded reductions in sales volumes to drive the softest combined capital city region new unit sale volume result for over a decade.
- **Greater Melbourne** recorded the largest volume of new unit sales across 2025 with 6,925 transactions, however this was down 4% on 2024 and down 34% on the decade average.
- **Greater Sydney's** new unit sales transactions for 2025 were down 23% across the year and down 55% on the decade average with a total of 13,825 sales. This quantum of mega-region sales is 55% below the decade's peak of activity of 2017.
- **SEQ's** annual new multi-unit settled sales volumes declined 12% to 1,485 sales, which is a decade low level of transaction activity and 82% lower than the peak achieved in 2016.
- **Greater Perth's** multi-unit sector recorded a 33% decline in settled sales across the year to finish 2025 with 1,270 sales which was 46% lower than the decade average.
- **Greater Adelaide's** new multi-unit sector recorded a 13% lift in sales volumes, to record just 1,445 settled sales, which is 13% below the decade average.
- **ACT** multi-unit new sales market grew by 18% in 2025 to record just 1,320 transactions which is the highest annual volume recorded in over a decade.

New Multi-Unit Pricing

- Median pricing for new apartments and townhouses grew by 7% across the 2025 calendar year for the **combined capital city regions** to reach $730,665.
- **Greater Perth** recorded the most significant median new multi-unit median price uplift across the capital cities with 16% annual growth to $680,000 which was underpinned by severe undersupply of new products.
- **SEQ** recorded a moderation in price growth in 2025 with a more modest 6% uplift (to $855,230) after two years of 16% price growth across 2023 and 2024.
- **Greater Sydney's** median new unit price increased by 3% across 2025 to $897,210, which is 22% higher than the combined capital city average.
- **Greater Adelaide** new unit sector recorded 7% uplift in median pricing to $684,500, which lifted The City of Churches above Melbourne on a median price point basis.
- **Greater Melbourne's** pricing increased by 2% 2025 with a new unit median price in December of $667,050, which means that new units remain cheaper in 2025 than they were in 2021 (672,420) highlighting the challenging dynamics in the new unit sector.
- **ACT's** new unit pricing also remained flat at $600,000, which is commensurate with the 2022 median unit price.

Figure 1.6: Annual Median New Multi-Unit Sales Volumes



Source: UDIA; Cotality

Figure 1.6.1: 2025 Annual Change

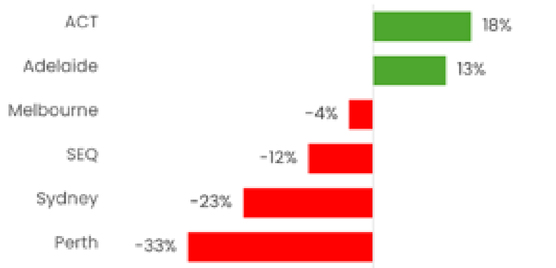
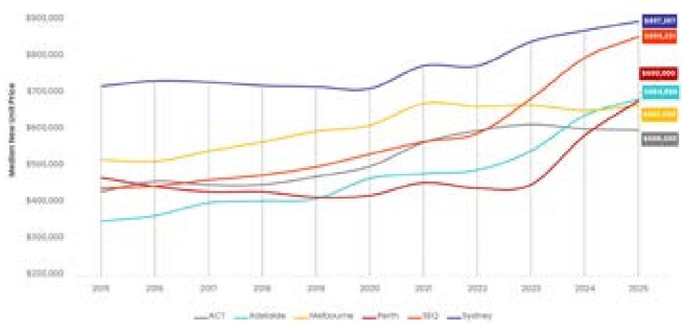
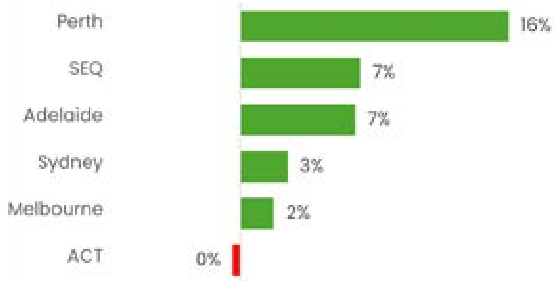


Figure 1.7: Annual Median New Multi-Unit Sales Price



Source: UDIA; Cotality

Figure 1.7.1: 2025 Annual Change

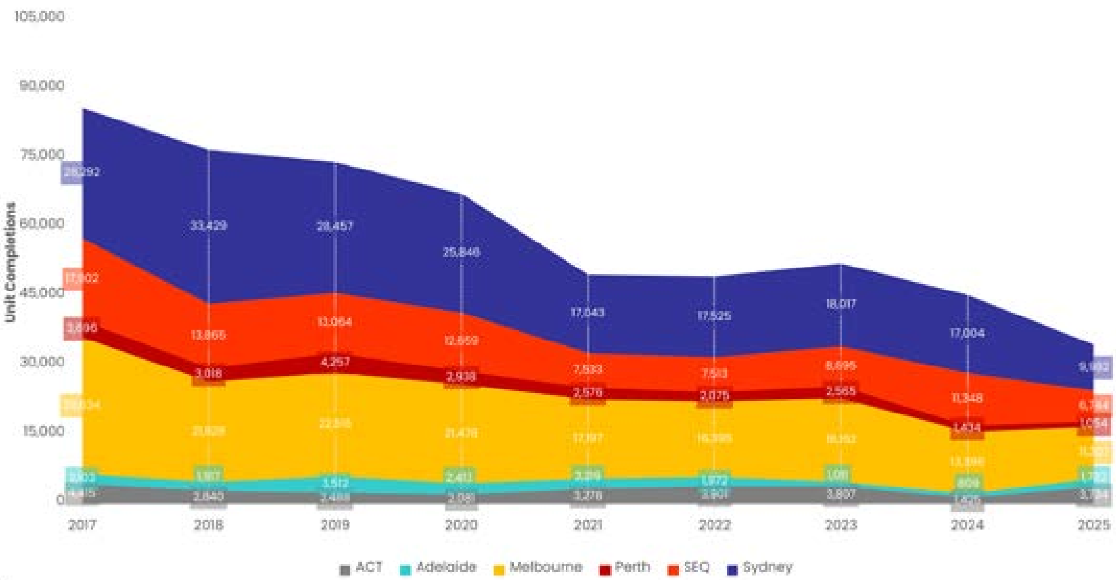


NATIONAL RESIDENTIAL MARKET OVERVIEW

New Multi-Unit Construction Activity

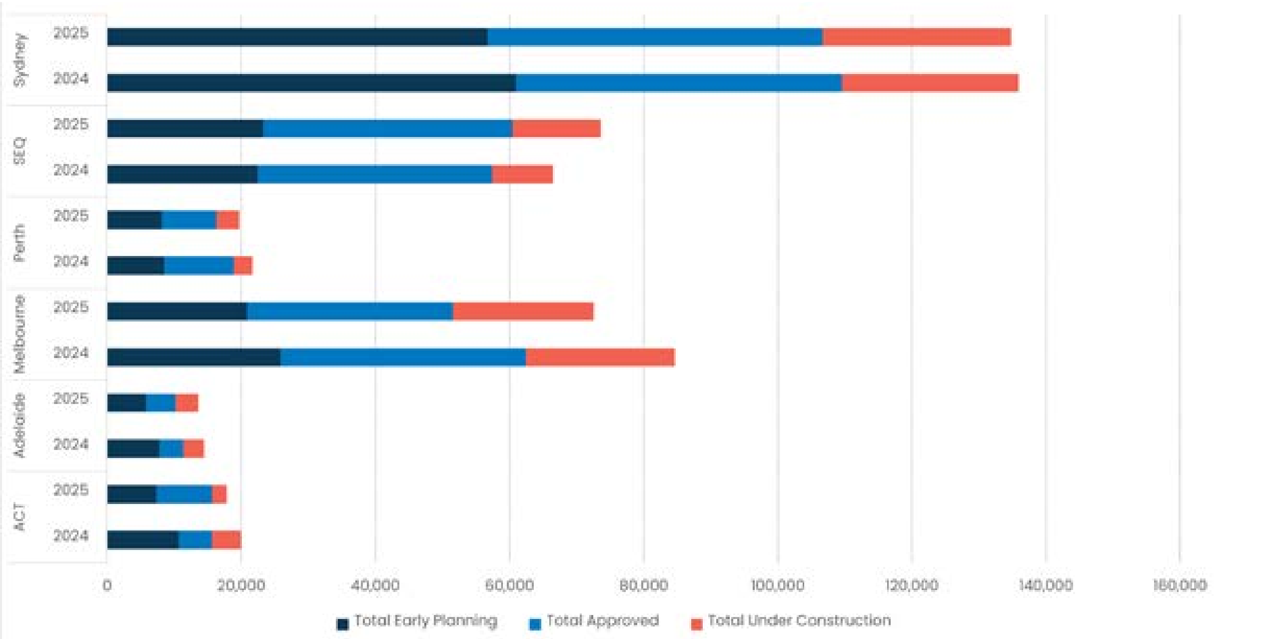
- According to Cotality data there were an estimated total of 34,600 **new multi-unit dwellings** completed across the **combined capital cities** in 2025 which represented an annual decrease of 24% and is a 42% decline on the decade average and 55% lower than decade peak new unit supply of 86,040 completed in 2017.
- All of the major national new multi-unit markets recorded extremely soft completion volumes in 2025, with only the relatively small markets of the **ACT** and **Greater Adelaide** recording a year-on-year **uplift** in new product completion.
- According to Charter Keck Cramer's market leading National Apartment Database, **Build-to-Sell (BTS)** apartment projects comprised approximately 65% of total multi-unit completions in 2025 (across core apartment reporting regions) which has dropped considerably from circa 83% of net completions in 2016.
- The scale of the retraction of the national **BTS market** is illustrated by the volume of 'active' apartment units in 2025 falling to 19,310 across the combined capital city regions, which is less than a third of the unit stock active in 2016, and half of the unit stock active in 2020.
- The national **BTR market** also recorded a reduced yield in CY 2025, with a total of 3,830 units active in December 2025, representing a 26% drop on CY 2024. However, the forward pipeline for BTR is on the upswing with a active stock projected to double to over 10,000 unit in 2028 and 2029.
- **Greater Sydney** and **Greater Melbourne** provided 83% of aggregate national active **BTS supply** in 2025 which is elevated on the 78% average annual market share that these two major city regions have contributed across each of the last ten years.
- **Townhouse** supply firmed in CY 2025 with a 17% uplift in active supply, with the bulk of new supply (53%) coming from Melbourne with an increase of product coming out of middle and outer regions.
- **Approvals** for all multi-units increased by 7% across the year to 60,500 approvals which is 21% below the decade average, underscoring UDIA expectations of a prolonged period of reduced construction activity and output ahead.

Figure 1.8: Construction Activity – Aggregate Multi-Unit Completions



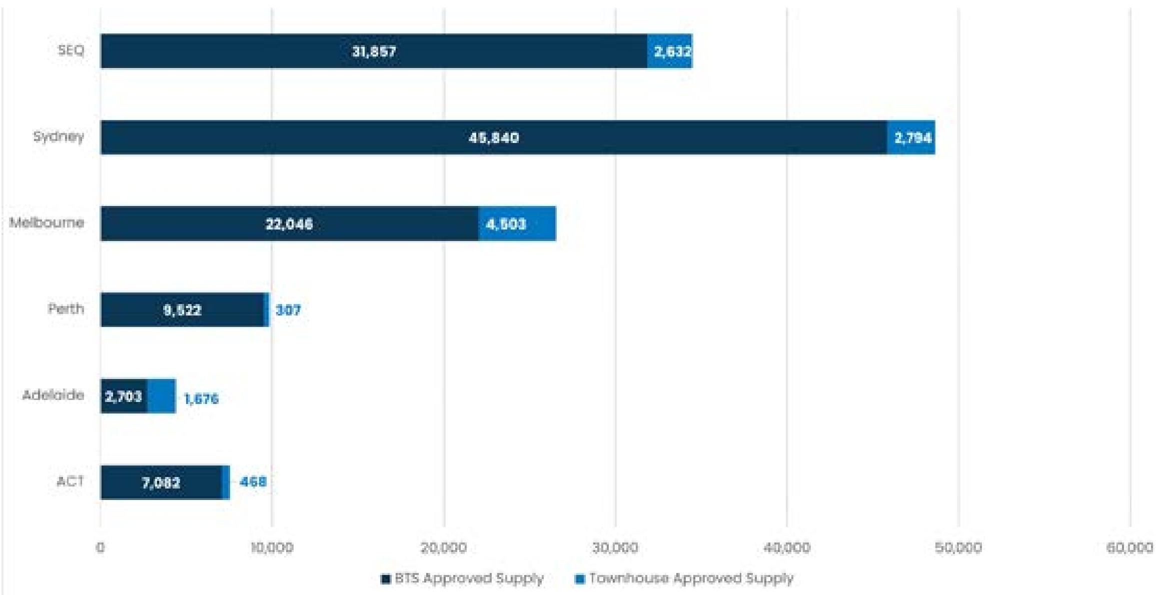
Source: UDIA; Cotality

Figure 1.9: Capital City Multi-Unit Pipeline by Status



Source: UDIA; Cotality

Figure 1.10: Total Approved Built to Sell (BTS) Apartment & Townhouse Supply (as at Dec 2025)



Source: UDIA; Cotality

Sustainability by Brabham Estate (WA)

NATIONAL RESIDENTIAL MARKET OVERVIEW

CHARTER KECK CRAMER NATIONAL APARTMENT OUTLOOK 2026

Richard Temlett, National Executive Director Research, Charter Keck Cramer

There is a strong and consistent relationship between established housing markets and the feasibility of delivering new housing supply across Australia. Charter Keck Cramer (Charter) research confirms that prices for new dwellings (apartments, townhouses and house & land products) are linked to the median house price of the established market in each capital city. As established house prices move, the achievable price points for new housing move with them.

For new medium and higher density housing supply to be financially viable, established detached house prices must reach levels that support these forms of more compact and affordable housing. This dynamic has shaped housing outcomes for decades and across multiple market cycles. It reflects a long-standing housing “trade-off”, where households make compromises between competing priorities such as price vs location, size vs affordability, quality vs cost, ownership vs renting, or commuting time vs housing costs. These trade-offs continue to drive demand patterns and product typologies in new housing markets.

Over the past five years, cities such as Brisbane, the Gold Coast, Perth and Adelaide have experienced strong and sustained growth in established house prices. This growth has lifted realisable revenues for new dwellings and in particular made apartment development increasingly viable in these markets. In contrast, Melbourne and Canberra have experienced flat or negative house price growth, while Sydney has seen only modest house price growth. In many sub-markets across these three cities, realizable revenues for new dwellings remain below the current cost of delivery, rendering new supply financially unfeasible.

At the same time, the cost of delivering new housing has risen sharply across all dwelling types (apartments, townhouses and house & land). Key drivers include a high and growing burden of taxes and charges, increasingly complex and over regulated planning and building systems, declining construction productivity relative to 20 years ago and higher labour and material costs. Charter’s research identifies a systemic cost of delivery crisis across all Australian cities. This represents the most significant barrier to addressing the national housing shortage and requires substantial reform from all levels of government.

Looking ahead to 2026, Charter expects ongoing tension between short term cyclical pressures and longer term structural forces. Short term challenges include higher interest rates and subdued consumer sentiment, while longer term drivers include chronic undersupply of new dwellings and shifting housing preferences across generations. The structural fundamentals supporting medium and higher density living are evident across all cities and are expected to strengthen over the next decade as demographic change accelerates.

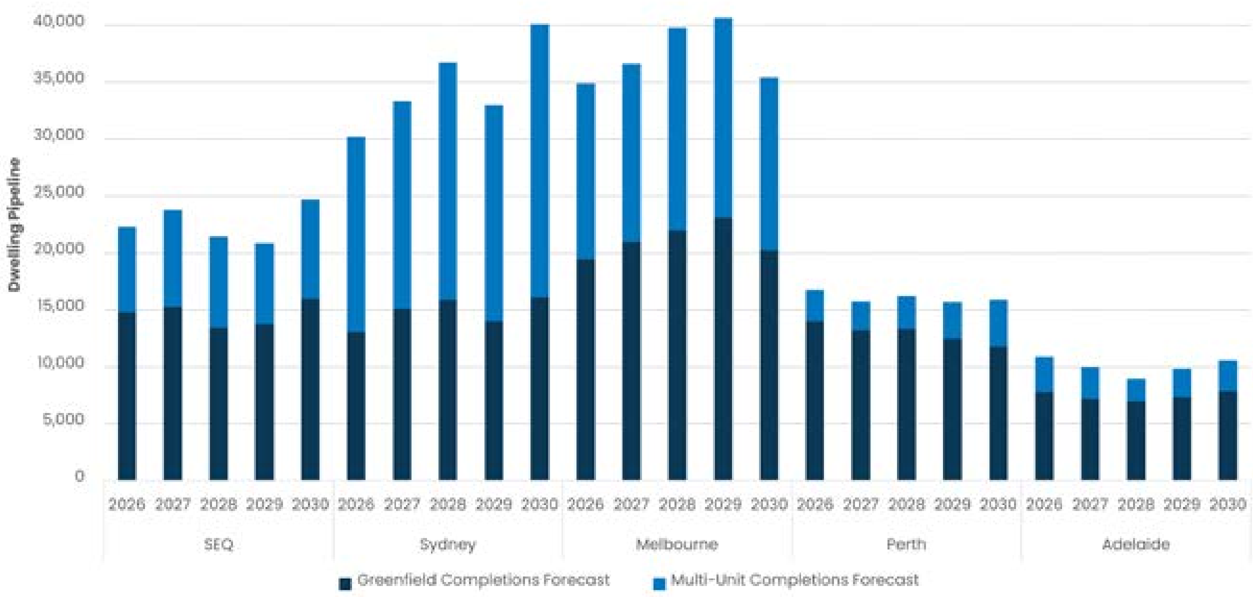
As housing affordability thresholds are reached, markets are increasingly characterised by a mismatch between achievable revenues and household purchasing power. The trade-off thematic is clear: households will rent for longer and, when buying, increasingly opt for more affordable medium and high density housing. In this environment, Build to Rent is expected to play a growing role, with institutional capital better positioned to absorb risk and deliver supply than traditional Build to Sell apartment models.

Overall, Charter expects 2026 to be an improvement on 2025, supported by greater certainty and market adaptation to the new operating environment. While interest rates are expected to rise and lending serviceability buffers remain in place, price falls are not anticipated due to the widening gap between established housing values and the cost of delivering new supply, which is expected to place a floor under prices. A key ongoing risk across all markets remains builder availability and construction capacity. This is particularly acute in Southeast Queensland, where pressures are expected to intensify in the lead-up to the Brisbane 2032 Olympics.

UDIA Capital City New Dwelling Supply Annual Growth Forecasts (2026 to 2030)

- Greater Sydney: the forward outlook for new dwelling completions has strengthened over the last twelve months with improvement in greenfield activity and a strengthening unit approvals profile leading to a forecast of aggregate dwelling production declining further in 2026 but generally firming over the coming years to 2030.
- Greater Melbourne: dwelling production is forecast to remain flat in 2026, followed by a before a modest improvement in production volumes from 2027 through to 2029.
- SEQ: Ongoing weakness in unit supply is set to keep aggregate dwelling production down around 30%+ on the decade average over the coming four years.
- Greater Perth: aggregate production in 2025 will remain around 2024 levels (~16,000) dwellings for each of the next five years.
- Greater Adelaide: On-going weakness in unit supply will be compensated by uplift in greenfield production with detached house completions set to be around 15% higher than the decade average over the coming five years.
- ACT: Strong volumes of new unit supply is expected to gradually moderate over the coming three years, while depressed greenfield production will gradually start to firm over the five years to 2030.

Figure 1.11: UDIA Completions Forecast



Source: UDIA

Preston Townhouses by Archier and MAB (VIC)

NATIONAL RESIDENTIAL MARKET OVERVIEW

Figure 1.12: Combined Capital City Region Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

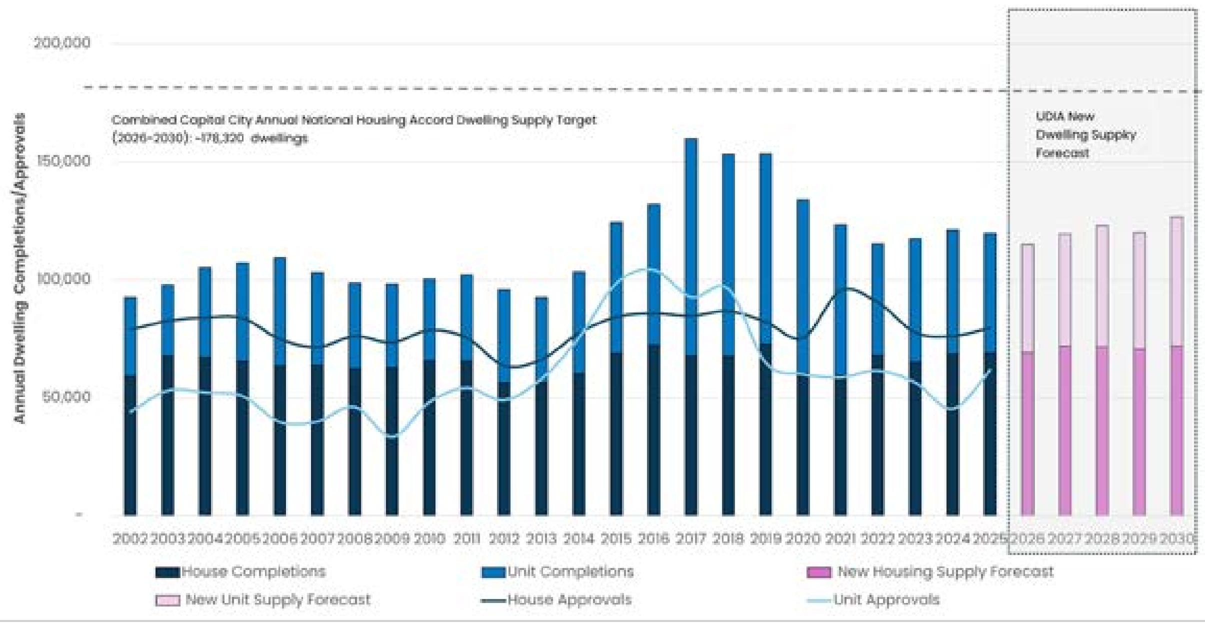


Figure 1.12.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-Year Target

Figure 1.12.2: Cumulative Forecast Dwelling Supply v Combined Capital City Housing Target

NATIONAL RESIDENTIAL MARKET OVERVIEW

FORWARD DWELLING SUPPLY PIPELINE

- UDIA modelling indicates there was 119,590 net new dwellings completed in CY 2025 in our assessment of combined capital city new residential market supply.
- The 2025 new dwelling supply quantum represents a slight decrease of 1.1% on 2024 completions, reflecting a modest reduction in aggregate new unit production.
- UDIA's modelling of current and forward pipeline activity indicates there will be a further 4% drop in aggregate volumes of combined capital city new residential market supply delivered in 2026 to 115,100 aggregate completions, with multi-unit sector production weakness holding back improvements in greenfield sector delivery.
- There will then be an improving aggregate supply profile from 2027 onwards to 2030 where improving yields of apartment and townhouse supply will support an stronger overall new dwelling delivery profile.
- The forward five year delivery pipeline is forecast to significantly undershoot the national housing accord target rate, with an estimated supply gap ~287,000 dwelling short at a combined capital city scale, and ~380,000 dwelling shortfall a whole of nation scale.

COTALITY NATIONAL RESIDENTIAL MARKET OUTLOOK 2026

Tim Lawless, Head of Australian Research, Cotality

Australia's housing sector is moving though 2026 on a softer footing than a year ago. While structural supply shortages continue to underpin housing values, demand-side pressures are becoming less pronounced, as borrowing costs rise, housing affordability remains stretched and a slowdown in population growth tempers momentum. While housing conditions are likely to remain highly variable across the sub-markets of Australia, trends are expected to lose some pace through the year.

On the demand side, cost of living pressures, negative real wages growth and interest rate uncertainty remain central concerns. The Reserve Bank's February 2026 rate increase, combined with the prospect of further tightening should inflation remain persistent, has reinforced a more cautious mindset among households.

Affordability constraints are firmly entrenched. Dwelling values have risen substantially relative to household incomes, while interest rates remain well above the pre-pandemic decade average of 2.6%. Together, these factors have lifted both deposit requirements and ongoing serviceability hurdles, making market entry increasingly challenging, particularly for first home buyers without access to family support or government assistance.

Population growth, while still supportive of underlying demand, is no longer providing the same level of stimulus seen during the post pandemic catch up phase. Net overseas migration has moderated toward longer run averages and interstate population flows are normalising, helping to ease some of the extreme demand pressures evident over the past two years.

Despite these headwinds, several stabilising forces remain in place. Housing supply is persistently tight, with both advertised listings and new completions well below historical averages. Elevated construction costs and feasibility challenges continue to suppress new development, while established stock remains scarce. At the same time, government incentives for first home buyers are amplifying competition across lower priced segments of the market, and ultra tight rental markets are nudging some households toward ownership where they have the financial capacity to buy.

More broadly, labour market resilience and steady, if modest, economic growth should continue to underpin demand. With unemployment expected to remain low by historical standards, the housing market is likely to experience a period of softer, more uneven conditions in 2026 relative to 2025.

The residential construction sector is continuing to face the dual challenge of high costs and scarce labour supply. Construction costs are continuing to rise from a high base and competition for inputs with the public infrastructure sector is likely to continue into next year. Reaching the Housing Accord's 1.2 million 'well located' homes target over the five years to mid-2029 will remain elusive.

UDIA NATIONAL'S FOCUS FOR THE YEAR AHEAD

Based on the State of the Land 2026 analysis, UDIA offers the following recommendations to each State Government and the Federal Government to help boost forward housing supply.

The National Housing Accord new dwelling target is crucial to track our path out of housing crisis and address the roadblocks – including lack of new housing supply, development ready land & enabling infrastructure and slow planning/environmental approvals. In combination the UDIA State of the Land and the UDIA National Housing Pipeline (NHP) starkly demonstrates where these roadblocks are to focus Government's efforts.

Government has important initiatives to tackle housing supply, but we need to broaden the strategy to the whole housing supply market, across the continuum and tackle all roadblocks.

97% of the Accord target relies on private development but 85% of housing is delivered by smaller to medium sized organisations (SME's) that cannot access the HAFF due to scale.

We need to harness Australia's entire housing supply capacity with market-wide solutions including:

1. Build the Homes We Need

- Boost delivery of First Home Buyer Housing (FHB).
- Remove housing supply barriers through FHB initiative (or upfront Accord Bonuses).
- Increase the Accord Bonus (or create another bonus fund).
- Double HAFF funding for more Affordable and Social Housing.

2. Fast-Track Housing Infrastructure

- Direct Federal funding of housing enabling infrastructure.
- Prioritise existing Federal infrastructure funding that supports new housing.
- Use part of the Accord Bonus to fund infrastructure upfront.

ORA Dolls Point by HELM (NSW)

3. Release More Land Supply

- Supply Government land for diverse private housing projects.
- Incentives for development ready land and halved planning times.
- Fast-track housing with Federal Construction Debt and Equity Guarantees.
- Establish independent housing performance metrics.

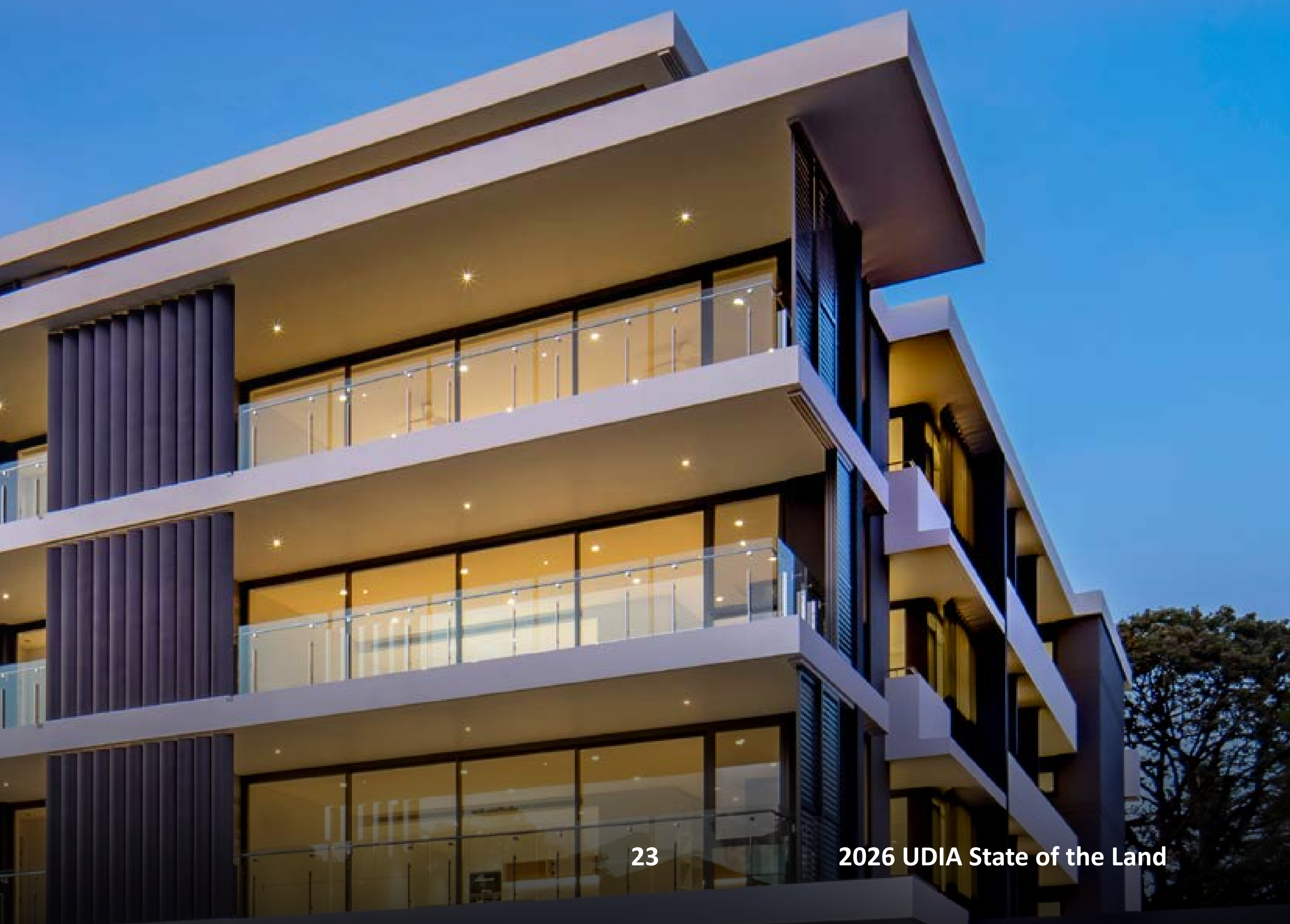
4. Environmental Housing Strategies

- Clear the EPBC housing approval backlog.
- Align State & Federal criteria as a single, simple EPBC approval.
- Incentivise Green Technology in well priced housing.

5. Boost Housing Capability

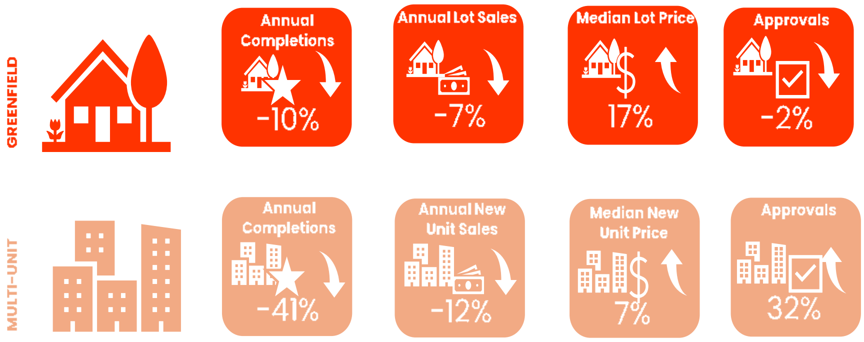
- Minimise property fees and taxes holding back affordability.
- Increase stamp duty thresholds, fast-track the National Construction Code Code re-design during the reform freeze.
- Prioritise housing-skilled migrants & accelerate residency for migrants.

UDIA looks forward to continuing to work with the Federal Government to help shape the future of Australia’s housing sector.



QUEENSLAND

SUMMARY



- The South East Queensland (SEQ) region recorded a 7% drop in greenfield residential purchaser activity in 2025 to record almost 10,175 annual sales. The annual moderation in lot sales is related more to supply side weakness, not any softness in the aggregate demand profile.
- Activity remained very subdued in the new multi-unit sector with apartment and townhouse sales remaining at decade lows and weighing down the forward pipeline.
- A combined total of 26,570 new dwellings (net) were completed in 2025 across the SEQ's greenfield release areas and within the established urban footprint. This reflects a similar level of aggregate dwelling production to the last three years however this new residential market supply level is around 6% lower than the long run average.
- UDIA is forecasting new dwelling supply completions will drop a further 15% in 2026 across SEQ and then remain at a similar level for the following four years driven by on-going softness in multi-unit production.
- Aggregate completions are forecast to undershoot the National Housing Accord's annual dwelling target of 36,180 (based on a population-based share of 1.2 million homes over the forward years) by between 37% and 43% over each of the coming five years, with a combined 'supply gap' of roughly 68,600 dwellings by 2030.


Florence Apartments (QLD)

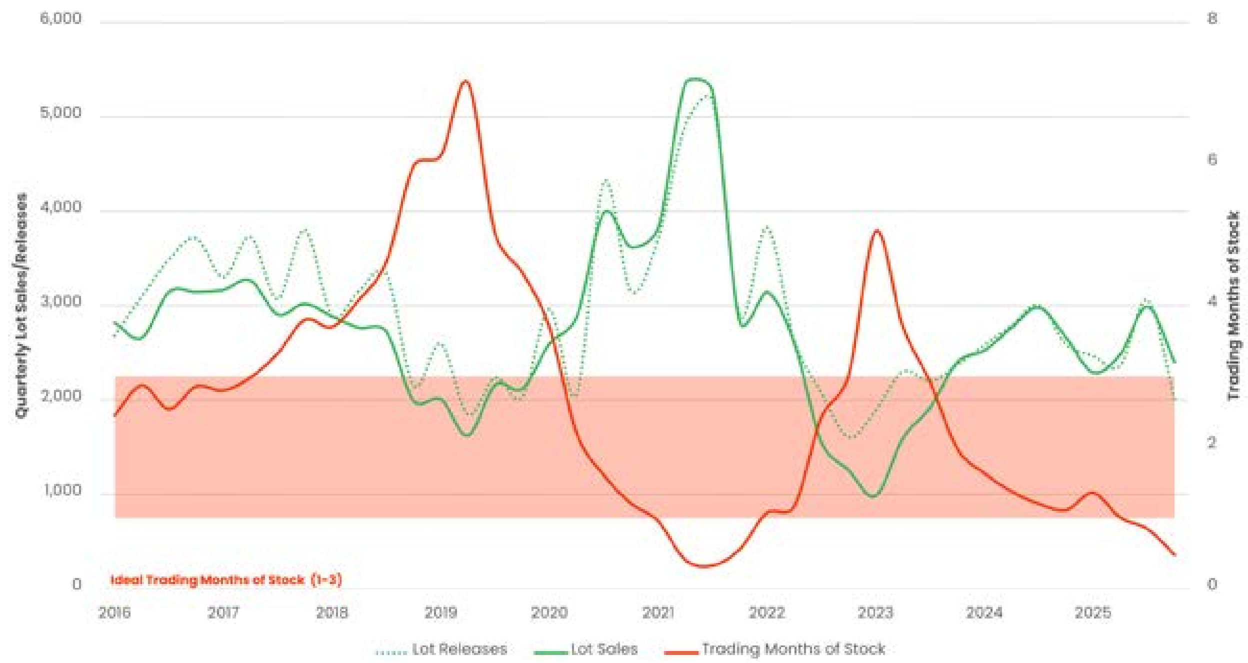
QUEENSLAND

GREENFIELD MARKET ANALYSIS

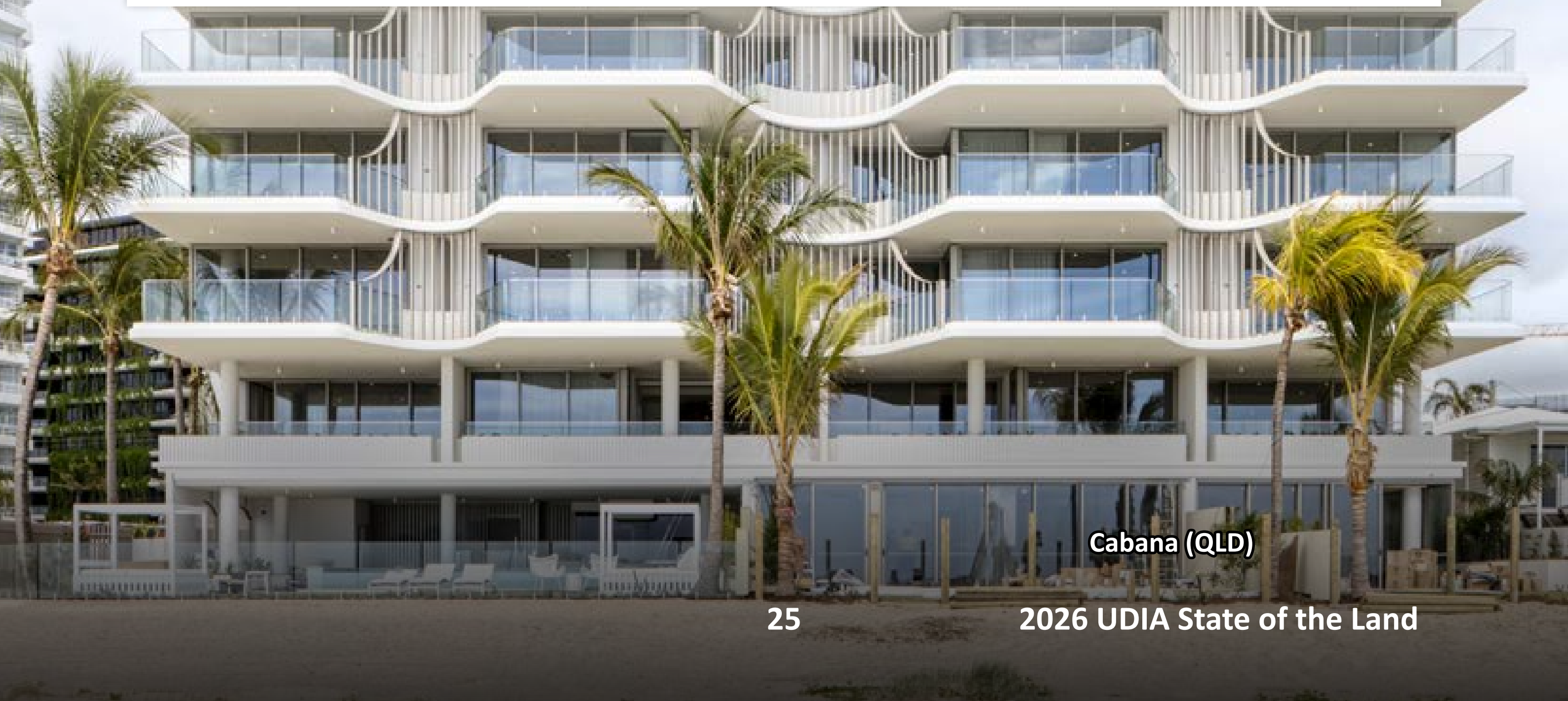
Sales and Release Activity

- The SEQ greenfield market recorded a 7% decrease in net land sales in 2025 with 10,175 contracted transactions which is just below the decade average (10,960).
- Sales activity improved across the year, rising from 2,290 sales in the March quarter up to 2,990 sales in the December quarter, before softening in the December quarter with 2,400 net sales in the December quarter.
- Developers released 7% fewer lots than in calendar year 2025, with 10,940 lots launched to market – a corresponding reduction to aggregate lot sales of the year. These annual volume reductions are more reflective of supply side weakness rather than demand side softness.

Figure 2.1: Greenfield Market Activity



Source: UDIA; Researchfour



Cabana (QLD)

QUEENSLAND

Stock Levels

- At the close of the December quarter 2025 the number of residential lots on a price list was equal to 0.4 months of demand – which reflects a critically under supplied market position – and is well outside of the 'ideal trading band' of 2 – 4 months worth of stock for the second year running.
- The volume of available stock remaining unsold for sale at the close of the December quarter was 62% lower than at the beginning of the year. The increase in demand witnessed in the second half of the year has eroded supply lines and if maintained will continue to be inevitable upward pressure on land pricing.

Greenfield Projects

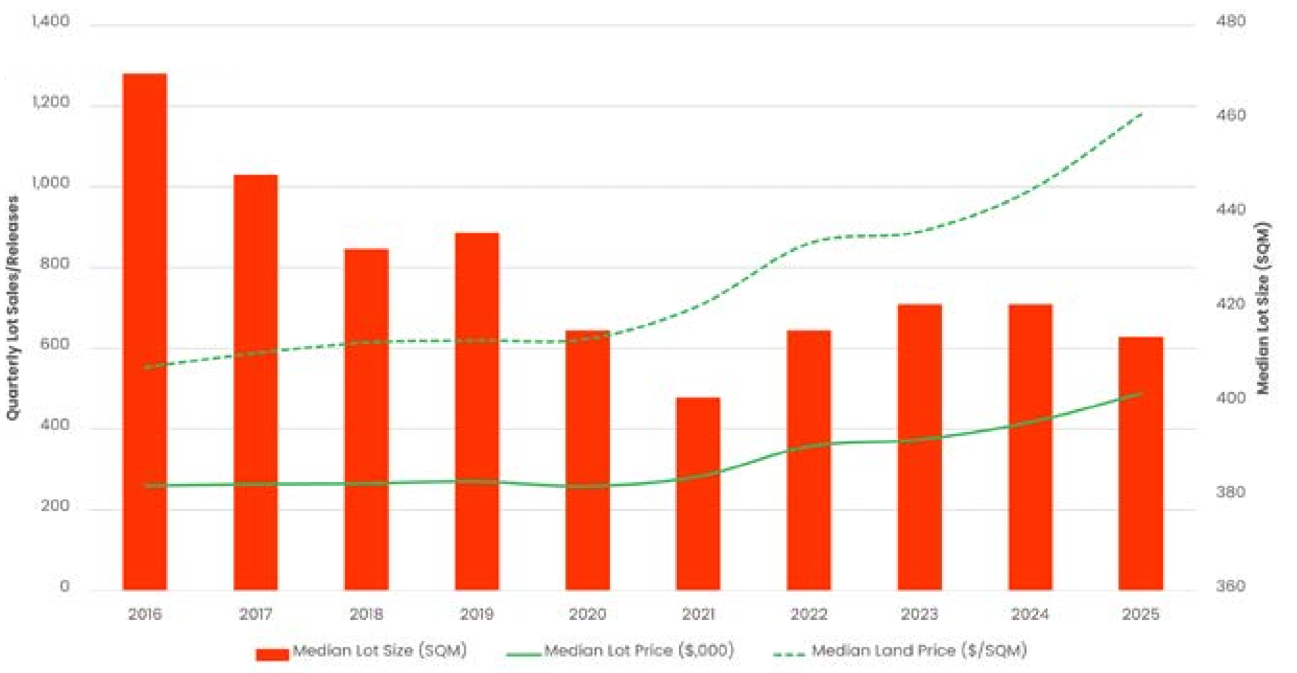
- There was an average of 127 active trading estates across SEQ for the year which represents an decrease from 141 active estates providing new sales in 2024.
- The reduction in overall release and sales is closely connected to the reduction in active estates across the year.

Greenfield Land Prices and Values

- SEQ's average annual median lot price lifted by 17% across 2025 to $488,360, which compares to a 11% growth recorded the previous year.
- Price growth occurred steadily across the four quarters of 2024, with the September quarter median price point marking the first time SEQ lots have exceeded $500k and then continue to grow to average $520,000 in the December quarter.
- SEQ new land has traditionally been priced at 49% of the Brisbane median established house price. Over the past 5 years the average has dropped to 47% of the median Brisbane house price.
- The median lot size dropped 2% to 414 sqm across 2025, which is where the median lot size last sat in 2022.
- In line with the rate of median lot price growth, land prices across SEQ increased across the year growing by 19% to average $1,180 psm for 2025.
- This marks the first time land pricing has moved past $1,000 psm in SEQ, behind Sydney (2021) and Melbourne & the ACT (2022).
- The current land price per square metre positions SEQ as the equal second (with the ACT) most expensive land market in the nation, behind Sydney ($1,185 psm).

Florence Apartments (QLD)

Figure 2.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	11,773	143	470	$260,009	$554
2017	12,366	166	448	$263,738	$588
2018	10,370	193	433	$265,750	$614
2019	7,916	174	436	$270,250	$620
2020	13,084	186	415	$259,000	$624
2021	17,283	128	401	$282,900	$705
2022	8,570	104	415	$357,213	$861
2023	6,904	134	421	$374,250	$890
2024	10,939	142	421	$417,250	$992
2025	10,175	128	414	$488,363	$1,180
10 Years Average	**10,938**	**150**	**427**	**$323,872**	**$763**

Source: UDIA; Researchfour

QUEENSLAND

RESEARCH4 GREENFIELD OUTLOOK 2026

South East Queensland

The SEQ Greenfield market in 2025 averaged 848 net lot sales per month. This was 7% below the 2024 average of 912 lots pcm. The markets 2025 performance has been limited due to capacity issues, not demand issues.

The key performance metrics for 2025 indicate that the percentage of gross activity returned averaged 3.3% for the quarter, a decrease from the 2024 average of 5%. This low return rate reflects strong confidence in the Greenfield product among both Builders and end users. The production clearance rate for the year was 104%, demonstrating that all released products were sold with ease. Stock overhang is at an all-time low, with stock ready for sale equal to just 0.4 months of demand, further illustrating the strong demand for new land. The stock-to-sales ratio averaged 0.9:1 for the year and currently stands at 0.5:1.

The SEQ Greenfield market in 2025 was able to bring new land estates into the market in line with the long running replacement rate. The downside is that those new estates were 66% smaller than the average SEQ land estate size. Another negative impact on capacity is the fact that 53% of active trading estates are fully mature. As at the close of 2025 the estimated selling capacity of the trading estates was 893 lots per month. It is expected that selling capacity over the next year will drop to 834 lots per calendar month. Therefore the market will struggle to maintain sale volumes that exceed 800 lots per month across 2026, unless there is a notable increase in the size of new trading estates.

The median lot price for the December quarter was $520,000. Land prices increased by 17% for the year mirroring the 2024 price escalation of 17.2%. The median value per square metre increased by 17% for the year now sitting at $1,238 per square metre. Traditionally the SEQ median lot price has averaged 47% of the Brisbane median house price. As at the close of 2025 the Fair Value ratio was 48% of the median Brisbane house price. It could be argued that the current price for land of $520,000 is 3.6% over the benchmark price point of $501,000.

The projected demand for 2026 is expected to average 820 lots per calendar month. However, there is existing unmet demand from the previous year that still needs to be addressed. When this backlog is included, total forecasted demand for 2026 may rise to around 1,300 lots each month. This scenario would put significant pressure on the industry, given its estimated capacity is only 834 lots per calendar month, potentially causing prices to increase further. To counter this, the SEQ Greenfield market would need to substantially boost both the number and size of trading estates, surpassing the anticipated 56 new estates planned for 2026.

To sum up, the SEQ market continues to remain strong with no indications of slowing down, which means capacity constraints and rising prices are likely to persist. This environment may impact affordability and could prompt the industry to increase the availability of smaller lots—currently only about 6% of offerings are under 250m2, whereas in Melbourne, these make up 26 percent of the market.

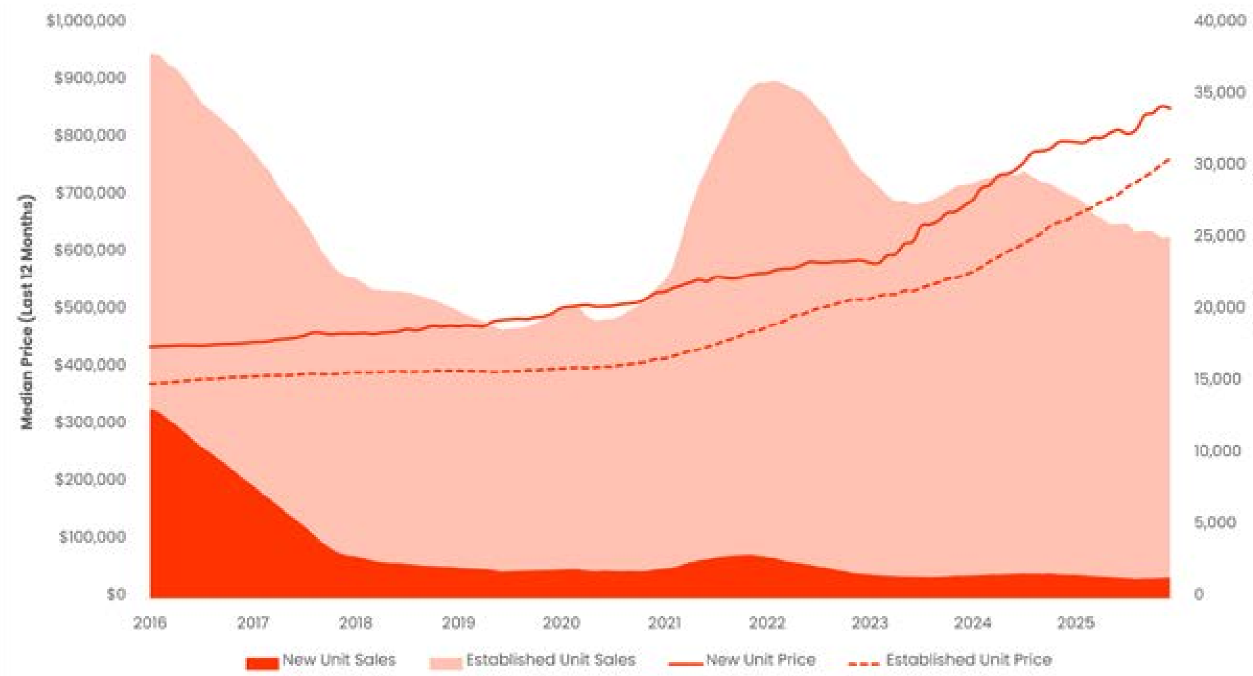
QUEENSLAND

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- Sale volumes of newly built apartments and townhouses across SEQ remained at very depressed levels across 2025 with a total of just 1,485 transactions which is 45% lower than the decade average. Historically, SEQ accounts for around 13% of all new unit transactions across the nation, but in 2025 the southeast corner delivered just 8.4% of national sales volumes.
- Sales of new units represented just 6.0% of all unit sales activity across 2025, which is less than a third of the proportion of new sales activity expected from the long-term trend.

Figure 2.3: Multi-Unit Sales, Established & New Sales (Settled)



Source: UDIA; Cotality

Median Unit Pricing

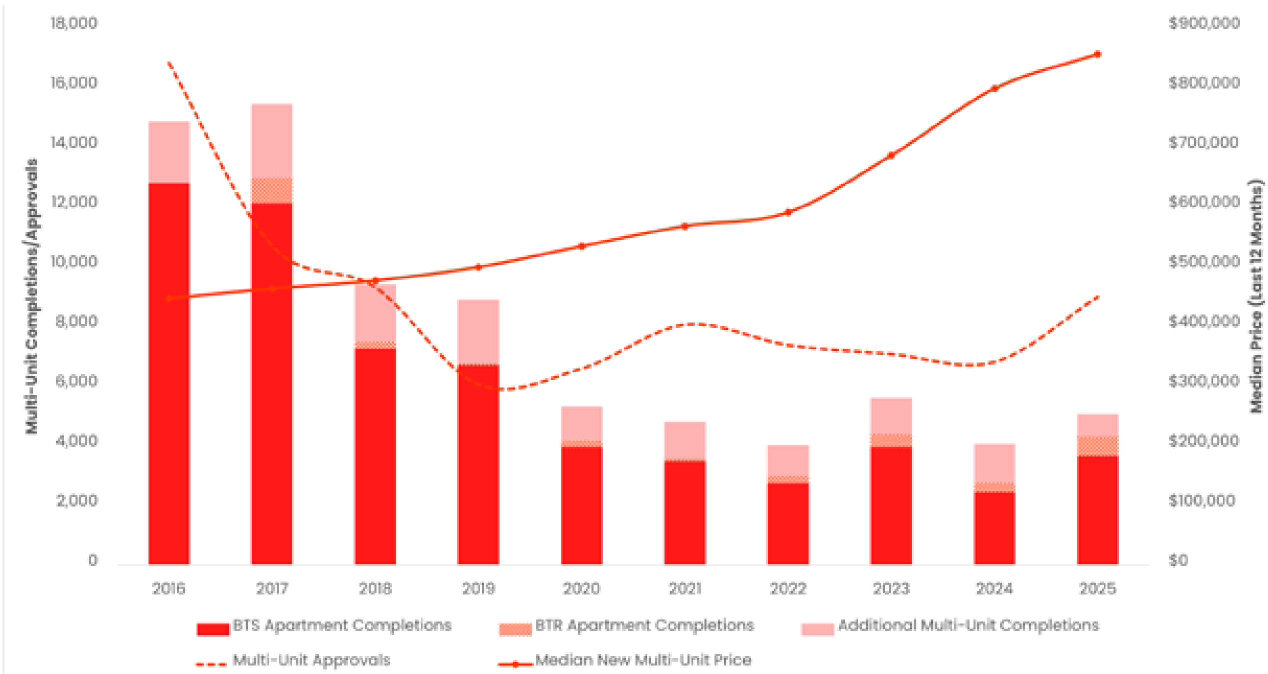
- The median sale price of new units grew by 7% across the year in SEQ to $855,230. The new unit pricing has now grown 44% in three years, and is currently 23% more expensive than the combined capital city average.
- The current median sale value of new units is currently 15% more affordable than the median value for new houses, which is higher than the long-term average of 9% cheaper, which represents a positive retail proposition for the market – particularly first home buyers.

QUEENSLAND

Construction Activity

- Cotality's tracking of project scale completions of multi-units across SEQ recorded a sharp 41% drop in new multi-unit dwellings completed in 2025 to just 6,740. This represents the lowest completion quantum in over 15 years, 39% below the decade average, and 51% lower than the historic peak supply of 17,900 units completed across SEQ in 2017.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BTR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies.
- At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/pre-sold) BTS supply of 3,640 units across SEQ. This represents a 50% increase on 2024 active supply volumes, is 38% down on the decade average (5,830) and 72% down of the 20-year peak of BTS apartment supply achieved in 2016 (12,110).
- On the emerging Build-to-Rent apartment market there was 660 new unit supply added in 2025 which is the largest annual volume achieved to date, with Charter forecasting a very strong forward pipeline of BTR projects swelling to over 4,000 unit completions in 2029.
- The forward outlook is for a strong 34% uplift of annual completions in combined BTR and BTR apartment and townhouse supply across SEQ over 2026 to around 6,700 completions and remaining at around this production level for the following three years.
- Approvals for multi-units grew by 22% across the year, but at 12,265 this volume of new apartment and townhouse approvals is 17% lower than the decade average and 48% below the recent approval peak achieved in 2016. This paucity of new approvals underscores UDIA's expectations of a prolonged period of constrained apartment construction activity ahead.

Figure 2.4: Median New Unit Price & Annual Unit Completions



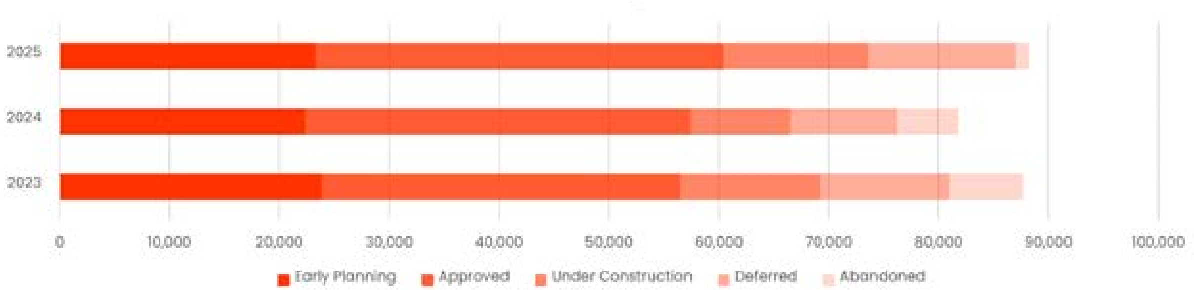
Source: UDIA; Cotality

Multi-Unit Pipeline Analysis

Cotality has produced point-in-time estimates of the multi-unit pipeline based on a December 2024 and December 2025 snapshot of the market leading Cordell Construction database.

- *This data analysis reveals that there is an aggregate total of 73,620 units in the SEQ active unit pipeline, which is 11% increase in the pipeline supply recorded in December 2025.*
- *This active supply is made up of units in the early planning phase (up 4% from 2024), units which have received approvals (up 6% from 2024) and units under construction (up 45%).*

Figure 2.5: Multi-Unit Pipeline

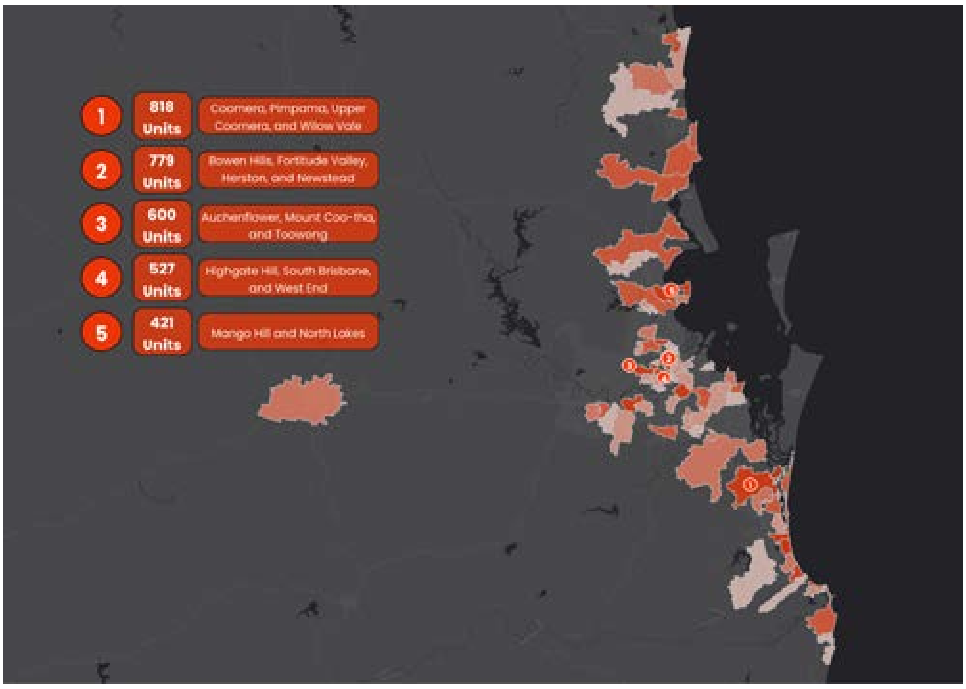


Source: UDIA; Cotality

Sub-Market Analysis

- The majority of 2025 apartment sales activity in Southeast Queensland occurred in the Brisbane City and The Gold Coast, with 17,187 and 7,463 apartment sales respectively. This was followed by the Sunshine Coast at 2,473.
- These regions also fared best in terms of price, with the Gold Coast, Sunshine Coast and Brisbane City remaining stable over the year.

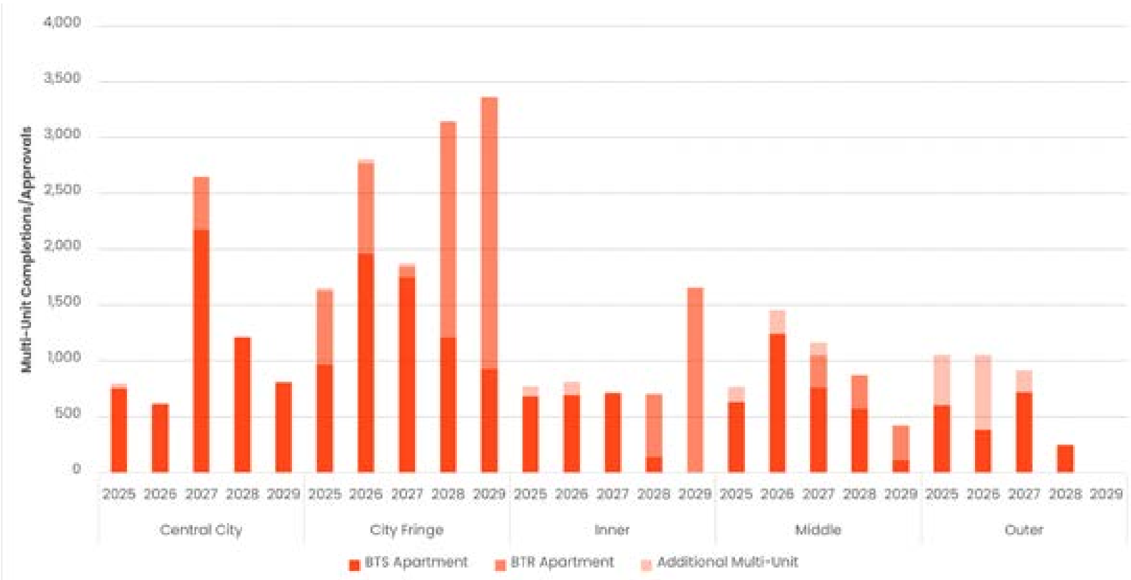
Figure 2.6: Multi-Unit Completions by Suburbs (2025)



Source: UDIA; Cotality

QUEENSLAND

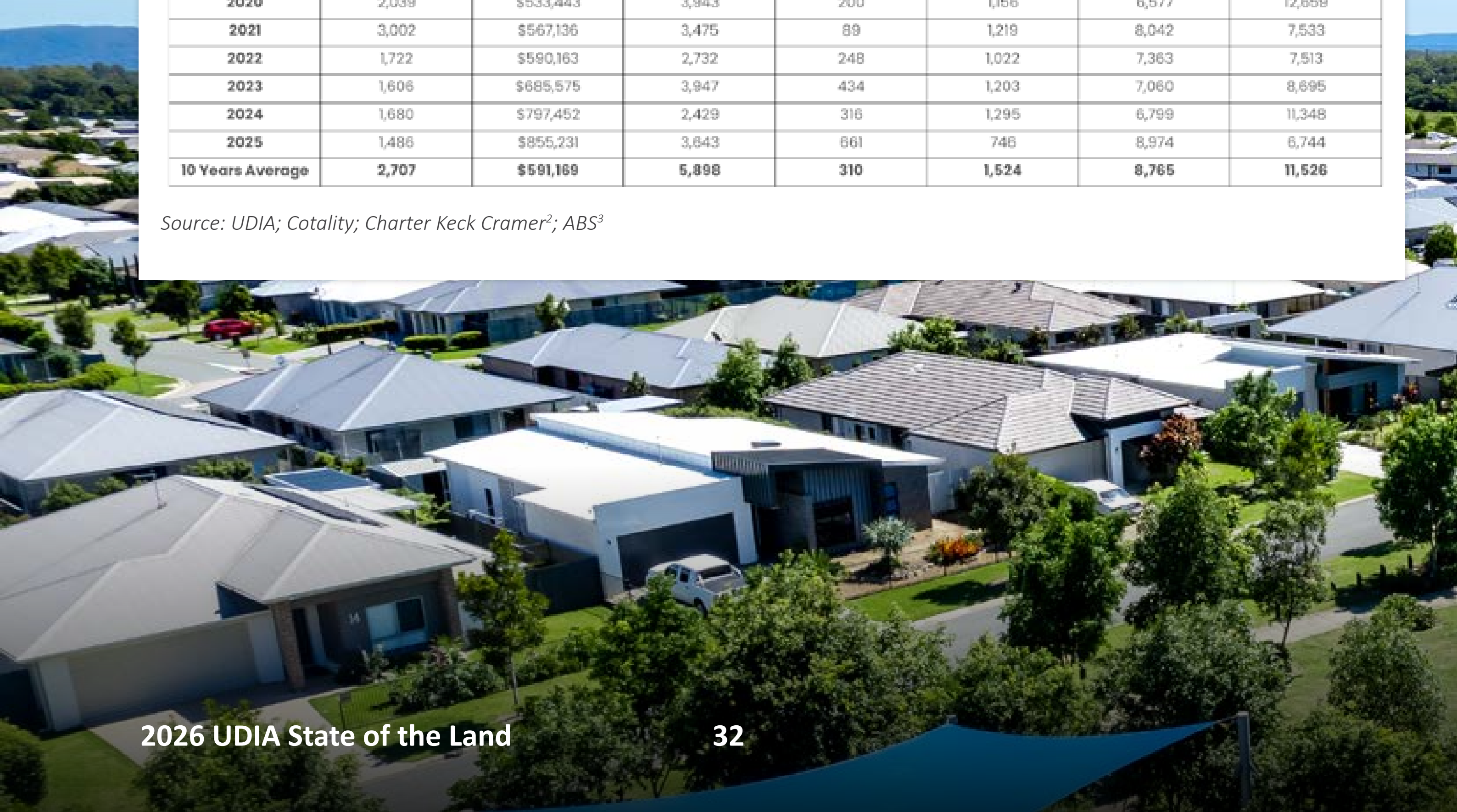
Figure 2.7: Multi-Unit Supply by Subregion



Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[3]
2016	8,301	$445,942	12,786	0	2,058	16,808	15,933
2017	3,021	$462,368	12,109	845	2,482	10,689	17,902
2018	2,216	$475,904	7,233	233	1,925	9,294	13,865
2019	2,001	$498,476	6,684	69	2,130	6,040	13,064
2020	2,039	$533,443	3,943	200	1,156	6,577	12,659
2021	3,002	$567,136	3,475	89	1,219	8,042	7,533
2022	1,722	$590,163	2,732	248	1,022	7,363	7,513
2023	1,606	$685,575	3,947	434	1,203	7,060	8,695
2024	1,680	$797,452	2,429	316	1,295	6,799	11,348
2025	1,486	$855,231	3,643	661	746	8,974	6,744
10 Years Average	**2,707**	**$591,169**	**5,898**	**310**	**1,524**	**8,765**	**11,526**

Source: UDIA; Cotality; Charter Keck Cramer[2]; ABS[3]

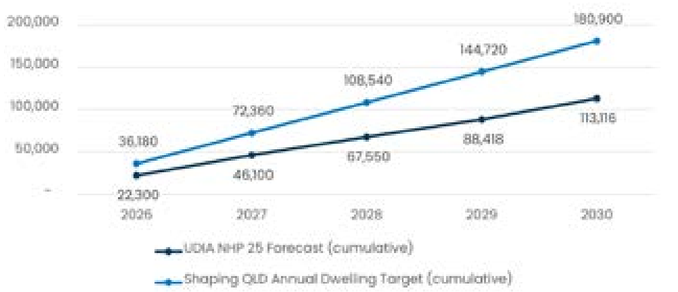


QUEENSLAND

Figure 2.8: South East Queensland, Annual Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

Figure 2.8.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-year Target

Figure 2.8.2: Cumulative Forecast Dwelling Supply V South East Queensland Housing Target



STATE POLICY ENVIRONMENT

Key Industry/Market Issues

The Queensland housing affordability crisis worsened during 2025 with continued home price rises and low rental vacancies. Market demand in Southeast Queensland (SEQ) for new lots remains strong, offering hope for increasing supply to ameliorate price pressure. The industry continues to face challenges on a number of fronts. Interminable infrastructure agreement negotiations with local government for infrastructure requirements on greenfield land remains a challenge and labour shortages are heightened with labour demand competition coming from public projects and Olympic and Paralympic venues commencement. Extreme escalation of construction costs has moderated but issues remain with rising costs of concrete and gravel, and availability issues remaining for concrete and fibre reinforced concrete pipes.

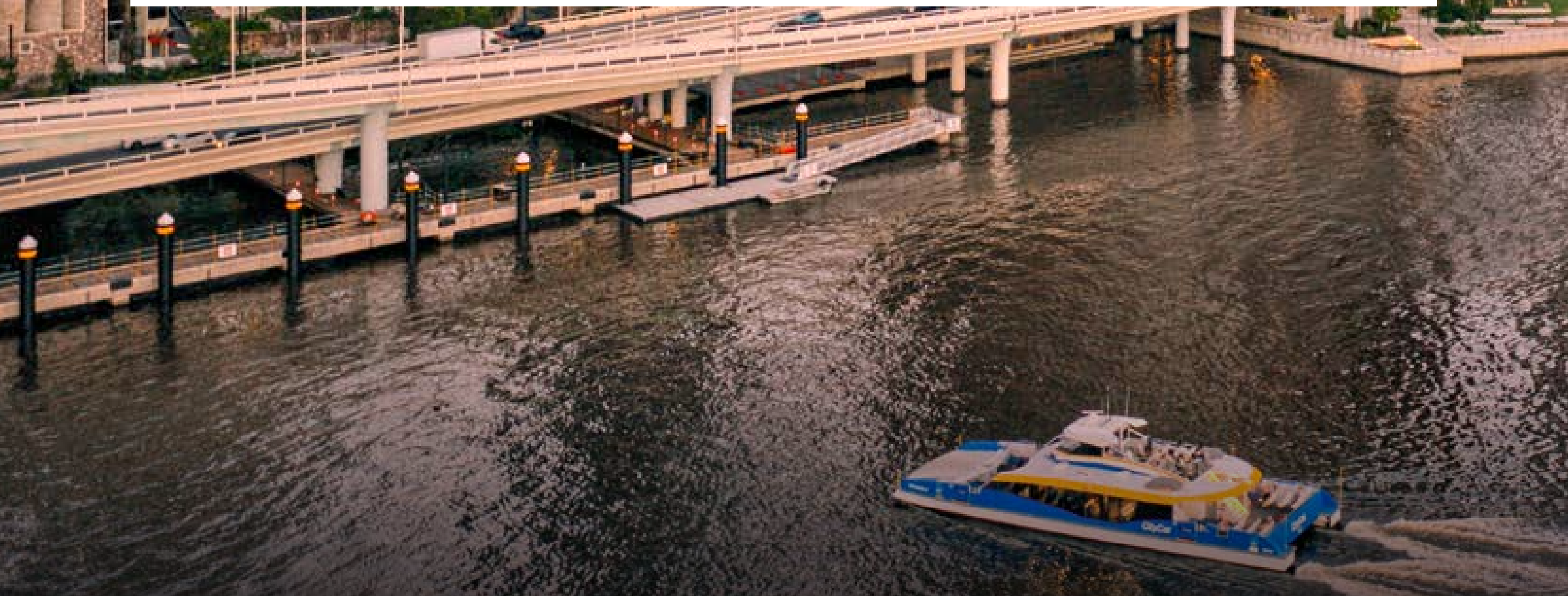
2025 was marked by a greater understanding across governments that regulatory creep was impeding the delivery of homes, prompting There have been a number of announcements including measures to pause and later, cease the application of public project procurement requirements which were having flow on impacts on private project cost and feasibility. The Queensland Productivity Commission's inquiry into productivity of the construction industry found that 'it takes 9 per cent more labour than it did eight years ago' which 'equates to 77,000 fewer new homes built in Queensland since 2018'. Several recommendations have been adopted by the State government including building regulation reform, more accountability for electricity connection timeframes, skills and training, and foreign investment certainty.

State Policy Priorities

The UDIA Queensland advocated for a pause and much greater focus on regulatory changes that impede the industry's ability to expeditiously deliver projects. UDIA Queensland also successfully advocated for a $2 billion Residential Activation Fund to help local councils and developers fast-track critical infrastructure works, and for a state shared equity scheme. Seeing a need for focused advocacy for members in the industrial space, the UDIA Queensland formed an Industrial Council and policy committee. and is following through with its action plan and advocacy for land supply and reduced barriers to employment growth. Our efforts also continue with expanding Memorandums of Understanding with local governments, utilities, State departments, and Government Owned Corporations to enable cooperative, transparent work on improving the industry operational environment. These measures can assist to better align housing and urban development delivery with population growth and undersupply challenges.

Future Prospects

Further engagement with the Queensland State Government is expected around red tape reductions and new regional plans with integrated infrastructure plans, which are critical to land supply monitoring and land supply provision. We hope also to progress more timely environmental assessments including integrating with Commonwealth assessments. UDIA Queensland remains committed to collaborating with both state and local authorities to advance initiatives facilitating urban project delivery and addressing the multifaceted challenges hindering housing provision statewide.



COTALITY 2026 OUTLOOK

Queensland

Queensland remains one of the strongest housing markets across the country, recording a broad-based rise in values across Brisbane and regional sub-markets. Strong demographic trends, fuelled by a blend of interstate and overseas migration have supported demand, alongside high levels of investment activity which has amplified demand.

Home values have been rising at a rapid rate, up 87% over the past five years in Brisbane and 77% higher across Regional Queensland. The past 12 months to January 2026 have seen Brisbane home values jump 15.7%, adding approximately $143,000 to the median dwelling value.

Regional markets are now led by the more affordable areas such as Toowoomba, the Granite Belt, Cairns and Maryborough, all reasonably affordable markets with solid economic activity.

Strong conditions across the established housing sector are feeding through to increased residential construction activity as well, with house commencements up 5.2% over the past year to be almost 17% above the decade average, while medium to high density sector commencements have surged to be almost 37% above the decade average.

The healthier supply response is encouraging, and, together with a moderation in demand side pressures, should help to support value growth easing back to more sustainable levels in 2026.

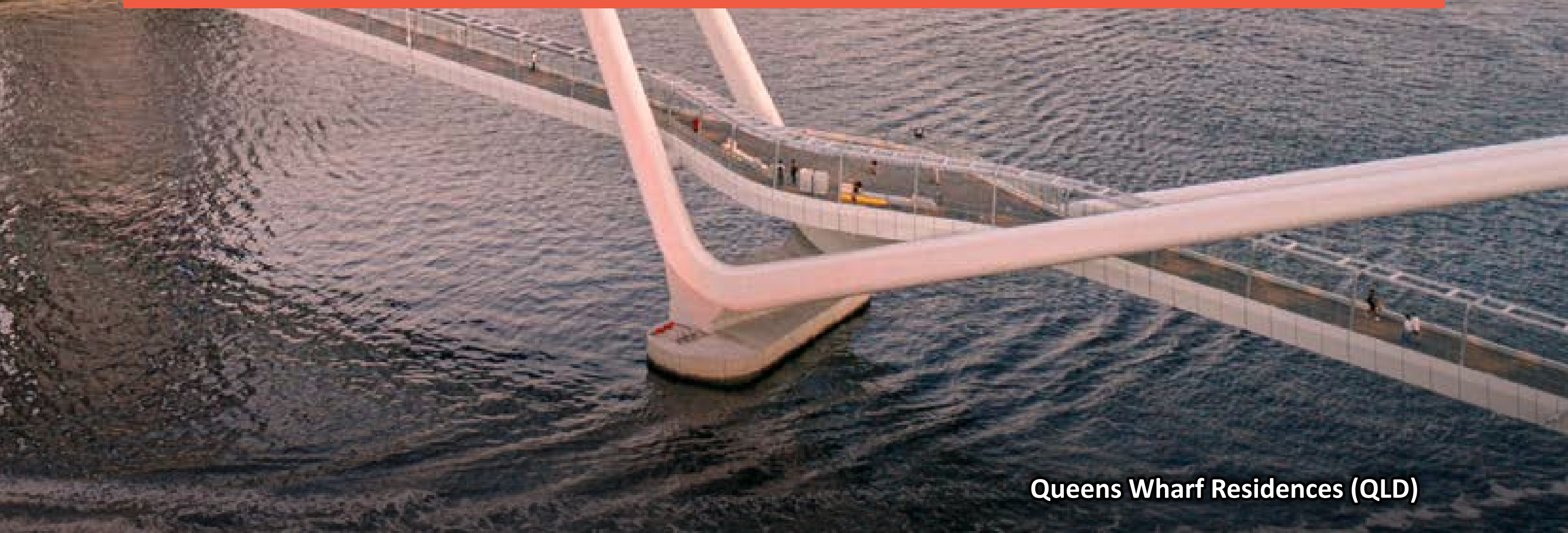
QLD Developer Insight

Grant Dennis

Director, Dennis Family Group

Whilst interstate migration into SEQ has tempered since Covid, primarily from NSW and Victoria, demand for SEQ residential property remains buoyant. Yet, key challenges remain. Land supply, the provision of key trunk infrastructure and affordability will continue to affect both developers and consumers for some time. Significant increases in construction costs over the past couple of years will challenge the delivery of affordable medium- and higher-density built-form developments. It remains to be seen whether these increased costs can be contained to manageable levels leading up to the 2032 Olympics, as competition for materials and labour intensifies.

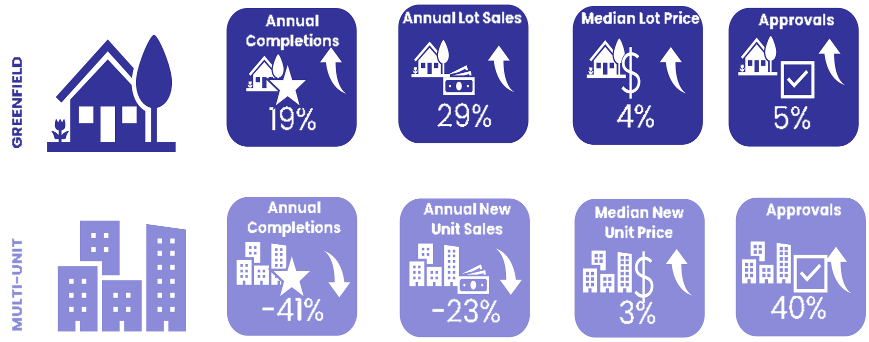
Upmarket apartments and detached dwellings, which are less constrained by affordability pressures, remain a very strong market segment.



Queens Wharf Residences (QLD)

NSW

SUMMARY



- Sales activity across the Greater Sydney Megaregion (Greater Sydney) new greenfield home market strengthened in 2025, while overall activity remained subdued by further weakness in the multi-unit sector, with annual sales down 55% on the long run average.
- A revival of the Greater Sydney greenfield market to near normal sales volume levels, is in part a function of chronically low monthly listings in the established detached home market, and record low levels of supply in the new apartment sector.
- A combined total of 30,905 new dwellings (net) were completed in 2025 across the greenfield and multi-unit (infill) sectors. This reflects a 11% reduction on 2024 production and is 55% below the decade average.
- UDIA's new residential supply completions are forecast to remain depressed for much of the next five years to 2030, driven by structural weakness in multi-unit production. Aggregate completions are forecast to undershoot the NSW Government's annual dwelling target for the Greater Sydney Megaregion of 64,400 by 53% in 2024 and 48% in 2025 with a five-year dwelling supply to target gap of circa 150,000 dwellings.


Solis Mid Rise Central Courtyard (NSW)

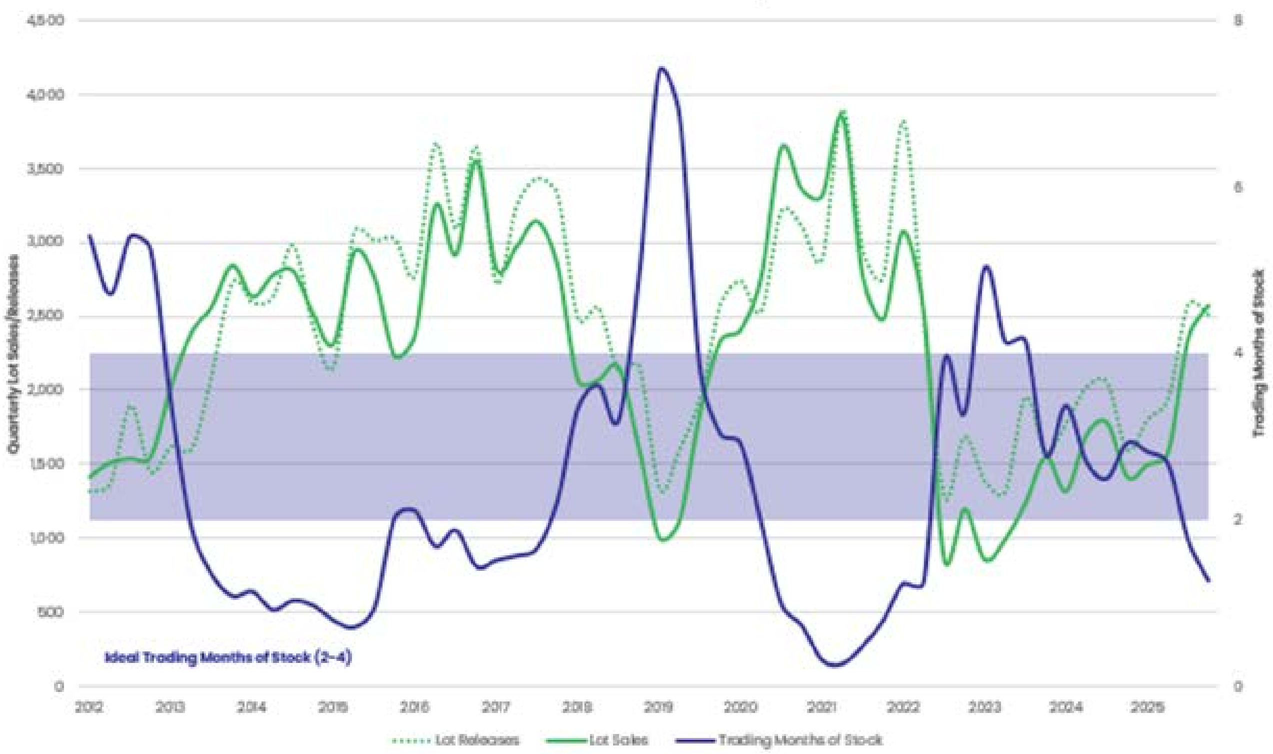
NSW

ANNUAL GREENFIELD ACTIVITY

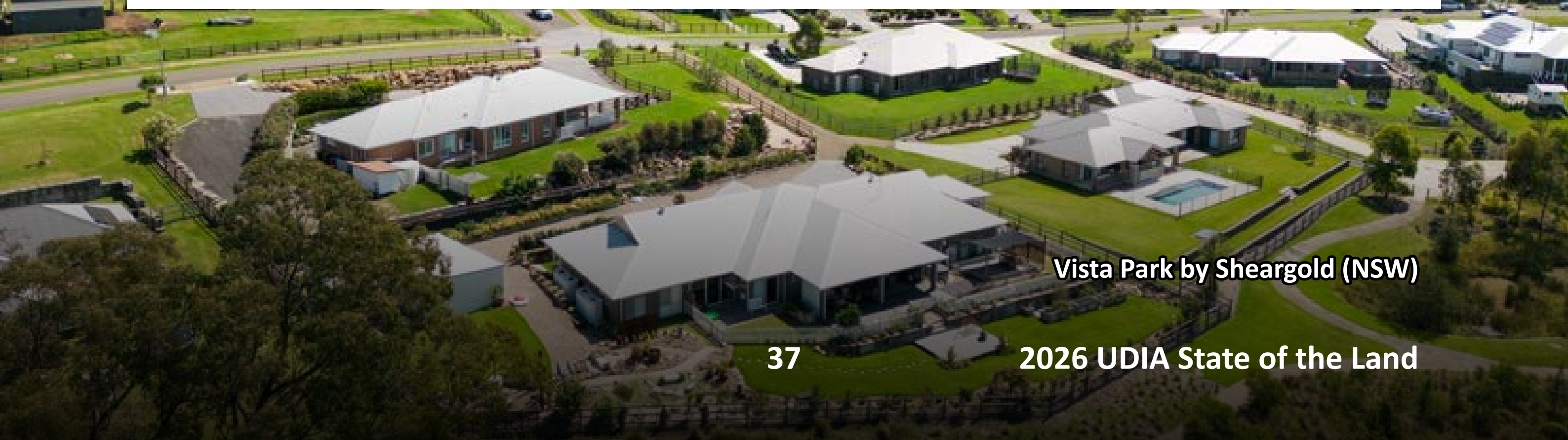
Sales and Release Activity

- The Greater Sydney megaregion's greenfield market recorded a strong 29% uplift in annual land sales to reach 8,000 contracted sales across CY 2025. This marked a second year of strong sales volume recovery from the historic lows of 2023.
- In 2025, the Greater Sydney megaregion's greenfield market demonstrated a strong recovery across the year, with the March quarter recording 1,500 sales and gradually lifting each quarter until surging past 2,500 for the December Quarter – the highest volume of quarterly sales since the HomeBuilder stimulated era of 2021/2022.
- Despite the strong recovery overall the megaregion's sales volumes were 11% lower than the decade average, while its national share of greenfield sales was 19% up from 16% in 2024.
- Responding to the improved demand profile, developers released 16% more lots than in 2023 with 7,220 launched to market. Despite this improvement, annual releases remained 28% lower than the decade average, and was 42% below the stock volume released in 2021.

Figure 3.1: Greenfield Market Activity



Source: UDIA; Researchfour



Vista Park by Sheargold (NSW)

NSW

Stock Levels

- At the close of the December Quarter 2025, the number of residential lots on a price list was equal to 1.2 months of demand. This figure has now pushed well below the ideal trading volume of 2 to 4 months' worth of supply.
- The volume of available stock remaining unsold for sale at the close of the December quarter was 22% lower than at the beginning of the year. The increase in demand witnessed in the second half of the year has eroded supply lines and if maintained will continue to create upward pressure on region wide land pricing.

Greenfield Projects

- The Greater Sydney megaregion recorded activity across an average of 140 land estates in 2025 which is up from 10% from the decade average and reflects a broader pick-up in greenfield land activity.

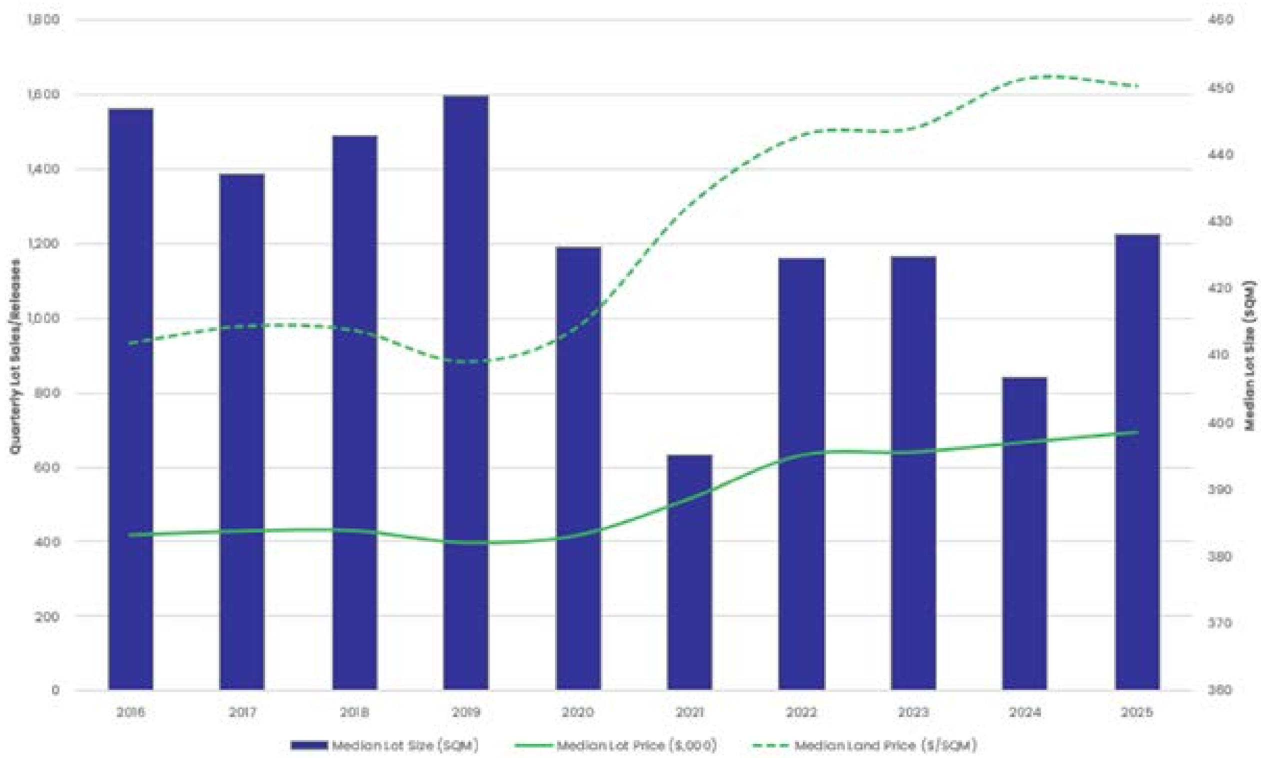
Greenfield Land Prices, Lot Sizes and Values

- The Sydney megaregion's median lot price grew 4% in CY 2025 to $695,000 which is 47% above the combined capital city average ($472,100) and represents a 67% growth on 2020 median pricing ($416,200).
- Greater Sydney's median lot price across 2025 represented 45% of the established market median house price at December 2025 of $1.55m (Cotality), which compares to an average ratio of 43% across the last decade. This indicates that with median house pricing having reached a ceiling (in the near term at least) it is likely there will only be modest forward price growth for residential land as well.
- In 2025, the median lot size across the Sydney megaregion increased by 5% to 428 sqm. This median lot size is inflated by the larger lots being produced in the Lower Hunter and Illawarra markets compared to lower sized Metropolitan Sydney lots (averaging ~375 sqm).
- The increase in median lot sizing helped delivered a modestly reduced average land rate (-1.2%) across the megaregion to $1,624 psm. This land value is 37% higher than the combined capital city average, and has grown by 66% in five years.

BaptistCare Caloola Excellence Age Care (NSW)

NSW

Figure 3.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	12,110	121	447	$417,097	$934
2017	11,786	123	437	$427,475	$979
2018	7,901	126	443	$428,536	$968
2019	6,307	128	449	$396,018	$883
2020	12,175	132	426	$416,188	$976
2021	12,421	91	395	$514,846	$1,311
2022	7,667	110	424	$632,750	$1,493
2023	4,634	128	425	$641,250	$1,511
2024	6,219	131	407	$668,225	$1,643
2025	8,001	141	428	$695,000	$1,624
10 Years Average	**8,922**	**123**	**428**	**$523,738**	**$1,232**

Source: UDIA; Researchfour

NSW

RESEARCH4 GREENFIELD OUTLOOK 2026

Sydney

The broader Sydney Greenfield market had a slow start to 2024, but from June onward, land sales lifted dramatically.

In 2025, average net lot sales per month increased by 29% compared to the 2024 monthly average. The year concluded with net sales of 859 pcm, representing an 82% increase over net sales in Q4-2024. This growth was driven by enhanced underlying demand and a moderate carryover of unmet demand from 2024.

In 2025, the market's cancellation rate averaged 13.0% and ended at 7.8%, down from 17% in 2024. A return rate below 15% indicates moderate confidence, while under 10% signals strong confidence. Thus, by year-end 2025, the market showed strong confidence among Builders and customers.

The market's robust performance in the second half was underpinned by an improvement in the headline clearance rate, with 102% of quarterly production sold. The alignment between increased sales during the latter half of 2025 and the 102% clearance rate underscores the fundamental strength of the market environment.

Stock ready for sale remains low, with the stock to sales rate as of close of 2025 being 1.3:1, lower than the 2025 average of 2.1:1.

The market has continued to introduce new estates at a pace consistent with the long-term average; however, these newly established estates are, on average, 60% smaller in scale. This trend underscores persistent challenges in bringing larger parcels of land to market, an issue prevalent across all national markets.

Additionally, it is notable that 60% of all trading estates within the industry portfolio have now reached full maturity.

The market currently has an estimated selling capacity of 964 lots per calendar month, which may decrease to 843 lots per month over the next year. Since projected demand is 909 lots per month, meeting this demand promptly and cost-effectively could become challenging as capacity declines.

As noted in last year's publication, pricing is still a sensitive issue. The movement of land prices continues to be strongly influenced by house price trends. Over the past year, land prices increased by 5.1%, with house prices rising slightly more at 5.4%. By the fourth quarter of 2025, the median lot price for greater Sydney—including the Illawarra and Hunter regions—reached $720,000, up from $684,900 in Q4-2024. The fair value estimate for land sits at $706,517, indicating that current land prices are edging ahead of changes in house prices. Meanwhile, value per square meter dropped by 4% over the year.

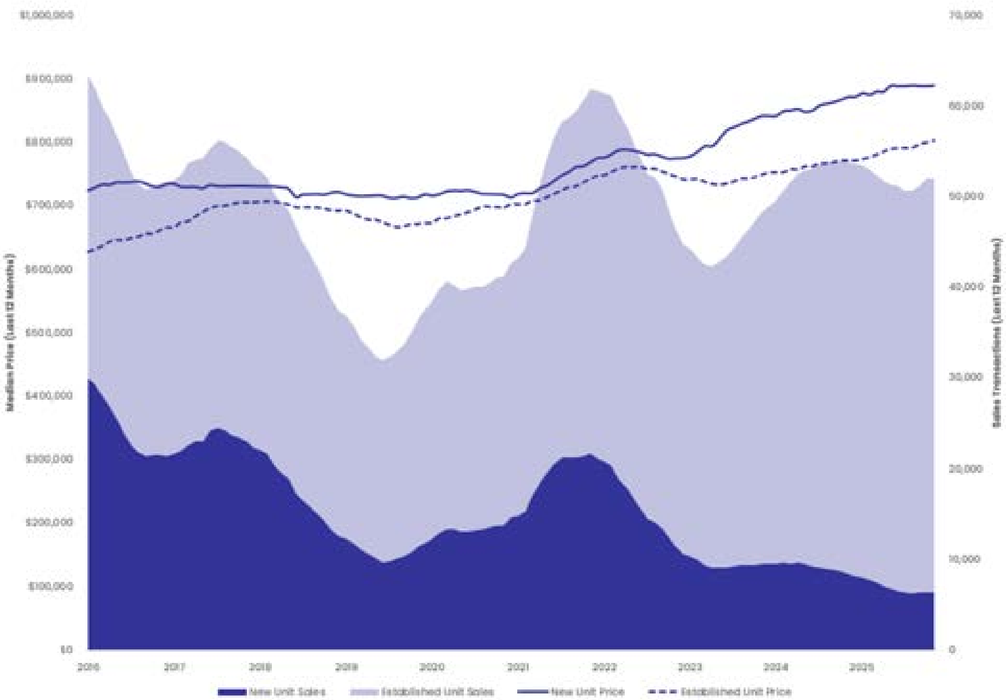
The outlook for 2026 suggests that activity levels will largely depend on pricing dynamics. Should land prices increase at a faster rate than house prices, market activity could slow down. Additionally, an anticipated reduction in total capacity may also have a dampening effect on net sales. Provided these factors remain stable, the market is expected to sustain monthly sales of over 800 units; however, any significant deviation from this level would likely be attributable to the aforementioned market conditions.

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- Settled sales of new multi-units plummeted to historic lows in 2025, with a 23% annual decline in transactions to just 6,250, which is 55% lower than the decade average and 72% lower than the recent near peak achieved in 2021 (21,080 unit sales).
- There have now been three consecutive years of ultra-low new apartment sales, which reflects the historically low levels of new apartment launches due to on-going project viability challenges.
- While the new unit sector continued to struggle there remained solid transaction activity in the established market with near normal levels of annual sales. The strength of establishment market activity illustrates general robustness of underlying demand for attached and semi-detached housing across the Greater Sydney megaregion – which will on strengthen with limited new product supply following through to completion.

Figure 3.3: Multi-Unit Sales, Established & New Sales (Settled)



Source: UDIA; Cotality (Note: Chart depicts rolling 12 month volumes and pricing)

Median Unit Pricing

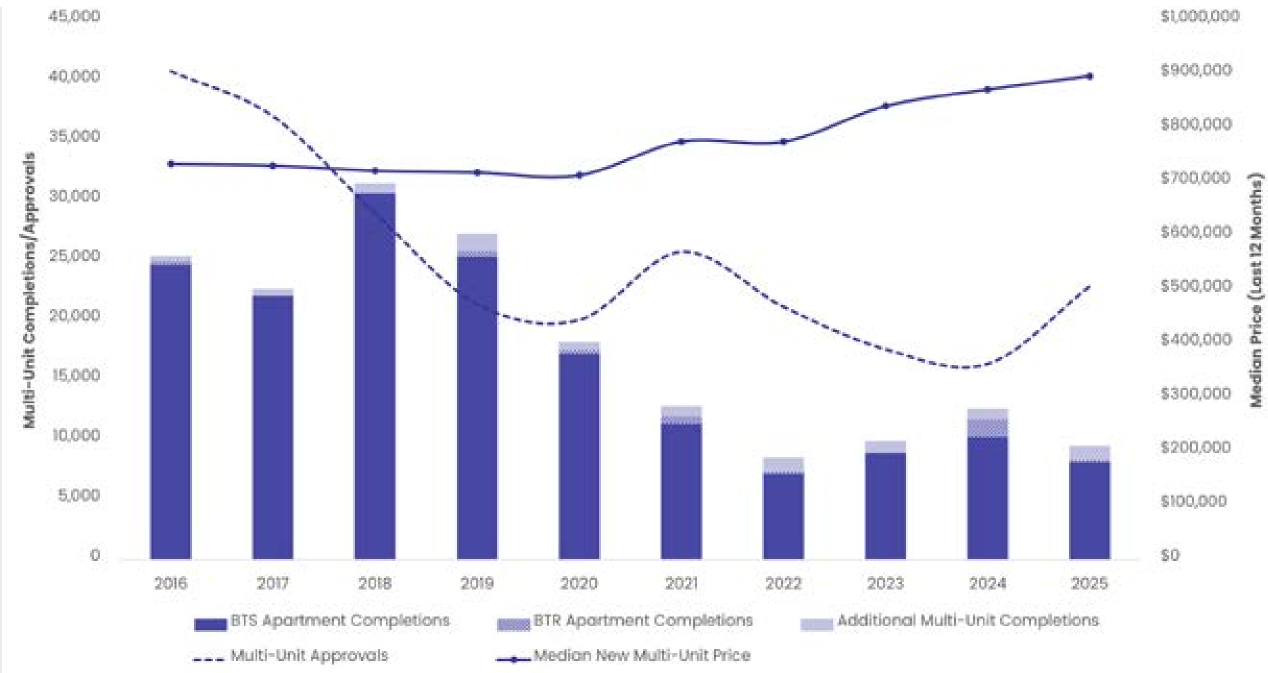
- Severely constrained supply and an ongoing 'flight to quality' towards new product launches supported a 2% growth in median new unit pricing across Greater Sydney in 2025, finishing the year with a median price point of $897,210.
- Sydney's newly constructed units remain the most expensive in Australia by a significant margin, with the median new sale price now 22% higher than the combined capital city average.
- The current median sale price of new units is 35% more affordable than the median value for new houses, which is a significantly higher ratio than the long-term average difference of 18%. This represents a positive retail proposition for the multi-unit market – particularly for first home buyers.

NSW

Construction Activity

- Cotality's tracking of project scale completions of multi-units across the megaregion recorded a sharp 41% drop in new multi-unit dwellings completed in 2025 to under 10,000. This represents the lowest completion quantum in over 15 years (42% below the decade average) and 70% lower than the historic peak supply of 33,430 units completed across the megaregion in 2018.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BtR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies. At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/pre-sold) BTS supply of 8,140 units across the Greater Sydney Megaregion. This represents a 12% reduction on 2024 active supply volumes, is 52% down on the decade average (40,610) and 68% down of the 20-year peak of BTS apartment supply achieved in 2016 (61,320).
- On the emerging Build-to-Rent apartment market there was limited new active supply added in 2025 (+172 units), after a historic high additions in 2024 of 1445 units. Over the last five years Greater Sydney has been a much lower new BTR supply point than Melbourne which has delivered 65% of combined capital supply, versus 18% from Sydney.
- The forward outlook is for a strong 41% annual uplift in combined BTR and BTR apartment and townhouse supply across the megaregion over 2026, followed by a moderation in active unit volumes over the following two years to around half the decade average.
- Approvals for multi-units grew by 36% across the year, but at just 19,260 this volume of new apartment and townhouse approvals is 31% lower than the decade average and 63% below the recent approval peak achieved in 2016. This paucity of new approvals underscoring UDIA's expectations of a prolonged period of reduced construction activity ahead.

Figure 3.4: Median New Unit Price & Annual Unit Completions



Source: UDIA; Cotality; Charter Keck Cramer; ABS

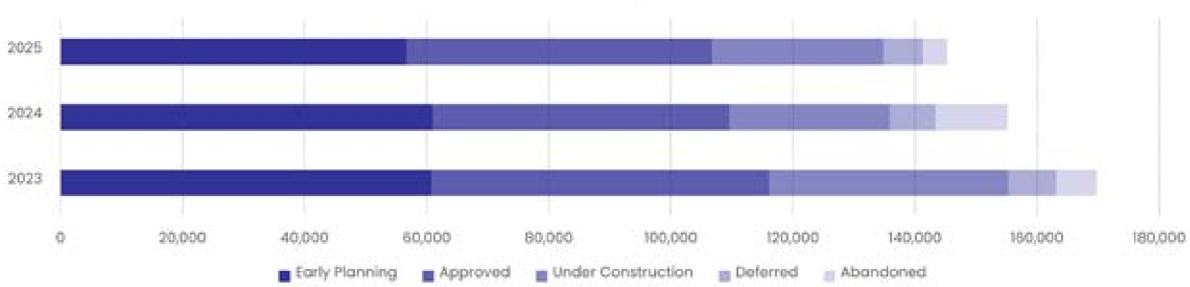
NSW

Multi-Unit Pipeline Analysis

Data Note: Cotality have produced point-in-time estimates of the multi-unit pipeline based on an end of calendar year snapshot of the industry leading Cordell Construction database.

- Aggregate project scale analysis reveals that the total active pipeline of multi-units in Greater Sydney was 134,810 units as at December 2025, which is commensurate with the supply recorded in December 2024.
- This pipeline is made up of units in projects at the early planning phase (down 7% from 2024), units in projects which have received approval (up 3% from 2024) and units under construction (up 7%).
- The annual number of units in the deferred or abandoned category has reduced by 13% and 66% respectively, which indicates that conditions maybe improving from a project viability perspective.

Figure 3.5: Multi-Unit Pipeline

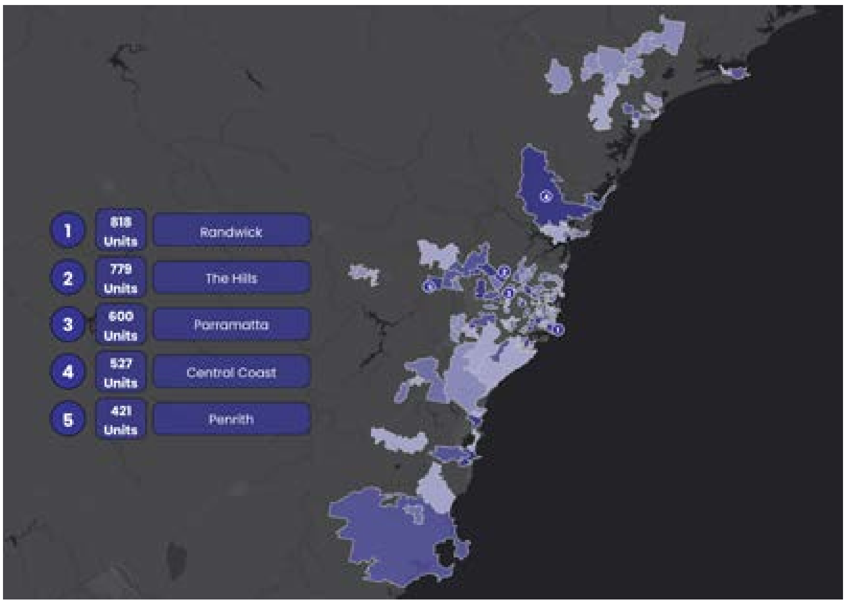


Source: UDIA; Cotality

Sub-Market Analysis

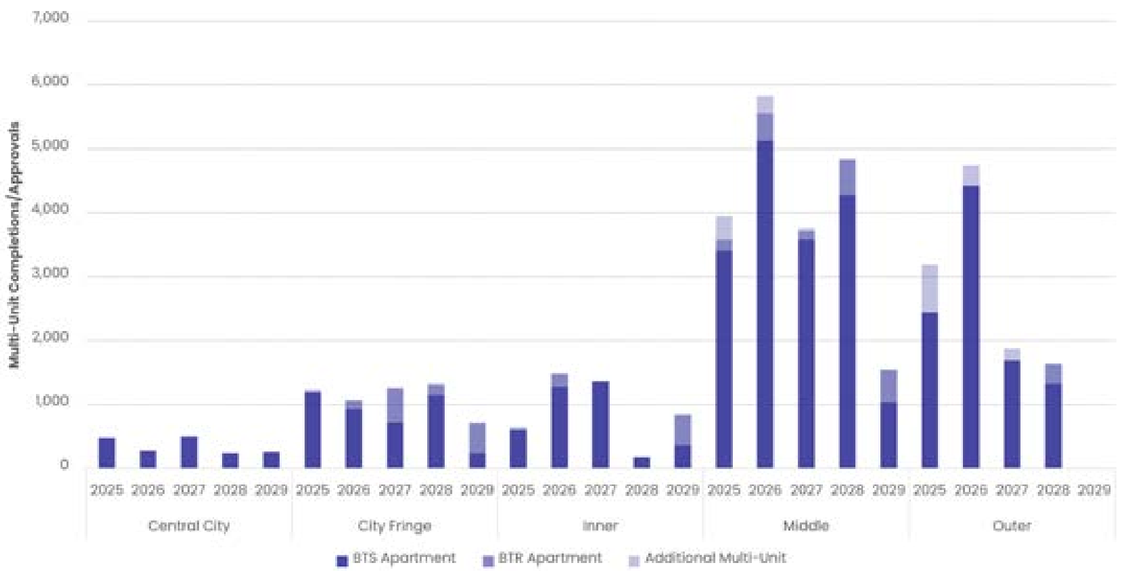
- Roseville had the most multi-unit completions (by suburb) in Greater Sydney with 1,232 new units, followed by Sutherland with 1,104 completions and Castle Hill with 1,056 new units.
- The City of Parramatta recorded the most new multi-unit sales (by LGA) in Greater Sydney, with 797 settled sales at a median sale price of $715,000.
- This was followed by Blacktown with 708 new unit sales (median sale price $600,000), the City of Sydney with 455 sales (median sale price $1,020,000) and Ryde with 353 new unit sales (median sale price $938,000).

Figure 3.6: Multi-Unit Completions by Suburbs (2025)



Source: UDIA; Cotality

Figure 3.7: Multi-Unit Supply by Subregion



Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[3]
2016	21,384	$734,312	24,616	267	437	40,772	27,405
2017	22,364	$730,937	22,023	0	584	37,016	28,292
2018	12,518	$721,579	30,593	0	809	28,926	33,429
2019	11,823	$718,239	25,283	482	1,420	21,338	28,457
2020	14,618	$713,395	17,184	315	656	20,016	25,846
2021	21,080	$775,587	11,350	579	894	25,704	17,043
2022	10,610	$775,517	7,179	173	1,165	21,101	17,525
2023	9,451	$841,510	8,897	0	998	17,554	18,017
2024	8,146	$872,221	10,259	1,446	886	16,344	17,004
2025	6,253	$897,207	8,141	172	1,199	22,837	9,982
10 Years Average	**13,825**	**$778,050**	**16,553**	**345**	**905**	**25,161**	**22,300**

Source: UDIA; Cotality; Charter Keck Cramer[2]; ABS[3]

Figure 3.8: Greater Sydney, Annual Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

Figure 3.8.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-year Target

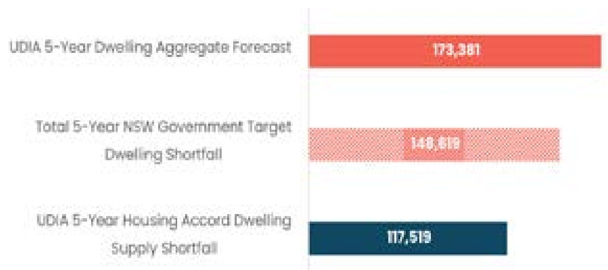
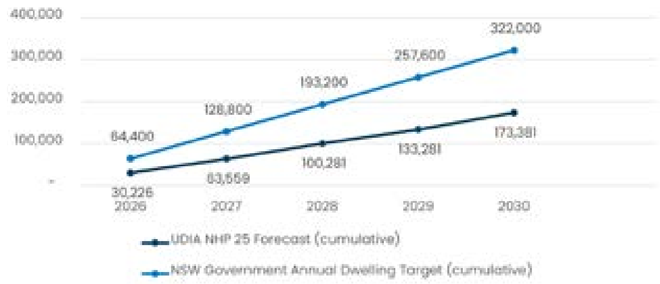


Figure 3.8.2: Cumulative Forecast Dwelling Supply V Greater Sydney Housing Target



STATE POLICY ENVIRONMENT

Key Industry/Market Issues

In 2025, the NSW urban development industry continued to face challenging market conditions, while green shoots started to emerge on the policy front. While the final quarter of the year delivered major announcements—including the Planning Act reforms and the release of the Draft Sydney Strategic Plan—these reforms are still in the early stages of translation from policy intent into housing delivery.

Structural challenges that constrained housing supply in 2024 persisted throughout 2025. Elevated construction and infrastructure costs, ongoing labour constraints, and lengthy development assessment timeframes continued to erode project feasibility and increase holding costs across infill and greenfield markets. These pressures reinforced that policy ambition alone cannot deliver housing without parallel action to address system capacity and development economics.

Despite a sustained policy emphasis on infill development, feasibility constraints remain acute. Detached greenfield housing continues to play a critical role in near-term supply, a position reinforced in UDIA NSW's Greenfield 2.0 research. This work has underpinned UDIA's consistent advocacy that housing targets cannot be met through a single typology or geography, and that greenfield, infill, and renewal markets must operate in parallel.

UDIA NSW's Housing Accord Progress Reports provided an independent, evidence-based assessment of two flagship NSW Government initiatives—the Transport Oriented Development (TOD) Program and the Low and Mid-Rise Housing reforms. While both reforms represent important structural shifts, early take-up has been limited and geographically concentrated. In their current form, these initiatives alone are unlikely to generate sufficient uplift to meet the Housing Accord targets.

With business-as-usual development activity and recent reforms yet to materially shift housing commencements, the evidence points clearly to the need for additional pathways, improved coordination, and greater resourcing.

State Policy Priorities

These challenges were well understood by Government, and UDIA NSW played a central role in advocating for reforms that respond to feasibility constraints, systemic bottlenecks, and delivery risk. Many of these advocacy priorities are now reflected in the NSW Government's policy agenda.

Key outcomes secured during 2025 include:

- Passage of the Planning System Reforms Bill, incorporating several UDIA principles aimed at certainty, streamlining decision-making, and enabling faster housing delivery.
- Establishment of the Housing Delivery Authority (HDA) as a new state-led, fast-tracked pathway to unlock stalled or complex projects.
- A $1 billion Pre-sale Finance Guarantee Scheme, addressing one of the most significant barriers to apartment construction.
- Introduction of a Works-in-Kind framework to support the prioritisation and delivery of critical state infrastructure.
- Reforms to the Biodiversity Offsets Scheme and associated Regulation.
- A commitment to review the Apartment Design Guide, with targeted industry consultation scheduled for early 2026.
- Release of the Draft Sydney Strategic Plan, which reflects several UDIA advocacy positions.

Collectively, these reforms signal a shift toward a more delivery-focused policy framework. However, their effectiveness will ultimately depend on implementation detail, inter-agency coordination, and the extent to which reform reduces—not adds to—system complexity.

Future Prospects

The NSW Government has demonstrated a clear commitment to achieving the National Housing Accord targets. The challenge for 2026 will be to convert this reform momentum into measurable increases in housing supply.

The priority now is implementation discipline—ensuring new pathways are operational, resourced, and accessible, while existing processes are simplified or retired where duplication persists.

2026 will be a critical year of delivery, refinement, and collaboration. UDIA NSW will continue to play a leading role in working with Government to test policy settings against market realities, advocate for practical adjustments, and support a housing system capable of delivering homes at scale, across all typologies, and in the locations where people need them most.

COTALITY 2026 OUTLOOK

New South Wales

The 12 months to January 2026 saw Sydney home values rise by 6.4%, adding approximately $78,000 to the median dwelling value. While growth conditions have been broad-based, the pace of gains has been tracking below the national average (+9.4%), which has been buoyed by the mid-sized capitals. In a clear demonstration of slowing growth momentum, the quarterly pace of home value growth has been easing since September last year as affordability constraints weigh on demand.

By January this year, Sydney's median house value had risen to almost $1.6 million, and the median unit value was over $903,000. With housing affordability, by far, the most stretched of any capital, competition is most concentrated around the lower priced segments of the market, a trend that is likely to persist through 2026.

Regional parts of NSW have shown a stronger trend, with values rising 7.9% through the year, however the growth trends are now favouring key regional centres spanning New England, the Central West, Riverina and Murray regions rather than coastal and hinterland markets that were much stronger through the pandemic.

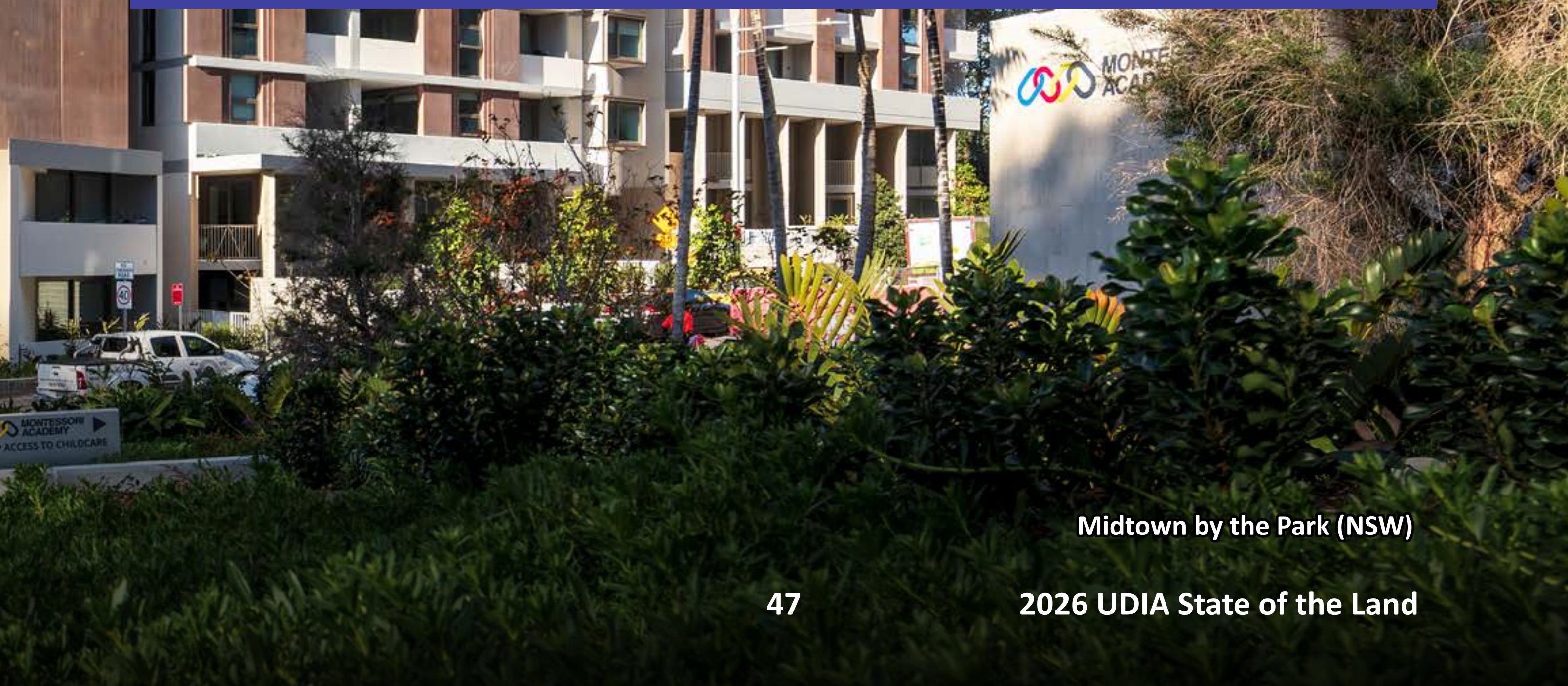
The residential construction sector continues to face challenges. While approvals across NSW have picked up a little, house and unit commencements remain more than 10% below the decade average and feasibilities are difficult to stack up, setting the scene for further supply side constraints in 2026.

NSW Developer Insight

Stuart Penklis
CEO, Mirvac

Reflecting on 2025, industry feedback across NSW was clear: policy reform gained genuine momentum, but delivery lagged. The Government's decisive actions — including a rewritten Planning Act and new delivery authorities — marked a meaningful step forward and restored confidence. These reforms can unlock well-located housing, supported by infrastructure investment and strong underlying demand; however, servicing constraints and elevated delivery costs continue to suppress supply.

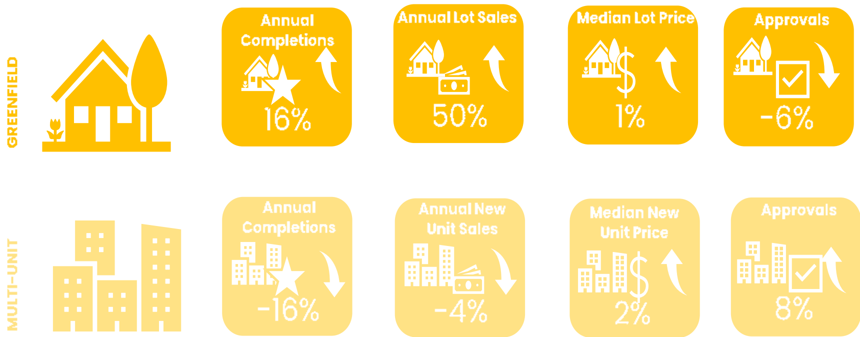
Entering 2026, with output still trailing National Housing Accord targets, the priority must be converting reform into construction at scale. This requires closer state–local alignment, stronger feasibility settings, coordinated infrastructure funding — including an expanded, uncapped Works-in-Kind framework — and faster approval and certification pathways for modular and manufactured housing. Broadening supply, from greenfield release, build-to-rent and land lease, will be essential. With a state election approaching, the defining question is how quickly NSW can translate ambition into delivery.



Midtown by the Park (NSW)

VIC

SUMMARY



- Greater Melbourne's new home market registered an improved performance in the greenfield land market in 2025, but another flat year of multi-unit sales and construction activity.
- A revival of the Greater Melbourne greenfield market back towards more normalised volume levels, is in part a function of chronically low monthly listings in the established detached home market, and record low levels of supply in the new apartment sector.
- A combined total of circa 34,720 new dwellings were completed in 2025 across the greenfield release and multi-unit infill sectors of Greater Melbourne. This reflects a 10% drop in aggregate completions from 2024 and is 12% below the decade production average.
- New residential supply completions are forecast to remain subdued at around current levels for the next two year before I,providing supply of new apartment and townhouse product will help bolster net supply outputs from 2028 and 2029.
- Aggregate completions are forecast to undershoot the National Housing Accord's 5 year dwelling target for Greater Melbourne & Geelong (of 49,780[1]) by 25% with a circa 61,640 dwelling supply deficit. The supply gap swells to 166,060 dwellings over the next five years when UDIA's forward supply estimates are assessed against the ~70,000 annual dwelling tagret set by the latest Victorian State Government Housing Targets.

1 Based on a population based share of 1.2 million homes over the forward five years.

Silverwoods Resort by Lotus Living (VIC)

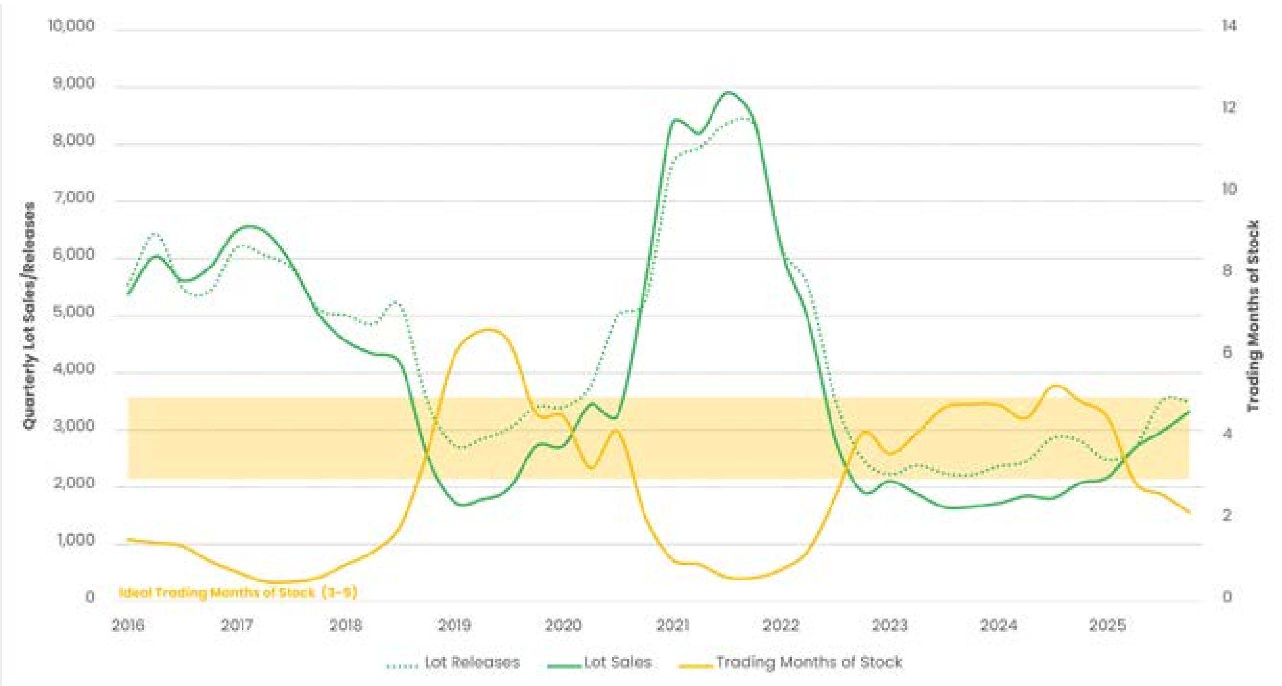
VIC

GREENFIELD MARKET ACTIVITY

Sales and Release Activity

- The Greater Melbourne greenfield market recorded a rebound in greenfield lot sale volumes in 2025 with a 50% uplift to 11,500 transactions. Despite the annual uplift, year-end sales volumes languish 34% lower than the decade average and 67% lower than the peak of 33,860 sales of 2021.
- In 2025 the annual lot sales volume achieved in Greater Melbourne catapulted the city back into its historic number one selling capital city greenfield market – narrowly edging out last year's title holder- Greater Perth- with an additional 250 lot sales.
- Over the 2015-2022 period Greater Melbourne comfortably sold more annual lots than any other market, with an average of 33% national sales. The skyfall in Greater Melbourne lot sales in 2023 and 2024, saw national sales of just 24% and 19%; with the 2025 sales volumes re-building back to 26% of combined capital city lot sales.
- Reflecting the improving demand profile there was a total of 12,190 lots released across 2025 which reflected a 16% increase on 2024 volumes but is still 34% below the peak release activity of 2021. Release activity strengthened in the second half of the year with releases up 30% to approximately 3,500 lots for both the September and December Quarters

Figure 4.1: Greenfield Activity



Source: UDIA; Researchfour

VIC

Stock Levels

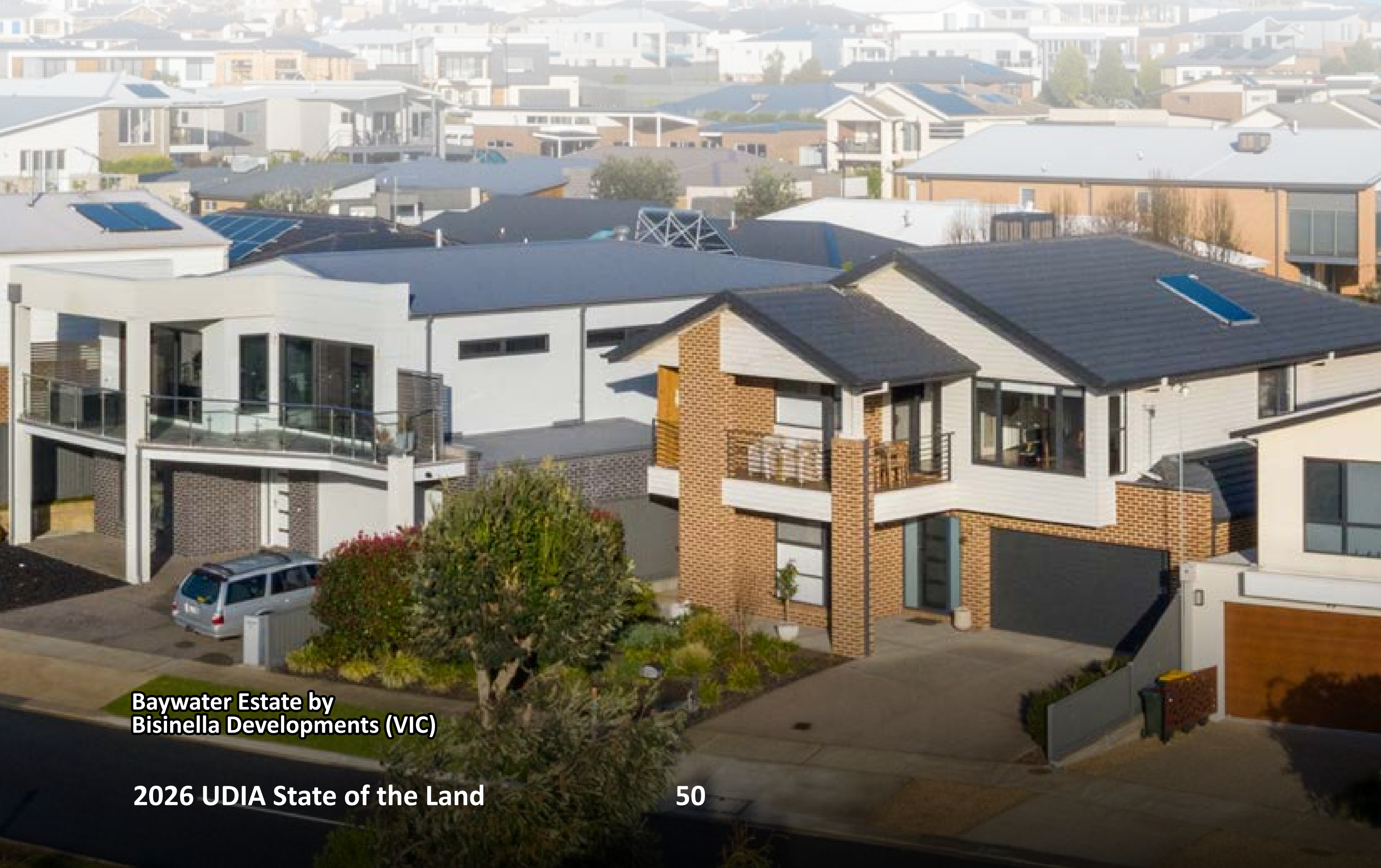
- At the close of the December Quarter 2025, the number of residential lots on a price list was equal to 2.1 months of demand. This figure has retracted from 5.2 months of demand in September 2024 – reflecting a solid reversal of a low activity period.
- The volume of available stock remaining unsold for sale at the close of the December quarter was 25% lower than at the beginning of the year. The increase in demand witnessed in the second half of the year has eroded supply lines and if maintained will start to create upward pressure on region wide land pricing.

Greenfield Projects

- On average there were 153 active land estates across the Greater Melbourne greenfield market for the 2025 year. As of December 2025, the number of active estates under survey was 141, which is under the historical average number of 155 active estates per quarter.
- In the first half of 2021 there were as many as 200 active selling estates in Greater Melbourne – which illustrates the current low-ebb of the Melbourne greenfield market.

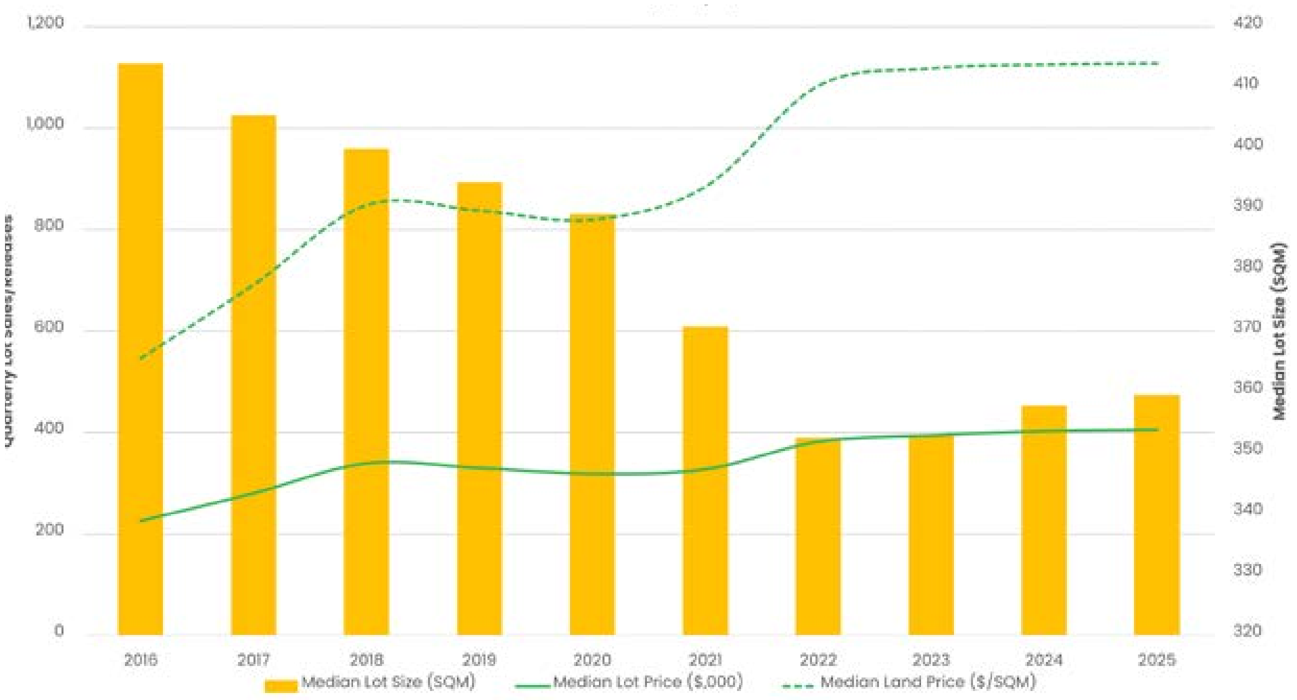
Greenfield Land Prices, Lot Sizes and Values

- Greater Melbourne's average median lot price for 2025 was $405,375 reflecting a 0.7% growth on 2024 and the second straight year of marginal retail price growth.
- Greater Melbourne's 2025 median lot price represented 44% of the established market median house price of $925,000 which is above the 10-year average of 40%, which represents a fair value ratio.
- The median lot size increased by 0.5% across Greater Melbourne at 360 sqm which comfortably positioned this capital city market as holding the smallest average lot sizes in Australia for the fifth straight year.
- The stabilisation in lot pricing and lot sizing translated into an average land rate to $1,128 psm which is commensurate to the last two years.



Baywater Estate by Bisinella Developments (VIC)

Figure 4.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	22,876	138	414	$225,918	$546
2017	23,903	124	406	$280,288	$691
2018	15,593	129	400	$339,250	$848
2019	8,213	164	395	$330,250	$837
2020	14,995	186	389	$319,000	$820
2021	33,859	194	371	$327,850	$885
2022	15,820	156	353	$381,875	$1,083
2023	7,285	150	353	$394,500	$1,118
2024	7,442	155	358	$402,625	$1,126
2025	11,151	154	360	$405,375	$1,128
10 Years Average	**16,114**	**155**	**380**	**$340,693**	**$908**

Source: UDIA; Researchfour

RESEARCH4 GREENFIELD OUTLOOK 2026

Melbourne

The Melbourne Greenfield market matched earlier forecasts, showing an improvement in activity, a focus on the use of smaller products while operating in a highly competitive environment.

Average net lot sales per month for the 2025 year were 50% higher than average sales per month for the 2024 year. Q1-2025 saw a small increase, however, activity levels experienced a steady improvement across the balance of the 2025 trading year. The year ended with net sales being 60% higher than net sales in Q4-2024.

At the close of 2024, the market had close to zero unmet demand. At the close of 2025, the market had a high level of accumulated unmet demand. The accumulated level of unmet demand reached its peak in Q2-2025 and has subsequently declined as activity has improved. This remaining unmet demand is expected to support ongoing growth in Greenfield activity throughout the upcoming year.

The markets cancellation rate for 2025 averaged 15.5% of gross activity and ended at 9.9%, a notable drop from the 2024 average return rate of 24%. This aligns with projected activity growth in 2025, and the current trend suggests continued improvement into 2026.

An additional advancement is reflected in the clearance rate of new releases, which increased from an average of 71% in 2024 to 92% in 2025.

This improvement contributed to a reduction in stock available for sale, as evidenced by the decline in the Stock to Net Sales ratio from an average of 4.9:1 in 2024 to 3.1:1 in 2025. By year-end 2025, the ratio further decreased to 2.2:1, indicating that for each net sale, there were 2.2 lots remaining in inventory.

The Greenfield Capacity [what estates can sell] is currently at an estimated 1,467 lots per month. Capacity is expected to reduce to 1,265 pcm over the coming years, based on the fact that new estates coming into the market are 44% fewer and 59% smaller.

The median price per lot for 2025 has remained stable at $407,000 as of December, with no increase in the SQM rate. Pricing continues to challenge the recovery of the Greenfield market, largely because holding and developing land remains expensive, which prevents market prices from adjusting downward. Although Melbourne's current detached house prices suggest that the median lot price should be around $385,000 instead of $407,000, this difference is being managed by offering products under 250m² at a lower price point.

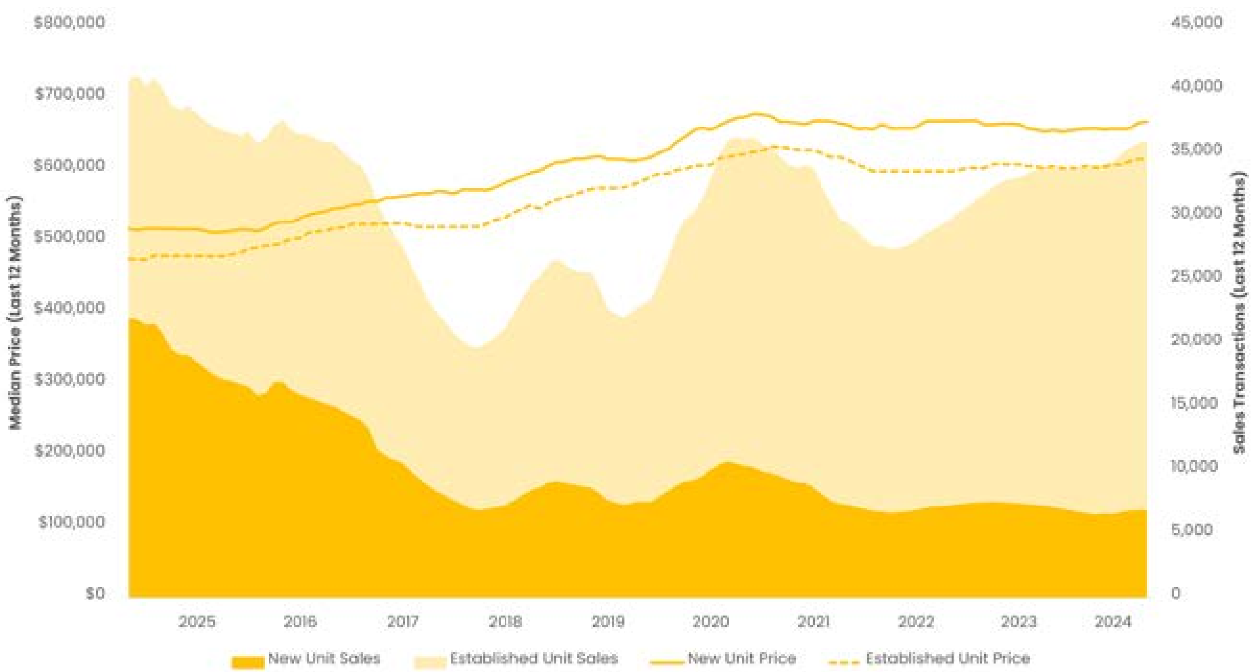
In 2026, activity levels are set to rise, with net sales projected to increase from 1,100 to 1,500 pcm by mid-year. Later in the year, prices may adjust as demand matches or exceeds market capacity. A steady, rather than rapid, improvement is expected, with the market reaching up to 2,000 lots pcm by 2027.

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- Settled sales of new multi-units across Greater Melbourne fell 4% in the 2025 calendar year to record 6,925 settled apartment and townhouse transactions. This is down 28% on the decade average and is 60% lower than the peak of 2015.
- Sales activity of the established unit market rose by 15% in rolling annual average terms and there was an uplift in sales volume momentum in the second half of the year hinting toward a floor to the market retraction having been hit.
- The Greater Melbourne new unit market continues to struggle against the backdrop of a wholesale retreat of investor activity, the unprecedented new unit supply volumes delivered in 2016 and 2017 and the on-going battle to make multi-unit development proposals feasible.

Figure 4.3: Multi-Unit Sales, Established & New Sales (Settled)



Source: UDIA; Cotality

Median Unit Pricing

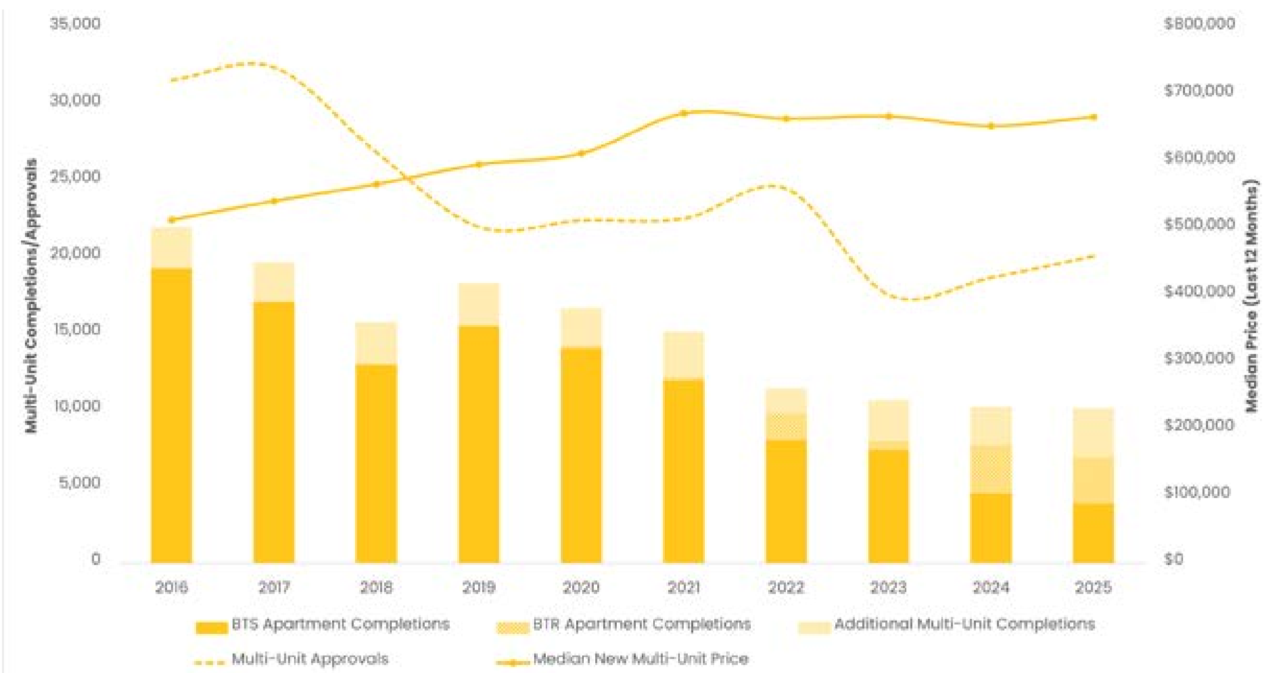
- The median new unit price achieved across Greater Melbourne in 2024 was $667,050, which reflected a 2% annual increase.
- Across the broader established market, the median unit price was $617,500 at the end of December 2025 which also reflected a 2% annual uplift.

VIC

Construction Activity

- Cotality's tracking of project scale completions of multi-units across the Greater Melbourne region recorded a 16% drop in new multi-unit dwellings completed in 2025 to 11,310. This represents the lowest completion quantum in over 15 years (41% below the decade average) and 50% lower than the historic peak supply of 29,630 units completed across the megaregion in 2017.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BtR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies.
- At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/ pre-sold) BTS supply of 3,930 units across the Greater Melbourne. This represents a 14% reduction on 2024 active supply volumes, is 67% down on the decade average (11,790) and 67% down of the 20-year peak of BTS apartment supply achieved in 2016 (19,290).
- On the emerging Build-to-Rent apartment market there was a strong level of new active supply in 2025 with 3,000 units delivered across Greater Melbourne. Over the last five years Greater Melbourne has been the leading capital city for BTR supply having delivered 65% of combined capital supply, versus just 18% from Sydney as the second leading supply point.
- The forward outlook is for a modest 6% annual uplift in combined BTR and BTR apartment supply across the Greater Melbourne region over 2026 and a similar growth in 2027 to around 8,500 which will remain around 25% under the decade average.
- Approvals for multi-units grew by 28% across the year to 21,175, which is solid rebound from the record low level of approvals of 2024 (16,500), however this volume of new apartment and townhouse approvals is still 15% lower than the decade average and 41% below the recent approval peak achieved in 2016. This paucity of new approvals underscoring UDIA's expectations of a prolonged period of reduced construction activity ahead.

Figure 4.4: Median New Unit Price & Annual Unit Completions



Source: UDIA; Cotality; Charter Keck Cramer; ABS

Multi-Unit Pipeline Analysis

Cotality have produced point-in-time estimates of the multi-unit pipeline based on an end of year snapshot of the industry leading Cordell Construction database. These estimates show that the forward supply of apartments in Melbourne continues to be under threat.

- For the seventh consecutive year the multi-unit pipeline has retracted across Greater Melbourne, decreasing by 14% to an aggregate of 72,570 units as of December 2025.
- This comprised of units under construction (down 5%), approved units yet to start construction (up down 16%) with units in early planning (down 19%).
- The annual number of units in the deferred category increased by 25% in 2025 which is second largest growth in this project category (after SEQ) across the capital city regions – underscoring the on-going challenge to make new multi-unit projects stack-up in current market environment – especially in less-premium locations.

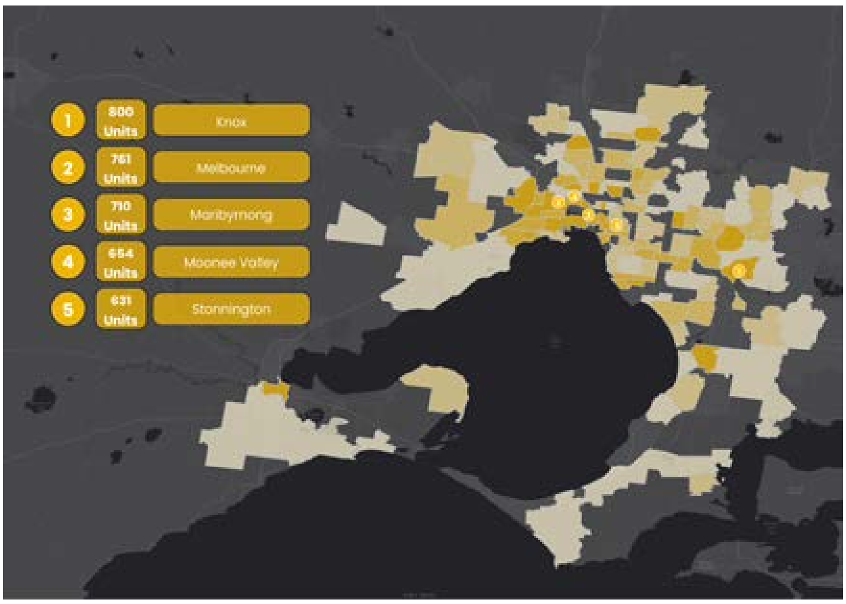
Figure 4.5: Multi-Unit Pipeline

Source: UDIA; Cotality

Sub-Market Analysis

- Docklands had the most multi-unit completions of Greater Melbourne's suburbs with a sixfold rise from 2022 volumes, with a total of 1,261 finished apartments.
- Box Hill (517 units), Brunswick (363 units), Altona North (361 units) and Narre Warren (344) rounded out the top five suburbs by new unit completions for 2024.
- Reflecting a higher volume of investor grade apartments being supplied the City of Melbourne had the most affordable new stock across the year with a median sales price of new units of $560,000, as compared to $621,500 in Port Phillip, $640,000 in Moreland, and $770,000 in Kingston – as the other major new supply LGAs.

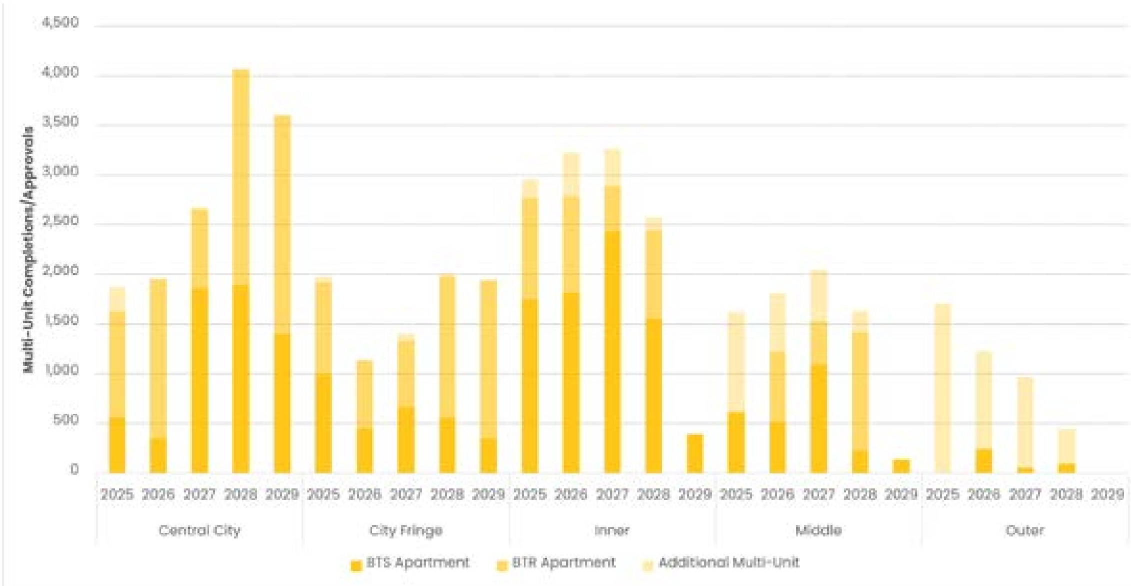
Figure 4.6: Multi-Unit Completions by Suburbs (2025)



Source: UDIA; Cotality

VIC

Figure 4.7: Multi-Unit Supply by Subregion



Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[1]
2016	17,238	$513,104	19,286	0	2,690	31,598	31,719
2017	15,302	$541,474	17,097	0	2,604	32,435	29,634
2018	8,804	$566,569	13,006	0	2,759	26,862	21,828
2019	8,501	$595,917	15,535	0	2,795	21,992	22,516
2020	7,502	$612,571	14,065	173	2,477	22,423	21,478
2021	10,563	$672,423	11,988	180	2,990	22,541	17,197
2022	7,406	$664,651	8,088	1,700	1,667	24,497	16,395
2023	7,194	$667,866	7,430	576	2,679	17,552	18,162
2024	7,236	$653,625	4,579	3,135	2,524	18,681	13,396
2025	6,925	$667,050	3,927	3,000	3,210	20,087	11,307
10 Years Average	**9,667**	**$615,525**	**11,500**	**876**	**2,640**	**23,867**	**20,363**

Source: UDIA; Cotality; Charter Keck Cramer[2]; ABS[3]

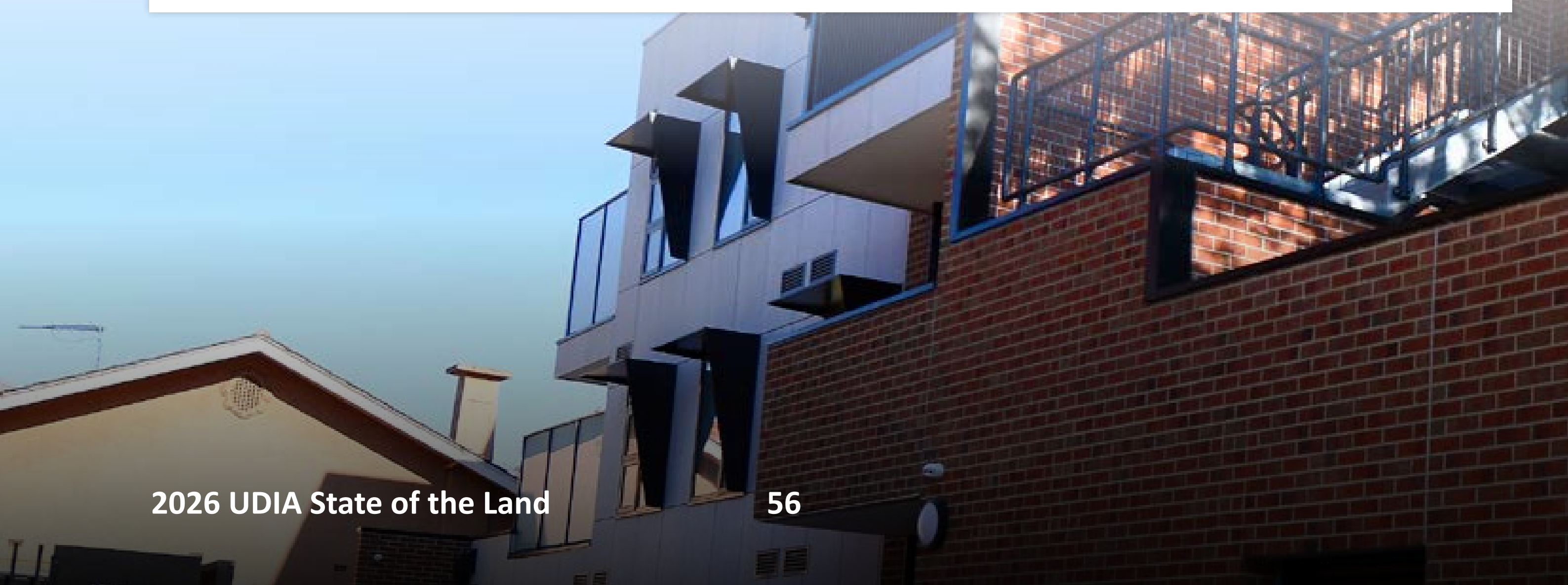


Figure 4.8: Greater Melbourne, Annual Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

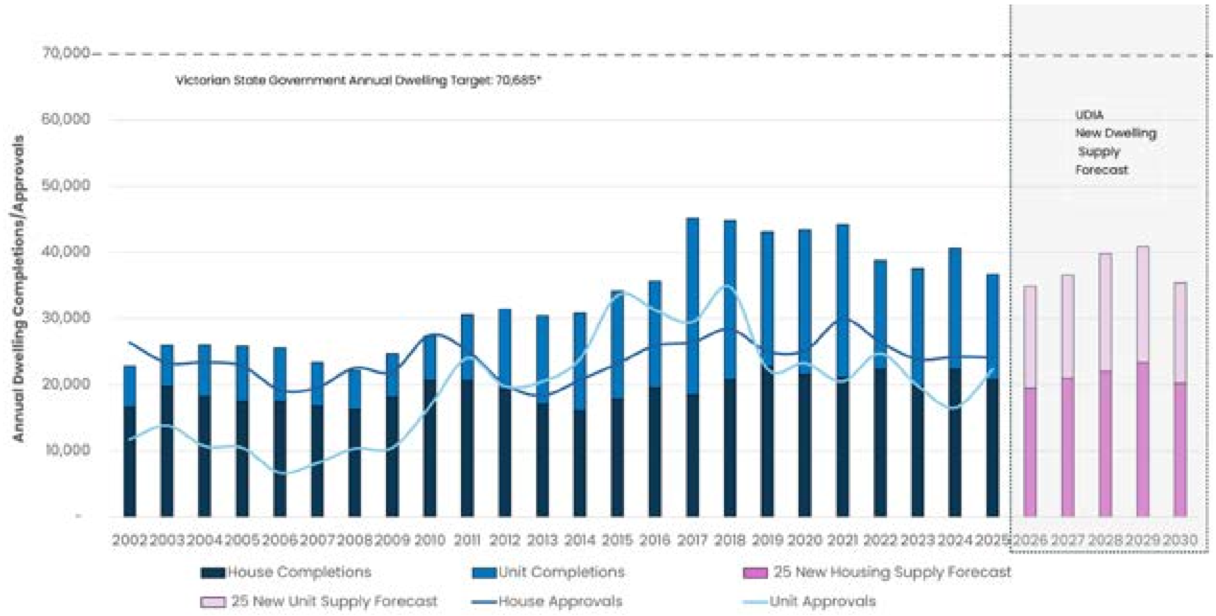
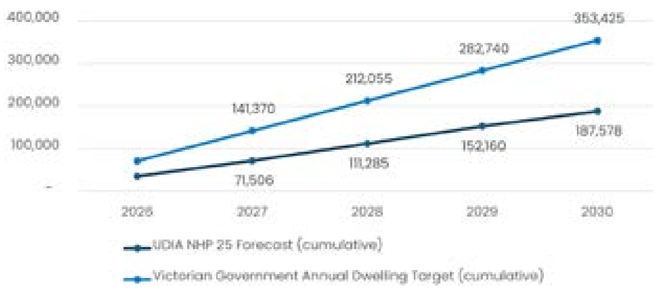
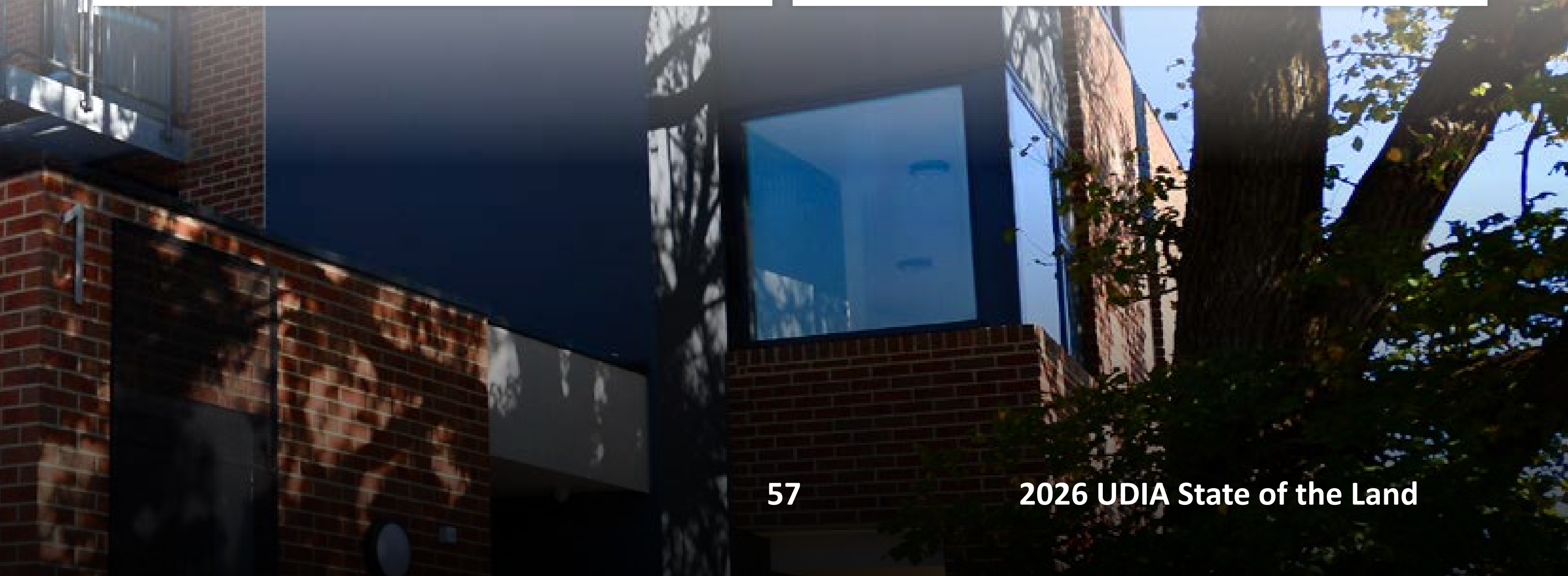


Figure 4.8.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-year Target

Figure 4.8.2: Cumulative Forecast Dwelling Supply V Greater Melbourne Housing Target





STATE POLICY ENVIRONMENT

Key Industry/Market Issues

Victoria enters a State Election year in 2026 with housing affordability a battleground issue. The State is falling well short of the Labor Government's Housing Statement supply targets and its commitment under the National Housing Accord. Supply continues to be constrained by feasibility pressures, lagging investment in enabling infrastructure, prohibitive tax settings and diminished investor confidence. While the past two years have seen substantial reforms to streamline planning approvals, the State still faces considerable delivery challenges.

The Government's 10-year Greenfield Supply Plan has established a clear annual lot supply of 18,000 lots per annum. However, achieving this target will depend on the timely completion of new Precinct Structure Plans, better sequencing of infrastructure investment, and meaningful reform of referral authority timeframes. Without disciplined delivery and servicing alignment, pipeline commitments will not convert into titled lots.

In established suburbs, the rollout of 50 Metropolitan Activity Centres has reshaped the planning landscape. Increased density allowances around transport hubs represent a structural shift toward infill supply. Yet in many locations, viability remains marginal due to high construction costs, contributions regimes, and flagging investment.

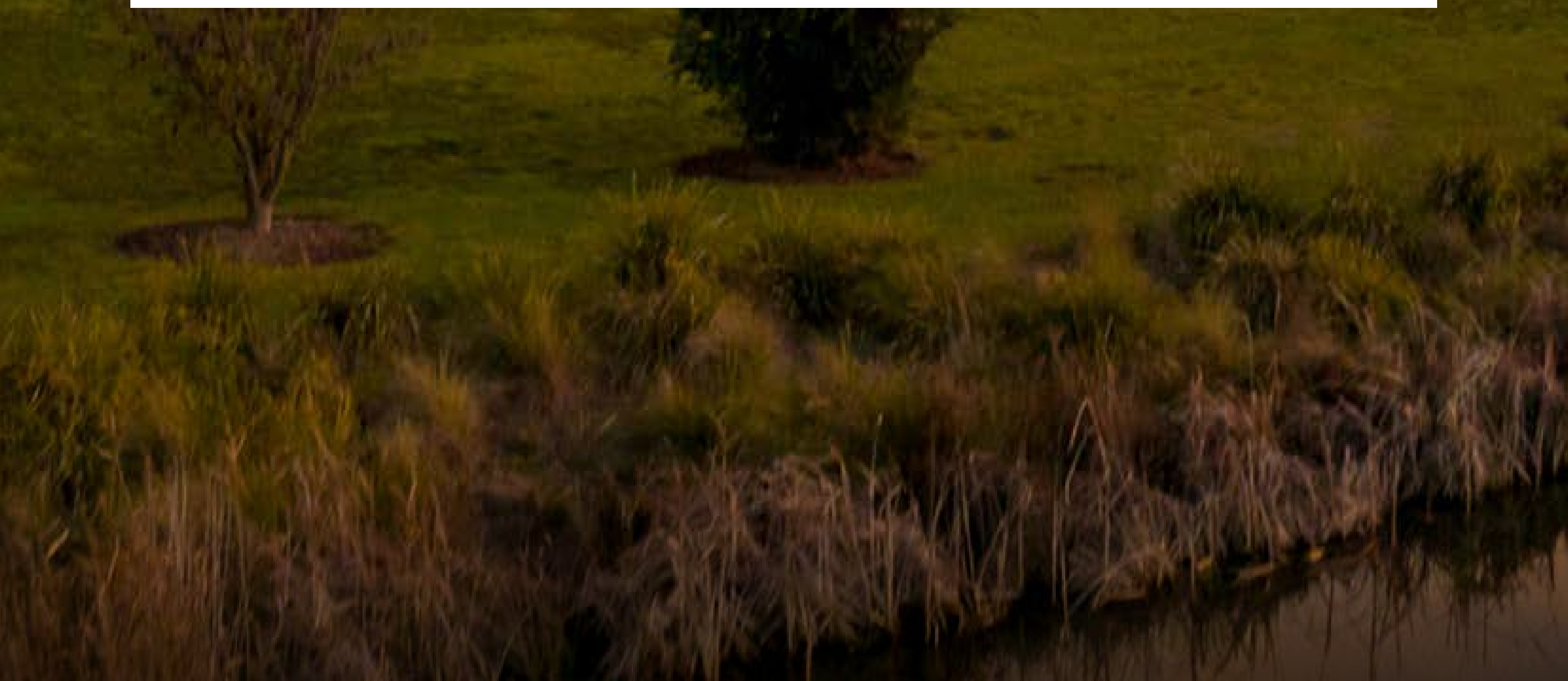
The expansion of off-the-plan stamp duty concessions provided short-term stimulus to apartment markets, but transaction volumes remain below long-term averages. Investor participation has also materially weakened in Victoria relative to other states.

Property taxes now account for close to half of all state tax revenue, reinforcing Victoria's reputation as a high-cost jurisdiction for development and investment. Meanwhile for prospective homebuyers, cumulative levies, taxes, charges and fees continue to represent more than 40 per cent of the cost of a new home.

Regulatory reform of the State's building system is also reshaping market settings. While strengthening construction quality and consumer protection is important, the introduction of additional regulatory hurdles and a Developer Bond Scheme are introducing greater cost and complexity. Excessive financial security requirements risk further suppressing apartment feasibility at a time when supply recovery is urgently required.

Regional Victoria holds significant potential in terms of housing supply and affordability, yet underinvestment in infrastructure, transport connectivity and growth area planning threatens to undermine that potential. Unlocking regional supply will require better integrated land use and infrastructure planning, accelerated servicing and coordinated local, state and federal government investment.

Despite its challenges, Victoria's relative affordability and net overseas migration still point to strong demand. The key will be to get the policy settings write to bring investors back and ensure a steady pipeline of supply in all settings. UDIA Victoria's 2026 State Election Platform offers recommendations to cut planning and regulatory red tape, reform property taxation, fast-track infrastructure delivery and drive increased construction productivity.



COTALITY 2026 OUTLOOK

Victoria

Housing markets across Melbourne and Regional Victoria have generally lagged the national trend over the past five years. Melbourne home values were 5.4% higher over the 12 months to January 2026 and ‘only’ 14.9% higher over the past five years, both the softest growth outcomes of any capital city market.

Regional Victorian markets have recorded a stronger growth outcome relative to Melbourne, up 7.1% in value over the past 12 months and almost 30% higher over five years, but these were also the weakest growth outcomes across the states.

Victoria has seen less investment demand across the housing sector, alongside weak interstate migration trends that have detracted from demand.

The flipside is that Melbourne and many parts of Regional Victoria are now showing a solid affordability advantage over other areas of Australia. First home buyers have the largest share of demand of any state, comprising almost 27% of mortgage demand by volume last year, well above the national average of 22%. More recently investor interest has picked up as well, with a 27% rise in lending activity in 2025 suggesting investors are starting to view the Melbourne housing market in a more positive light.

Residential construction remains a challenging sector across Victoria, with detached housing commencements 1.2% lower than a year ago, to be roughly in line with the decade average. Unit sector commencements are weaker, down almost 5% compared with a year ago and 26% below the decade average. With high costs and tight labour supply, it’s likely the Victorian market will remain supply constrained through 2026.

VIC Developer Insight

Sarah Bloom
General Manager Development, Frasers Property Australia

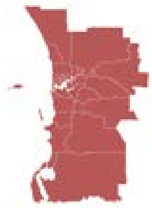
Market conditions in Victoria remain challenging. Victoria continues to be a fantastic place to live, and the underlying market fundamentals are strong; however, buyers remain cautious as they navigate ongoing cost of living pressures and housing affordability constraints.

The Government’s 70/30 targets are well intentioned, but they will not translate into additional apartment supply in the short to medium term. Many projects are simply not viable based on current construction costs and with the cumulative tax burden. Meaningful tax reform is needed to incentivise investment, improve project feasibility, and restore confidence in the market.

To meet our housing targets and deliver genuinely affordable homes, greater support for new supply in greenfield markets is essential. This includes reducing barriers to development, fast tracking PSP approvals, mandating performance standards for referral authorities, and prioritising timely infrastructure delivery to support growing communities.

Baywater Estate by Bisinella Developments (VIC)

WA

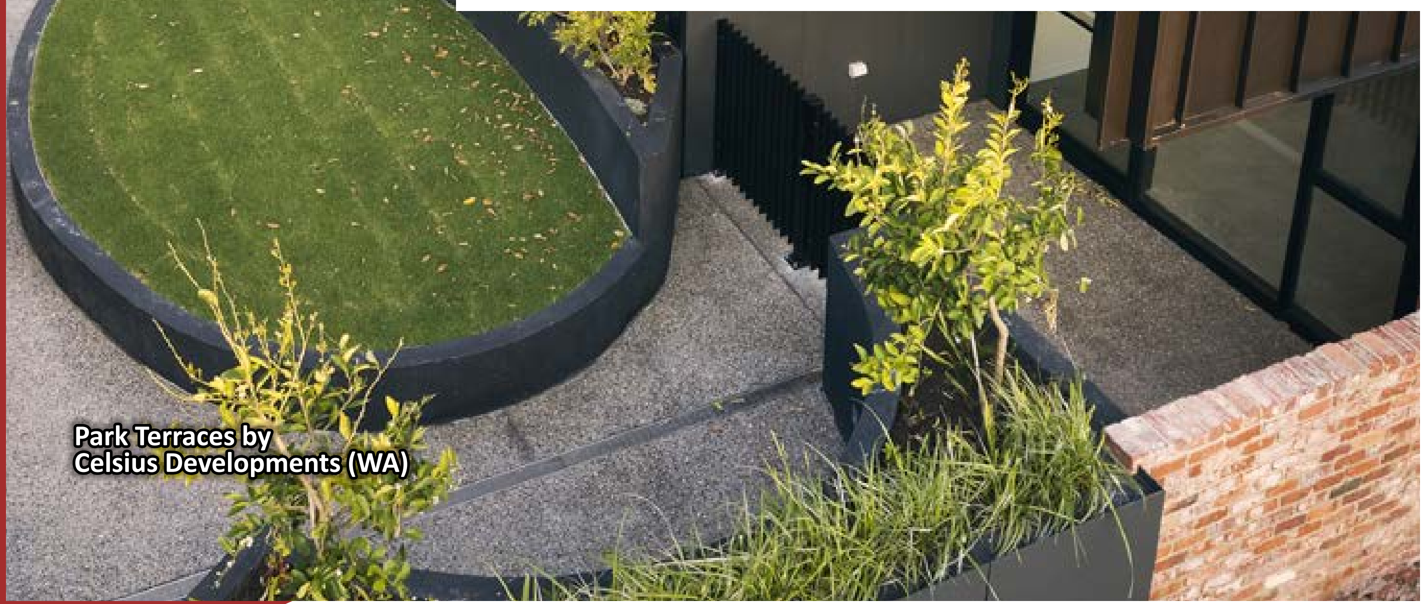


SUMMARY

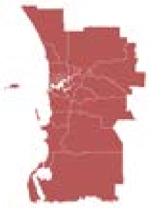
	Annual Completions	Annual Lot Sales	Median Lot Price	Approvals
GREENFIELD	-8%	-4%	15%	5%

	Annual Completions	Annual New Unit Sales	Median New Unit Price	Approvals
MULTI-UNIT	-26%	-33%	16%	39%

- Greater Perth's new home market recorded a mixed year with the greenfield land market ending the 2025 calendar year with exceptionally strong sales activity, while the new multi-unit market continued to languish with well below par sales and release activity and pricing across all new residential products increasing sharply.
- A combined total of circa 17,000 new dwellings were completed in 2025 across the greenfield release and multi-unit infill sectors. This reflects a 31% increase of new product completions from the preceding year, and 14% above the decade average – underpinned by well-above production in the greenfield land market.
- New residential supply completions are forecast to remain around current aggregate production levels for the next three years as the significant stock of dwellings currently under construction complete, and improved unit supply start to flow through.
- Aggregate completions are forecast to undershoot the National Housing Accord's annual dwelling target for Greater Perth of 21,050 (based on a population based share of 1.2 million homes over the forward five years) by 25% for in 2025, with a cumulative dwelling supply gap of circa 25,000 dwellings by 2030.

Park Terraces by
Celsius Developments (WA)



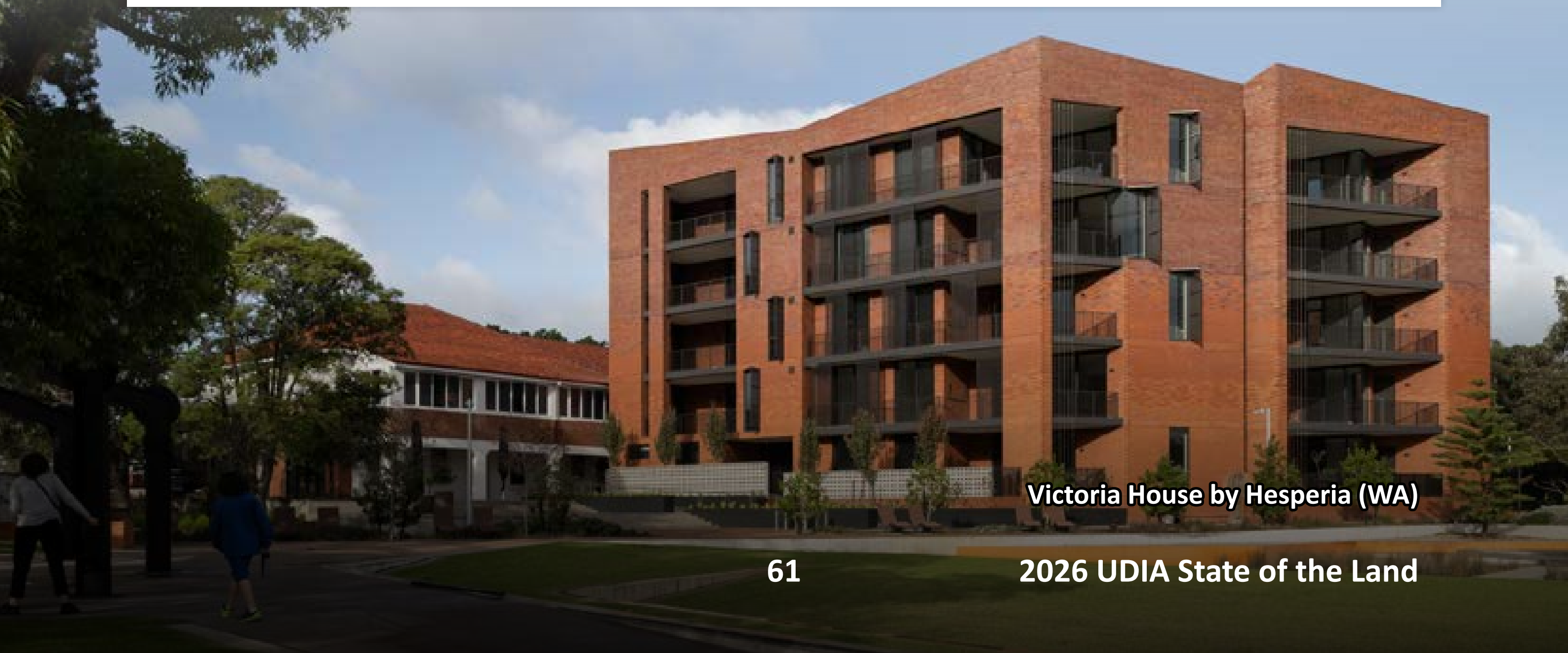
GREENFIELD MARKET ACTIVITY

Sales and Release Activity

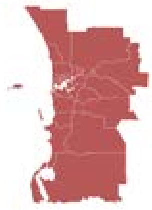
- The Greater Perth greenfield land market recorded a second consecutive year of strong lot sales with a near record 10,895 sales, which is 45% up on the decade average total
- The September Quarter recorded was a near record high 3,580 lot sales which is only eclipsed by the June quarter 2020 (3,680 sales) that was underpinned by State and Federal government stimulus (the Building Bonus and the HomeBuilder package).
- Responding to the robust demand profile, developers released a total of 10,695 lots to market in 2025 which reflected an 8% decline on 2024 volumes – which relates to the inability of developers to bring more stock to market due to supply side constraints, rather than any softening in demand.

Figure 5.1: Greenfield Market Activity

Source: UDIA; Researchfour



WA



Stock Levels

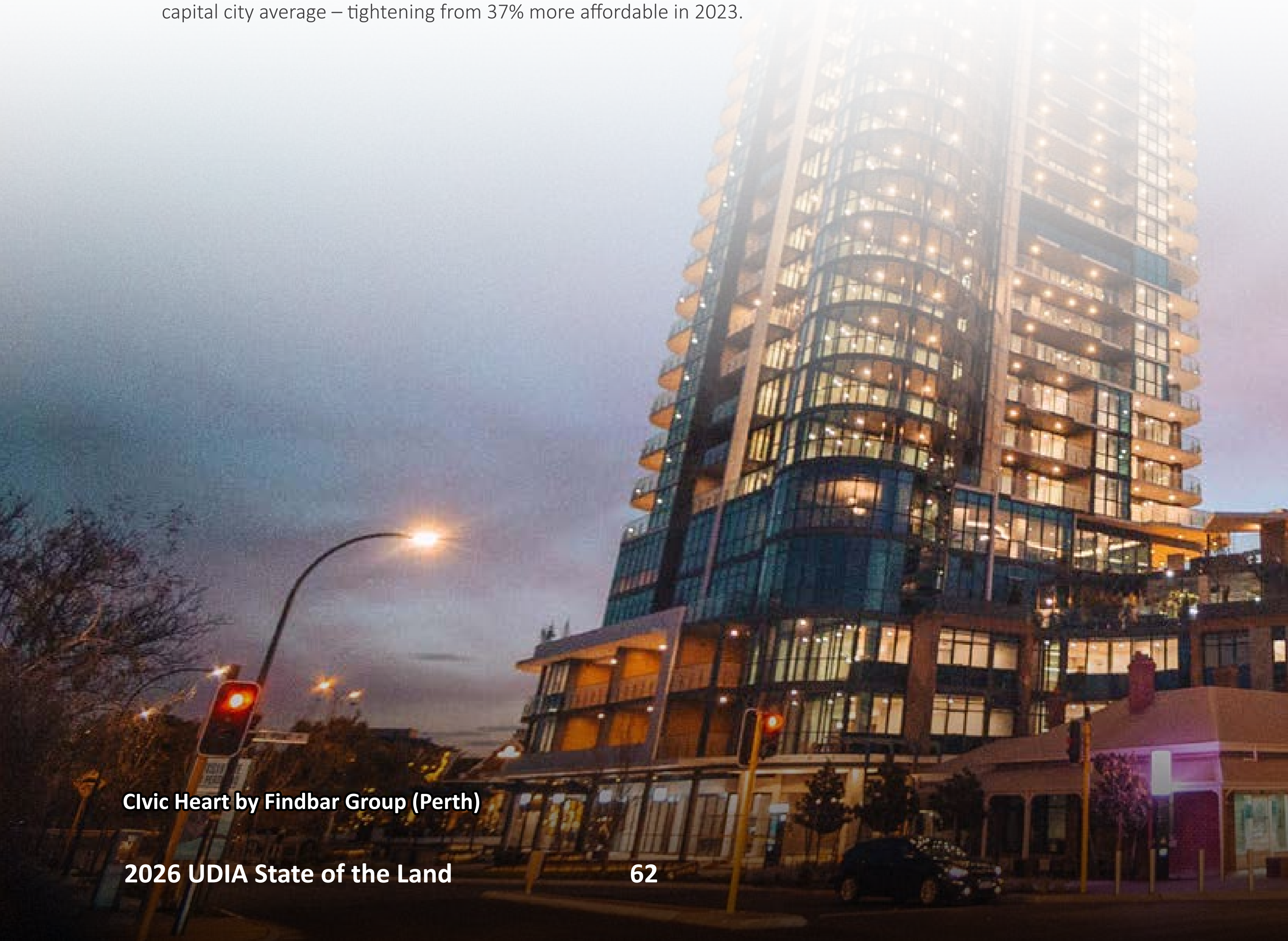
- The ramp up in sales activity in the second half of the year seriously eroded supply lines and as at the end of the December quarter the number of residential lots on a price list was equal to just 0.55 months of demand. The pool of 'sale ready' lots retracted each quarter of 2025 (from 2.02 months of demand in March) to close the year at chronically levels of forward stock.
- Stock levels with under three months worth of trading inventory represents undersupply, and Perth has not recorded a demand/supply ratio this low since 2013 – the peak of the last housing boom.

Greenfield Projects

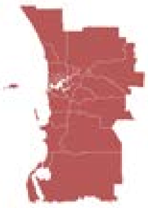
- There was an average of 137 active trading estates across the year which represented a 6% increase on 2024, which reflects the increasingly smaller scale of land estates across the Greater Perth growth corridors.

Greenfield Land Prices, Lot Sizes and Values

- Greater Perth's median lot price increased by 15% across 2025 to average $377,250 across the year, with a December quarter lot price of $390,000.
- Despite achieving healthy price growth increase across the last two years Perth still retains the second most affordable lot pricing in the nation (after Adelaide), and remains ~20% lower than the combined capital city average ($472,100) and 45% cheaper than Sydney's median lot pricing ($695,000)
- For a remarkable tenth consecutive year the median lot size remained locked at 375 sqm which translated into a lift in the land price to $1,006 psm which is a 15% lift on 2024, and now only 15% more affordable than the combined capital city average – tightening from 37% more affordable in 2023.

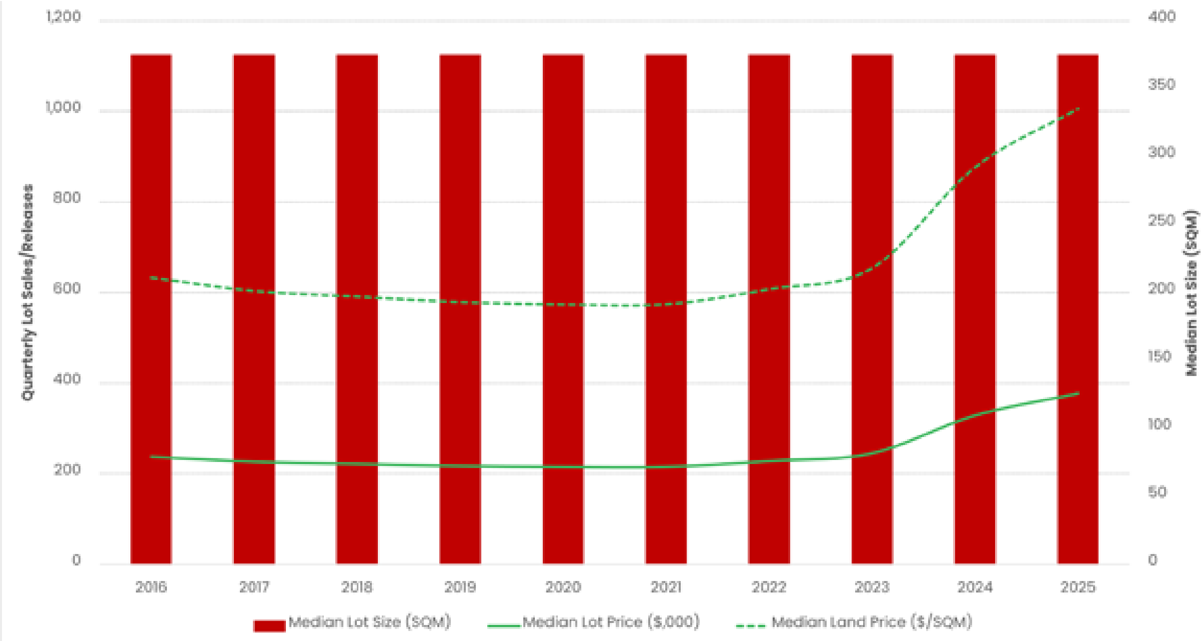


CIvic Heart by Findbar Group (Perth)



WA

Figure 5.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



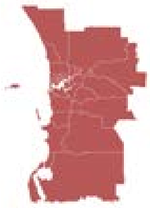
Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	6,259	162	375	$237,250	$633
2017	5,700	167	375	$226,250	$603
2018	4,828	164	375	$221,500	$591
2019	4,728	181	375	$217,000	$579
2020	10,770	187	375	$215,000	$573
2021	8,363	162	375	$215,188	$574
2022	5,853	151	375	$227,750	$607
2023	9,144	157	375	$245,250	$654
2024	11,332	130	375	$328,750	$877
2025	10,896	138	375	$377,250	$1,006
10 Years Average	**7,787**	**160**	**375**	**$251,119**	**$670**

Source: UDIA; Researchfour

WA



RESEARCH4 GREENFIELD OUTLOOK 2026

Perth

The Perth Greenfield market in 2025 demonstrated moderated activity compared to 2024, with average net monthly sales reaching 908—representing a 4% decrease from the 2024 average of 944 per calendar month. The year commenced with a modest 717 sales per month, peaked at 1,194 in September, and concluded the December quarter at 911.

The return rate averaged 4.4% over the year and ended at a low 0.9%, reflecting strong market demand as returns to developers were minimal. This figure is consistent with the 3% average return rate observed throughout 2024.

For 2025, the clearance rate averaged 102%, indicating that all product released to the market was sold. In the fourth quarter, this rate rose to 120%, with sales exceeding new supply by 20%, driving available inventory to a historic low. At year-end, stock ready for sale stood at just 0.6 months of demand. The annual Stock to Sales ratio was 1.3:1, while the December quarter's ratio declined further to 0.6:1. These indicators mirror trends seen since mid-2023, underscoring sustained high market activity.

At year's end, the market's selling capacity was 687 lots per month. With monthly sales at 911 and demand at 836, industry participants faced significant pressure to increase production and meet buyer demand. The number of new estates introduced to the market fell by 36%, and their \ average size decreased by 31%. Addressing these supply constraints will require a significant uplift in the number of new estates entering the market in 2026, particularly as 43% of actively trading estates near the end of their supply lines.

The Perth median lot price increased by 6.8% during the year, reaching $390,000 per lot. This followed a substantial 43% rise in the median price from 2023 to 2024. Despite recent gains, land pricing remains relatively undervalued. Historically, Perth land has represented 41% of the city's median house price, compared to 40% currently. The current median lot price of $390,000 is still considered below fair value, which is estimated at $433,000 per block as of December 2025. While most land estates are priced above the median, several large-scale estates continue to offer competitively priced options.

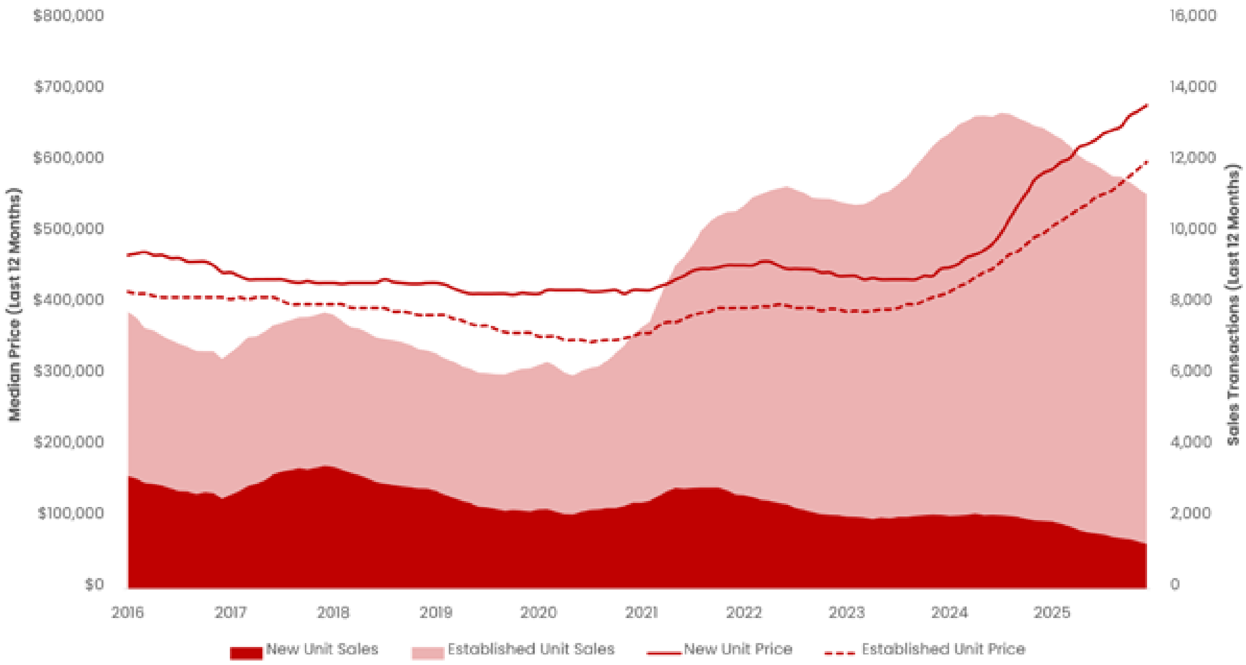
The outlook for 2026 is for pricing to push higher over the first half of 2026 and potentially further into 2026. As mentioned, pricing is under cooked, despite the recent increases in land pricing, house price growth is still outstripping land price movement. Land price movement is 22 points behind house price change based on price movement from 2019-2025. Activity levels are tracking in line with underlying demand; however capacity is trending downward and stock ready for sale is at a record low. In short no reason other than capacity to think that Perth's Bull run is going to stop in 2026.

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- Perth's new multi-unit sales transactions for 2025 retracted by 33% across the year averaging 106 settled sales a month. The total annual volume of 1,270 sales reflected an annual output down 28% on the ten-year average.
- The volume of new unit sales recorded in 2025 represents a 15 year low for Greater Perth, highlighting the softness of this new market segment.

Figure 5.3: Multi-Unit Sales, Established & New Sales (Settled)

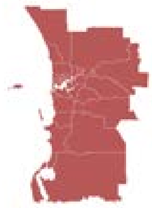


Source: UDIA; Cotality

Median Unit Pricing

- Hampered by lack of sales, the new build multi-unit sector was significantly out-performed by the broader established market which recorded a 20% annual median pricing uplift to $600,000 (as compared to a 16% lift to $680,000 for new unit sales).
- The nation leading price growth recorded in the new unit segment resulted in Perth losing the mantle of the most affordable median priced units across the capital cities tothe ACT ($600,000) which has recorded virtually no median unit growth in four years.
- The current median sale value of new units is currently 17% more affordable the median value for new houses ($820,000) which represents a declining affordability based retail proposition for the market – particularly first home buyers.

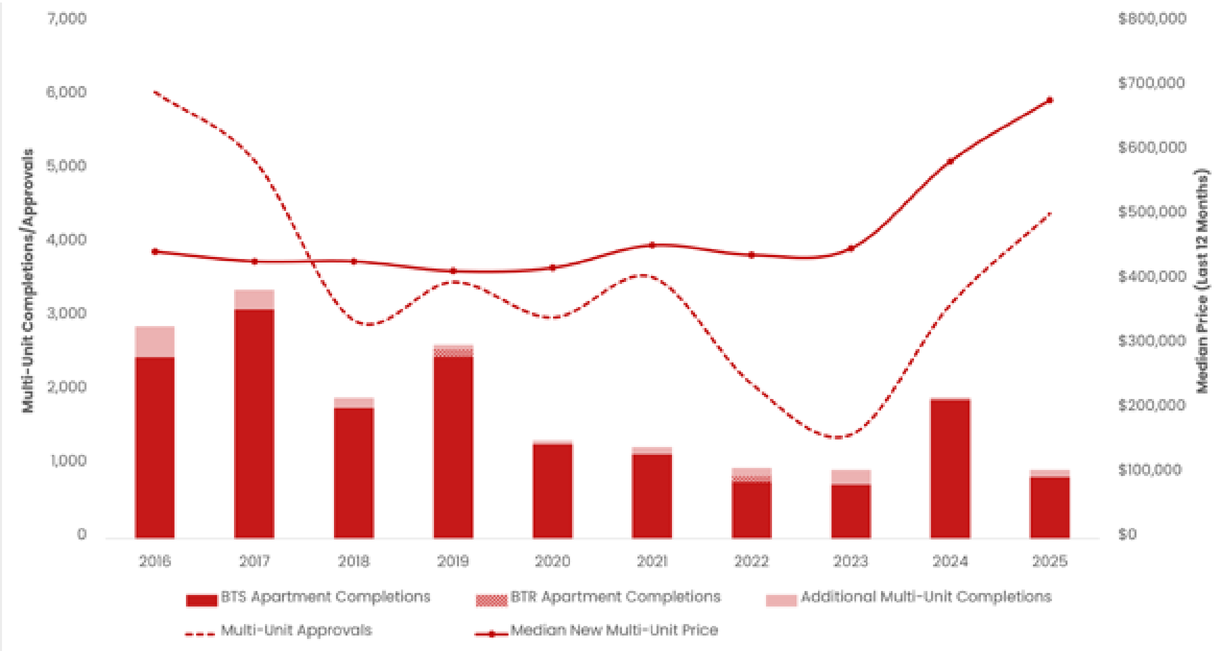
WA



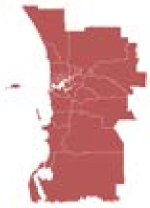
Construction Activity

- Cotality's tracking of project scale completions of multi-units across Greater Perth recorded a sharp 26% drop in new multi-unit dwellings completed in 2025 to just 1,055. This represents the lowest completion quantum in over 15 years (60% below the decade average) and 75% lower than the historic peak supply of 4,260 units completed in 2019.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BtR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies. At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/pre-sold) BTS supply of 835 units across the Greater Perth. This represents a 56% reduction on 2024 active supply volumes, is 52% down on the decade average (1,725) and 73% down of the 20-year peak of BTS apartment supply achieved in 2017 (3,110).
- On the emerging Build-to-Rent apartment market there no stock added in 2025 in Perth, the third straight year of no new supply added.
- The forward outlook is for a strong 51% annual uplift in combined BTR and BTR apartment and townhouse supply across Greater Perth over 2026, followed by a a further uptick in active unit volumes over the following two years as market condition for new apartment supply continue to improve and flow into increasing new supply levels.
- Approvals for multi-units grew by 80% across the year to total 4,010 which around the decade average and represents the largest new unit approval volumes in Greater Perth for seven years.

Figure 5.4: Median New Unit Price & Annual Unit Completions



Source: UDIA; Cotality; Charter Keck Cramer; ABS

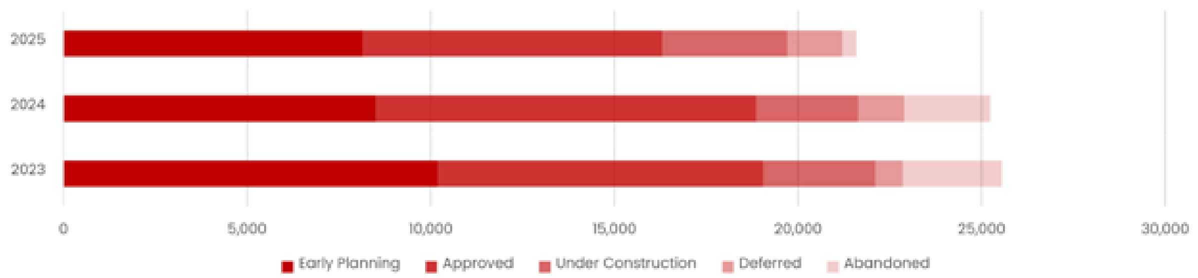


Multi-Unit Pipeline Analysis

Cotality have produced point-in-time estimates of the multi-unit pipeline based on an end of year snapshot of the market leading Cordell Construction database.

- For the seventh consecutive year the active multi-unit pipeline has retracted across Greater Perth, decreasing by 3% to an aggregate of 19,720 units as of December 2025.
- This comprised of units under construction (up 23%), approved units yet to start construction (down-21%) with units in early planning down 4%.
- Cotality estimates that there was a total of 1,875 units that were either deferred or abandoned in 2025, which is a halving of the quantum recorded the previous year. This indicates the feasibility challenges confronting many multi-unit projects are starting to improve across various sub-markets.

Figure 5.5: Multi-Unit Pipeline

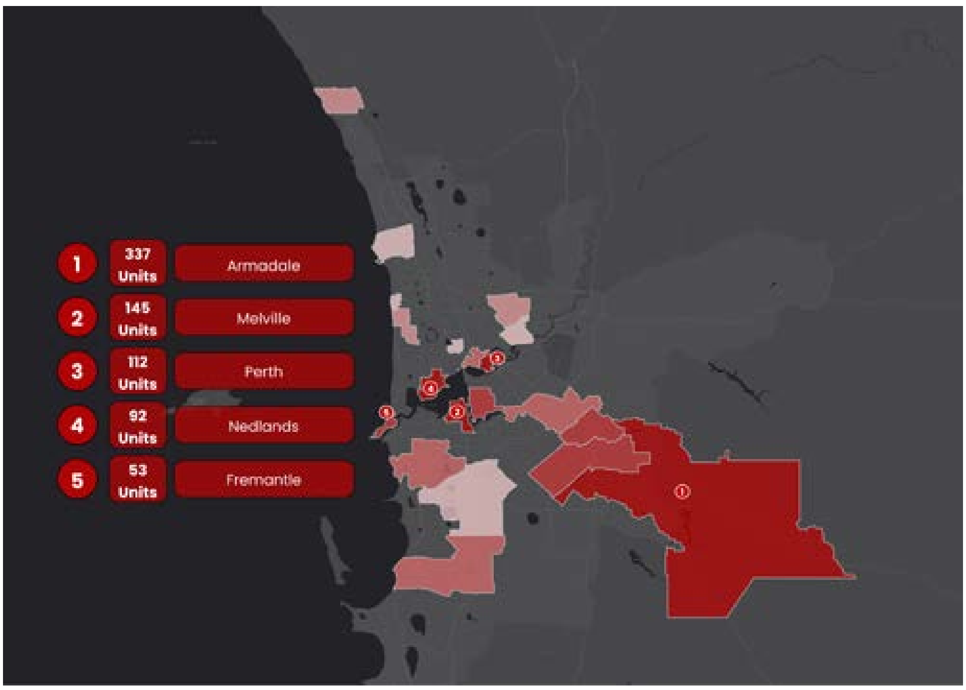


Source: UDIA; Cotality

Sub-Market Analysis

- The City of Perth recorded the most settled new unit completions across 2025 with 798 completions, followed by South Perth with 384 and Applecross 292.

Figure 5.6: Multi-Unit Completions by Suburbs (2025)



Source: UDIA; Cotality

WA

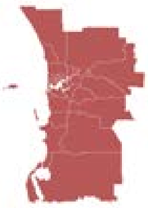
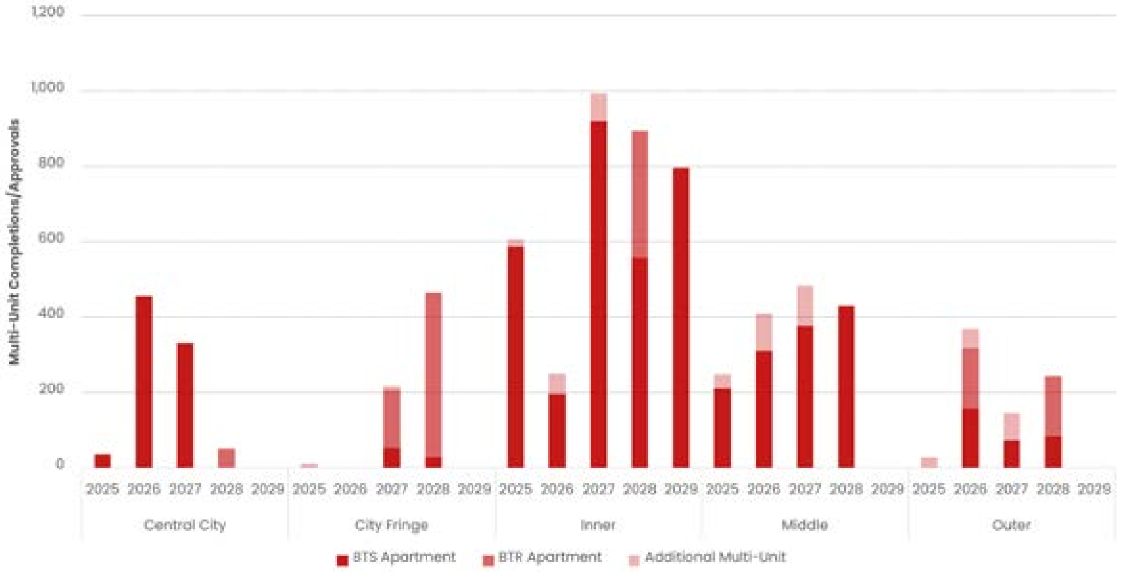


Figure 5.7: Multi-Unit Supply by Subregion



Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[3]
2016	2,528	$445,000	2,464	0	414	6,057	6,902
2017	3,464	$430,000	3,110	0	264	5,130	3,696
2018	2,810	$430,000	1,771	0	138	2,961	3,018
2019	2,172	$415,000	2,472	93	69	3,480	4,257
2020	2,420	$420,000	1,277	0	54	2,998	2,938
2021	2,655	$455,000	1,148	0	92	3,546	2,576
2022	2,071	$440,000	768	80	107	2,098	2,075
2023	2,077	$450,000	731	0	200	1,407	2,565
2024	1,902	$585,000	1,882	0	34	3,175	1,434
2025	1,272	$680,000	834	0	96	4,407	1,054
10 Years Average	**2,337**	**$475,000**	**1,646**	**17**	**147**	**3,526**	**3,052**

Source: UDIA; Cotality; Charter Keck Cramer[2]; ABS[3]

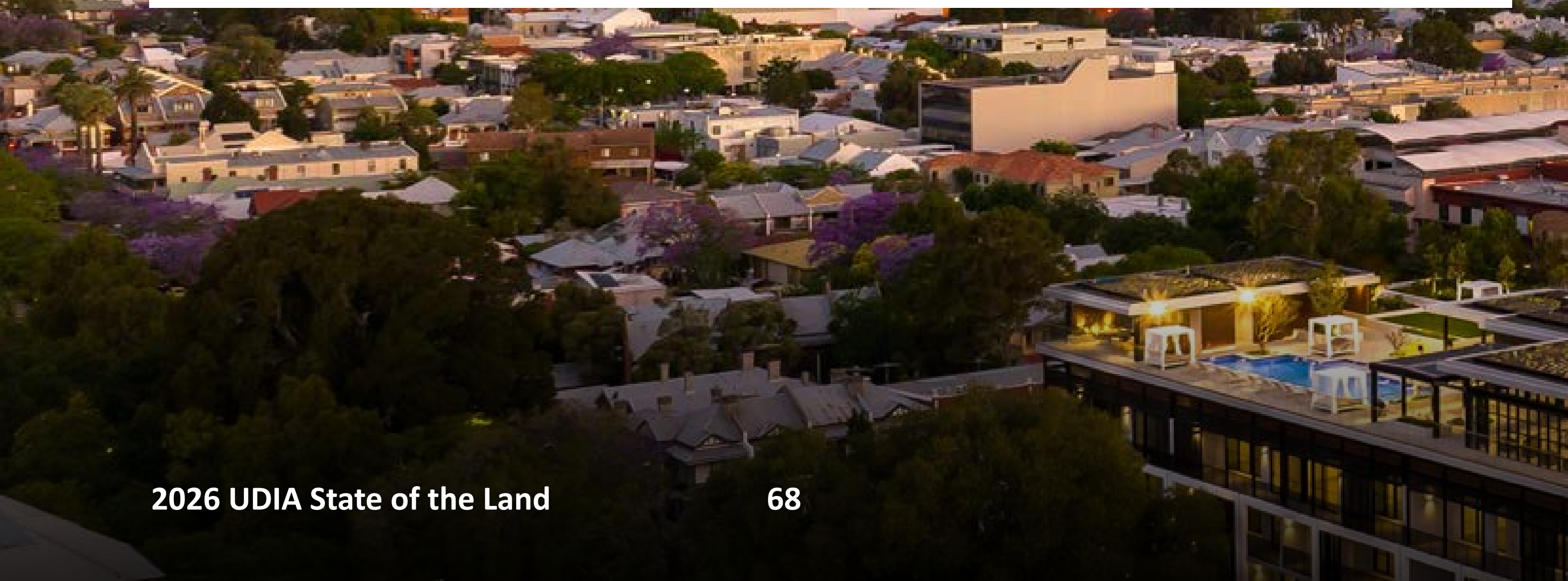
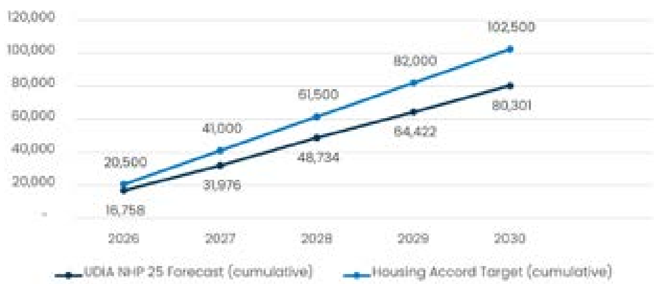


Figure 5.8: Greater Perth, Annual Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

Figure 5.8.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-year Target

Figure 5.8.2: Cumulative Forecast Dwelling Supply V Greater Perth Housing Target



Key Industry / Market Issues

Urban development in Western Australia continued to face an uphill battle through 2025, with demand continuing to significantly outpace supply. New lots being brought to market trended downwards throughout the year and new supply has been rapidly snapped up. This continued constrained supply has added further pressure, pushing house and unit pricing up and impacting affordability for home owners and renters.

In the greenfield market, planning for and delivery of enabling infrastructure to unlock land for development remains critical to supporting and accelerating housing supply across identified growth corridors in the Perth metropolitan area, as well as regional centres. While the FY25-26 State Budget and Mid-Year State Budget Review allocated further funding towards enabling infrastructure in such growth corridors, there remains a need to keep focus and funding commitments targeted toward ensuring the timeliness of planning and roll-out of this critical infrastructure.

In the infill market, it is still proving challenging to get projects to stack up in many areas of Perth and this has flowed through to the limited completions being seen in the market. There has been a continued uptick in approvals and commencements however, but this remains off the back of a low base. With Perth experiencing increasing unit prices in the established market, this is assisting with the feasibility for projects in certain areas. Further measures to support the viability of higher density infill development in more locations across Perth will be critical to increasing the supply of diverse and affordable homes.

Based on the UDIA WA's analysis, Western Australia will be around 30,000 new homes short statewide by 2030 against the National Housing Accord annual dwelling production run rate.. To reach this target and ensure we deliver the homes we need faster, all levers are required for short, medium and long term changes to create an ongoing and consistent pipeline of housing for the population as it grows, not just when we reach a crisis point.

State Policy Priorities

UDIA WA's 2026-27 pre-State Budget submission released in December 2025 outlines priorities for the State Government to facilitate and leverage industry to 'deliver the homes we need, faster'. These are framed in the context of three themes:

- Make it easier to create the homes we need;
- Help keep the cost of homes down; and
- Plan for our housing needs, now and for the future.

Providing practical solutions to the issues faced in delivering the homes needed to accommodate our current and growing population is critical to ensure that Western Australian's can own or rent the homes they need.

Key asks include:

- Measures to boost housing choice, including an extension of the stamp duty concession for off-the-plan and under construction apartments and townhomes, as well as a facility to provide low-cost mezzanine finance for medium and higher density projects in Perth and low interest construction loans to support housing delivery in regional centres.
- Increasing funding for enabling infrastructure for key growth areas and boosting capacity for long lead infrastructure items to be 'Made in WA', as well as establishing an appropriate mechanism for strategic infrastructure coordination to ensure the planning, funding and delivery of identified crucial infrastructure items/packages 'at the right time', to accelerate housing delivery in key growth areas.
- Resourcing the development of an integrated and planning-led approach to environmental decision-making, as well as a strategic plan and fund for offsets and rehabilitation, with a focus for the Swan Coastal Plain.

Future Prospects

Housing was, understandably, a key issue at the 2025 Western Australian State Election on 8 March 2025 and it continues to be a pressing concern for all levels of Government and the community alike. The WA State Government has been listening and responding positively to recommendations from industry and has progressed various State Election commitments aimed at responding to the housing crisis. We need to ensure that work undertaken to date is continued, commitments are followed through and other solutions are collaboratively explored and implemented.

Western Australia still has a growing population and this is expected to continue through both overseas and interstate migration, continuing to put pressure on our housing stock. Accommodating Western Australia's housing needs requires a continued and stronger focus on supporting the viability of medium and higher density infill projects, as well as addressing environmental, planning and infrastructure constraints, to ensure a sustainable development-ready land supply pipeline and housing choice. Addressing the labour and skills shortages and construction sector productivity and capacity will also be key to enabling increased housing delivery.

UDIA WA will continue its advocacy and working collaboratively with the State Government on measures to facilitate and leverage industry to deliver the homes we need, faster.

from the major parties demonstrates there is a receptiveness to continue to work with industry to tackle the housing crisis. We need to ensure that work undertaken to date is continued and commitments are followed through post-election.

Western Australia still has a growing population and this is expected to continue through both overseas and a particularly strong interstate migration rate, continuing to put pressure on our housing stock.

Accommodating Western Australia's housing needs requires a continued and stronger focus on supporting the viability of medium and higher density infill projects, as well as addressing environmental, planning and infrastructure constraints to ensure a development-ready land supply pipeline and addressing the labour and skills shortages impacting industry capacity. UDIA WA will continue its advocacy and working collaboratively with the next State Government on measures to facilitate and leverage industry to deliver the homes we need, faster.

COTALITY 2026 OUTLOOK

Western Australia

The WA housing market has been dominating the housing trends over the past few years, with values rising at the annual rate of 18.5% across Perth and 17.3% across Regional WA. The monthly pace of gains has shown some signs of slowing since November last year, but from a high base.

The slowdown in value growth isn't surprising given Perth home values have nearly doubled over the past five years, but a severe disconnect between demand and supply is likely to continue placing upwards pressure on housing values through the rest of the year.

Advertised stock levels were almost 50% below the five-year average at the start of the year, while demand, based on home sales, was holding at above average levels. Although population growth is easing, WA remains the fastest growing state from a population perspective.

In a positive outcome, new housing supply is picking up across WA, with house commencements 25% above the decade average through Q3 last year and commencements 31% above average.

Given the pickup in new housing supply, along with macro factors like higher interest rates and worsening affordability dampening demand, we expect to see the pace of growth in home values easing through 2026, but still leading the nation.

WA Developer Insight

Louise Nazareth
Project Director,
Stockland

The Perth land market continues to experience strong momentum, powered by a robust state economy, ongoing migration and critically low stock availability in the established market. Despite this market strength, we remain well short of the National Housing Accord's annual target of 26,000 new homes, with delivery constrained by a tight labour market, rising construction costs and structural bottlenecks across planning and infrastructure delivery. These supply constraints are amplifying affordability pressures in growth corridors, especially for first home buyers already grappling with rising living costs.

We are seeing the State Government respond to these challenges by implementing much needed planning reform and policy initiatives such as the Housing Enabling Infrastructure Fund to prioritise enabling infrastructure for growing communities. However, unlocking new housing at pace will require sustained, coordinated effort across industry, government and utilities to ensure servicing, planning and delivery mechanisms are aligned. Meeting Western Australia's housing needs demands bold structural and cultural change – we cannot rely on past approaches to solve today's challenges if we're serious about delivering housing for all.

Vivente in Hammond Park by Richard Noble & Company (WA)

SA

SUMMARY

GREENFIELD

Annual Completions	Annual Lot Sales	Median Lot Price	Approvals
0%	-15%	23%	0%

MULTI-UNIT

Annual Completions	Annual New Unit Sales	Median New Unit Price	Approvals
120%	13%	7%	88%

- Adelaide's new home market experienced a subdued 2025 with new greenfield land sales reducing modestly, land pricing heading northward, and new unit sales volumes improving but still below long term averages.
- A combined total of circa 10,500 new dwellings were completed in 2025 across the greenfield release and multi-unit infill sectors. This reflects a 16% increase of new product completions from the preceding year, to around historic average levels – underpinned by well-above levels of completions of new unit stock.
- New residential supply completions are forecast to remain around current aggregate production levels for the next three years as the significant stock of dwellings currently under construction complete, and improved unit supply start to flow through.
- Aggregate completions are forecast to undershoot the National Housing Accord's annual dwelling target for Greater Adelaide of 12,960 (based on a population based share of 1.2 million homes over the forward five years) by 22%, with a cumulative dwelling supply gap of circa 14,550 dwellings by 2030.

Monarch Apartments (SA)

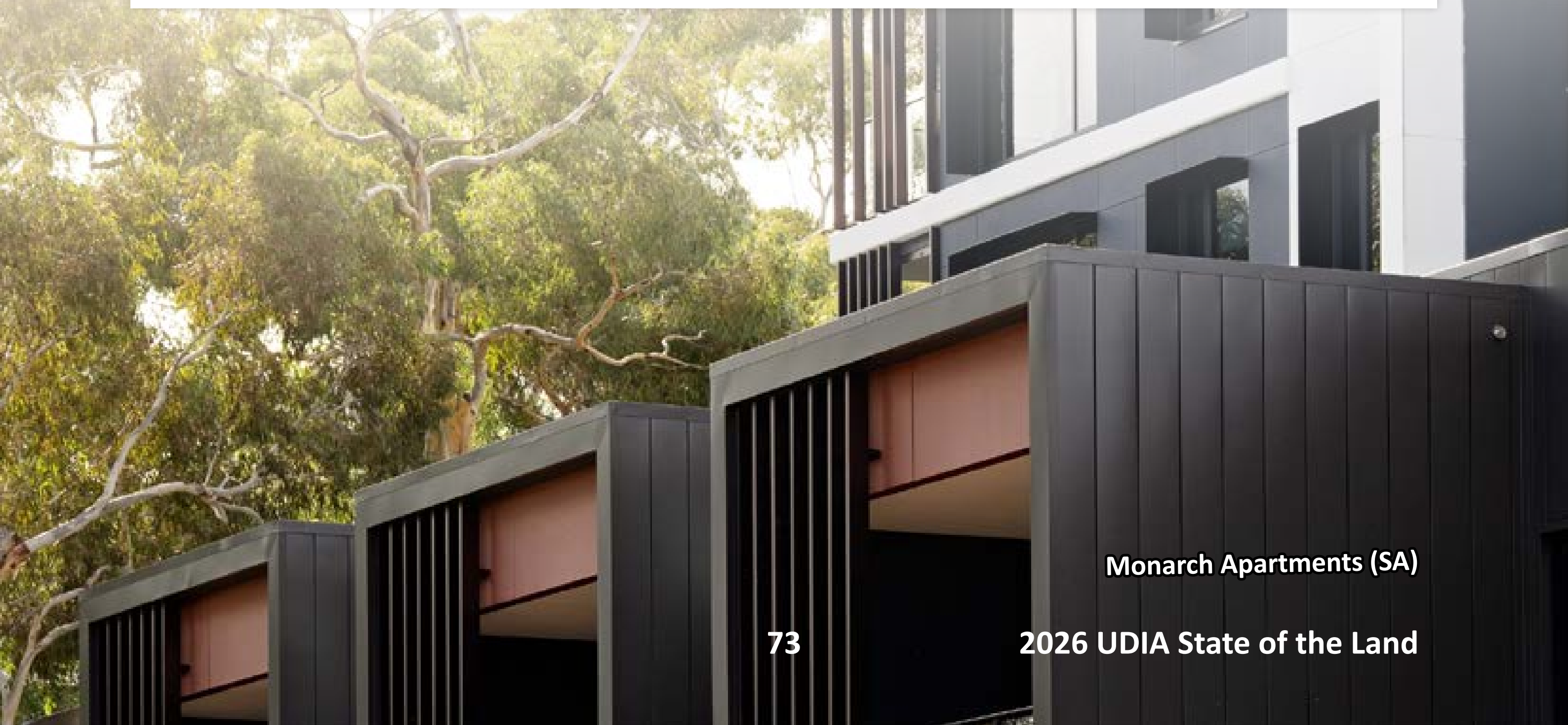
GREENFIELD MARKET ACTIVITY

Sales and Release Activity

- In 2025 the Greater Adelaide greenfield market recorded a 15% annual reduction in land sale volumes, recording 2,535 net sales which was 12% down on the long run average.
- Despite the modest retraction in contracted sales, developed released a similar quantum of lots to market in 2025 with 2,775 releases at an average of 695 a quarter – peaking in the December quarter with almost 1,000 releases, representing the largest quarterly release volume in over two years.

Figure 6.1: Greenfield Market Activity

Source: UDIA; Researchfour



Monarch Apartments (SA)

SA

Stock Levels

- Across the 2025 calendar year the average number of residential lots on a price list at the end of each quarter averaged 378, which is 55% down on the decade average.
- At the close of the December Quarter 2025, the number of residential lots on a price list was equal to 1.6 months of demand. This figure has now pushed well below the ideal trading volume of 2 to 4 months' worth of supply.

Greenfield Projects

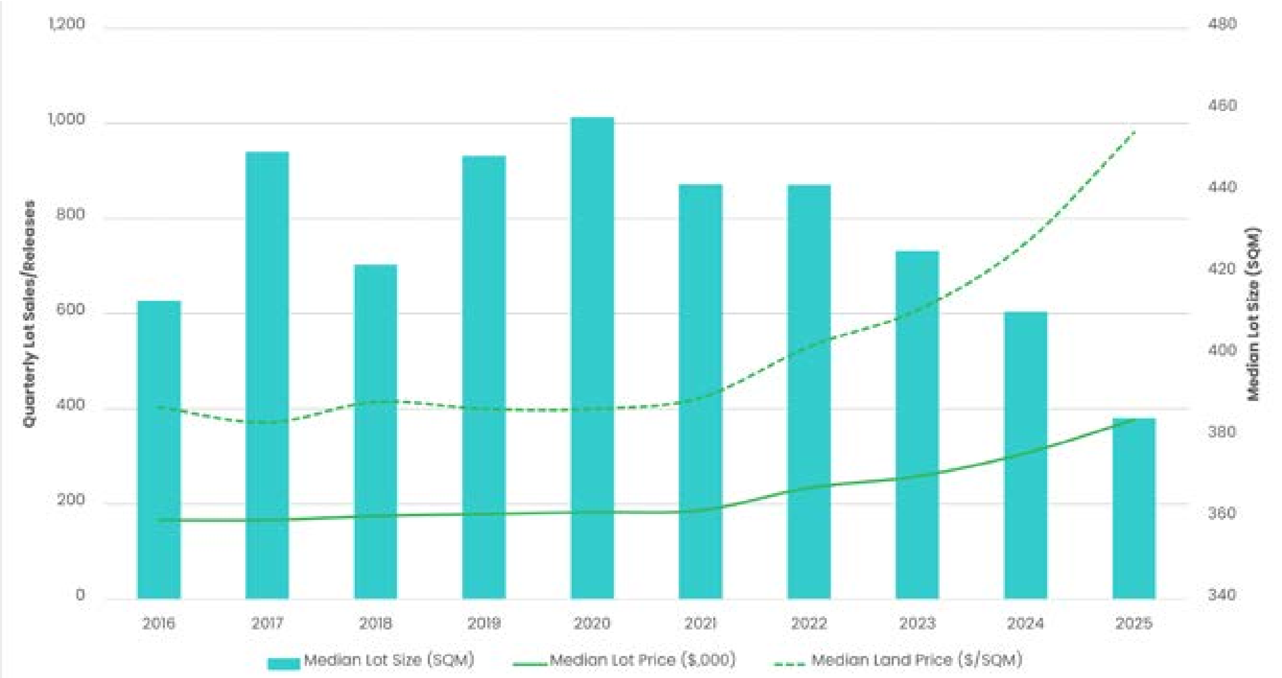
- There was an average of 53 active trading estates across the year which represents a 10% decrease on 2024, but this was still 18% lower than the decade average.
- The number of active estates steadily increased across the year, from 46 trading estates in the March quarter to 57 at the close of the December quarter.

Greenfield Land Prices, Lot Sizes and Values

- Greater Adelaide's median lot price lifted by 23% across 2025 to $377,135 that follows 18% growth of previous year. The strong annual uplift in median pricing brought Greater Adelaide's land pricing up to the same level as Perth – the city which has battled for the mantle as the most affordable land market in the nation over the last five years.
- New land has traditionally been priced at 38% of the Greater Adelaide median established house price. In 2025 the ratio ballooned out to 44% which indicates lot pricing is currently modestly overpriced against the long-running relationship with he established market.
- The median lot size dropped by 6% to 385 sqm, which is the first time median block sizing has dipped below 400 sqm and results in Adelaide's median block size being smaller than ACT (534 sqm) and the bigger volume markets of Sydney (428 sqm) and SEQ (414 sqm)
- The increase in lot pricing and reduction in lot sizing delivered a robust 31% increase in the average land rate to $981 psm. This average land rate is 17% more affordable than the combined capital city average land rate of $1,185 psm and equates to Adelaide maintaining the most affordable land price (on a per square metre basis) in the nation.

Riverlea Entry (SA)

Figure 6.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	1,739	57	413	$166,775	$404
2017	1,851	58	450	$167,038	$371
2018	2,223	71	422	$175,175	$415
2019	2,054	75	449	$179,488	$400
2020	3,917	84	458	$183,338	$400
2021	5,714	68	442	$187,250	$425
2022	3,507	54	442	$234,500	$532
2023	2,568	60	426	$258,563	$608
2024	2,971	58	411	$307,250	$751
2025	2,534	53	385	$377,135	$983
10 Years Average	**2,908**	**64**	**430**	**$223,651**	**$529**

Source: UDIA; Researchfour

SA

RESEARCH4 GREENFIELD OUTLOOK 2026

Adelaide

In 2025, the average monthly sale rate was 15% lower than the average monthly sale rate recorded in 2024. This reduction in activity is likely attributable to challenges associated with providing infrastructure to Greenfield sites. The year commenced with a below-average sale rate; however, as the months progressed, levels of activity increased, culminating in a peak of 283 units per calendar month in December.

The annual cancellation or return rate averaged 4.7% of gross activity, indicating a high level of confidence. This figure is consistent with the 2024 return rate, reflecting stable confidence levels over time. In 2025, the clearance rate averaged 95.4%, meaning sales were approximately 5% below production levels. By year-end, the clearance rate stood at 85%. Adelaide Greenfield market stock on hand is low at 2.2 months of trading. The annual average stock-to-sales ratio was 1.8, ending the year at 1.6:1.

The Adelaide Greenfield markets current selling capacity is an estimated 253 lots per month. The forecast selling capacity is expected to remain at a similar level over the next year. Forecast capacity for 2026 is expected to exceed underlying demand by 15% suggesting that there should be less upward pressure on pricing. The number of new estates entering the market in 2025 was 17% below the long running average, plus those estates were on average 28% smaller. On paper the Adelaide Greenfield market has sufficient capacity to respond to forward demand, meaning that there should be minimal upward pressure on pricing. However, the effectiveness of this capacity could be compromised by issues pertaining to infrastructure.

The current median lot price is $390,000, up 16.4% for the year. Traditionally, land values would average 40% of the Adelaide house price, currently they average 41 percent. The fact that Adelaide house prices rose by 13% for the year has enabled land pricing to keep rising.

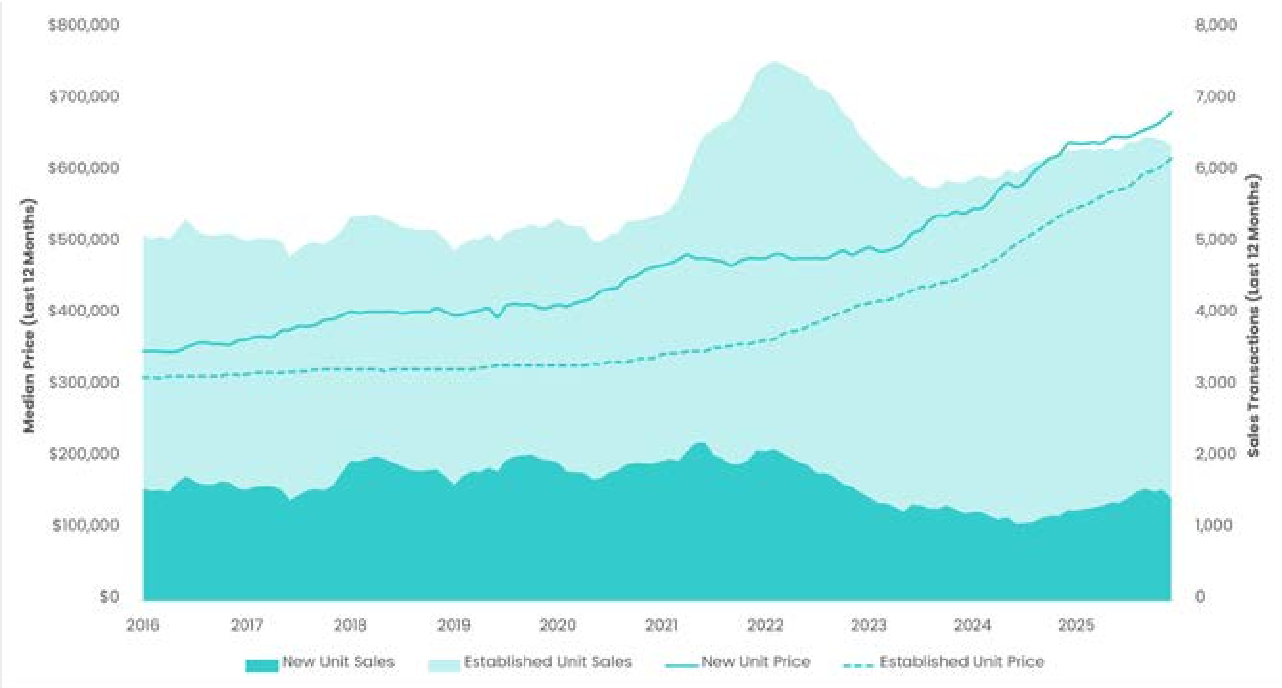
The outlook for 2026 is for activity levels to average 220 pcm with spikes hitting 310pcm. This outlook is dependent upon infrastructure being ready. Regarding land pricing, the market is currently considered to represent fair value, however there is sufficient reasons to assume that land pricing will continue to increase over 2026.

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- Sales of new apartment and town house stock recorded a 13% upturn in settled sales transactions in 2025 with a total of 1,445 new unit sales transacted cross Greater Adelaide, which represented a 13% decline on the decade average, and 32% lower than the recent peak of new unit sales achieved in 2021.
- Across the broader established market for multi-units there was 4,925 settled multi-unit dwelling sales across Adelaide which is commensurate with the volume of transactions recorded over the last two years.
- Sales of new units accounted for 23% of whole of market (units) sales for 2024 which is below the 28% decade average. The combined established and new unit sales volumes sat at 20% below the historic average monthly sales volumes.

Figure 6.3: Multi-Unit Sales, Established & New Sales (Settled)



Source: UDIA; Cotality

Median Unit Pricing

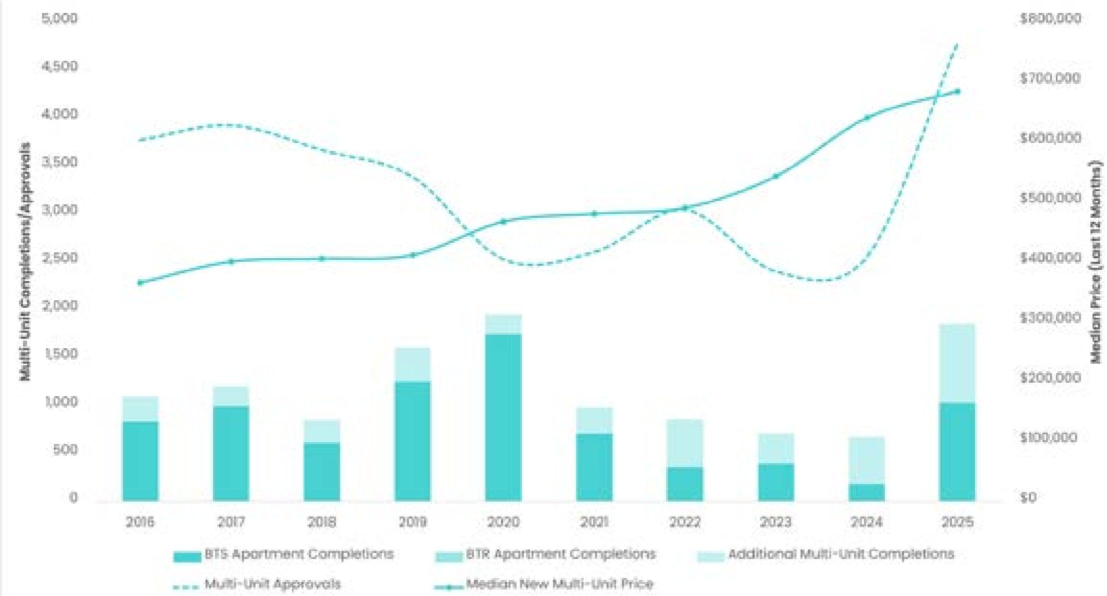
- The median sale price of new units increased by 7% across the year to $684,500 representing a new high watermark for median pricing across the Adelaide unit market.
- Adelaide's newly constructed units surpassed Greater Melbourne's median unit pricing in 2025 to be positioned as the third most expensive new unit stock across the capital cities, trailing only Sydney ($897,210) and SEQ ($855,230).
- The current median sale price of new units is currently only 11% more affordable than the median sale price for new houses, which is significantly lower than the long-term average of ~22% cheaper, which indicates unit pricing running ahead of broader established market house sale pricing.

Construction Activity

- Cotality's tracking of project scale completions of multi-units across Greater Adelaide recorded a strong rebound in annual completion activity in new multi-unit dwellings completed in 2025 to under 1,780. This represents a return to more normalised completions volumes after a very soft completions profile from the year prior.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BtR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies. At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/pre-sold) BTS supply of 1,030 units across Greater Adelaide. This represents a six-fold increase on 2025 active supply volumes, but is 41% below the BTS apartment supply achieved in 2020 (1,750 units).
- The Adelaide market is still yet to record and Build-to-Rent apartment supply, however the first projects are slated to commence construction in 2028. At an aggregate level Charter is forecasting the combined BTR and BTS apartment and townhouse supply to moderate over the coming three years with the forward pipeline facing various challenges.

SA

Figure 6.4: Median New Unit Price & Annual Unit Completions



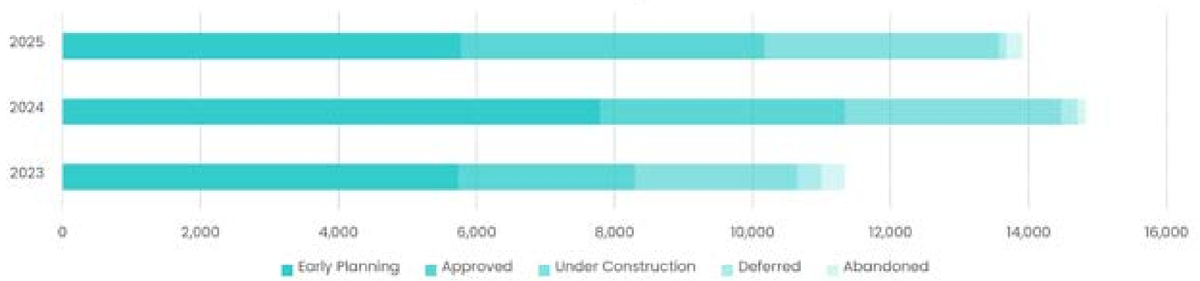
Source: UDIA; Cotality; Charter Keck Cramer; ABS

Multi-Unit Pipeline Analysis

Data Note: Cotality has produced point-in-time estimates of the multi-unit pipeline based on a year-end snapshot of the industry leading Cordell Construction database.

- This data analysis reveals that there is an aggregate total 13,570 units in the active and forward pipeline, which is 6% drop than the supply recorded in December 2024.
- This pipeline is made up of units in projects at the early planning phase (down 26% from 2024), units in projects which have received approval (up 24% from 2024) and units under construction (up 9%).
- The annual number of units in the deferred category has reduced by 56% and 66% respectively, which indicates that conditions maybe improving from a project viability perspective – for certain projects in certain locations.

Figure 6.5: Multi-Unit Pipeline

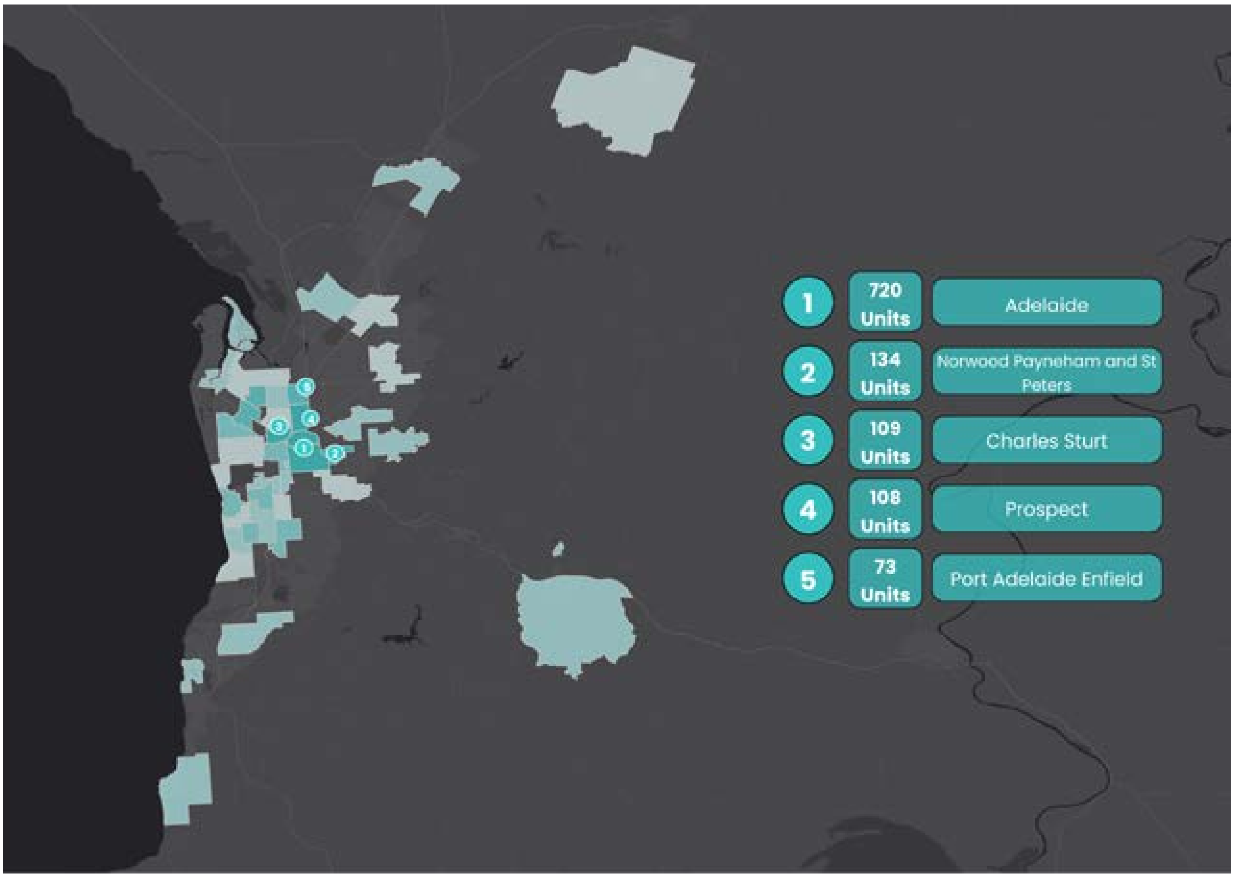


Source: UDIA; Cotality

Sub-Market Analysis

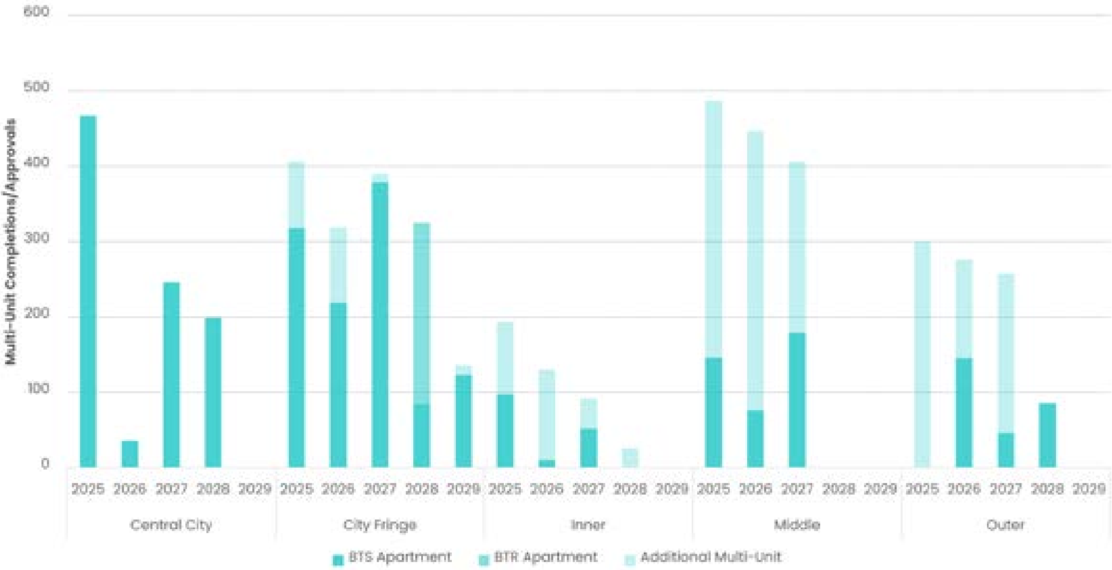
- The City of Adelaide had the most apartment sales activity in Greater Adelaide with 205 units sold in the year to December 2024..
- This was followed by North Adelaide with 164 sales and Port Adelaide with 119 sales.

Figure 6.6: Multi-Unit Completions by Suburbs (2025)



Source: UDIA; Cotality

Figure 6.7: Multi-Unit Supply by Subregion



Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[3]
2016	1,571	$365,000	833	0	259	3,770	1,695
2017	1,793	$400,000	993	0	207	3,923	2,103
2018	1,739	$404,900	610	0	240	3,665	1,917
2019	1,975	$411,000	1,248	0	358	3,383	3,512
2020	1,928	$467,000	1,746	0	202	2,523	2,413
2021	2,113	$480,000	705	0	277	2,601	2,219
2022	1,522	$490,000	359	0	496	3,040	1,972
2023	1,226	$542,709	394	0	313	2,397	1,011
2024	1,277	$640,000	176	0	496	2,550	809
2025	1,443	$684,500	1,028	0	825	4,784	1,762
10 Years Average	**1,659**	**$488,511**	**809**	**0**	**367**	**3,264**	**1,943**

Source: UDIA; Cotality; Charter Keck Cramer[2]; ABS[3]

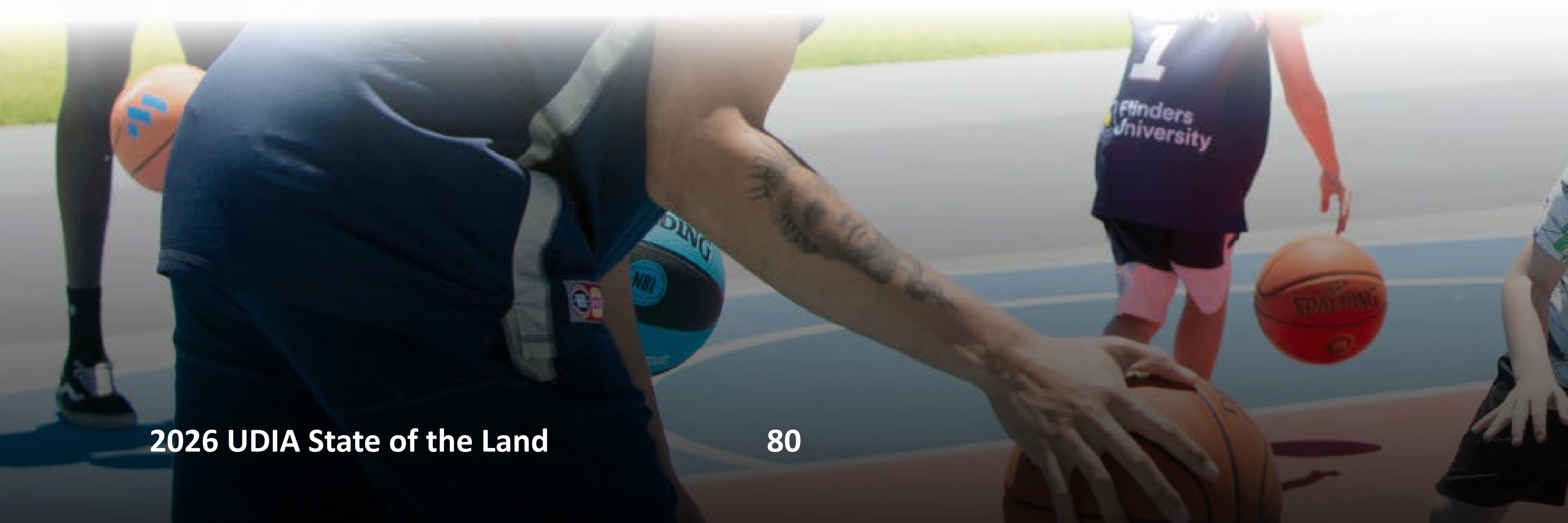


Figure 6.8: Greater Adelaide, Annual Dwelling Completions (Net), Approvals & UDIA New Dwelling Supply Forecast

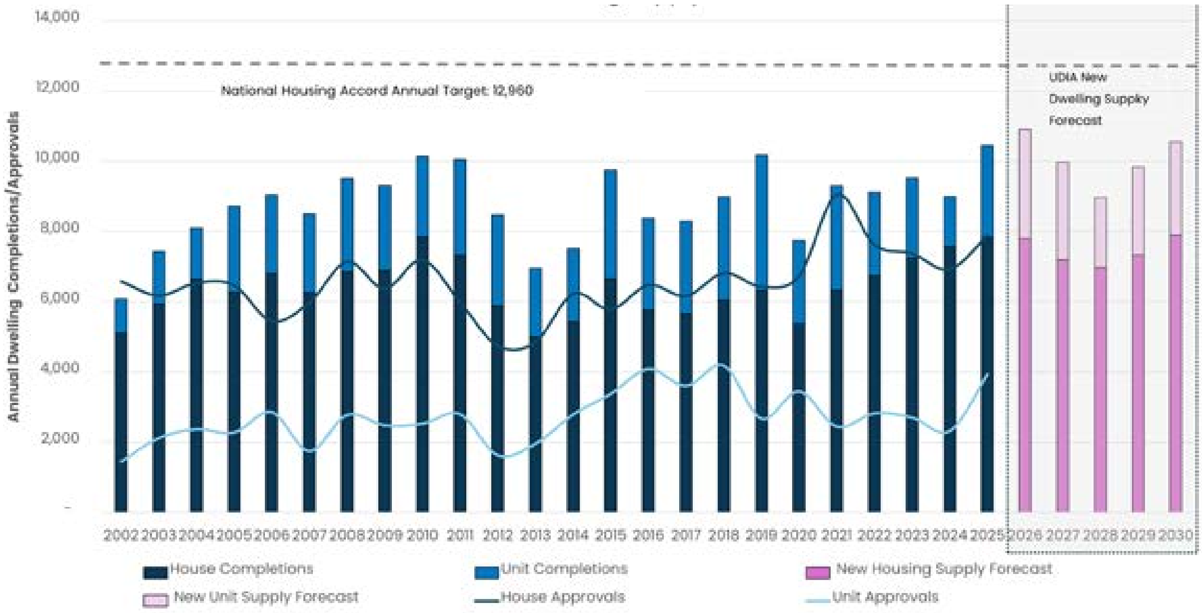
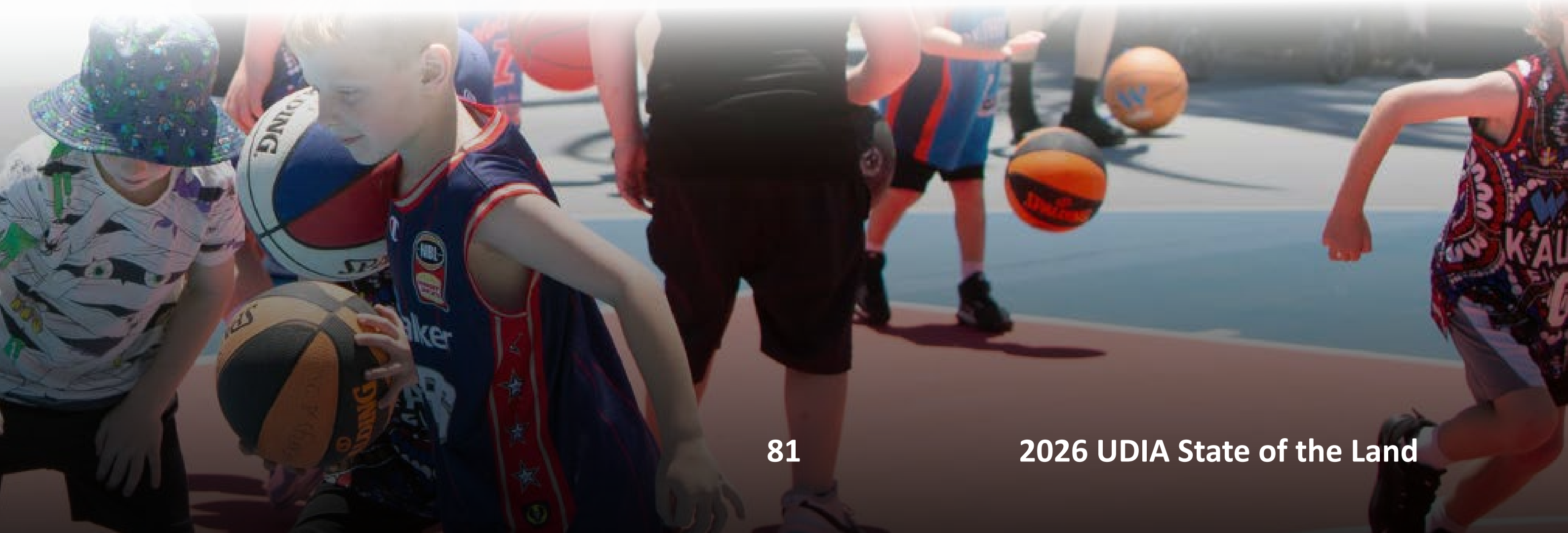


Figure 6.8.1: Aggregate Forecast 5-years UDIA Dwelling Supply Forecast & Shortfall against 5-year Target

Figure 6.8.2: Cumulative Forecast Dwelling Supply V Greater Adelaide Housing Target



SOUTH AUSTRALIA
STATE POLICY ENVIRONMENT

Key industry/market issues

South Australia remains constrained by a structural shortfall in housing supply. Recent efforts by the State Government to improve the supply of development ready land have had some effect in increasing the delivery of housing, however the fact we have still yet to match supply to demand in the state is clearly illustrated by continued price escalation in spite of the recent interest rate rise and associated cost of living pressures.

The need to unlock land for housing supply is only emphasised by the need to engage and utilise skills and workforce capacity that will only get tighter in the coming months and years as projects like AUKUS shipbuilding, the Torrens to Darlington Tunnels and Olympic Dam expansions come on line and compete for workforce.

Unlike other times in South Australia's history, there is reason to believe we have a sustained period of elevated demand for housing over the coming years. Industry will actively seek out every opportunity to respond to this demand, however sees significant challenges related to serviced land.

State policy priorities

March 2026 features a State Election campaign that has so far seen housing and development as clearly a top 3 election issue and arguably the top issue. Housing availability and affordability has been the subject of several policy commitments from the major parties and whoever forms the next Government will have a significant implementation task to deliver on their commitments.

The incumbent Government has identified the need to deliver 13,500 houses per year at the baseline to support the workforce we need for the economic growth projects in the pipeline for the state. This will require continued investment in infrastructure to deliver the land required to locate the dwellings needed.

The State Government's Housing Roadmap is in its second year and this plan, which combined a historic injection of direct investment in infrastructure with a suite of measures to accelerate approvals and delivery, is due for an update and report in July this year. Industry is looking for a clear signal from the Government of a continued commitment to countering the crisis. Efforts from the first announcement have improved the supply of land and the capacity to deliver housing, but there remains a need to continue to ramp up efforts to increase supply with fresh funding and a new suite of efficiencies.

Matching the need for housing with appropriately located density will also be a focus of the coming year. The sensitivities of the policies of density and NIMBYism are not well suited to an election campaign, however industry hopes to see opportunities to deliver emerge over the coming months.

Future prospects

UDIA SA has worked to create the detailed Grow. Reform.Build election policy document to frame the debate for the March poll. This platform will underpin UDIA advocacy for the coming months and years. We will continue our collaborative working relationship with the State Government, whoever holds power, and use this relationship to support positive action on land supply and housing development.

With housing a key part of the election campaign, it is clear that there is an acceptance of the need for significant action to respond to the crisis. That action must focus on supply through supporting the provision of serviced land. We expect the update of the State Government's Hosing Roadmap to detail initiative and opportunities to improve supply.

We will also continue to advocate for reforms to open space contributions, land tax and other State Government charges. These reforms, combined with all important investment in infrastructure, will underpin sustained growth in housing construction and will further position South Australia as a leader in liveability across Australia.

COTALITY 2026 OUTLOOK

South Australia

Supply side constraints have continued to support a solid upwards trajectory in South Australian home values, with the value of Adelaide homes up 9.7% over the 12 months to January 2026 and regional South Australian values 11.9% higher. The ongoing strength comes as advertised stock levels track around 30% below the five-year average.

But demand is showing some signs of easing across South Australia as population growth normalises and interstate migration holds in negative territory. Housing affordability is another barrier to demand, with the dwelling value to household income ratio rising to 9.2 in September last year, the second highest ratio across the capitals after Sydney.

We are also seeing evidence of a supply response rolling through, with dwelling approvals and dwelling commencements for both houses and units trending at above average levels.

As supply and demand gradually show a better fit, we expect to see some heat coming out of the price trends across Adelaide, returning to a more sustainable, but still positive trend in 2026.

SA Developer Insight

Men Moore
General Manager, Villawood South Australia

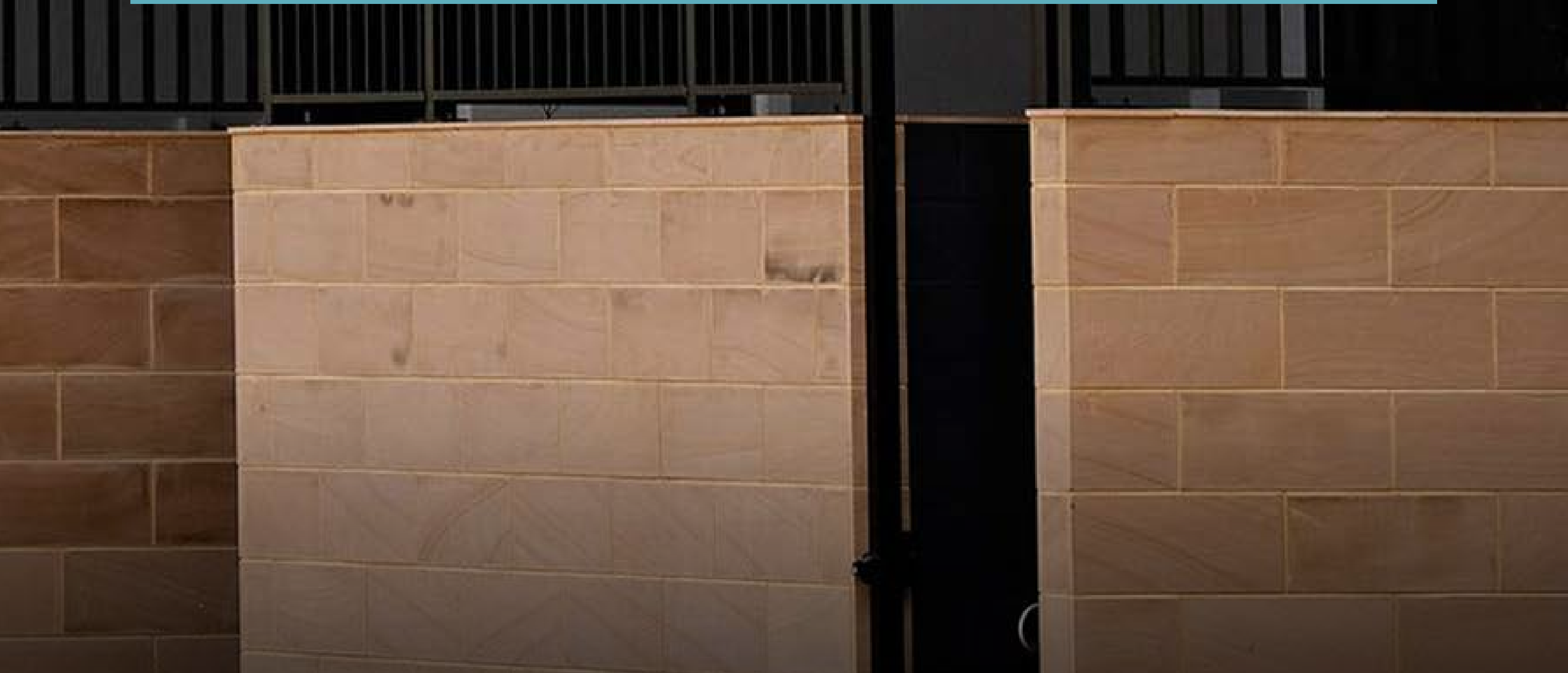
The story of the Greater Adelaide market in 2025 was of sustained demand again meeting supply shortages, pushing property prices to record levels.

At Villawood, we know there is strong demand for quality new housing for young families, first-home buyers, key workers, and downsizers, across all our projects, South to North.

All segments of the market are facing challenges getting into a home due to a shortage of critical Government infrastructure as well as planning delays, which is ultimately restricting housing construction.

South Australia is a great place to live, and the state is currently experiencing sustained growth.

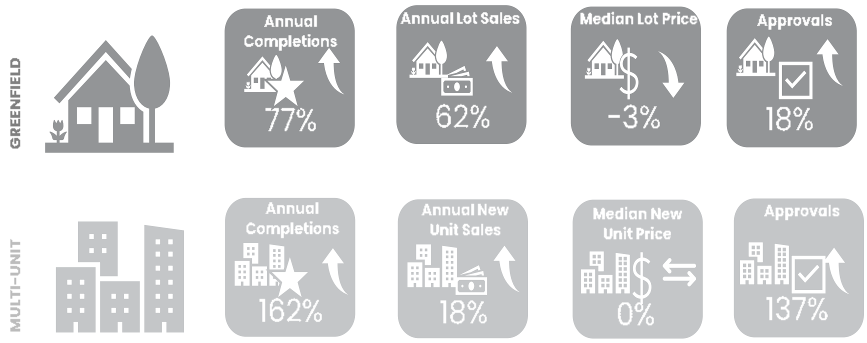
This great opportunity we have for housing development cannot be squandered. We would like to see immediate steps taken so we can capitalise on the current energy and deliver for South Australian home buyers.



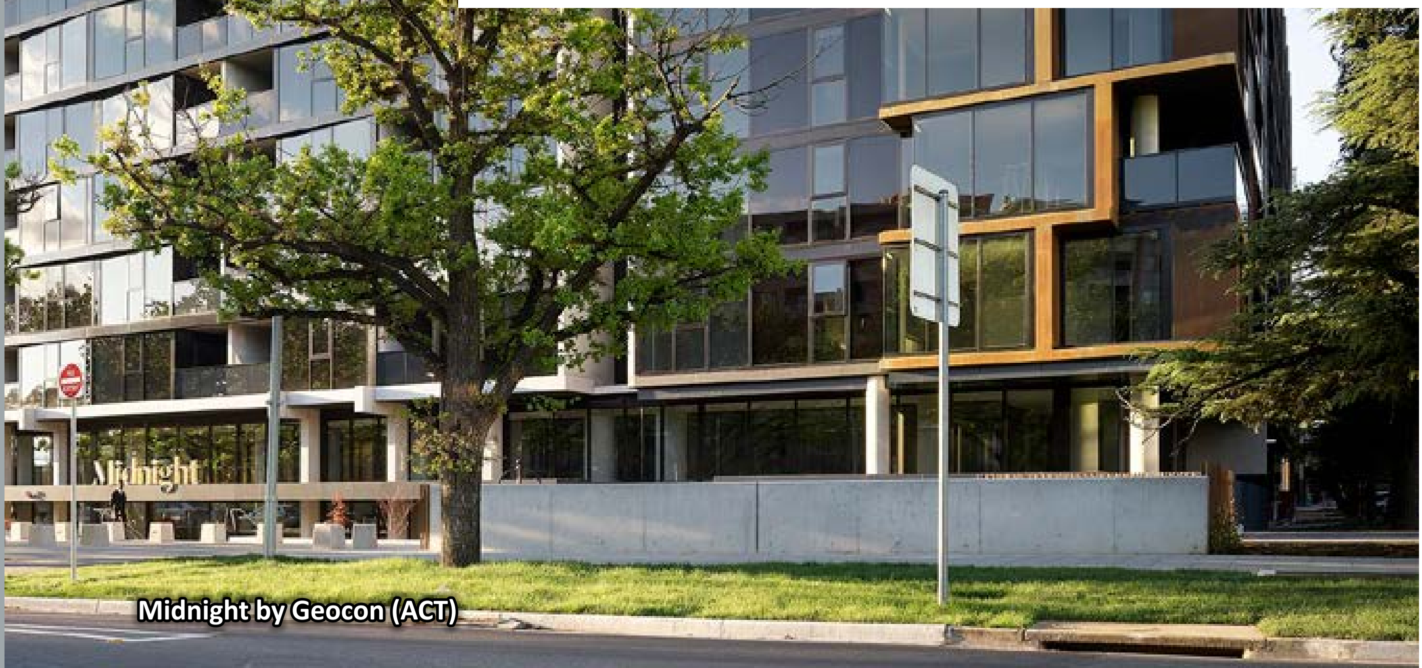
Monarch Apartments (SA)

ACT

SUMMARY



- The ACT greenfield market registered a further year of low sales volumes and market activity, while a pick-up in annual sales activity in the multi-unit sector demonstrated more general buoyancy into this sub-market.
- A combined total of circa 3,800 new dwellings were completed in 2025 across the ACT's greenfield release and multi-unit infill sectors. This reflects a 6% decrease of new product completions from the preceding year, to around decade average levels – underpinned by well-above levels of completions of new unit stock.
- New residential supply completions are forecast to remain around current aggregate production levels for 2026 before modestly retracting over the following two years.
- Aggregate completions are forecast to undershoot the National Housing Accord's annual dwelling target for the ACT of 4,200 (based on a population based share of 1.2 million homes over the forward five years) by 22%, with a cumulative dwelling supply gap of circa 6,180 dwellings by 2030



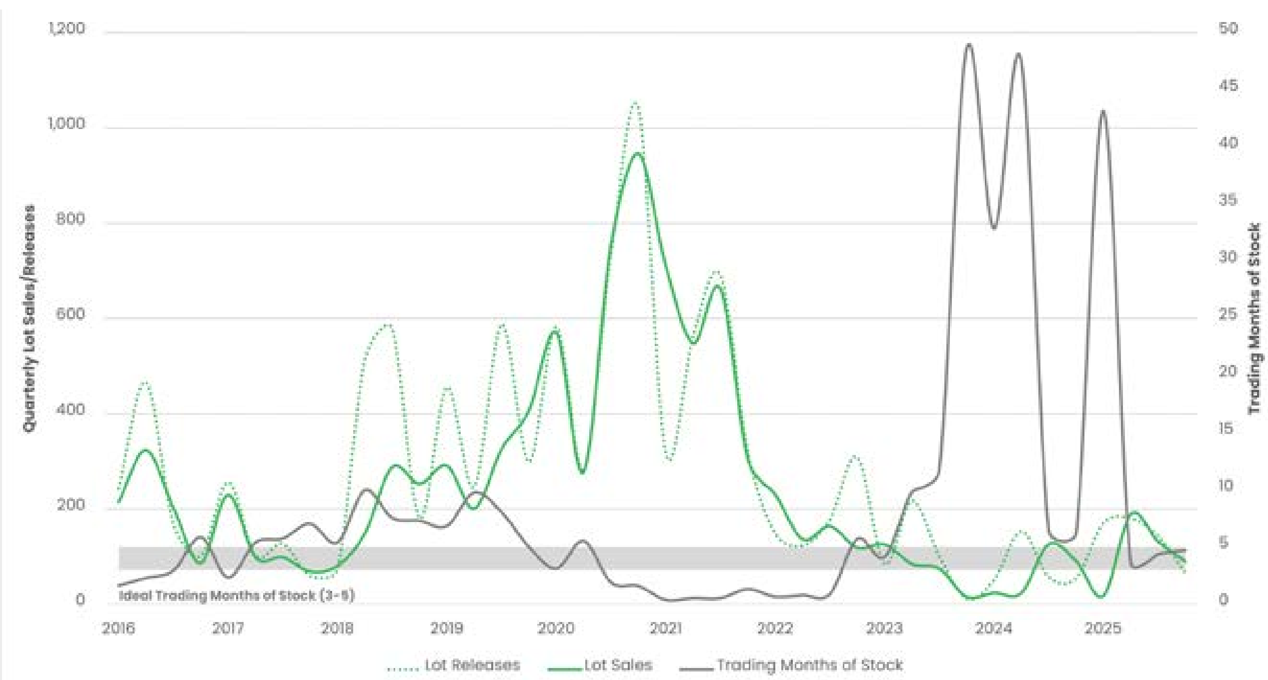
Midnight by Geocon (ACT)

GREENFIELD MARKET ACTIVITY

Sales and Release Activity

- The ACT greenfield market recorded a fourth straight year of low greenfield lot sales activity with just 429 net greenfield lot sale transactions recorded across the 2025 calendar year. This reflects an annual production output 57% lower than the decade average.
- Reflecting an extremely soft consumer profile there was a release of just 316 lots released across 2024, which reflects a 24% drop on 2023 volumes, and 72% below the long run average. After demonstrating some signs of recovery in the June quarter, lot releases plummeted in the September and December quarter.
- The ACT's share of total national land sales since 2009 has averaged 3.2%. The share of total activity for the 2025 calendar year was just 1.0% underscoring the maintenance of soft greenfield market conditions in the Nation's Capital.

Figure 7.1: Greenfield Market Activity



Source: UDIA; Researchfour

Whitlam Estate by
Surburban Land Agency (ACT)

Stock Levels

- As of December 2025, the number of residential lots on a price list was equal to 4.7 months which is within the 3-5 months ideal stock trading level for the ACT market.

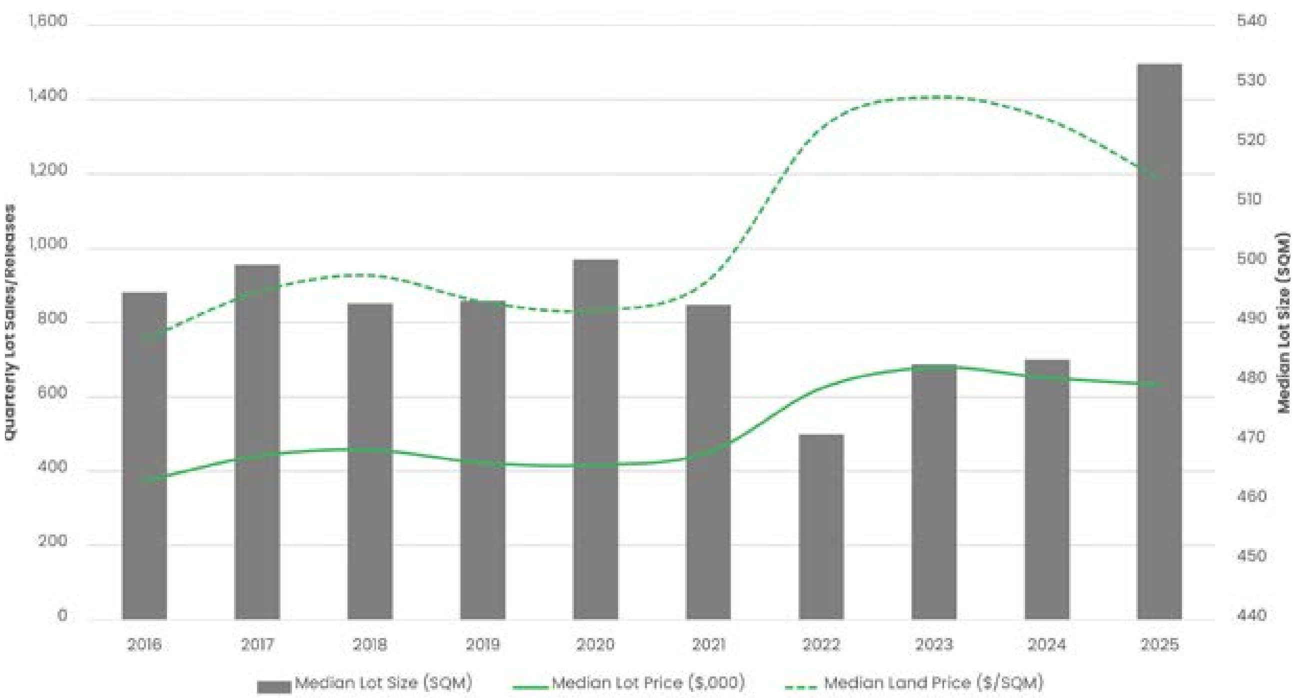
Greenfield Projects

- Researchfour's national land survey recorded an average of eight active estates across 2025 which is the highest annual average of active estates since 2021 when a record 13 active estate averaged sales across 2021 – reflecting the height of the HomeBuilder stimulus turbo charging of the market.

Greenfield Land Prices, Lot Sizes and Values

- For the second consecutive year, the ACT's median lot price average went backwards with a 3% fall to $633,250.
- Over the past two years the median lot price has fallen 7% which has resulted in a reversal of pricing levels with the Sydney market – which now has an median lot price $61,750 higher than the ACT, as compared to the ACT's median block price being $38,125 more expensive than Sydney in 2023.
- The ACT's 2023 median lot price represented 65% of the established market median house price of $967,500, which is elevated on the decade average of 60%.
- The median lot size increased by 10% over 2025 to 534 sqm which helped deliver the ACT to comfortably retain the largest average block sizes in the country and is 28% higher than the combined capital city average. This marks the first time since 2021 that there has been annual median lot size reading above $500 sqm since 2021.
- The median land value fell 12% across 2025 to $1,187 psm, which is commensurate with the combined capital city average across 2025.

Figure 7.2: Median Lot Price, Land Price ($/sqm) and Median Lot Size



Source: UDIA; Researchfour

Greenfield Market Performance Summary Table

Year	Annual Net Land Sales	Average Number of Active Estates Per Quarter	Median Lot Size (SQM)	Annual Median Lot Price	Annual Median Land Price ($/SQM)
2016	829	4	495	$373,313	$759
2017	497	3	500	$440,500	$881
2018	771	4	493	$457,125	$927
2019	1,225	8	494	$422,500	$856
2020	2,548	13	501	$416,750	$833
2021	2,226	10	493	$450,750	$917
2022	651	5	471	$623,488	$1,323
2023	302	4	483	$679,375	$1,408
2024	265	6	484	$651,750	$1,347
2025	429	8	534	$633,250	$1,196
10 Years Average	**974**	**7**	**495**	**$514,880**	**$1,045**

Source: UDIA; Researchfour

RESEARCH4 GREENFIELD OUTLOOK 2026

ACT

In 2025, the ACT Greenfield market achieved an average monthly sales volume of 36 lots, representing a 62% increase compared to the 2024 monthly average of 22 lots. Notably, the market peaked at a high trading level of 63 lots per calendar month during the year. The 2025 average sale rate closely aligned with the projected model demand of 48 lots per month. However, entering 2025, the market faced a significant backlog of unmet demand, which was anticipated to elevate average demand from 48 to 90 lots per calendar month. In conclusion, although there was marked improvement, overall market activity remained insufficient to satisfy both current and accumulated demand.

An analysis of the key performance indicators indicates that the return rate averaged 35.2% in 2025, compared to 35% in 2024. This persistently high return rate suggests ongoing market uncertainty, a trend that has continued since 2023. The production clearance rate for 2025 averaged 86%, signifying that product releases were not fully absorbed by the market. Average stock overhang in 2025 equated to 4.5 months of trading, which is generally regarded as elevated. Additionally, the average stock-to-sales ratio was 14:1, reflecting a substantial imbalance between inventory levels and actual sales.

No new estates were introduced to the market in 2025. The total selling capacity remains fixed at 92 lots per month. Projections indicate that this level of capacity will be sustained throughout 2026, ensuring the market can adequately meet anticipated demand. The low sales volume observed in 2025 cannot be attributed to insufficient capacity.

At the end of 2025, the median lot price in the ACT market stood at $644,000. This figure has remained unchanged over the past three years, reflecting the limited fluctuations observed in median house prices. Significantly, there was a 21% decrease in the value per square meter, attributed to an increase in median lot size from 476m² in Q4-2024 to 600m² in Q4-2025.

For the past 5-years, the median lot price has averaged 61% of the median house price. As at Q4-25, the median price of $644,000 was 61% of the median house price, therefore the current price represents Fair Value.

For 2026, activity is expected to match the average forecast of 57 lots per calendar month. With capacity 50% higher than demand and a fully priced market, significant price growth is unlikely.

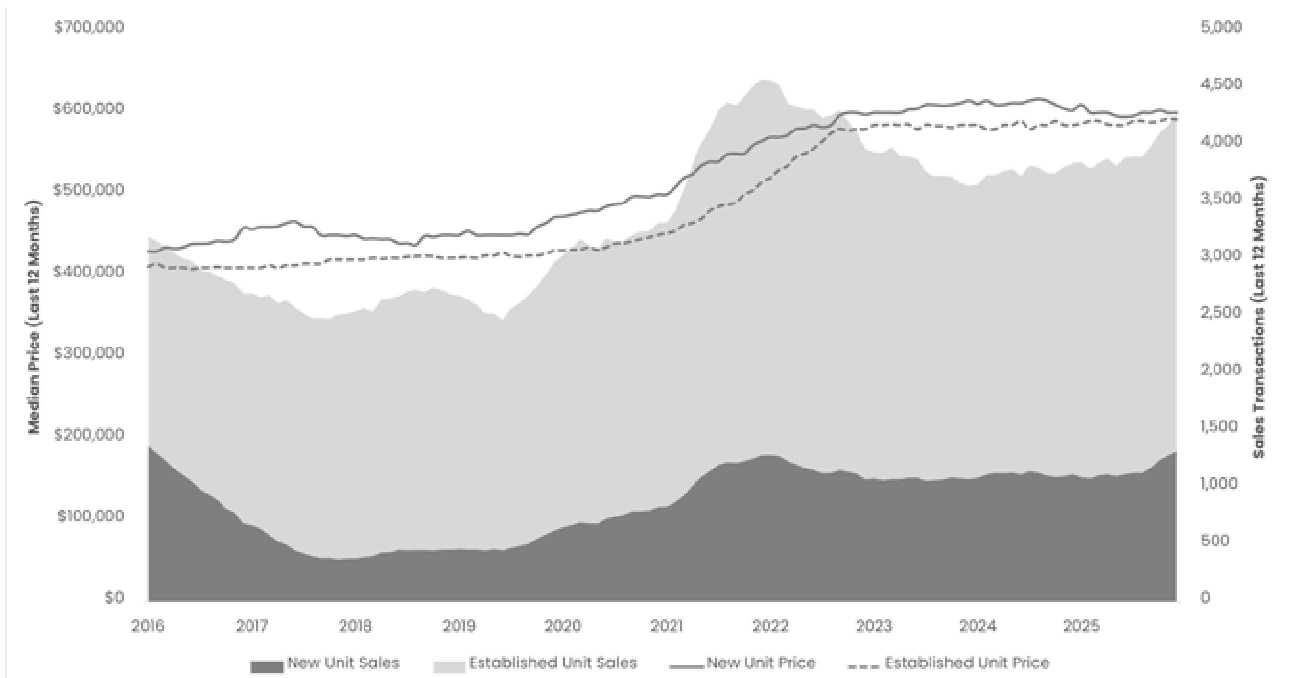
ACT

MULTI-UNIT INFILL ANALYSIS

Sales Activity

- There were 1,320 settled sales transacted across the year, which was 18% higher than 2024 volumes and elevated by nearly half on the decade average.
- Sales activity of new apartments and multi-units across Canberra remained relatively consistent across the year averaging 69 sales a month.
- Across the broader established market there were 2,694 settled multi-unit dwelling sales across the ACT which represented a 5% increase on the year was down 18% on the peak volumes of the last decade achieved in 2021.
- Over the last ten years new build multi-units (primarily apartments) have averaged 34% of total annual unit sales activity. In 2025 new unit sales accounted for 31% of total sales highlighting the resilience of the multi-unit sector.

Figure 7.3: Multi-Unit Sales, Established & New Sales (Settled)



Source: UDIA; Cotality

Median Unit Pricing

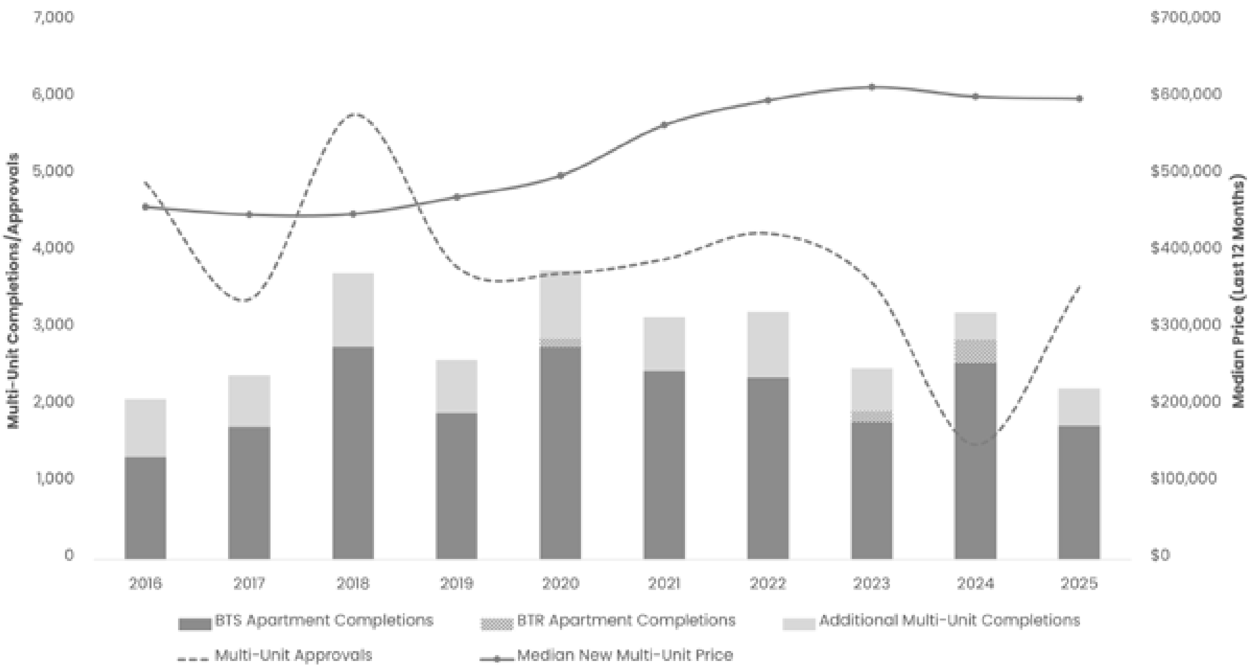
- There was a 0.5% fall in the annual median sale price of new units in 2025 to $600,000, having fallen consecutively over the last two years from $615,000.
- The ACT now has the most affordable new stock in the nation with the $600k December quarter median unit price being 17% cheaper than the combined capital cities average, and 33% cheaper than the most expensive national market – Greater Sydney.
- The current median sale value of new units is currently 36% more affordable the median value for new houses, which is lower than the long-term average of 31% cheaper, which represents a positive retail proposition for the multi-unit market – particularly first home buyers.

ACT

Construction Activity

- Cotality's tracking of project scale completions of multi-units across the ACT recorded a very strong 162% uptick in annual completion activity in new multi-unit dwellings completed in 2025 to 3,730. This represents a return to more normalised completions volumes after a very soft completions profile from the year prior.
- Charter Keck Cramer's bi-annual assessment of active Build-to-sell (BTS) and Build-to-Rent (BtR) apartment market provides a further lens into the short and medium term construction prospects for both new residential unit supply typologies. At the close of 2025 there was a total 'active' (unit supply under construction plus units which are being marketed/pre-sold) BTS supply of 1,740 units across the ACT. This represents a 32% reduction on 2024 active supply volumes, and 15% below the decade average BTS apartment supply level (2,055 units).
- The ACT market is still yet to record and Build-to-Rent apartment supply, however there are prospective projects mooted for 2030 and beyond.
- Approvals for multi-units were up 65% across the year with 2,225 approvals, which is the highest annual volume of approvals recorded in twenty years.

Figure 7.4: Median New Unit Price & Annual Unit Completions



Source: UDIA; Cotality; Charter Keck Cramer; ABS

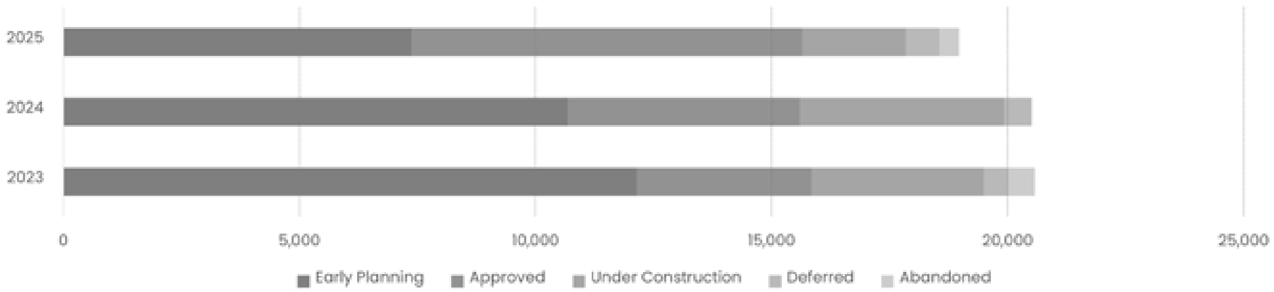
Multi-Unit Pipeline Analysis

Cotality have produced point-in-time estimates of the multi-unit pipeline based on an end of year snapshot of the industry leading Cordell Construction database.

- At the end of 2025 the total active pipeline in the ACT numbered 17,845 units, which is a 12% decrease on 2024 signalling a modest erosion of of robust forward supply.
- The pipeline recorded a 31% decrease of units in early planning stages in 2025, while approved units increased 68% and due to strong completions across the year units under construction decreased by 49%.

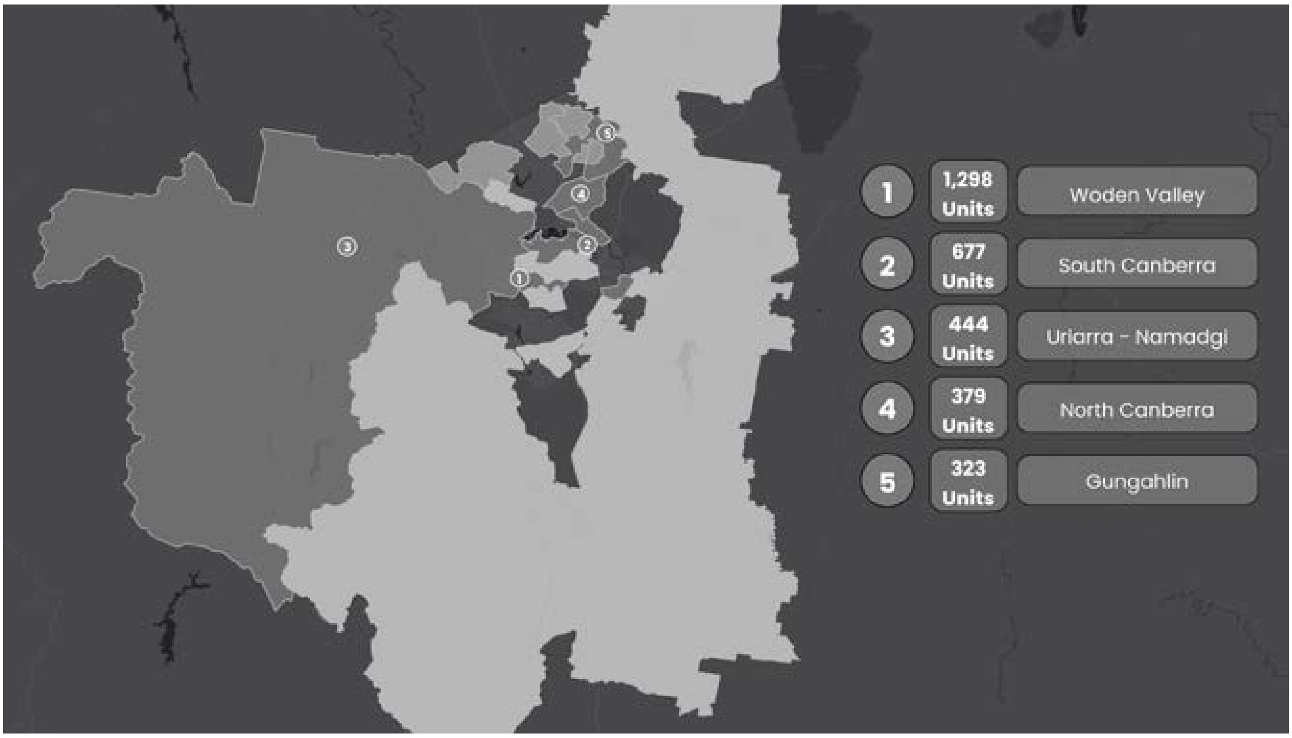
ACT

Figure 7.5: Multi-Unit Pipeline



Source: UDIA; Cotality

Figure 7.6: Multi-Unit Completions by Postcode



Source: UDIA; Cotality; Charter Keck Cramer

Sub-Market Analysis

- Phillip had the most apartment unit completions in ACT with 704 completions to December 2024,

Multi-Unit Market Performance Summary Table

Year	New Unit Sales[1]	Median New Unit Price[1]	BTS Apartment Completions[2]	BTR Apartment Completions[2]	Additional Multi-Unit Completions[2]	Unit Approvals[3]	Unit Completions[1]
2016	687	$458,900	1,333	0	754	4,902	2,390
2017	384	$449,000	1,728	0	669	3,386	4,415
2018	459	$450,000	2,769	0	961	5,788	2,840
2019	625	$472,000	1,909	0	691	3,809	2,488
2020	832	$500,000	2,771	107	889	3,722	2,081
2021	1,284	$565,500	2,455	0	702	3,907	3,278
2022	1,076	$597,750	2,371	0	856	4,247	3,901
2023	1,079	$615,000	1,788	140	564	3,604	3,807
2024	1,122	$602,750	2,562	300	354	1,496	1,425
2025	1,319	$600,000	1,743	0	485	3,545	3,734
10 Years Average	**887**	**$531,090**	**2,143**	**55**	**693**	**3,841**	**3,036**

Source: UDIA; Cotality[1]; Charter Keck Cramer[2]; ABS[3]

Republic by Geocon (ACT)

ACT

COTALITY 2026 OUTLOOK

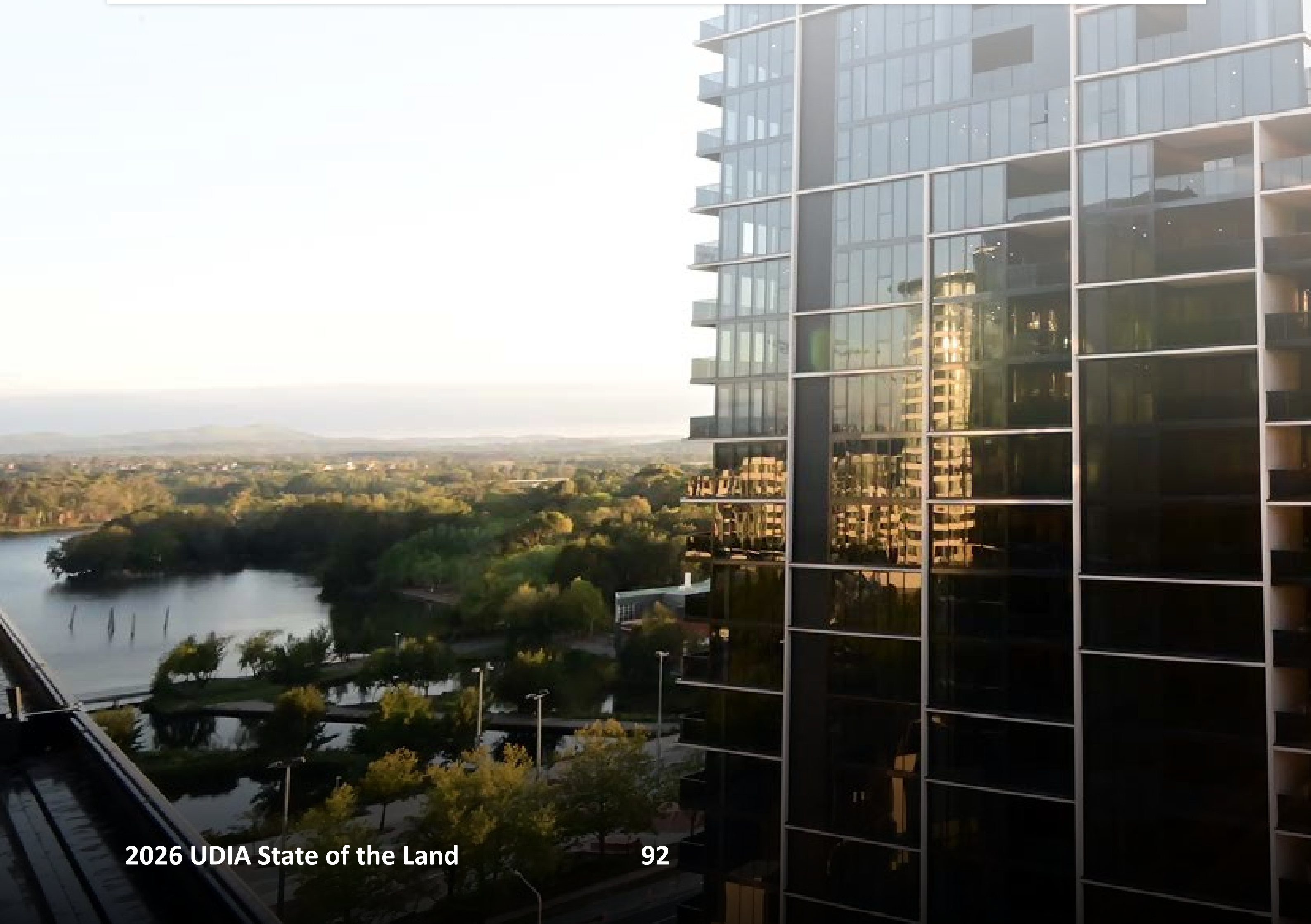
ACT

The ACT has recorded one of the softest housing market outcomes over the past year, with dwelling values up 5.5% compared with a 9.4% rise across Cotality's national Home Value Index. The local unit sector has weighed on the pace of capital gains, with values across the unit sector a little better than flat (+0.4%) over the past year while house values have recorded a 7.1% rise over the same time.

The softer growth outcomes across the unit sector can largely be attributed to higher levels of supply, with more than 17,000 unit dwellings completed over the past five years, almost three times more than the number of house completions.

Alongside the large share of unit supply, demand side factors have been relatively soft. Population growth, at 1.3%, is tracking below the national average of 1.5% and interstate migration has been holding in negative territory since Q3 2022. The ACT has also recorded the lowest share of investor demand of any state or territory, with investors comprising 29% of new lending in Q4 last year, well below the national average of 40%.

With demand side factors generally soft, along with a strong supply response across the unit sector, its likely the stronger housing conditions will continue to be apparent across the detached sector of the market in 2026.



Damon Smith
CEO, Geocon

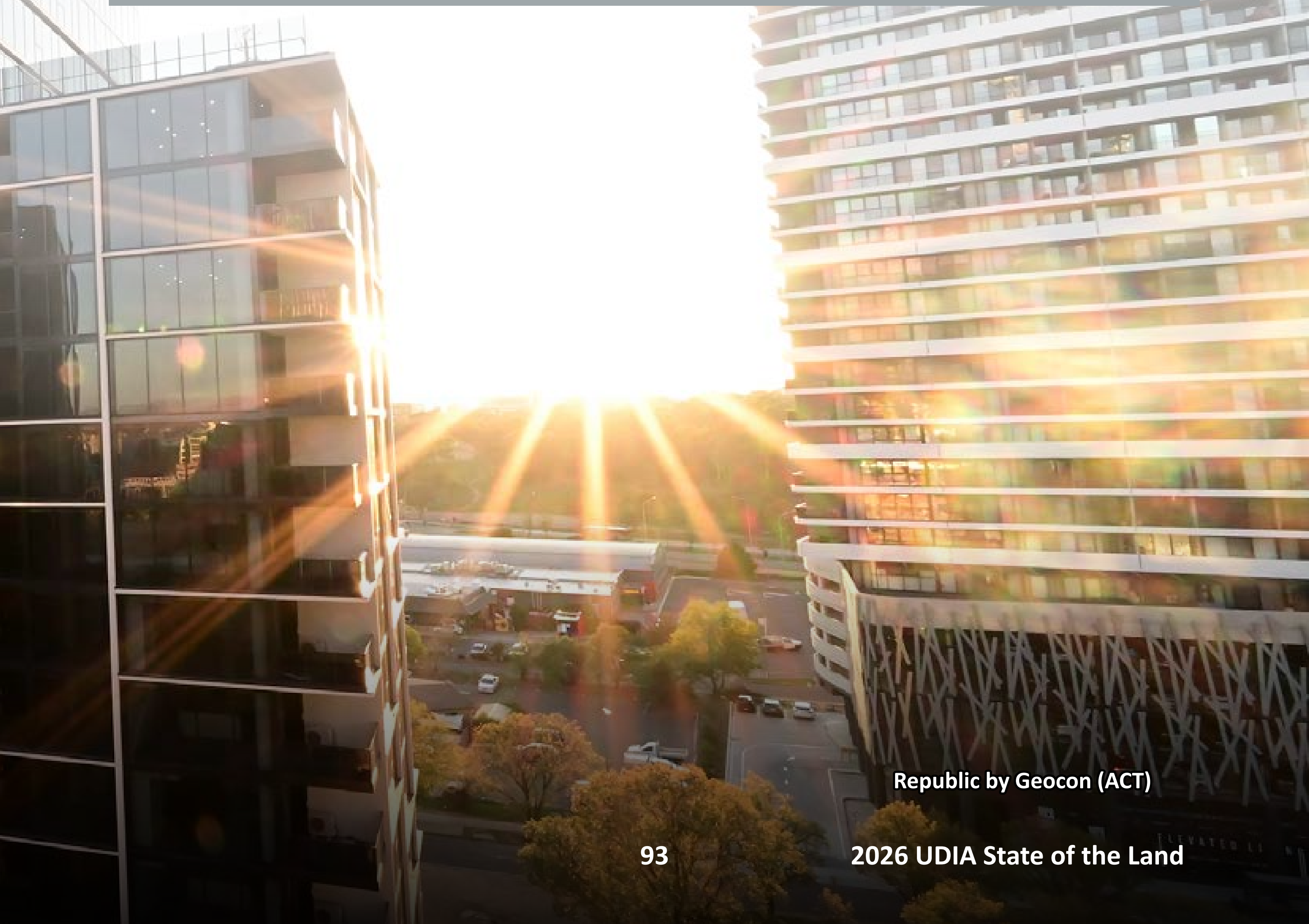
ACT Developer Insight

The ACT residential market reflects two contrasting conditions. At a macro level, fundamentals remain strong. Tight rental vacancy rates, public sector growth, and continued investment in infrastructure and universities reinforce Canberra's position as one of Australia's most resilient economies. Population growth, a highly educated workforce, and stable government spending provide a solid and dependable foundation.

In the short term, however, conditions are more complex. Higher interest rates, cautious lending, and subdued investor sentiment are constraining transaction volumes, particularly in the apartment sector. Established homes often appear more competitively priced than new developments, despite the higher compliance, sustainability, and amenity standards delivered in new projects. Limited comparable sales evidence in the new unit market has also created valuation uncertainty and slower purchasing decisions.

Meanwhile, delivery costs continue to rise beyond inflation. Stricter building standards expanded compliance requirements, and increased contributions, fees, and licensing costs are materially affecting project feasibility. Legislative reform and greater regulatory oversight have added further time and complexity to delivery.

Despite these near-term headwinds, interstate investment remains relatively strong, attracted by the ACT's economic stability and diversification benefits, supporting a constructive longer-term outlook for the residential sector.



Republic by Geocon (ACT)

ABOUT UDIA

THE URBAN DEVELOPMENT INSTITUTE OF AUSTRALIA (UDIA) IS THE PEAK BODY REPRESENTING THE URBAN DEVELOPMENT INDUSTRY IN AUSTRALIA.

UDIA REPRESENTS MORE THAN 2,100 COMPANIES INCLUDING DEVELOPERS AND A RANGE OF PROFESSIONALS INVOLVED IN THE DEVELOPMENT INDUSTRY INCLUDING LAWYERS, ENGINEERS, TOWN PLANNERS AND CONTRACTORS.

UDIA OFFICES AROUND AUSTRALIA

UDIA NATIONAL
(02) 4415 9170
udia.com.au

UDIA VICTORIA
03 9832 9600
udiavic.com.au

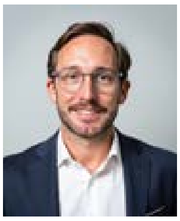
UDIA QUEENSLAND
07 3229 1589
udiaqld.com.au

UDIA SOUTH AUSTRALIA
08 8359 3000
udiasa.com.au

UDIA NEW SOUTH WALES
02 9262 1214
udiansw.com.au

UDIA WESTERN AUSTRALIA
08 9215 3400
udiawa.com.au

UDIA NORTHERN TERRITORY
0457 882 793
udiant.com.au



Oscar Stanley

National President
UDIA National
president@udia.com.au

Kirsty Chessher-Brown

Chief Executive Officer
UDIA Queensland
kchessher-brown@udiaqld.com.au

Stuart Ayres

Chief Executive Officer
UDIA New South Wales
sayres@udiansw.com.au

Linda Allison

Chief Executive Officer
UDIA Victoria
linda@udiavic.com.au

Liam Golding

Chief Executive
UDIA South Australia
goldingl@udiasa.com.au

Tanya Steinbeck

Chief Executive Officer
UDIA Western Australia
tsteinbeck@udiawa.com.au

Andrew Mihno

Director Policy and Govt. Relations
UDIA National
amihno@udia.com.au

Toby Adams

Head of Research
UDIA National & UDIA WA
tadams@udiawa.com.au

For all State of the Land related enquiries reach out to Toby Adams at tadams@udiawa.com.au

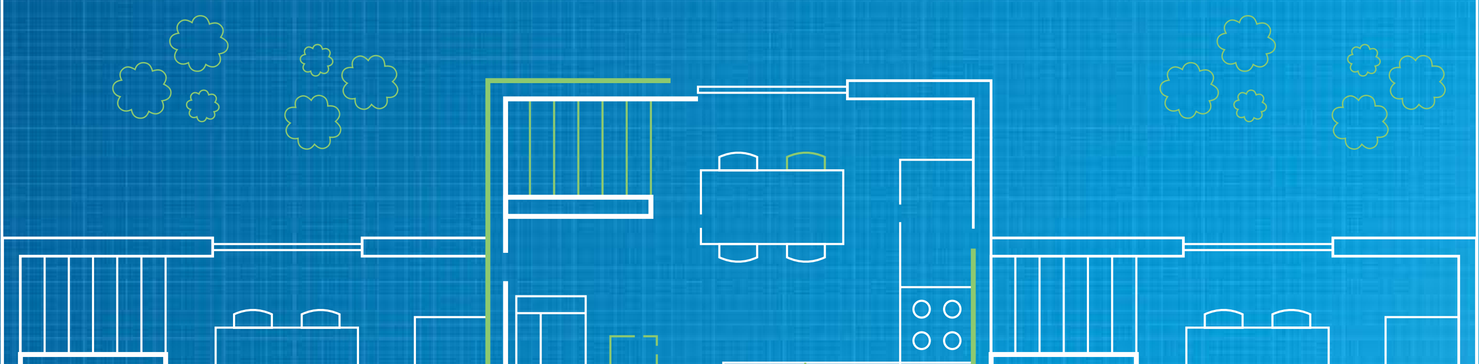
Made for the future

As a Government Business Enterprise, **nbn** is one of the largest telecommunications infrastructure providers in Australia. We are investing in the network to support the innovation, productivity, and growth of our nation. We have built a network that's future-ready.

Make nbn part of the plan

Find out how nbn can do more for your build

Visit nbn.com.au/newdevelopments



WITH THANKS TO 2026 STATE OF THE LAND RESEARCH PARTNERS

cotality

understanding research4 the Greenfield market

Charter Keck Cramer

UDIA STATE OF THE LAND 2026

Urban Development Institute of Australia
NATIONAL