

Latest Property Price Forecasts for 2025 Revealed

Expert Insights and Trends Shaping the Next Few Years

Supply Shortages to Persist

Housing Scarcity Remains a Key Issue Australia's housing supply shortage will continue into 2025, keeping demand high. Both purchasing and rental markets will struggle with limited availability.

Interest Rates to Fall Mid-Year

Rate Cuts Expected in 2025 While inflation stabilizes, interest rates won't drop until mid-2025. Once they do, market sentiment will improve, sparking renewed activity from buyers and sellers.

Strong Population Growth Fuels Demand

Migration Drives Housing Demand Australia's strong migration trends will keep housing demand robust. This population growth, coupled with limited supply, will support property prices and rents across the country.

Rents to Continue Rising

Rent Increases to Persist With ongoing housing supply constraints, rents will keep climbing. The combination of fewer rental properties and high demand ensures continued upward pressure on rental prices.

City	Month	Quarter	Annual	Total return	Median value
Sydney	-0.6%	-1.4%	2.3%	5.5%	\$1,191,955
Melbourne	-0.7%	-1.8%	-3.0%	0.7%	\$774,093
Brisbane	0.5%	1.3%	11.2%	15.6%	\$890,746
Adelaide	0.6%	2.8%	14.0%	18.4%	\$813,016
Perth	0.7%	1.9%	19.1%	24.5%	\$808,090
Hobart	-0.5%	0.0%	-0.6%	3.7%	\$651,043
Darwin	0.4%	0.6%	0.8%	7.4%	\$496,871
Canberra	0.5%	-0.3%	-0.4%	3.8%	\$844,277
Combined capitals	-0.2%	-0.5%	4.5%	8.3%	\$896,372
Combined regional	0.2%	1.0%	6.0%	10.6%	\$657,652
National	-0.1%	-0.1%	4.9%	8.9%	\$814,837

Source: Corelogic HVI 2nd January 2025.

Capital Cities Property Asking Prices

Property type	Price (\$)	Weekly Change	Monthly Change %	Annual % change
All Houses	1,417,488	2.352	0.7%	6.3%
All Units	705,412	1.340	0.4%	7.1%
Combined	1,206,524	2.052	0.6%	6.2%

Source: SQM Research, December 2024

Big four bank cash rate forecasts		
	First change (-0.25%)	No. cuts forecast
ANZ	May 25	2
CBA	Feb 25	4
Westpac	May 25	4
NAB	May 25	5