

Apartment essentials national snapshot.

Second quarter 2025

Sydney
Melbourne
Brisbane
Perth
Gold Coast

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



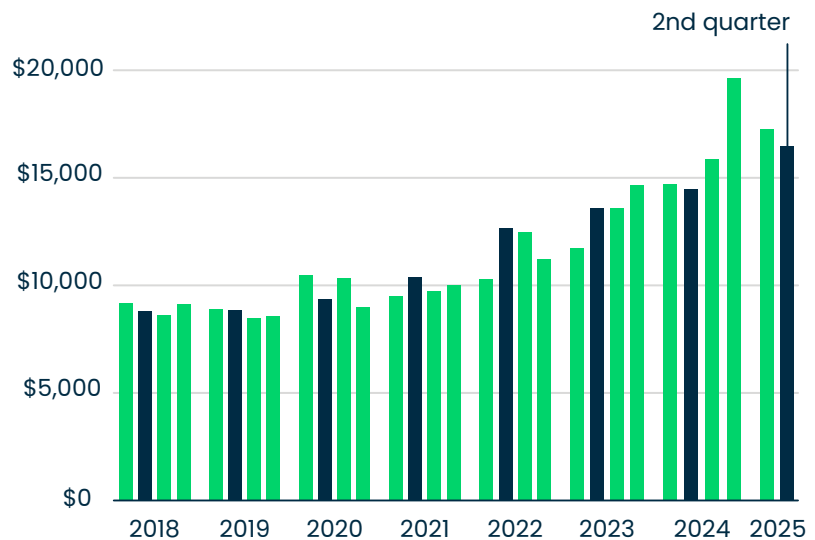
National apartment market insights

Price per square metre

The price per square metre of off-the-plan apartments has shown a clear upward trajectory since 2021. By Q2-2025, the average rate remains well above \$15,000/sqm nationally. This uplift reflects a combination of sustained construction cost pressure, as input costs for housing construction have increased by almost 30% since June 2021 (ABS Producer Price Index). In response, the market has experienced a shift in product positioning, further contributing to higher prices. In Q2, the average price per square metre rate reached \$16,400/sqm marking a 14% year-on-year increase and representing growth of 10% p.a. since Q2-2021.

Price Per Square Metre

Projects under construction and in presales



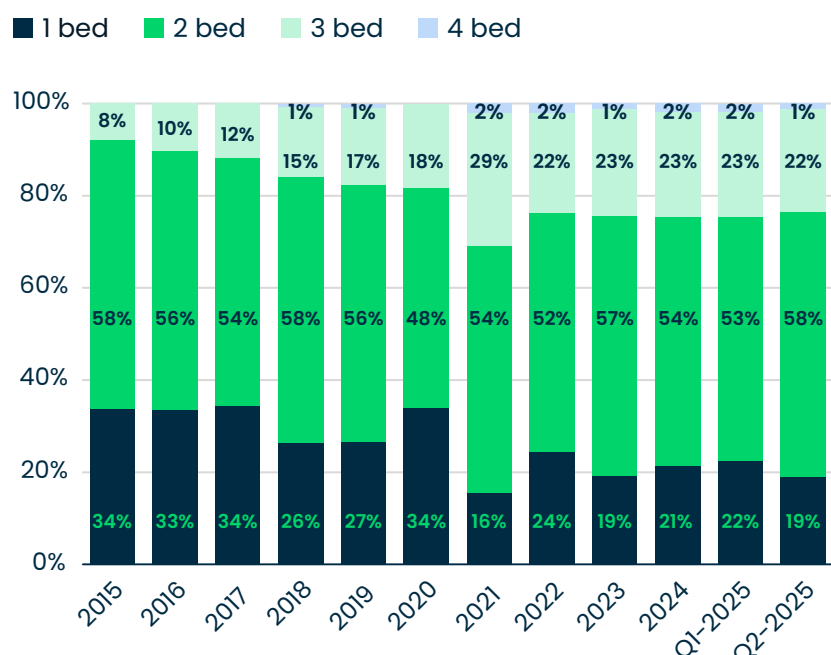
Source: Urbis Apartment Essentials Platform Q2-2025

Apartment type

A notable indicator of this shift in product positioning is the proportion of apartment types sold in off-the-plan projects. Since 2015, the proportion of 1-bed apartments sold off-the-plan has decreased from 34% to 19% in Q2-2025. Whereas the proportion of 3-bed apartments sold has increased from 8% to 22% over the last decade. This pivot toward larger formats reflects developers' focus on high-value product to sustain project feasibility.

Apartment Type (Proportion of Sales)

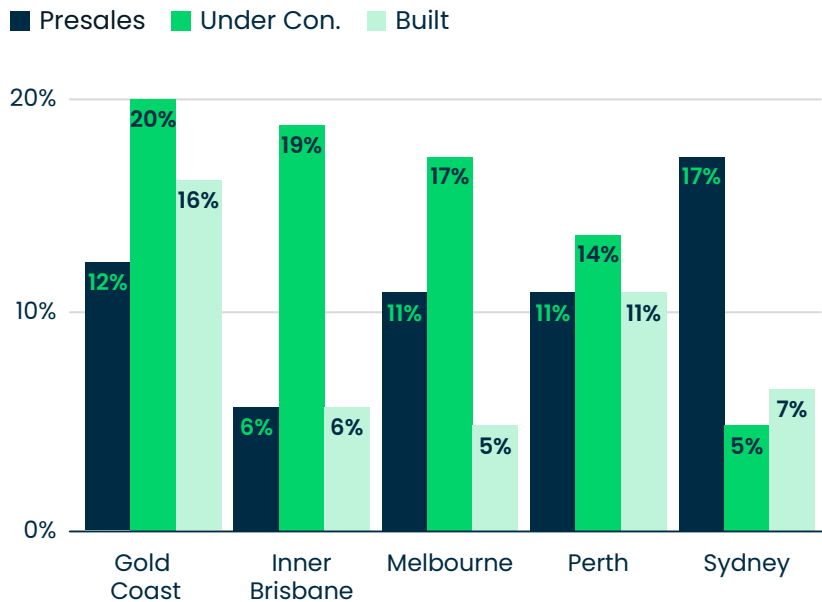
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform Q2-2025

National apartment *market insights*

Sales as % of available stock by status

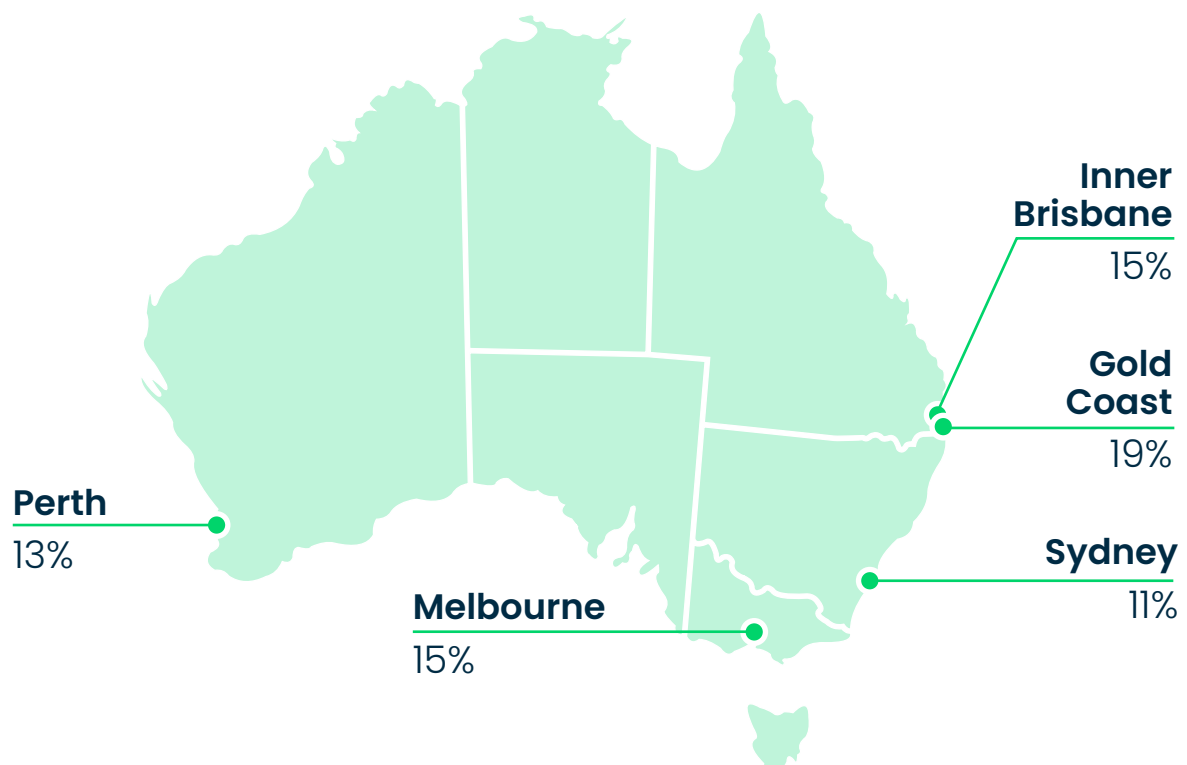


Sales as % of availability

Clearance rates for off-the-plan apartments improved in Q2-2025, with sales as a proportion of available stock lifting from 12% in Q1 to 15% in Q2, nationally. The uptick was most pronounced on the Gold Coast (up 7 percentage points) and in Melbourne (up 5 percentage points), offsetting softer activity in Brisbane which experienced a standout performance in Q1. This rebound reflects shifting buyer sentiment following recent RBA cash rate cuts, which have boosted purchasing capacity and supported renewed confidence among prospective purchasers. A recent RBA cut in August 2025 will encourage buyers as we continue to see green shoots appear in the off-the-plan market.

Sales as % of available stock

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform Q2-2025

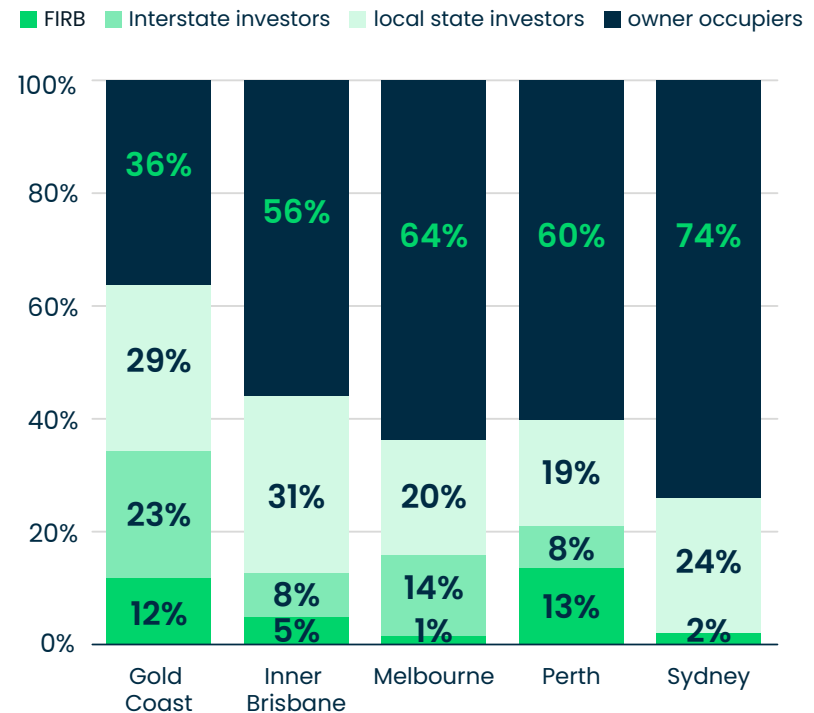
National apartment *market insights*

Buyer profile

Whilst remaining a predominately owner-occupier buyer's market, the off-the-plan investor market showed renewed confidence in Q2-2025, driven by lower interest rates and positive sentiment, despite high construction costs. Almost half of buyers (48%) were investors, the highest representation in 5 years. In Melbourne, the Victoria State Government announced a temporary 12-month off-the-plan duty concession in October 2024. In June 2025 the Victorian Government extended the concession for a further 12 months to October 2025. The concession allows purchasers to deduct construction costs incurred on or after the contract when determining the dutiable value of the property, and was made available to all purchasers, including investors.

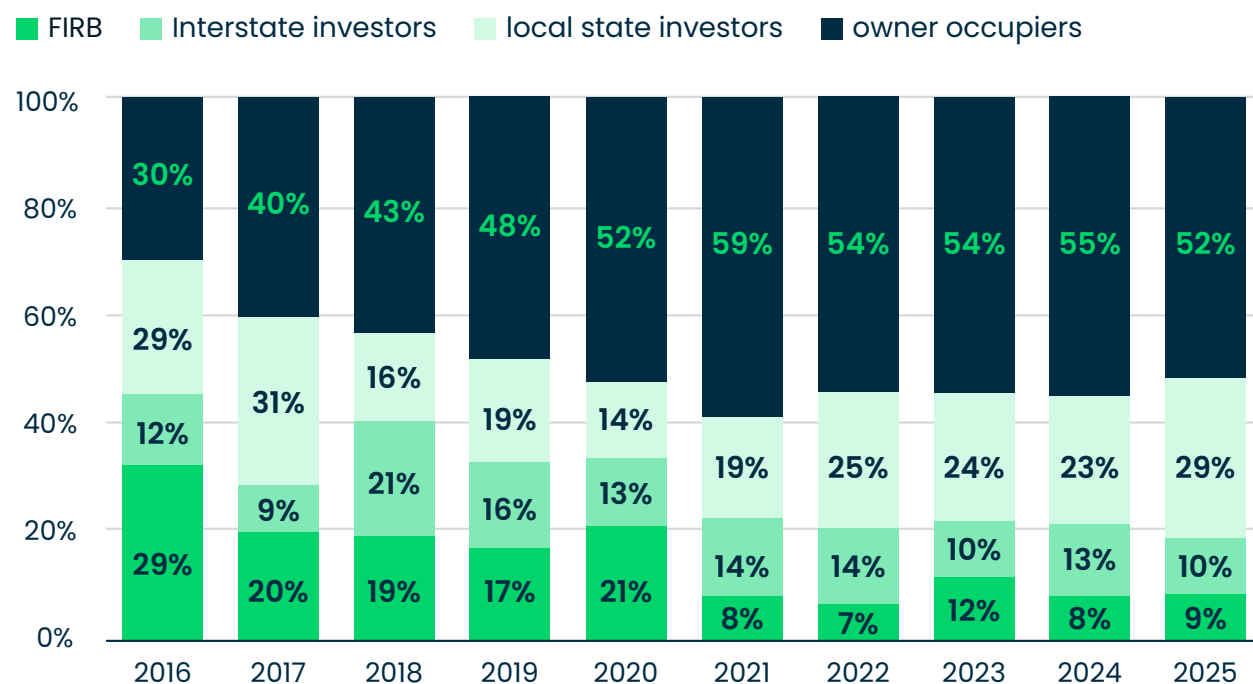
Buyer profile

Projects under construction and in presales



Buyer profile year to Q2-2025

Projects under construction and in presales



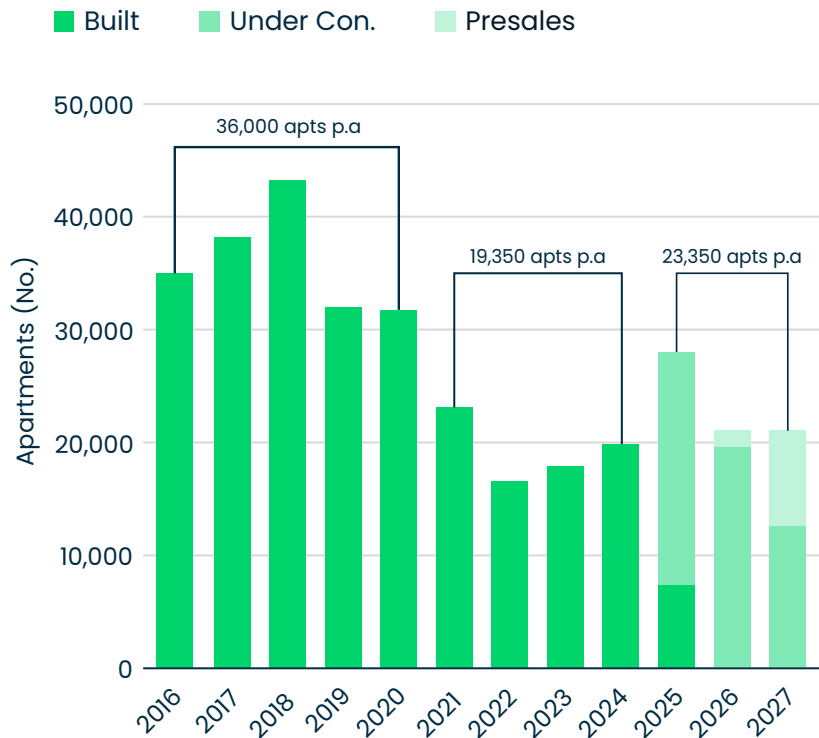
Source: Urbis Apartment Essentials Platform Q2-2025

National apartment market insights

Future apartment supply pipeline

Between 2021 and 2024, annual completions averaged just 19,350 apartments per year, underscoring the significant development challenges faced by the market – rising construction costs, labour shortages, and tighter financing conditions. While these headwinds continue to hold back delivery, there are signs of an uptick emerging, with the pipeline anticipated to lift to around 23,350 apartment completions annually from 2025 onwards – an improvement of roughly 4,000 additional apartments per year. Despite this uplift, the market remains materially undersupplied, delivering around 12,650 fewer apartments per year than the average of 36,000 completions annually recorded between 2016 and 2020.

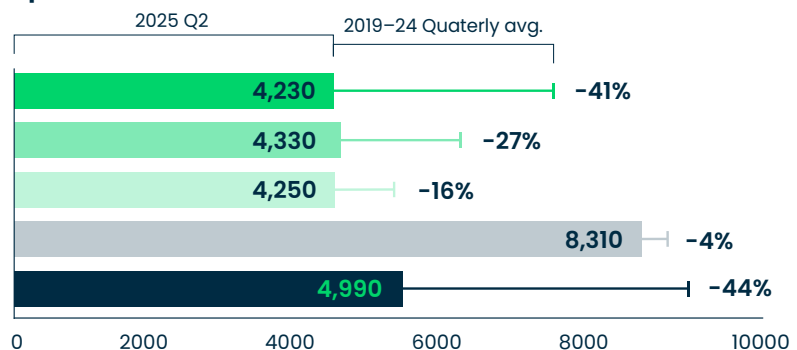
Future apartment supply pipeline



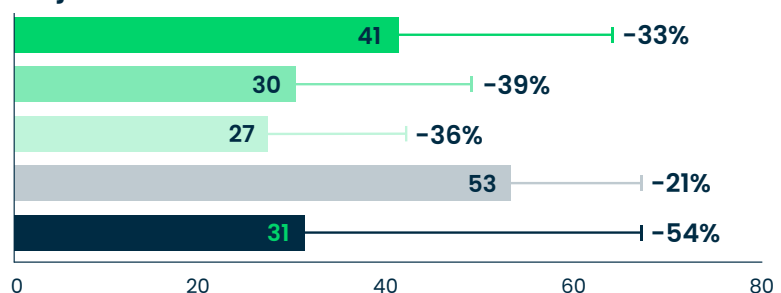
Source: Urbis Apartment Essentials Platform Q2-2025

In Q2-2025, new supply indicators improved but remain below long-term benchmarks. Around 4,330 apartments commenced construction during the quarter up 16% on Q1, while a further 4,250 apartments were launched to market, a 21% quarter-on-quarter increase. Despite these positive shifts, overall activity across project stages continues to underperform against longer-term averages.

Apartments



Projects



Source: Urbis Apartment Essentials Platform Q2-2025

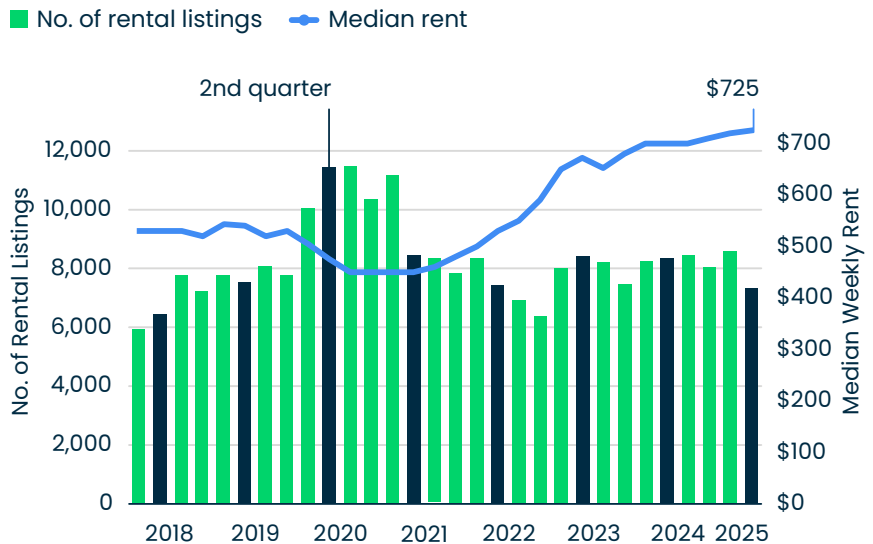
- Built
- Under construction
- Presales
- Approved
- Applied

National apartment market insights

Rents in new builds

In Q2-2025, median weekly rents rose by 0.7% quarter-on-quarter, with a continued moderation in the rate of growth that began in 2024. However, rents are still up 3.6% year-on-year. This pace broadly aligns with the general cost pressures in the economy, including inflation and the cash rate, which forms part of the wider expenses landlords factor in when determining rent increases.

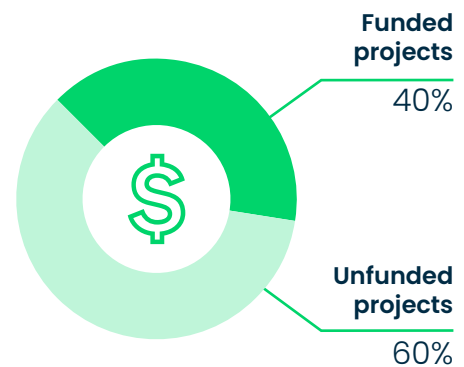
Future apartment supply pipeline



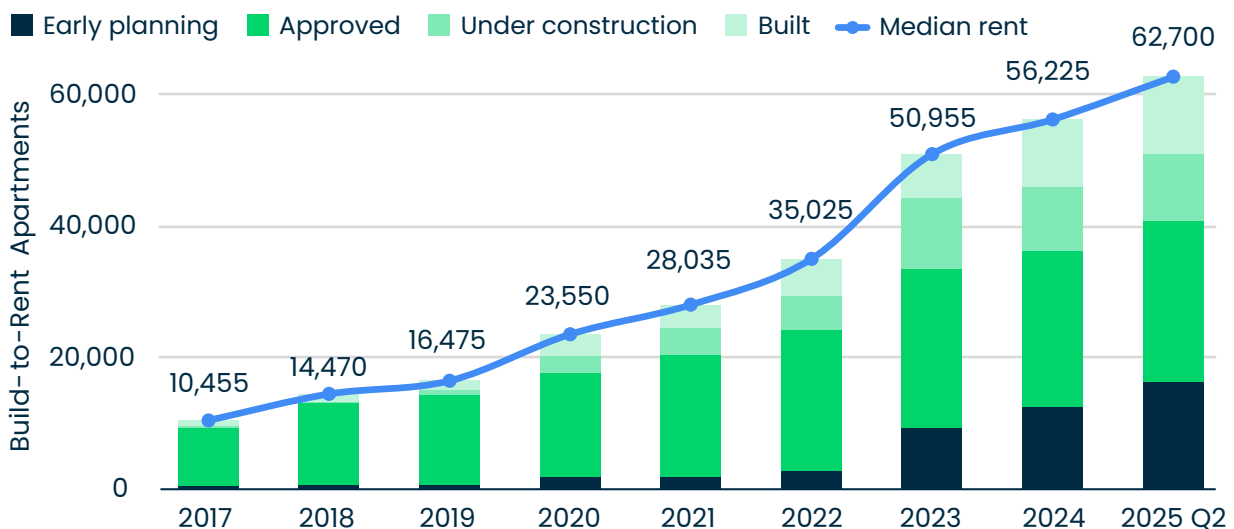
Source: Urbis Apartment Essentials Platform Q2-2025

Built-to-rent pipeline

In Q2-2025, the Build-to-Rent pipeline expanded by 4% quarter-on-quarter, with 2,355 additional apartments added – up 12% since 2024. While developers continue to face challenges breaking ground, the growth of the Build-to-Rent and broader alternative living sector will have a growing influence on Australia's residential landscape, offering a crucial source of new supply and greater diversity of housing choice moving forward.



Built-to-rent pipeline



Source: Urbis Apartment Essentials Platform Q2-2025

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:

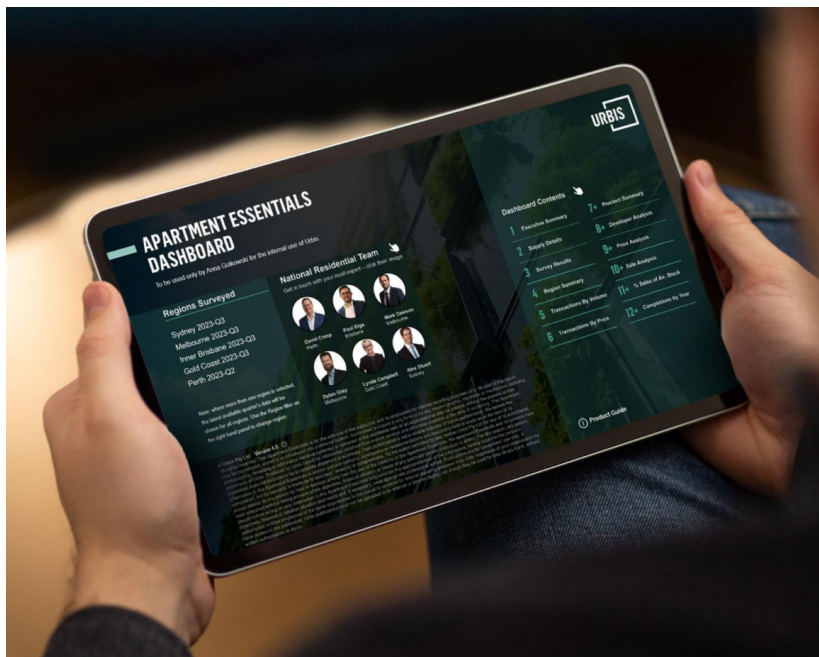
Core module

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.



Reach out to our team to arrange a subscription

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and communities
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