

URBIS

APARTMENT ESSENTIALS NATIONAL SNAPSHOT

SECOND QUARTER 2024

The Urbis Apartment Essentials provides quarterly analysis of off-the-plan sales, supply, and rents across our major cities.

**SYDNEY
MELBOURNE
BRISBANE
PERTH
GOLD COAST**

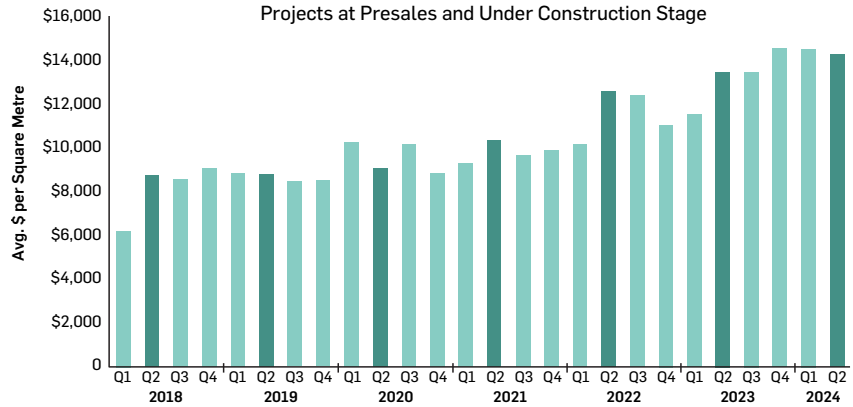


NATIONAL APARTMENT MARKET INSIGHTS



Price per Square Metre

For the past three quarters, the average sales rate per square metre has averaged \$14,000 for recently launched projects. This signals that developers have been able to recalibrate for the higher construction costs. However, it remains a challenging environment to achieve sufficient sales and pass presales hurdles.

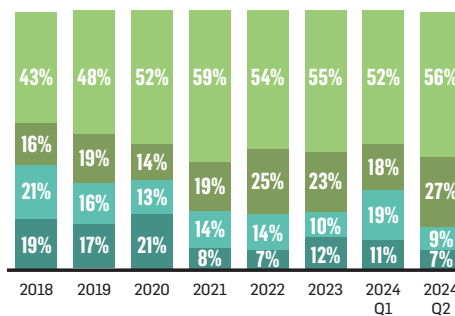


Source: Urbis Apartment Essentials Q2 2024

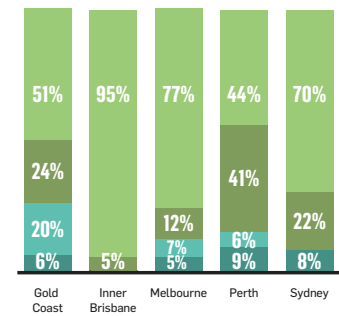
Buyer Profile

In Q2 2024, owner-occupiers continued to influence off-the-plan apartment sales, accounting for 56% of national transactions. Local state investors increased their share of purchases by 9% points from the previous quarter and 4% points above the 2023 average, driven largely by Perth, where 41% of sales went to local state investors.

Presales and Under Construction Projects



City Comparison - Q2 2024



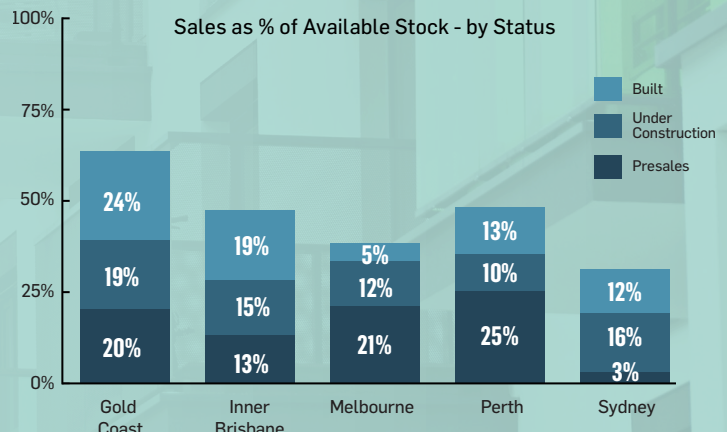
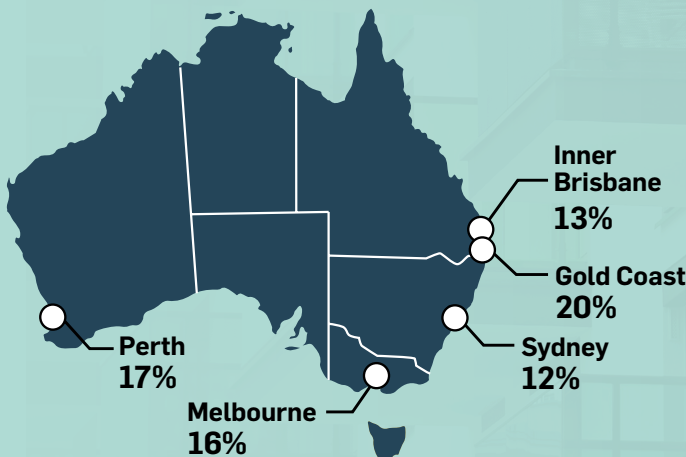
Source: Urbis Apartment Essentials Q2 2024

FIRB Interstate Investor Local State Investor Owner Occupier

Sales as % of Available Stock - Q2 2024

In a subdued market, select new projects sold more quickly, raising the national clearance rate of available to stock to 16%.

This increase was largely driven by projects in Melbourne, Gold Coast, and Perth each of which saw a rise of at least 5% points from the previous quarter.

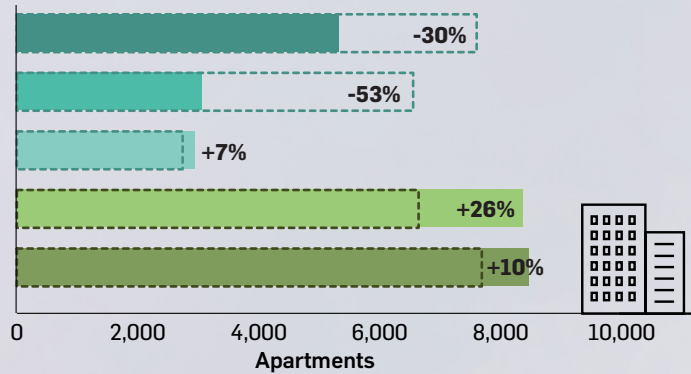
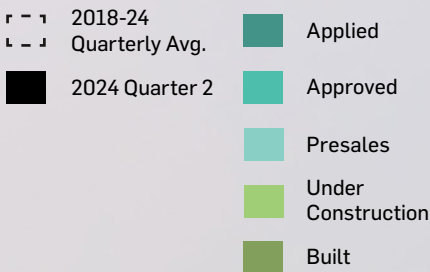


Source: Urbis Apartment Essentials Q2 2024

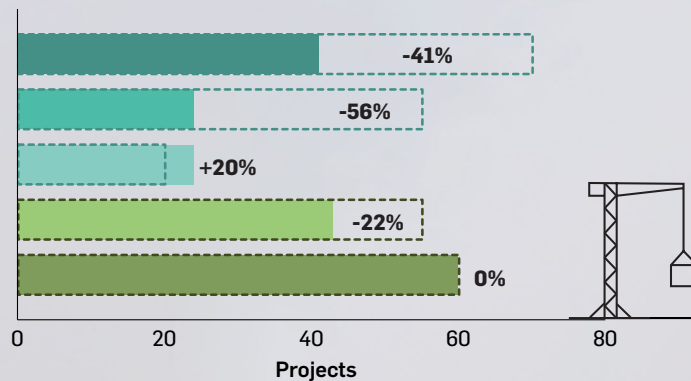
NATIONAL APARTMENT MARKET INSIGHTS

Development Activity

In Q2 2024, the apartment pipeline showed positive momentum compared to long-term quarterly averages. Notably, there was a 20% increase in projects starting presales and a 26% rise in approved apartments for developments. With over 20,000 apartments under construction and scheduled for completion in 2024, it will be interesting to monitor if the number of deliveries in the remaining two quarters exceed the five-year quarterly averages.



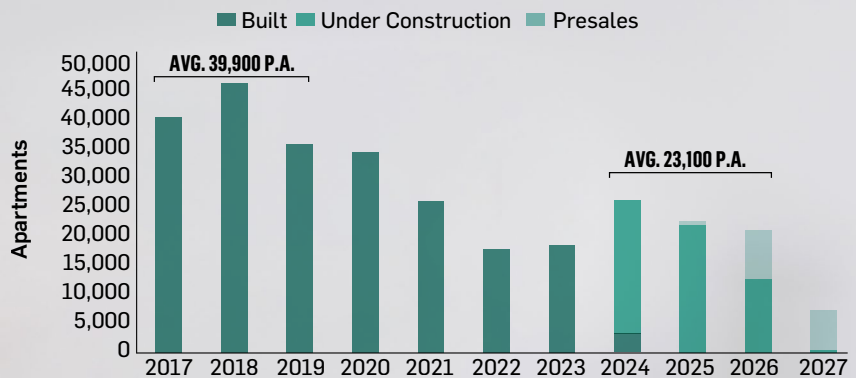
Source: Urbis Apartment Essentials Q2 2024



Source: Urbis Apartment Essentials Q2 2024

Supply Pipeline

In Q2 2024, approximately 5,310 apartments were completed, a 73% increase from the 3,340 delivered in Q2 2023. Despite challenges in the development environment, developers are committed to seizing the opportunity to address the national housing shortage. With nearly 22,000 apartments currently under construction and due for completion in 2024, we will diligently monitor the pipeline to see if it can produce its highest yielding year since 2020.



Source: Urbis Apartment Essentials Q2 2024

NATIONAL APARTMENT MARKET INSIGHTS

Build-to-Rent Pipeline

In Q2, nearly 5,000 built-to-rent (BTR) apartments in the early stages of development were added to the pipeline. The total pipeline now stands at approximately 58,100 BTR apartments, with about 32% either completed or under construction. Of the remaining projects, only 29% have secured funding.

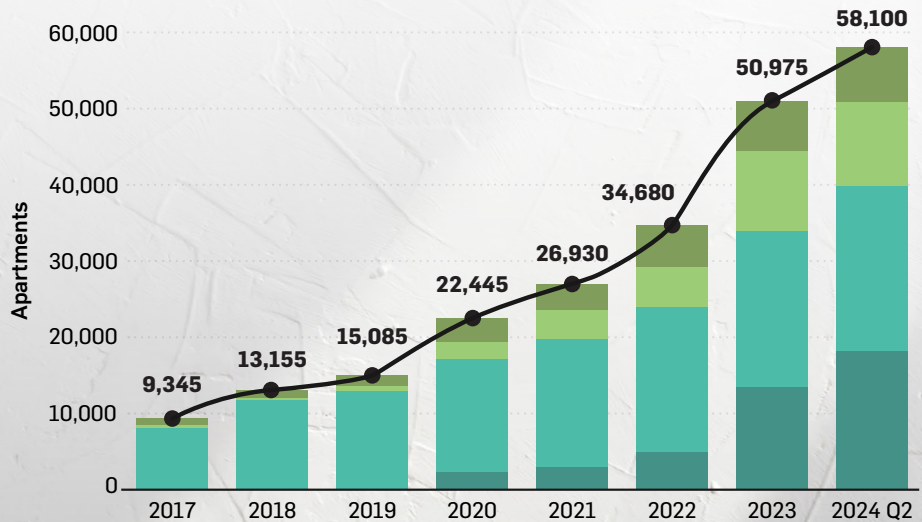
- Early Planning
- Approved
- Under Construction
- Built
- Total Pipeline



- Projects with funding
- Projects without funding

Note: Funding assumed for projects built and under construction.

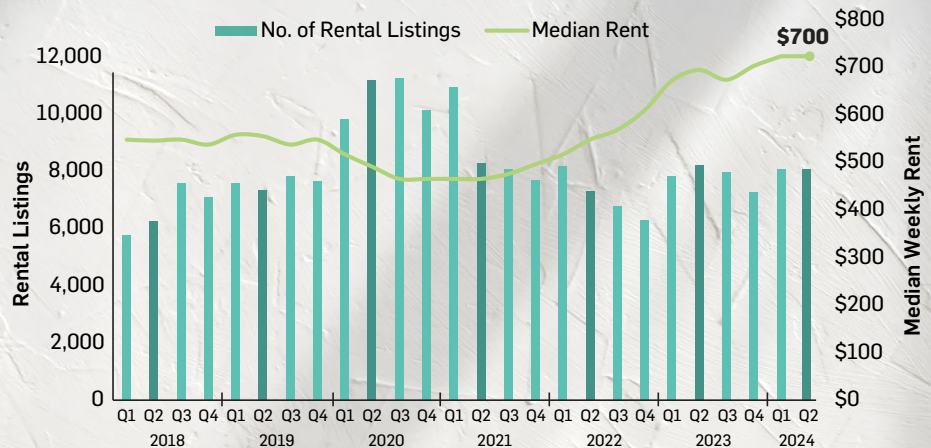
Source: Urbis Apartment Essentials Q2 2024



Source: Urbis Apartment Essentials Q2 2024

Rents In New Builds

In Q2 2024, the median weekly rent for new apartments stabilised at \$700, unchanged from Q1 but still 4% higher than in Q2 2023. The ongoing shortage of new supply against growing demand continues to strain the rental market, contributing to a 5% annual increase in median weekly rents over the past five years.



Source: Urbis Apartment Essentials Q2 2024

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OUR SERVICES – PROPERTY ECONOMICS



Market assessment

Determining the best product and price mix



Highest & best use assessment

Determining the best land use mix for your site



Network & location strategy

Identifying growth hotspots and location opportunities



Urban strategy

Understanding the economic factors to support the best planning outcomes



Data analytics

Knowing the current state of the market and industry benchmarks



Economic impact assessment

Evidence based research into size rezoning



Primary research

Understanding what customers are thinking and the push buttons to maximise their interests



Expert Witness

Identifying and mitigating potential impacts