

THIS MONTH IN REVIEW

With 2025 just around the corner, it's important to take stock of 2024 to provide perspective and, hopefully, inform some of our property buying and investment decisions as we step into the new year.

The last 11 months have endured a volatile and mixed property market that has seen an unprecedented number of legislation reforms. Its record-breaking winners, Perth, Adelaide and Brisbane, have registered an unbroken track record of property price rises – displacing Melbourne's long-standing top spot behind Sydney.

The ongoing dwelling value falls for Melbourne, and, recently, for Sydney are predicted to continue into 2025, within a range of -5% and -1%, with buyer demand predicted to bounce back after a rate cut, according to SQM Research's Housing Boom & Bust Report.

Conversely, the same report's national base forecast for combined property values in 2025 is hopeful, predicting a rise between 1% and 4%, led by Perth, Adelaide, Brisbane and Darwin.

For now, Australia's strong job market and the 3.5% (trimmed mean) inflation – up from 3.2% in September – has propelled Westpac to join NAB in revising its predictions for the first RBA interest rate cut, moving it from February to May 2025.

In all, according to several sources, including CoreLogic, SQM Research and PropTrack, the property market conditions in the new year are likely to mimic 2024, especially its mixed market, low construction approvals and high immigration numbers.

AUCTION CLEARANCE RATE

Source: APM PriceFinder

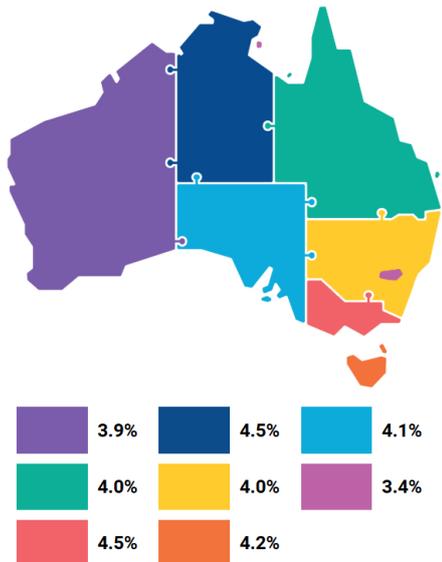
	Nov 2nd		Nov 30th
MELBOURNE	63%	▼	59%
SYDNEY	60%	—	60%
ADELAIDE	58%	▼	56%
BRISBANE	28%	▲	32%

POPULATION GROWTH % (Yr to Mar 2024) Source: ABS

WA	▼	3.1	<div style="width: 3.1%;"></div>
VIC	▼	2.7	<div style="width: 2.7%;"></div>
QLD	▼	2.5	<div style="width: 2.5%;"></div>
NSW	▼	2	<div style="width: 2%;"></div>
ACT	▼	1.8	<div style="width: 1.8%;"></div>
SA	▼	1.5	<div style="width: 1.5%;"></div>
NT	▼	0.8	<div style="width: 0.8%;"></div>
TAS	—	0.4	<div style="width: 0.4%;"></div>

MONTHLY UNEMPLOYMENT - October 2024

Source: ABS (most recent figure at time of publication)



VACANCY RATE % - October 2024

Source: SQM Research

Canberra	▼	1.7	<div style="width: 1.7%;"></div>
Melbourne	—	1.7	<div style="width: 1.7%;"></div>
Sydney	▼	1.5	<div style="width: 1.5%;"></div>
Darwin	▲	1.4	<div style="width: 1.4%;"></div>
Brisbane	▼	1	<div style="width: 1%;"></div>
Hobart	▼	0.6	<div style="width: 0.6%;"></div>
Adelaide	—	0.6	<div style="width: 0.6%;"></div>
Perth	▼	0.5	<div style="width: 0.5%;"></div>

CAPITAL CITY UPDATES

SYDNEY NSW

- With 50% of Sydney residents expected to be living in some form of strata by 2040, the NSW government has introduced a Bill to amend an array of strata regulations that will impact strata committees and make changes to strata and building managers' obligations.
- Despite registering a slight drop, of 0.4%, in month-on-month unit asking rents, SQM Research shows that the capital continues to have the nation's highest weekly rents for houses and units of \$1,047 and \$693, respectively.



AUD to USD

64.38c

down from 66c in Nov

- The NSW government's newly established Housing Delivery Authority (HDA) will speed up the approval process for projects larger than \$60M in greater Sydney – and over \$30M for regional NSW – by by-passing the council, which, in some cases, will reduce the waiting time by years.

MELBOURNE VIC

- While it is one of three capitals to lose value last month, Melbourne has yet again registered the biggest drop in combined dwelling values, falling by 0.4% in November, according to the latest CoreLogic indices.
- The Victorian government has introduced new legislation, coming into effect 1 January 2025 that will not only change the definition of the vacant residential land tax (VRLT) but also its extent, which will cover all residential land in Victoria.
- According to PropTrack, Melbourne is the highest sought-after city to buy and rent by overseas property seekers and search is up compared to same time last year, with Brighton and South Yarra reported as the two most popular locations.

BRISBANE QLD

- The capital has registered the nation's biggest month-on-month drop in combined asking rents, falling by 1.1% in November, according to SQM Research – with both houses and units' rents decreasing by 1.7% and 0.2%, respectively.
- A new 175-hectare development will provide more than 2,000 homes north of Brisbane, according to realestate.com.au. Starting with the Moreton Bay Region, where buyers will be able to purchase in early 2025.
- An application for Brisbane's first 50-storey mixed-use skyscraper has been lodged to be constructed outside the CBD, comprising 678 apartments as well as over 3,500 m2 of public spaces, including a 1,600 m2 park.

PERTH WA

- While Perth is still the fastest-growing capital in the nation, its speed has decelerated significantly, with combined property values increasing by a steady 1.1% in November, according to CoreLogic's indices
- Furthermore, the capital's property market has recorded the highest number of new monthly listings – more than 5,500 – in over 3 years, according to REIWA CEO Cath Hart.
- However, the SQM Research Boom and Bust Report 2025 forecasts another record year for Perth, set to overtake other capitals again – with expected combined dwelling value rises between 14% and 19%.
- Perth's rental vacancy rates have fallen in October, down to 0.5% – the lowest in the nation, according to the latest SQM Research figures.

CANBERRA ACT

- Despite dropping from 2% to 1.7% in October, Canberra continues to hold the nation's highest rental vacancy rate, alongside Melbourne, according to SQM Research.
- Canberra's auctions are experiencing a slowdown this month caused by a general reduction in buyer activity, some of which is brought on by an influx of stock, particularly of larger, 4-bed plus, properties, according to AllHomes.
- The suburb of Phillip is set to become Canberra's new second city, as reported by AllHomes, with its population almost doubling since 2016 and substantial commercial and residential developments in the works, including parks, new shops and cafes.

ADELAIDE SA

- While its month-on-month house rents are continuing to rise, the latest SQM Research figures show that Adelaide still offers the nation's lowest unit asking rents, currently at \$501 per week.
- The South Australian government has amended a code to speed up the rezoning of Dry Creek's land into residential development, with plans to release more than 15,000 dwellings at the site.
- While Perth is a record-breaking newcomer, it's Adelaide's market that has been breaking Australia's longer-term records, according to realestate.com.au, with combined dwelling values increasing by more than 80% since 2020, and last month overtaking Melbourne when its median



RBA Cash Rate

4.35%

Steady for Dec

Source: RBA



Cash Rate Forecast

3.35%

12 mths to Dec 2025

Source: Westpac



Inflation

2.8%

to Sept Qtr 2024

Source: RBA



GDP

0.8%

Year to Sept 2024

Source: ABS



Wage Growth

3.7%

Year to Mar 2024

Source: ABS



Consumer Confidence

5.3%

Up for Nov 2024

Source: Westpac-Melbourne Institute

house price reached \$846K.

DARWIN NT

- According to SQM Research, Darwin has overtaken the only other two mainland capitals with month-on-month increasing asking combined rents, climbing by 4.2% in November. Despite this, it currently has the lowest median weekly rent of \$602.
- Darwin's rental vacancies recorded the nation's biggest drop last month, from 0.8% to 0.6%, for a total of 61% drop since March 2020, according to REA Group senior economist Anne Flaherty.
- The latest Christopher's Boom and Bust Report 2025 has added Darwin to the list of frontrunners leading the property values boom. According to the report, the capital is earmarked to outperform the market, with dwelling values forecasted to rise as much as 8%.



**Disposable
Income**

-0.4%

Year to Sept 2024
source:ABS