Apartment Essentials
National Snapshot

Second quarter 2026

Sydney
Melbourne
Brisbane
Perth
Gold Coast

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

National apartment *market insights*

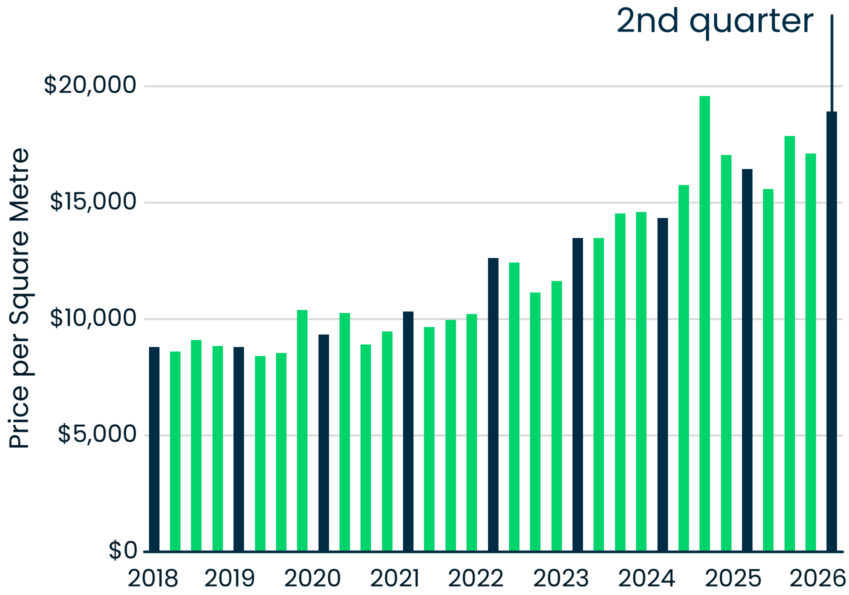
Price per square metre

The national average price per square metre for new apartments increased to approximately $19,000 in Q2 2026, up from $17,100 in Q1. This places pricing back near recent highs and reinforces that new apartment pricing remains elevated relative to the pre-2021 period. The increase appears to reflect both ongoing delivery cost pressures and the composition of sales, with two-bedroom apartments continuing to account for the largest share of transactions and larger formats remaining a meaningful part of the mix.

While the Q2 uplift is clear, it should be read alongside the variability evident across recent quarters. The market is not simply moving in a straight line; rather, pricing is being shaped by a combination of project mix, product specification and the types of buyers active in each quarter. The sustained premium in new apartment pricing reinforces the need for projects to be carefully positioned around quality, amenity and buyer depth, particularly where affordability constraints remain a barrier to broader absorption.

Price per square metre

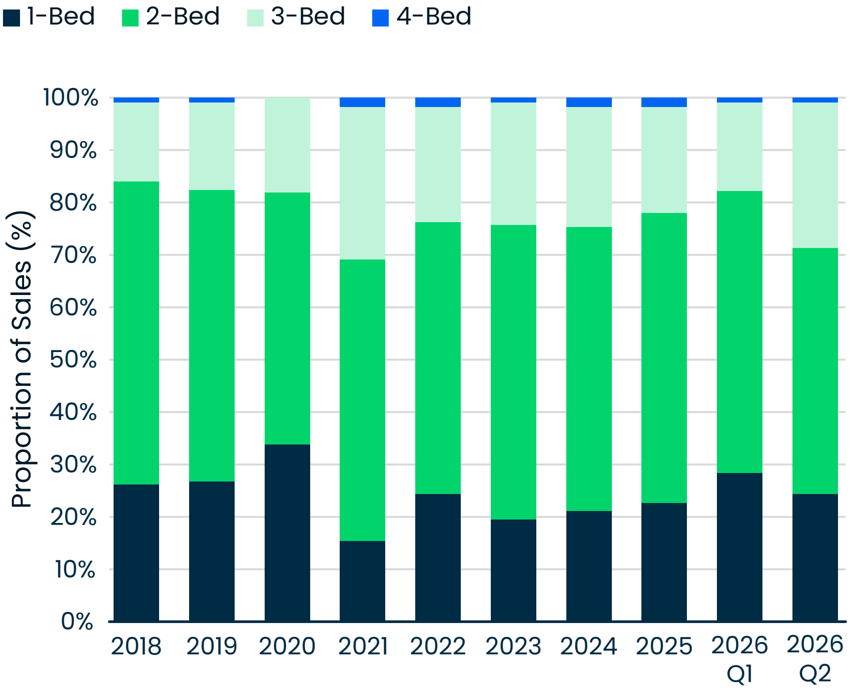
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q2

Apartment type by proportion of sales

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q2

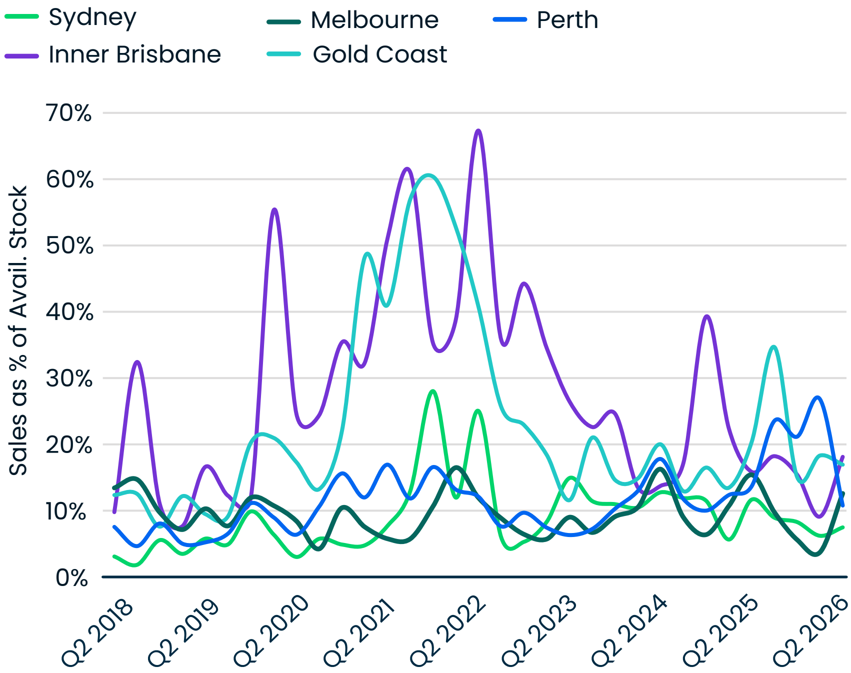
National apartment *market insights*

Sales as % of availability

Off-the-plan clearance rates improved across most major markets in Q2 2026, with Inner Brisbane recording the strongest result at 18%, followed by the Gold Coast at 17%. Melbourne also lifted to 12%, while Perth recorded 10% and Sydney remained the softest of the major markets at 7%. The quarter suggests a broader improvement in absorption compared with Q1. While broader market conditions and sentiment appear largely unchanged, a greater proportion of available stock was absorbed during the quarter, potentially reflecting some purchasers bringing forward acquisition decisions ahead of the implementation of proposed SMSF (self-managed superfund) restrictions.

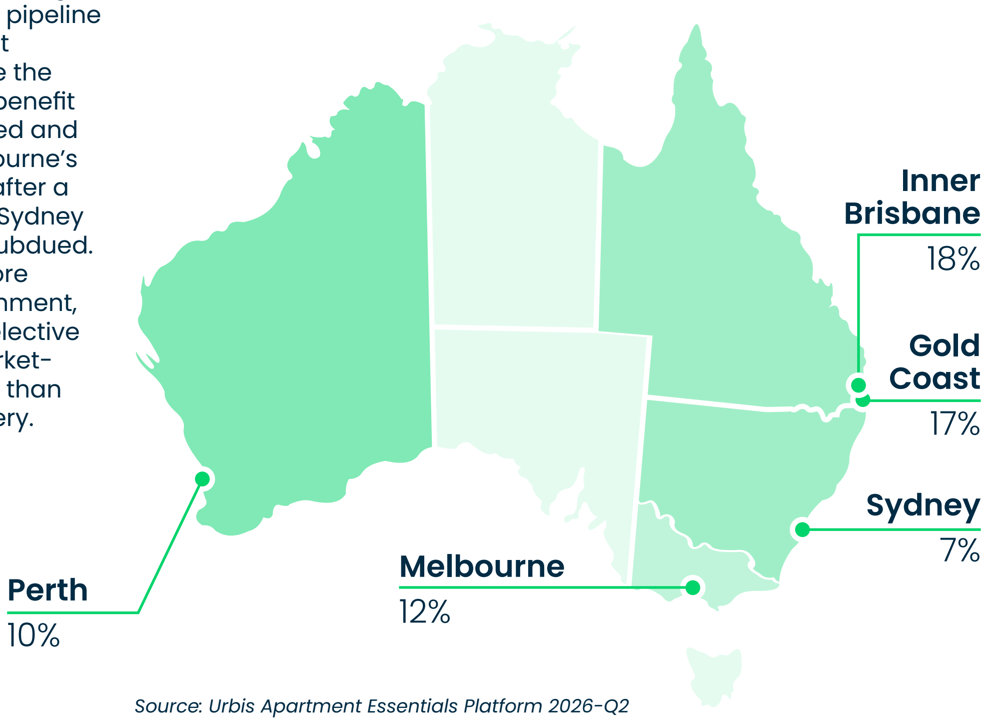
The strongest results remain concentrated in markets where local supply-demand conditions, project positioning and buyer depth are more supportive. Inner Brisbane's uplift reflects the city's growing population and strong infrastructure investment pipeline which continue to support underlying demand, while the Gold Coast continues to benefit from sustained lifestyle-led and interstate demand. Melbourne's improvement is notable after a softer Q1 result, although Sydney and Perth remain more subdued. Overall, Q2 points to a more constructive sales environment, but one still defined by selective buyer behaviour and market-specific conditions rather than a uniform national recovery.

Sales as % of available stock



Source: Urbis Apartment Essentials Platform 2026-Q2

Sales as % of available stock – Q2 2026
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q2

National apartment *market insights*

Buyer profile

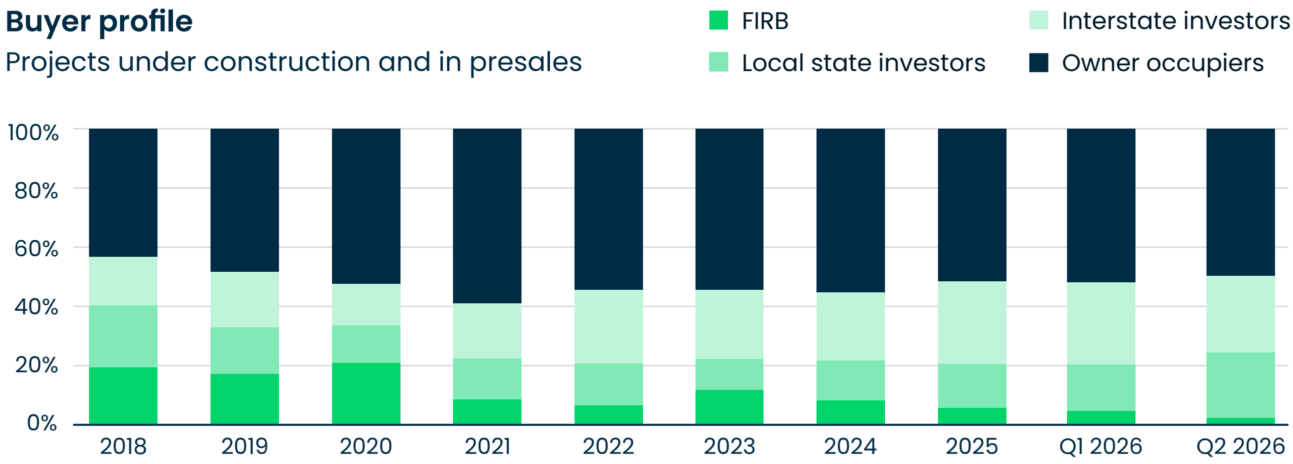
Owner-occupiers continued to account for the largest share of national apartment sales in Q2 2026, although investor participation has increased relative to the post-COVID period, when much of the new apartment supply entering the market was targeted towards owner-occupiers, particularly downsizers and lifestyle purchasers. Local investors remain an important part of demand, while foreign investor activity continues to sit well below the levels recorded through the late-2010s. The mix suggests that new apartment demand is being supported by both lifestyle-led purchasers and income-focused investors, rather than a single dominant buyer cohort.

Market differences remain important. Sydney and Inner Brisbane continue to show stronger owner-occupier alignment, while the Gold Coast retains a larger interstate investor component.

The Q2 profile points to a market where investors are re-engaging with new apartment product, but owner-occupiers remain central to project feasibility and product positioning. Through the remainder of 2026, the key issue will be whether policy settings and rental market conditions continue to support investor demand in addition to the owner-occupier base that has underpinned recent new apartment sales.

Buyer profile

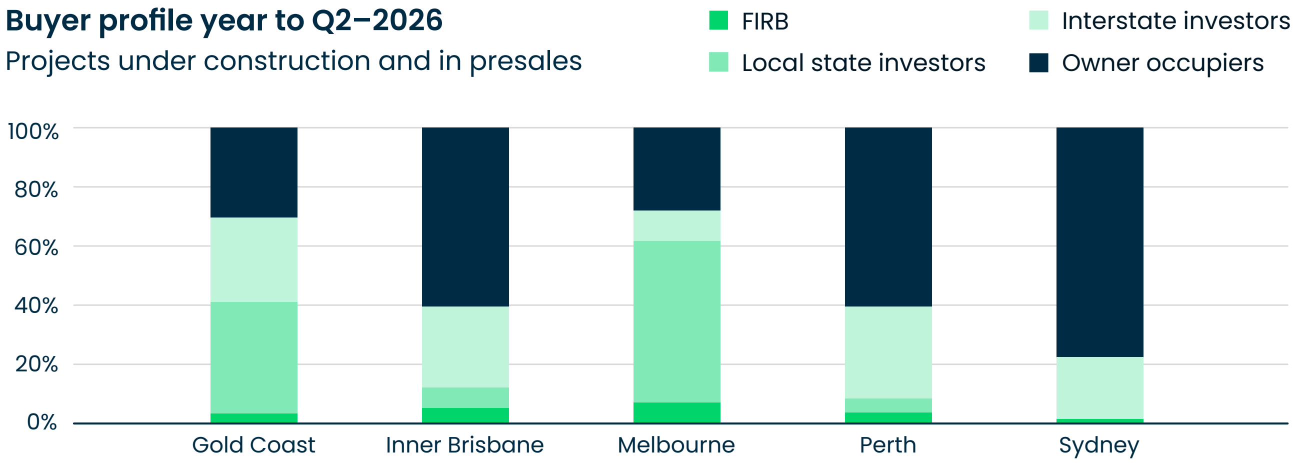
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q2

Buyer profile year to Q2–2026

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q2

National apartment *market insights*

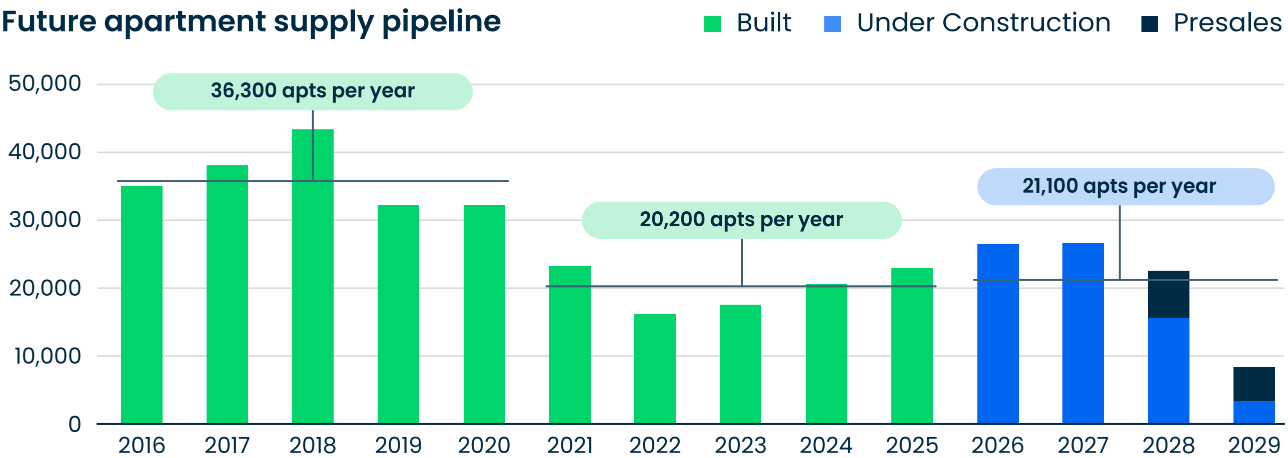
Future apartment supply pipeline

The apartment pipeline remains constrained, with the expected recovery still falling well short of the previous delivery peak. The Q2 2026 pipeline indicates around 21,100 apartments per year across 2026–2028, compared with approximately 36,300 apartments delivered annually during the 2016–2020 peak. This reinforces that, while some projects are progressing through the pipeline, the market is still not returning to historical delivery levels.

The gap between recent and peak delivery highlights the ongoing challenge facing the national apartment market. Elevated construction costs, planning timelines, funding conditions and presale requirements continue to limit the speed at which new supply can be brought forward.

With population growth and rental demand remaining strong, the constrained forward pipeline points to a continuation of supply-demand pressure over the medium term. Projects that can navigate feasibility and funding constraints are likely to enter a less crowded delivery environment, but the broader market remains cautious and undersupplied.

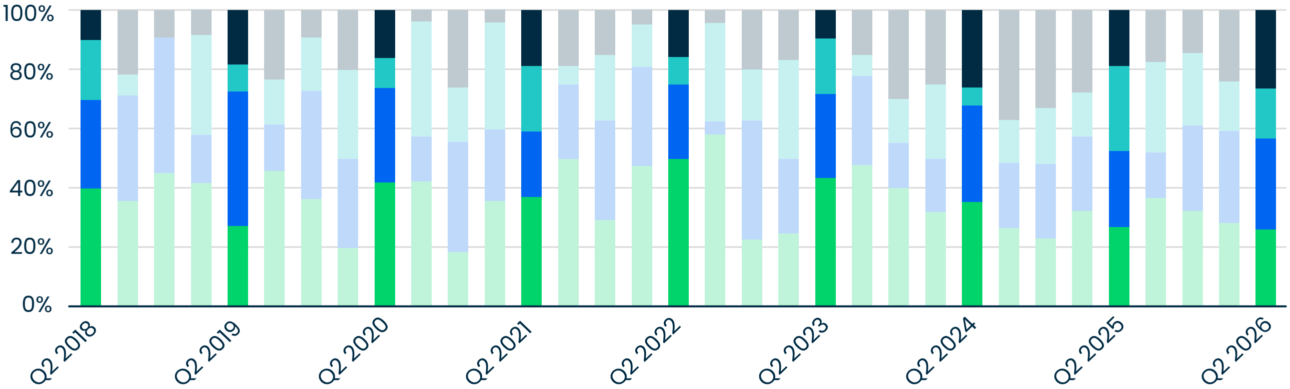
Future apartment supply pipeline



Source: Urbis Apartment Essentials Platform 2026-Q2

Scale of Approved Projects

Count by size range



Source: Urbis Apartment Essentials Platform 2026-Q2

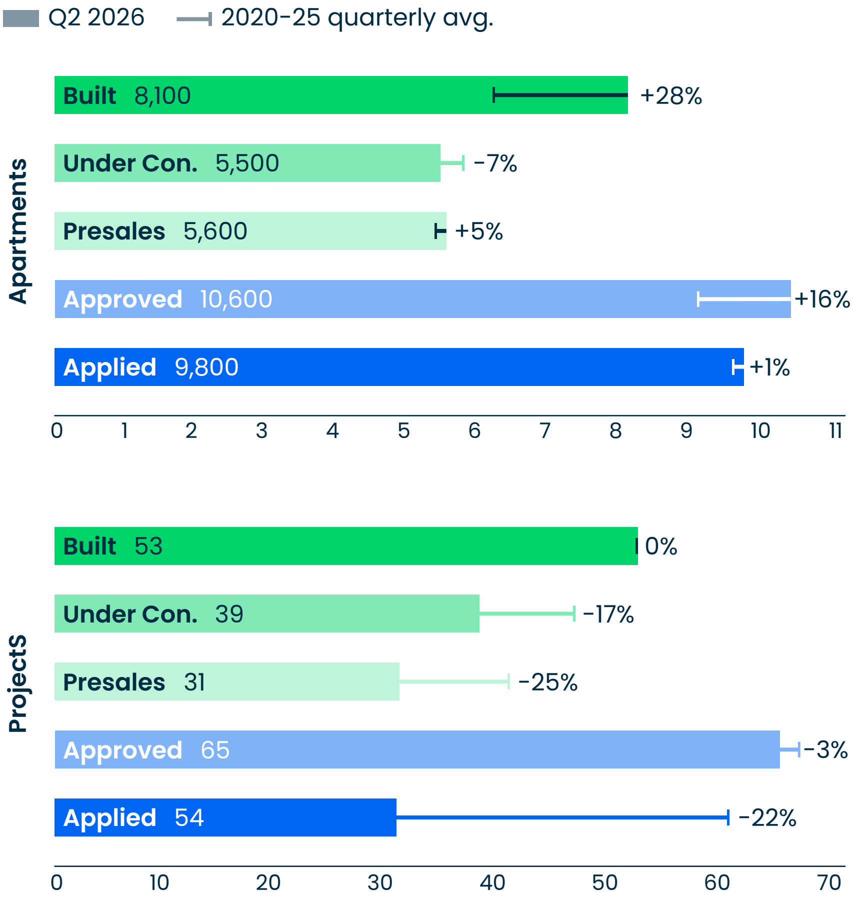
National apartment *market insights*

Future apartment supply pipeline

The Q2 2026 approval profile continues to show a preference for smaller and mid-scale apartment schemes. Projects under 100 apartments accounted for 57% of approvals, split between 50–100 unit projects at 31% and 25–50 unit projects at 26%. Larger schemes represented a smaller share, with 100–200 unit projects and 200+ unit projects each accounting for 17% and 26% respectively.

This mix suggests that the market remains cautious toward larger-format development. Smaller and mid-scale schemes are generally better aligned with current feasibility, funding and delivery conditions, while larger projects require deeper presales, greater capital commitment and stronger confidence in end demand. The Q2 result reinforces that the development market is still finding more momentum in projects that are easier to stage, fund and absorb, rather than larger schemes that would be needed to materially lift apartment supply.

Supply pipeline snapshot



Source: Urbis Apartment Essentials Platform 2026-Q2

Q2 2026 data shows a more mixed apartment supply picture than the Q1 snapshot. Completions were 28% above the 2020–2025 quarterly average, indicating a stronger quarter for delivery. In apartment-volume terms, presales and approvals were also above average, up 5% and 16% respectively, while applications were broadly in line with the long-run benchmark. However, apartments under construction remained 7% below average, and the number of projects under construction and in presales remained materially below historical levels.

The distinction between apartment volumes and project counts is important. While several apartment indicators improved in Q2, the project-level data suggests apartment volumes were supported by a lower number of +100 unit projects, while overall activity remained concentrated in smaller developments. Urbis' review of a sample of projects completed during Q2 found that apartments remained available for sale across all developments assessed, highlighting the persistence of residual stock despite the uplift in completions.

This suggests that while delivery volumes have improved, absorption is continuing to occur gradually in line with subdued market conditions. Presales projects were 25% below the quarterly average and applications were 22% below average, suggesting that the early-stage pipeline remains narrow at the project-count level. Overall, Q2 provides some evidence of improved near-term delivery and approvals, but not yet enough to signal a sustained recovery in the underlying project pipeline.

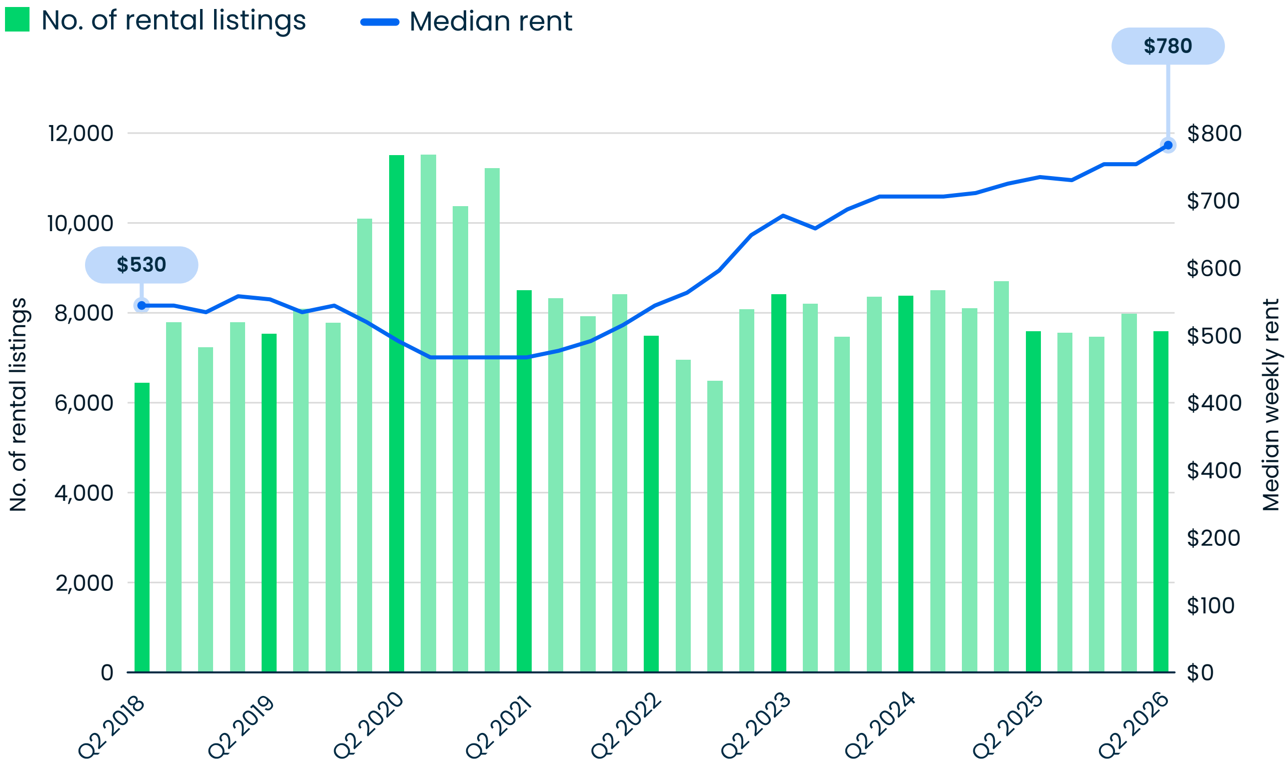
National apartment *market insights*

Rents in new builds

New apartment rents increased further in Q2 2026, with the national median rent rising by 4.0% quarter-on-quarter to approximately $780 per week. This reinforces that new-build rental pricing remains elevated and continues to be supported by limited new rental supply relative to demand. Rental listings remain around 4% below the post-COVID quarterly average of 7,900 listings between 2022 and 2024, highlighting that supply-side pressure is still a key driver of market conditions.

The Q2 result points to a renewed uplift in rents following several years of strong growth, rather than a clear stabilisation phase. Although Q2 completions were above their recent quarterly average, new apartment delivery remains insufficient to materially rebalance the rental market, supporting the investment case for new apartment product. However, affordability constraints are likely to moderate the pace of future growth, particularly where household budgets are already stretched. The broader signal remains one of tight rental conditions, with limited new supply supporting rents even as growth may become more variable across markets.

Rents in new builds



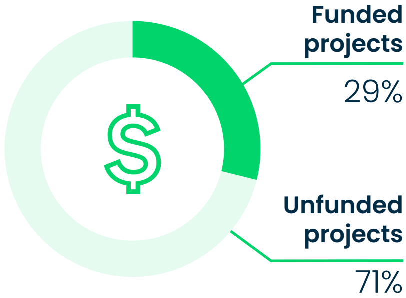
Source: Urbis Apartment Essentials Platform 2026-Q2

National apartment *market insights*

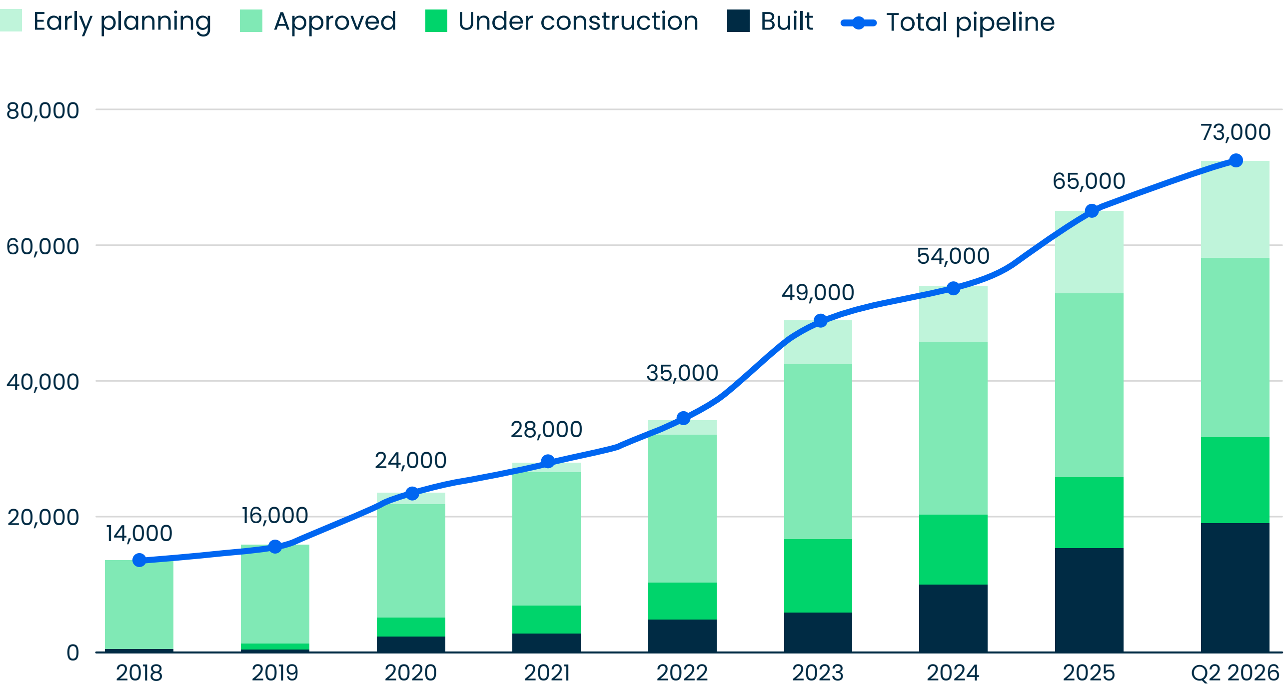
Build-to-rent pipeline

The national build-to-rent pipeline continued to scale in Q2 2026, reaching approximately 73,000 apartments. This represents further growth from Q1 and confirms the sector's continued expansion as a larger component of Australia's new rental supply landscape. The pipeline remains weighted toward approved and early planning projects, meaning a significant share of future supply is still subject to funding, planning and delivery risk.

The funded and unfunded split remains a key indicator of how much of the pipeline can be treated as near-term deliverable supply. While built and under-construction projects provide a more certain contribution to rental stock, a large share of the broader pipeline remains dependent on project economics and capital availability. The continued growth in the BTR pipeline is positive for long-term rental supply diversity, but its impact on near-term rental conditions will depend on how quickly planned and approved projects convert into funded construction.



Build-to-rent pipeline



Source: Urbis Apartment Essentials Platform 2026-Q2

Urbis Apartment Market Essentials Platform

The Urbis Apartment Market Essentials Platform provides insights on the apartment market across Australia's major cities.

Our team monitors all apartment projects from Development Application stage through to being built and has been doing so since 2012.

As projects progress, we track sales and/or rents, providing comprehensive insight into how each apartment market is performing across Build-to-Sell and Build-to-Rent.

Key features:

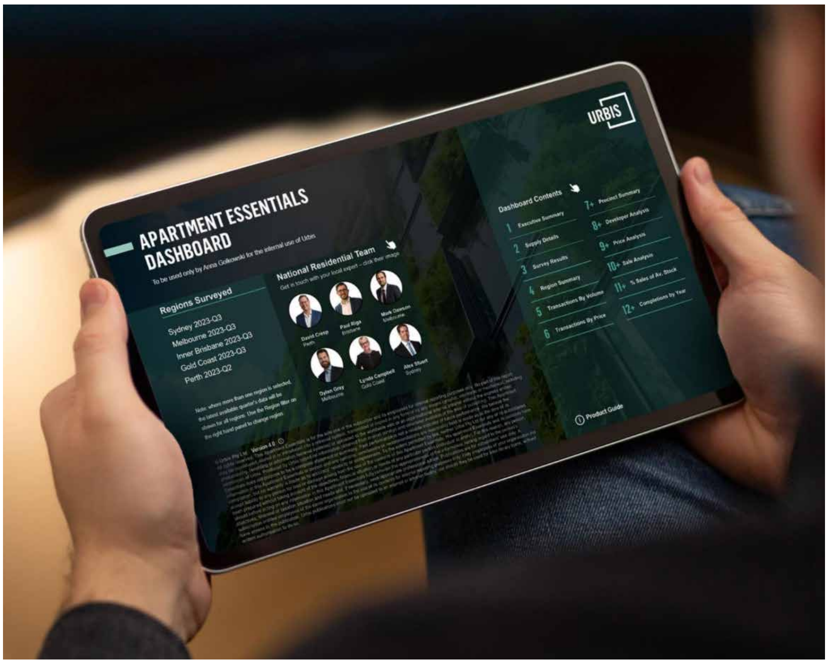
Core module

Sales & Supply Data for Market Monitoring.

BTR module

Rental Market Intelligence for Build-to-Rent.

Access to the platform provides you with the ability to delve into supply, sales, and rents in apartment projects. Feedback from over 8 years of our platform being live on Urbis Loop has determined the modules available. You may choose to have one of these modules, or both.



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