

URBIS

APARTMENT ESSENTIALS NATIONAL SNAPSHOT

FOURTH 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**



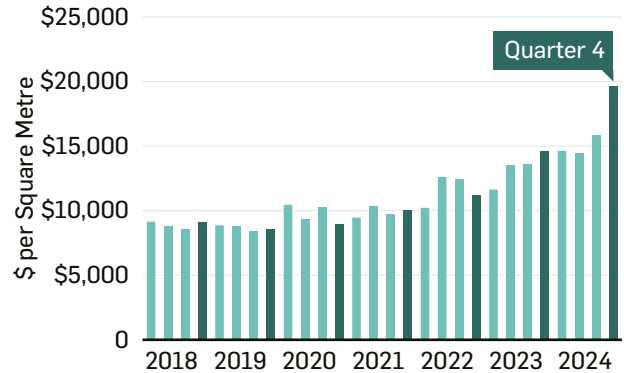
NATIONAL APARTMENT MARKET INSIGHTS

PRICE PER SQUARE METRE

In 2024, developers faced higher construction costs, labour shortages, and a shift in buyer preferences towards owner-occupier grade stock. These factors led to increased asking prices and higher average price per square metre rates. This quarter recorded the highest quarter-on-quarter growth in the past five years, with the average price per square metre surpassing \$19,000—a 24% increase since Q3 and a 34% rise year-on-year from Q4 2023. The primary driver was off-the-plan projects in Brisbane, where square metre rates exceeded \$23,000, marking a 33% quarter-on-quarter increase.

Price Per Square Metre

Presales & Under Construction Projects



Source: Urbis Apartment Essentials Platform Q4 2024

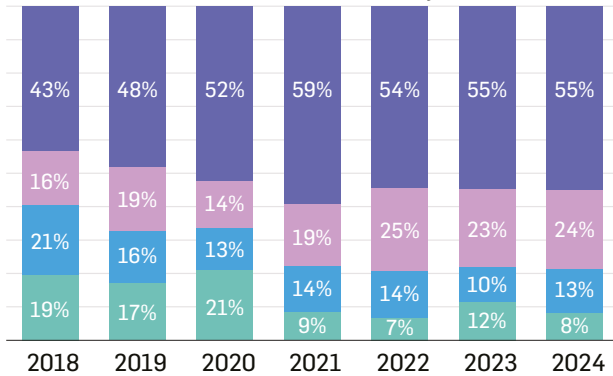
BUYER PROFILE

In Q4, owner-occupiers dominated off-the-plan sales, primarily driven by activity in Melbourne and Sydney. Conversely, investor activity was more prominent in Brisbane, the Gold Coast, and Perth. Interstate investors are focusing on the Gold Coast, local investors on Brisbane, and foreign purchasers on Perth's off-the-plan market.

- FIRB
- Local state investors
- Intertstate investors
- Owner Occupiers

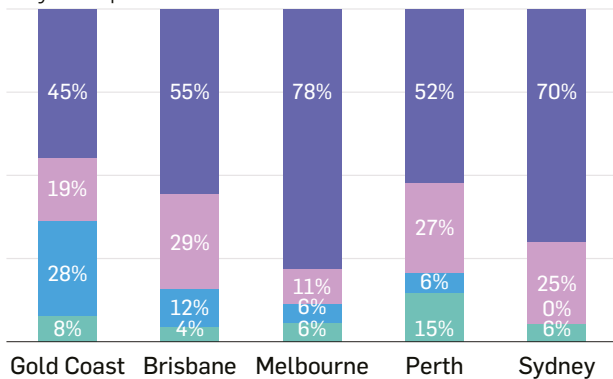
Buyer Profile

Presales And Under Construction Projects



Buyer Profile Year to Q4 2024

City Comparison

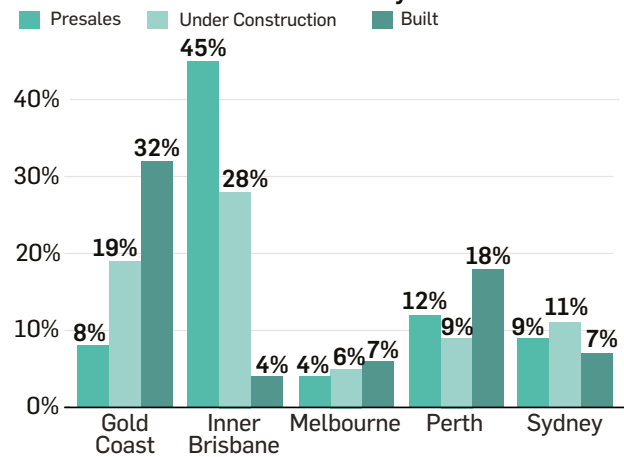


Source: Urbis Apartment Essentials Platform Q4 2024

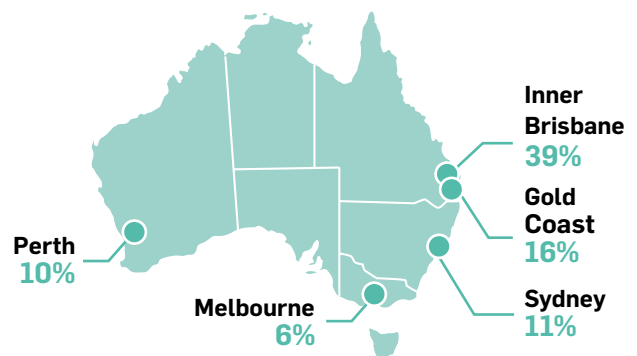
SALES AS % OF AVAILABLE STOCK

Despite the Victorian Government's introduction of a stamp duty concession in October 2024, Melbourne's clearance rate fell by 4 percentage points in Q4, highlighting ongoing challenges for developers as demand remains subdued. In contrast, Brisbane's off-the-plan market is showing positive signs, with significant demand for off-the-plan apartments evidenced by 39% of available stock selling in Q4 alone.

Sales as % of available stock - by status



Sales as % of Available Stock

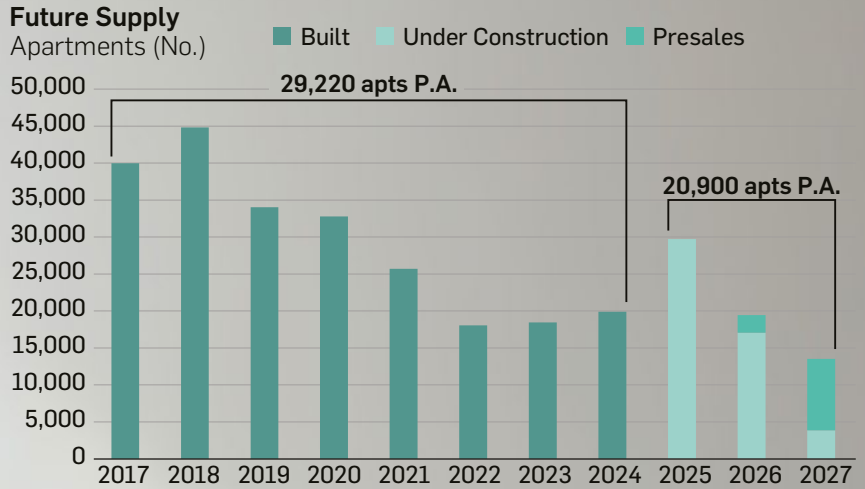


Source: Urbis Apartment Essentials Platform Q4 2024
Note: Projects at Presales and Under Construction

NATIONAL APARTMENT MARKET INSIGHTS

In 2024, approximately 19,900 apartments were completed, marking a 5% annual increase in completions since 2022. Currently, nearly 30,000 apartments are under construction and set for completion in 2025, indicating the highest level of activity since 2020 as developers adapt to the evolving landscape. It will be important to monitor how many of these apartments face unforeseen delays, potentially pushing completions to 2026 and beyond.

Over the next three years, the apartment pipeline is expected to remain subdued, averaging 20,900 new apartments annually until 2027. Beyond 2027, uncertainty persists, with potential for an upswing dependent on additional factors driving feasibility.

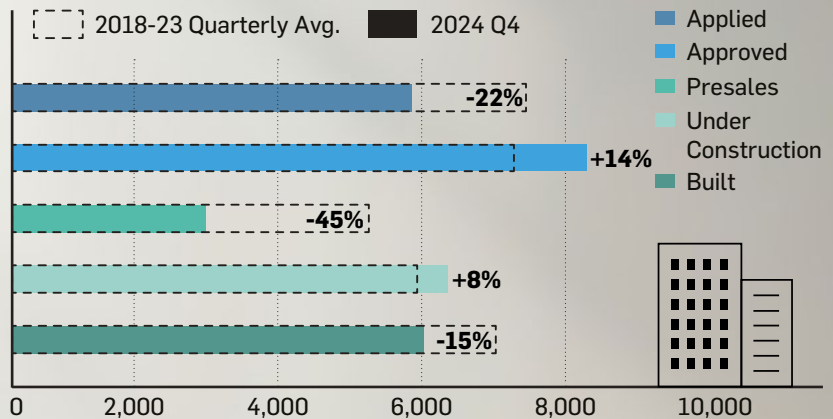


Source: Urbis Apartment Essentials Platform Q4 2024

SUPPLY PIPELINE

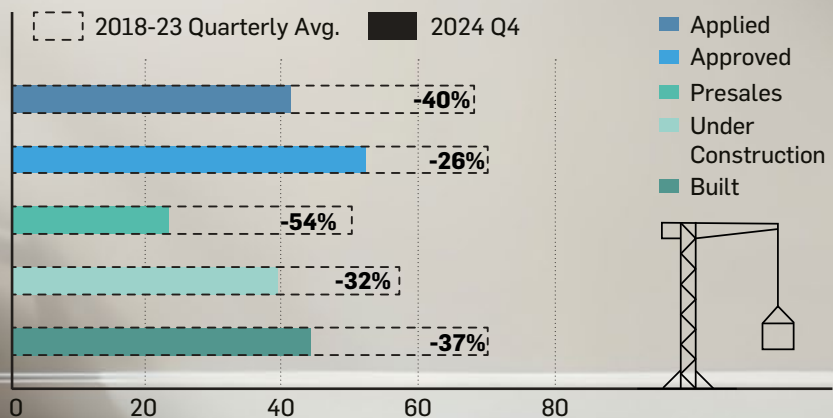
The apartment pipeline remains below long-term quarterly averages. However, there is a positive trend with fewer projects stalled at the development approval stage, as more are progressing to presales and construction. This is evident in the 7,275 apartments that began construction in Q4, an 8% increase over the quarterly average of the past five years.

Apartments



Source: Urbis Apartment Essentials Platform Q4 2024

Projects



Source: Urbis Apartment Essentials Platform Q4 2024

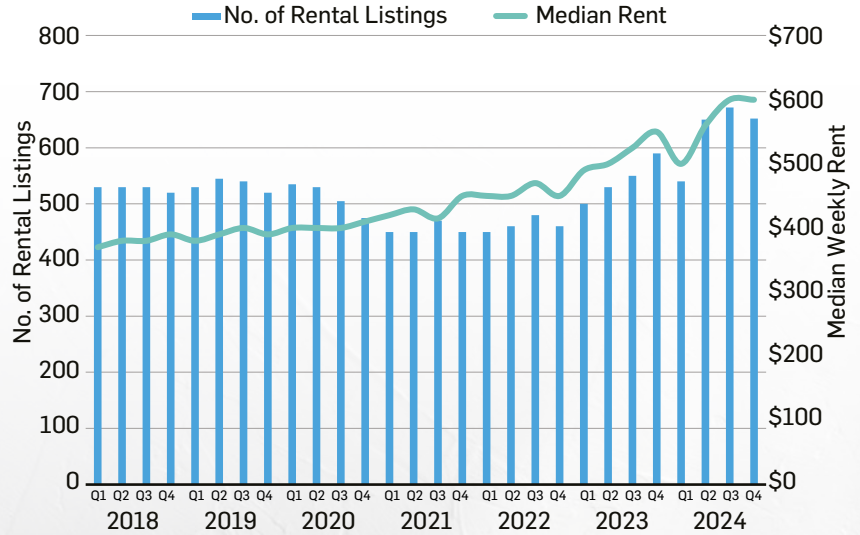


NATIONAL APARTMENT MARKET INSIGHTS

RENTS IN NEW BUILDS

In Q4 2024, the median weekly rent for new apartments rose by 1% quarter-on-quarter, culminating in a 5% increase since Q4 2023. Notably, rental listings have decreased due to limited new rental supply and tight vacancy rates, reducing the availability of rental stock.

Rents In New Builds

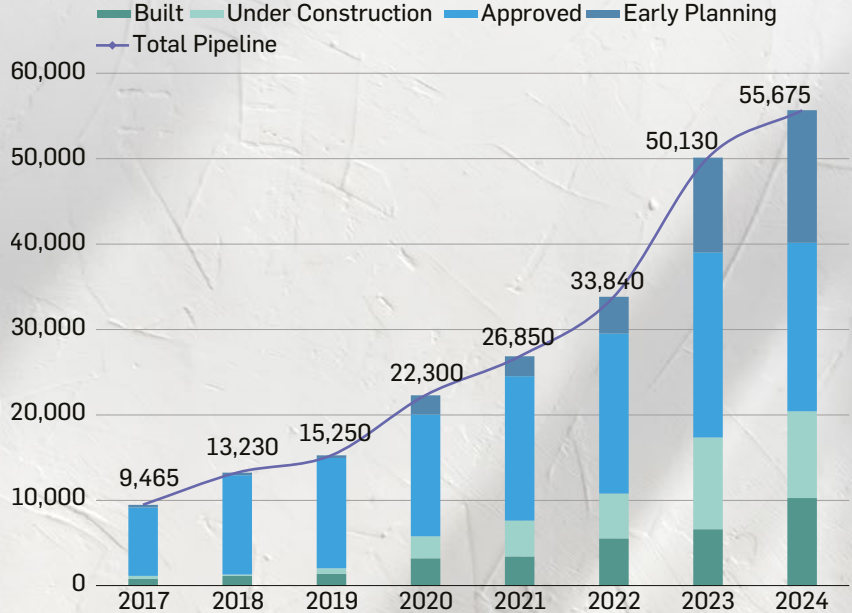


Source: Urbis Apartment Essentials Platform Q4 2024

BUILD-TO-RENT PIPELINE

In 2024, the build-to-rent market's momentum stabilised due to rising construction costs and development feasibility challenges. The BTR pipeline grew by 10%, a significant drop from the 48% growth seen in 2023.

Build To Rent Pipeline



Source: Urbis Apartment Essentials Platform Q4 2024

Build-to-Rent Pipeline



- Projects with funding
- Projects without funding

Note: Funding assumed for projects under construction

Source: Urbis Apartment Essentials Q4 2024

Reach out to our experts:

MELBOURNE



Mark Dawson
03 8663 4905
mdawson@urbis.com.au



Dylan Gray
03 8663 4836
dgray@urbis.com.au

PERTH



David Cresp
08 9346 0503
dcresp@urbis.com.au

SYDNEY



Alex Stuart
02 8233 9992
astuart@urbis.com.au

BRISBANE



Paul Riga
07 3007 3840
priga@urbis.com.au



Monique Ryan
07 3007 3872
moniqueryan@urbis.com.au

GOLD COAST



Lynda Campbell
07 5600 4903
lyndacampbell@urbis.com.au

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