Apartment Essentials
National Snapshot

First 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*

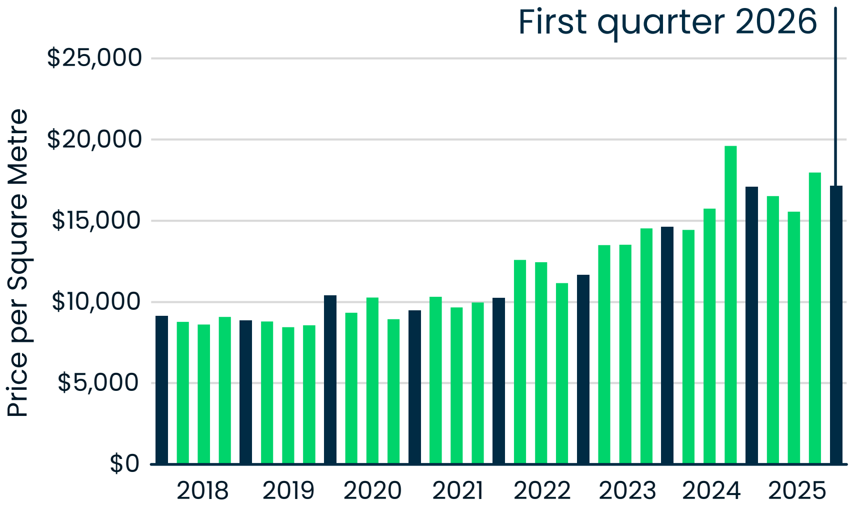
Price per square metre

The national average price per square metre for new apartments reached $17,165 in Q1 2026, broadly stable on recent quarters. Importantly, this figure represents a pre-conflict baseline: the data was collected before the full impact of the 2026 Strait of Hormuz disruption flowed through construction supply chains. It reflects the tail end of a stabilisation phase, following the steep increase in input costs through to June 2023, with that moderation having flowed through to apartment price per square metre.

Conditions have since shifted materially. Escalating energy, freight and petrochemical costs are expected to build on this elevated base from Q2 2026 onward, meaning the figures here are best read as a floor rather than a current-market position. The sales mix continues to skew toward larger, higher-specification typologies, with the market remaining owner-occupier led.

Price per square metre

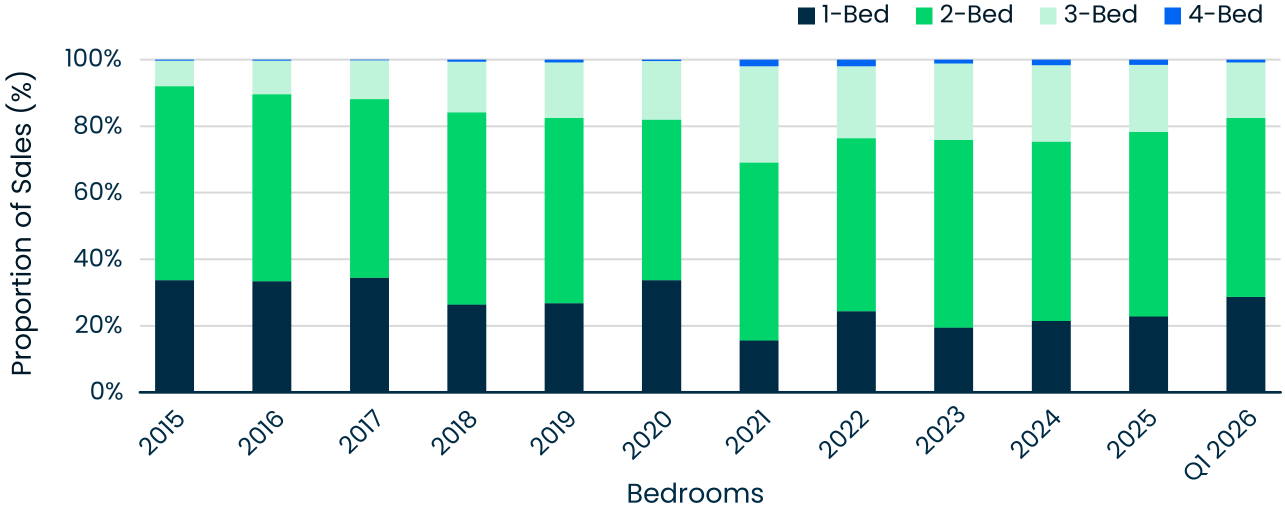
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q1

Apartment type by proportion of sales

Projects under construction and in presales



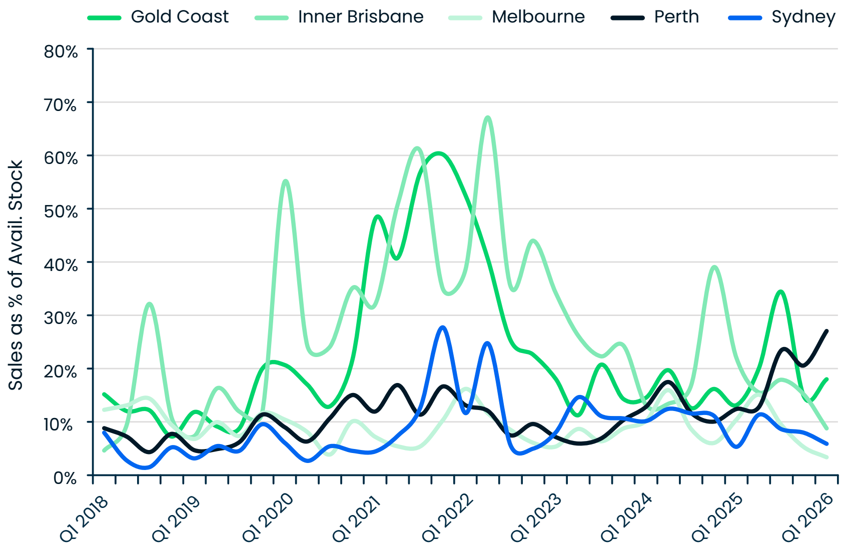
Source: Urbis Apartment Essentials Platform 2026-Q1

National apartment *market insights*

Sales as % of availability

Off-the-plan clearance rates varied widely across the major markets in Q1 2026. Perth (27%) and the Gold Coast (18%) led the field, Perth supported by tight supply and strong local demand, and the Gold Coast continuing to attract interstate capital. Inner Brisbane (9%), Sydney (6%) and Melbourne (3%) recorded softer absorption. The shift in the interest rate outlook has weighed on broader buyer confidence, particularly for off-the-plan buyers who face long lead times between exchange and settlement. The variation reflects how local supply and demand conditions are driving presale outcomes, with rate-sensitive buyer behaviour adding an additional layer of variability.

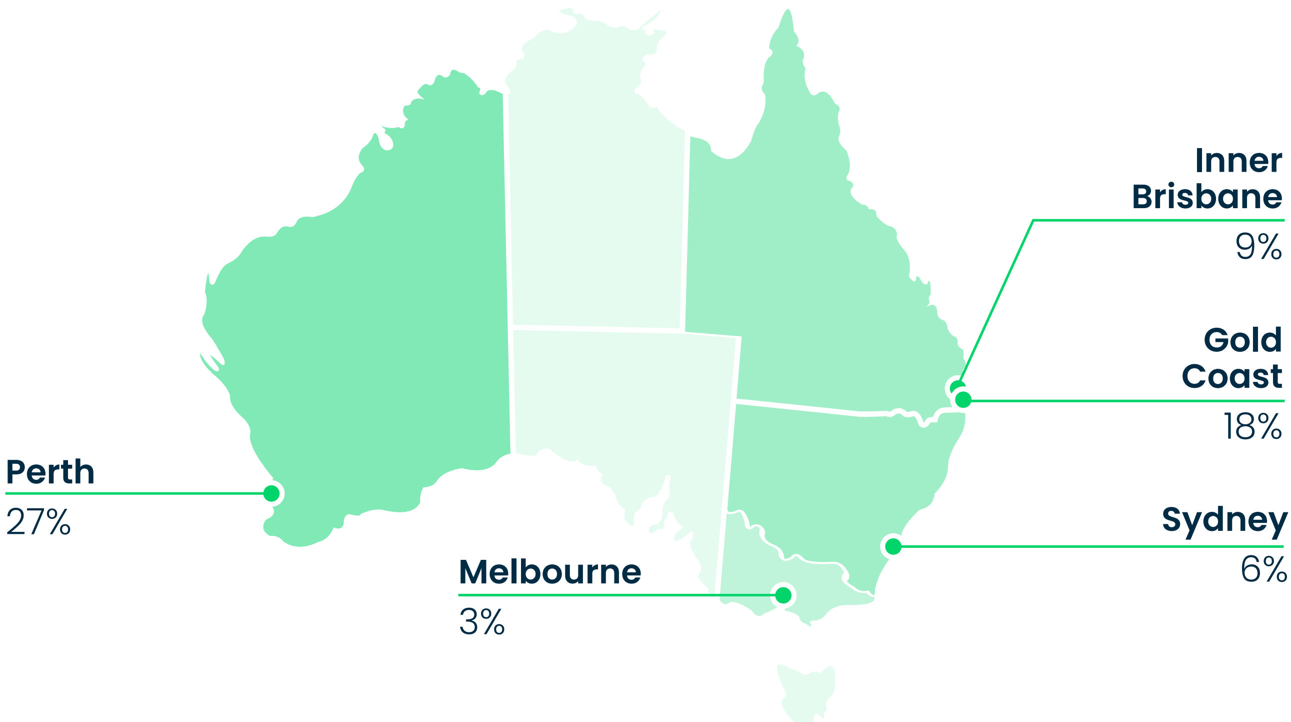
Sales as % of available stock by status



Source: Urbis Apartment Essentials Platform 2026-Q1

Sales as % of available stock

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q1

National apartment *market insights*

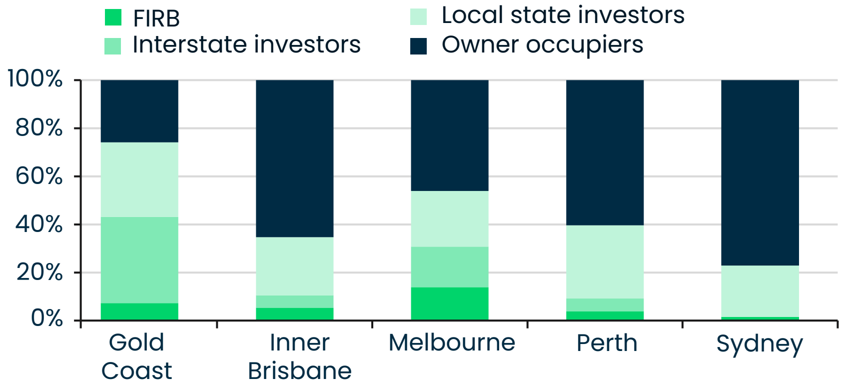
Buyer profile

Owner-occupiers continued to lead the national buyer mix in Q1 2026, accounting for 52% of sales. The local investor share rose to 28% — its highest level since 2017 — while foreign investor activity remained at 5%, well below the 2018–2020 average of around 19%. Buyer profiles vary significantly by market: Sydney (77%) and Inner Brisbane (65%) are most owner-occupier led, while the Gold Coast continues to attract interstate capital (36%).

These figures represent a pre-Budget baseline, captured before the May 2026 Federal Budget's changes to negative gearing and capital gains tax take effect. With those concessions retained for new housing but restricted for established property, future quarters may see investor demand tilt further toward new apartment stock. Key indicators to watch include whether the local investor share continues to climb, whether owner-occupier-led markets like Sydney soften as investors re-enter, and how the new-build incentive reshapes the mix through 2026.

Buyer Profile Year to 2026-Q1

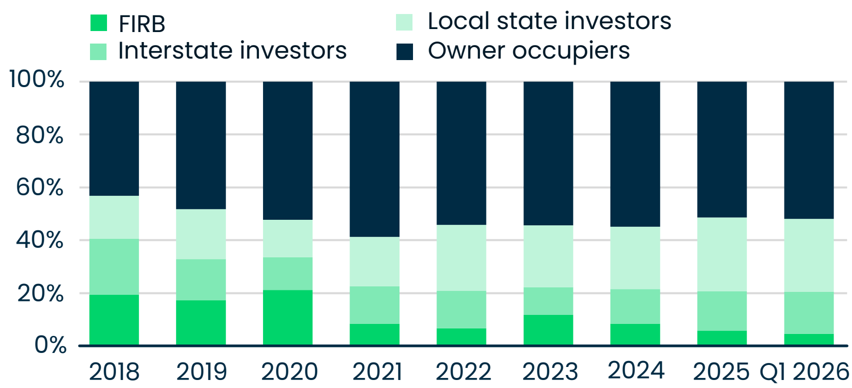
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q1

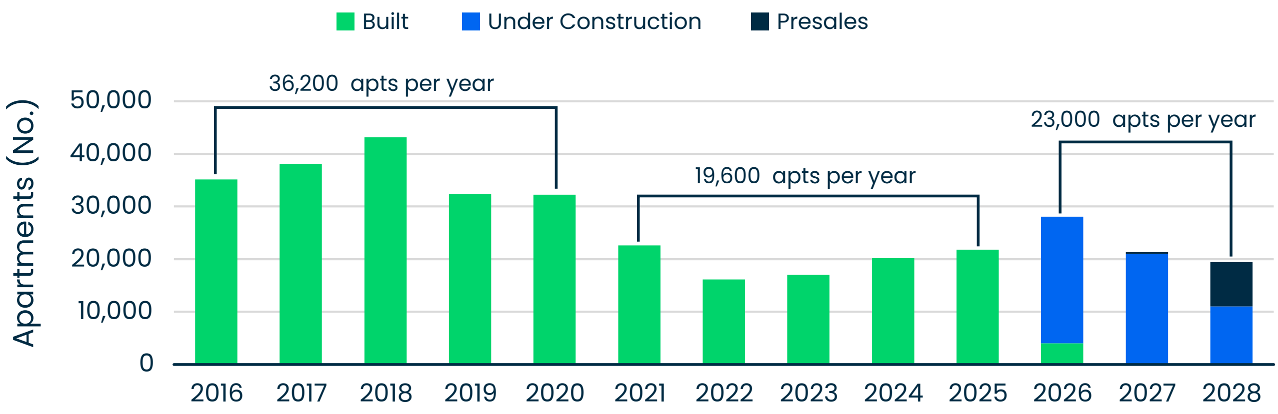
Buyer profile

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2026-Q1

Future apartment supply pipeline



Source: Urbis Apartment Essentials Platform 2026-Q1

National apartment *market insights*

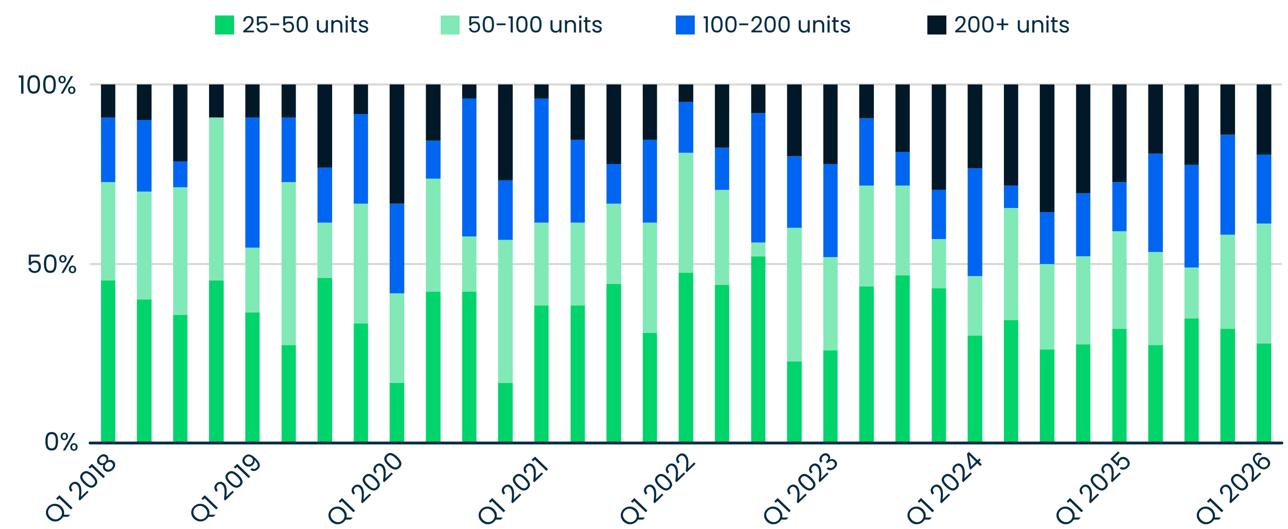
Future apartment supply pipeline

The apartment pipeline remains constrained. A modest recovery to around 23,000 apartments per year is anticipated for 2026-28, still well below the 36,200 apartments delivered annually during the 2016-20 peak. ABS data shows approvals and commencements lifting from 2025, though from a compressed base, suggesting recovery will take time. With vacancy rates at historic lows and population growth continuing, the supply-demand imbalance is set to widen further. The constrained pipeline points to a sustained period of limited new supply, with project feasibility, planning timelines and funding conditions shaping how quickly new product can come to market.

The development landscape continues to favour smaller and mid-scale schemes. In Q1 2026, projects under 100 units made up 61% of approvals, split between 50-100 unit projects (33%) and 25-50 unit projects (28%). The remaining share was evenly divided between 100-200 unit (19%) and 200+ unit projects (19%). The pattern reflects an operating environment where construction cost inflation, tighter debt funding conditions and buyer preferences have made larger projects more challenging to deliver. Smaller and mid-scale schemes are aligning more readily with current feasibility and funding conditions, while larger projects require more deliberate structuring to remain viable.

Scale of Approved Projects

Count by size range



Source: Urbis Apartment Essentials Platform 2026-Q1

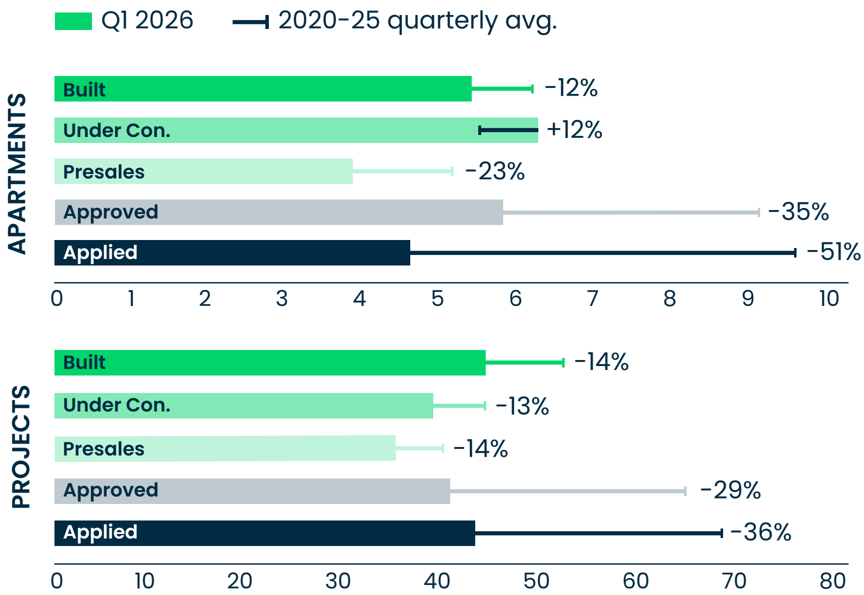
National apartment *market insights*

Future apartment supply pipeline

Q1 2026 data highlights a clear contrast between current activity and the forward pipeline in Australia's apartment market. Completions sit 12% below the long-run quarterly average and apartments under construction sit 12% above, suggesting current build activity remains broadly intact. The forward pipeline, however, is materially constrained. Approvals are 35% below the long-run quarterly average and applications are 51% below, with project-level approvals recorded at 47 in Q1 2026 against a historical quarterly average of 66.

The decline in early-stage indicators points to constrained new supply over the coming years. These trends point to a market where the forward pipeline continues to remain narrow, meaning projects able to progress through current feasibility and funding face a less crowded supply landscape over the medium term.

Supply pipeline snapshot



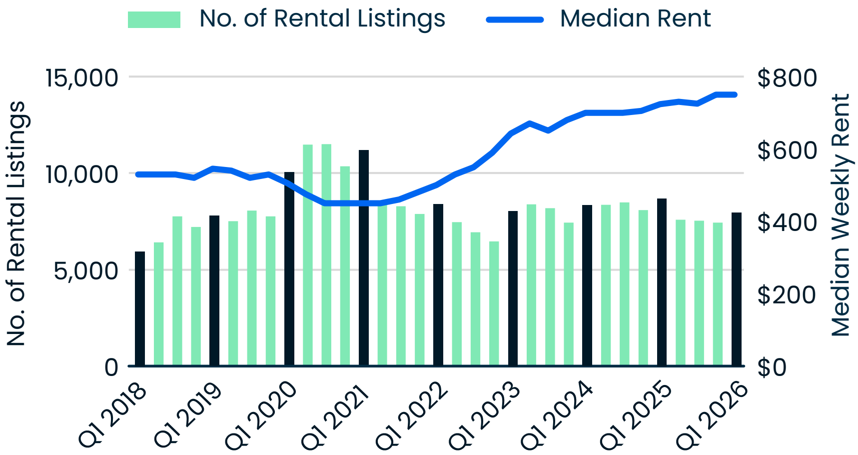
Source: Urbis Apartment Essentials Platform 2026-Q1

National apartment *market insights*

Rents in new builds

New apartment rents continue to stabilise at elevated levels, with the national median reaching $750 per week in Q1 2026, up 3.6% year-on-year and below CPI for the same period. New rental supply remains limited: vacancy rates sit at historic lows, completions are tracking 12% below the long-run quarterly average, and the forward pipeline is materially constrained. The build-to-rent pipeline, approaching 67,000 units nationally, provides some institutional capacity, though most remains in early planning. Sustained rental growth alongside a rising local investor share points to renewed confidence in the rental income story for new apartment product.

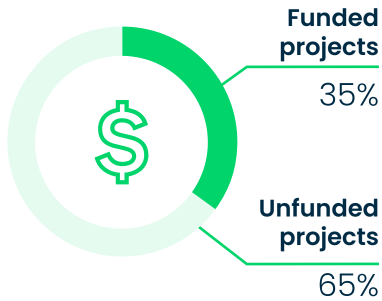
Rents in New Builds



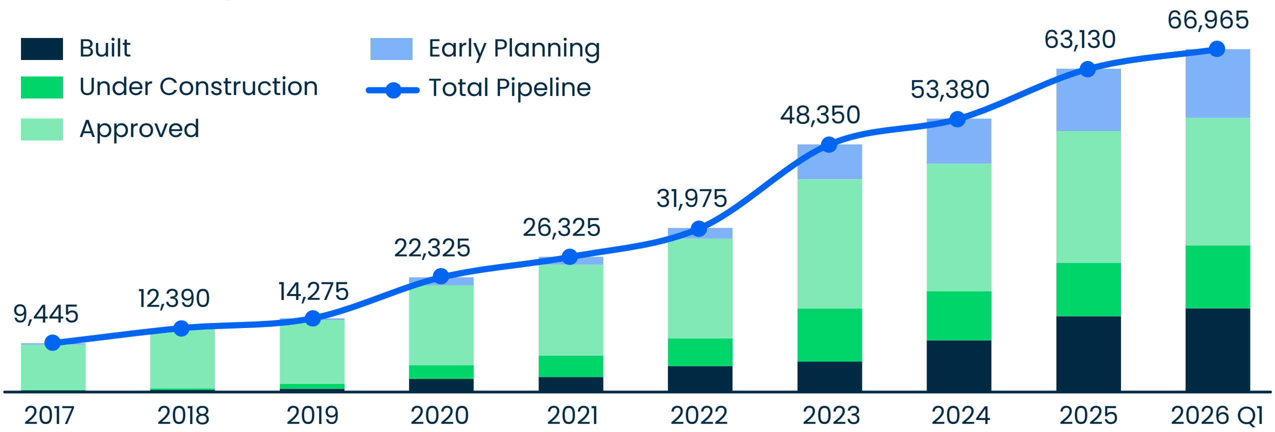
Source: Urbis Apartment Essentials Platform 2026-Q1

Build-to-rent pipeline

The build-to-rent (BTR) pipeline reached 66,745 units in Q1 2026, growing by close to 3,000 units in the quarter and more than doubling since 2022. The pipeline split between funded (35%) and unfunded (65%) projects highlights the gap between planned and committed supply, with the majority remaining in early planning and approval stages. The sector continues to scale into a rental market characterised by historically low vacancy and sustained rent growth. The funded share provides a more reliable view of near-term institutional supply, while the unfunded majority points to where pipeline conversion will depend on funding, planning and project economics.



Build-to-rent Pipeline



Source: Urbis Apartment Essentials Platform 2026-Q1

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:

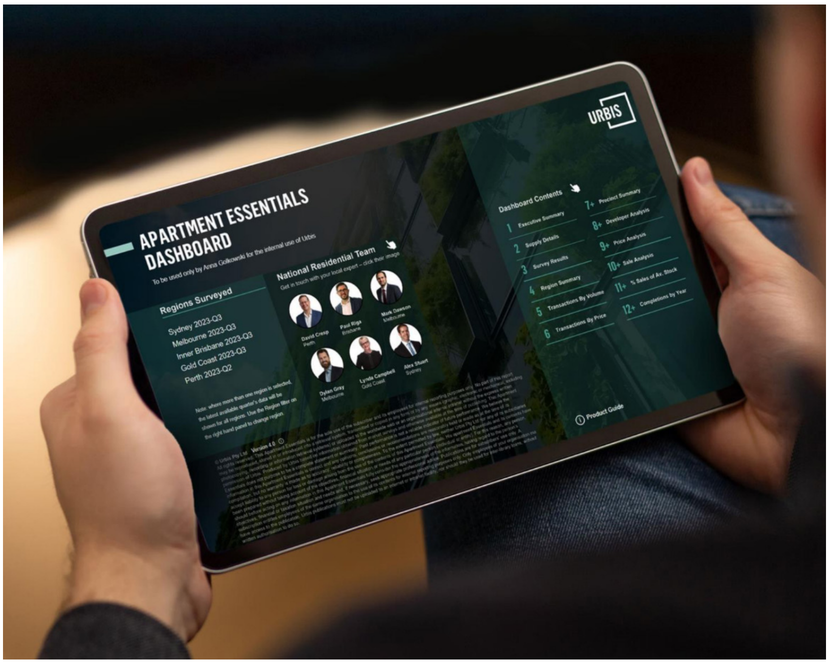
Core module

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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