

Regional vs Metro: Housing Growth Gap Tightens as City Markets Accelerate

The expansion of capital cities is accelerating, indicating a shift as affordability pressures and buyer demand reshape national performance, although regional markets continue to lead.

Growth Gap Narrows-Local Lead Declines

Although regional home values increased 1.5% in the April quarter, they were still 1.0% higher than those of capital cities; nevertheless, the spread has narrowed considerably since January, indicating comparable performance.

Capital Cities Get Going Again

New buyer confidence, better affordability, and more auction activity in big city suburbs helped urban markets buck early-year falls and achieve a 1.0% quarterly increase.

Changes in Regional Market Leadership

Growth is strongest in Western Australia, where Albany and Geraldton are thriving, while Queensland's pace slows due to affordability pressures and global uncertainties impacting the market for housing based on mining.

Rent Growth Declines, But Stays High

Regional rent growth slowed to 5.5% annually, which was less than peak levels but still nearly twice as fast as capital city markets.

Values

BEST PERFORMERS



Highest quarterly growth:	7.0% Albany (WA)
Highest annual growth:	26.9% Geraldton (WA)
Shortest days on market:	11 days Rockhampton (QLD)
Lowest vendor discounts:	-2.3% Albany (WA)
Highest change in annual sales vols:	30.3% Shepparton - Mooroopna (VIC)

WORST PERFORMERS



Lowest quarterly growth:	-0.3% Bathurst (NSW)
Lowest annual growth:	-4.2% Warrnambool (VIC)
Longest days on market:	77 days Bowral - Mittagong (NSW)
Highest vendor discounts:	-5.3% Bowral - Mittagong (NSW)
Lowest change in annual sales vols:	-18.7% Lismore (NSW)

Rents

BEST PERFORMERS



Highest quarterly rental growth:	5.7% Albany (WA)
Highest yearly rental growth:	13.0% Albany (WA)
Highest gross rental yield:	9.3% Kalgoorlie - Boulder (WA)
Lowest vacancy rate:	0.6% Lismore (VIC)

WORST PERFORMERS



Lowest quarterly rental growth:	-0.5% Wagga Wagga (NSW)
Lowest yearly rental growth:	1.5% Batemans Bay (NSW)
Lowest gross rental yield:	3.5% Bowral - Mittagong & St Georges Basin - Sanctuary Point (NSW)
Highest vacancy rate:	3.8% Geraldton (WA)