Apartment essentials national snapshot.

Fourth quarter 2025

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.

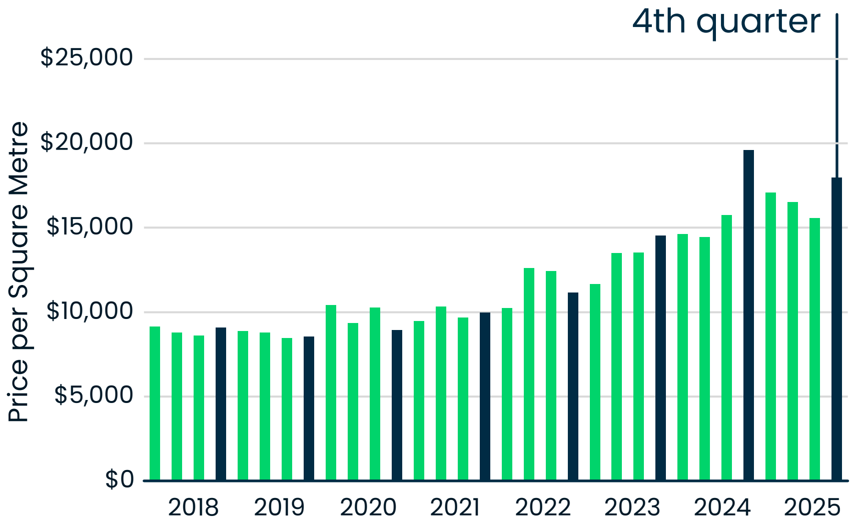
National apartment *market insights*

Price per square metre

The national average price per square metre rate for new apartments increased by 16% quarter-on-quarter, reaching nearly $18,000 in Q4. With labour, materials and project delivery costs remaining elevated, costs are flowing through to purchasers. The shift in sales mix toward larger, higher-specification typologies in Q4 amplified this further, as buyers were more skewed to owner-occupiers.

Price per square metre

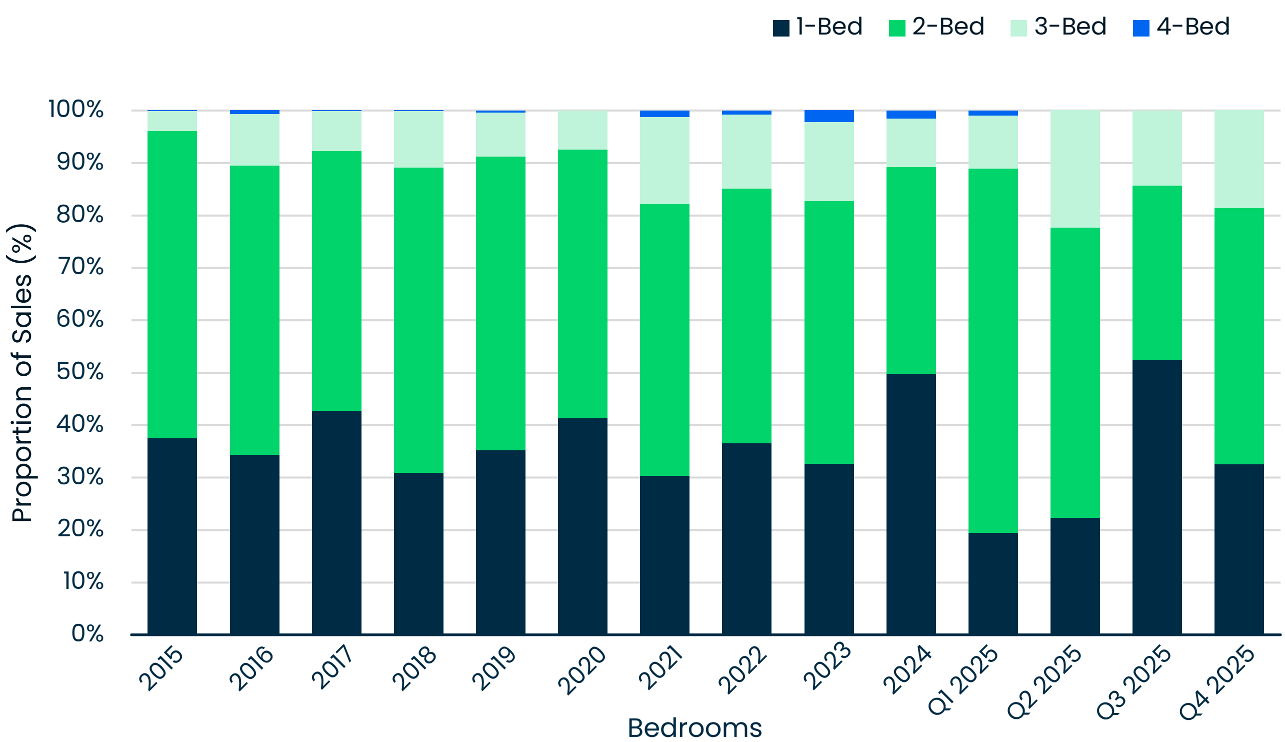
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2025-Q4

Apartment type by proportion of sales

Projects under construction and in presales



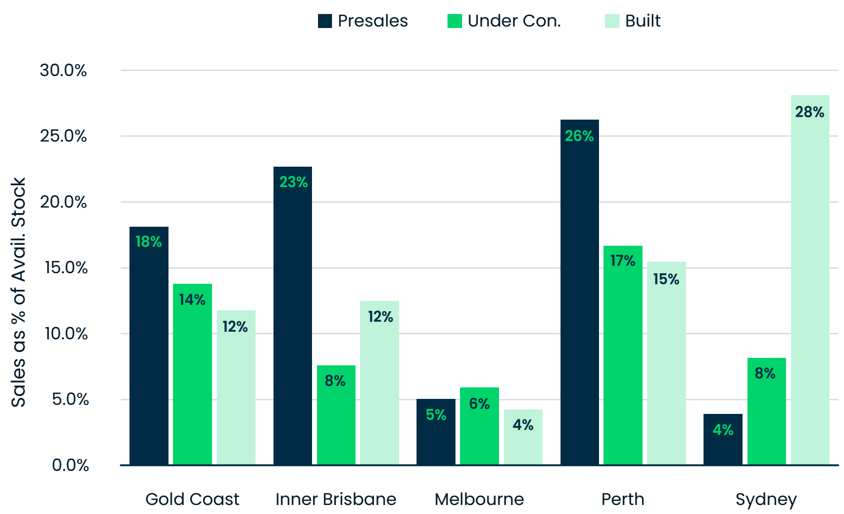
Source: Urbis Apartment Essentials Platform 2025-Q4

National apartment *market insights*

Sales as % of availability

The national off-the-plan clearance rate was 12% in Q4, pulling back from momentum seen through the middle of the year. Perth, Brisbane and the Gold Coast continued to outperform on the back of tight supply and strong demand. The Q4 softening coincides with a shift in the interest rate outlook. For off-the-plan buyers, who are particularly sensitive to borrowing cost uncertainty given the long lead times between exchange and settlement, this recalibration has dampened confidence.

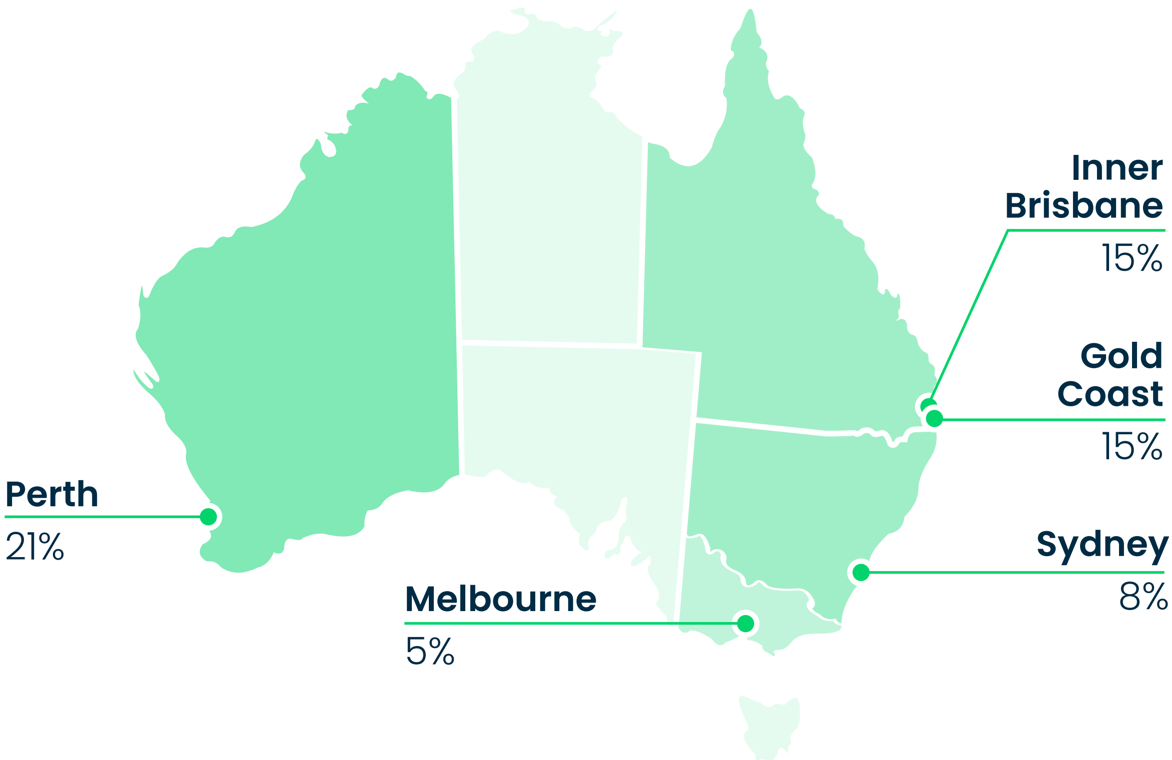
Sales as % of available stock by status



Source: Urbis Apartment Essentials Platform 2025-Q4

Sales as % of available stock

Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2025-Q4

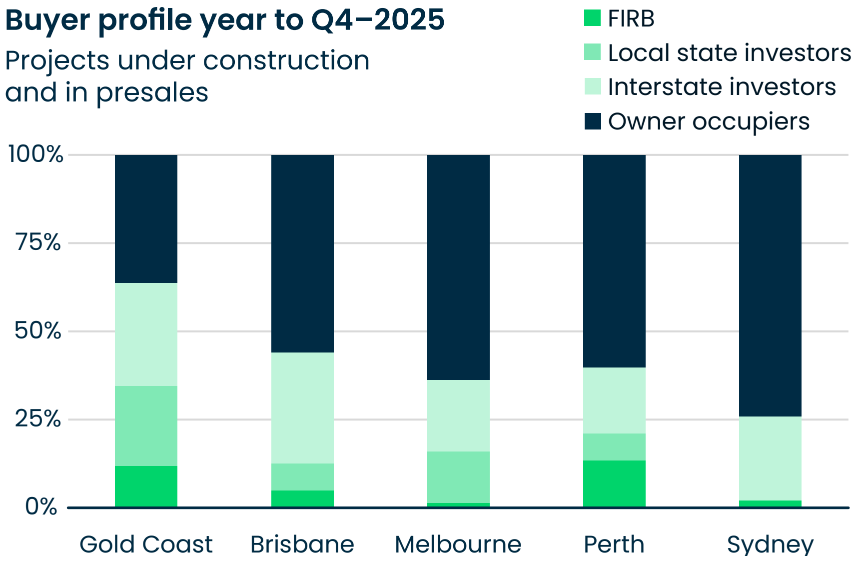
National apartment *market insights*

Buyer profile

The buyer mix continues to be dominated by owner-occupiers nationally, the local investor share, however, has risen to 28%, its highest since 2017. The Gold Coast continues to attract interstate capital, while Brisbane, Melbourne, Perth and Sydney remain firmly owner-occupier led, underpinned by higher-quality product aligned to local demand.

Buyer profile year to Q4–2025

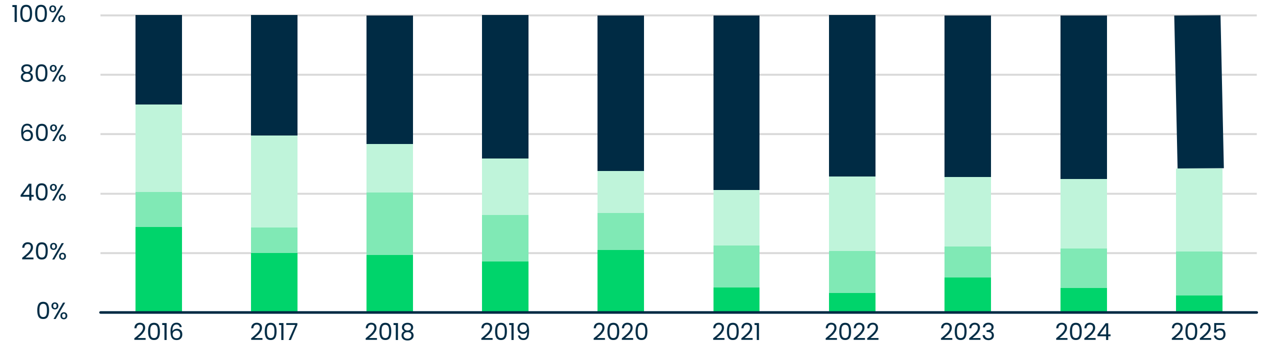
Projects under construction and in presales



Source: Urbis Apartment Essentials Platform 2025-Q4

Buyer profile

Projects under construction and in presales

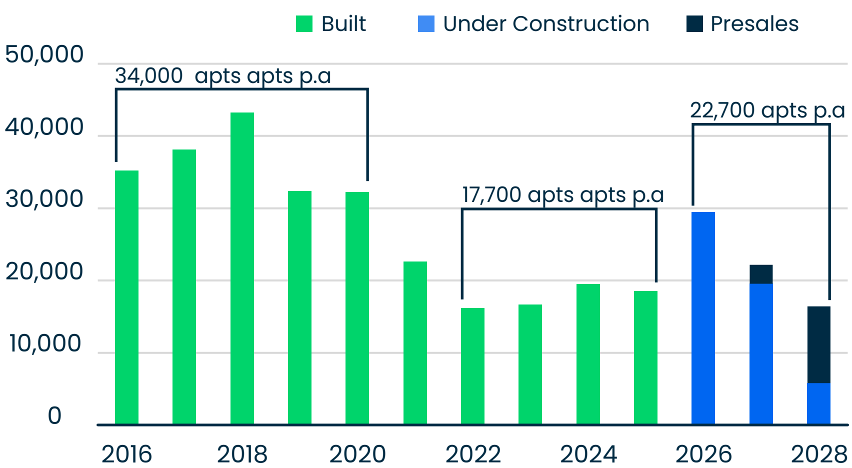


Source: Urbis Apartment Essentials Platform 2025-Q4

Future apartment supply pipeline

The apartment pipeline remains constrained, a modest recovery toward 22,700 apartments per year in 2026-28 still falls short of the 34,000 apartments delivered annually during the 2016-20 peak. ABS data shows approvals and commencements lifting from 2025, but from such a compressed base that recovery will be slow. With vacancy rates at historic lows and population growth continuing, the supply-demand imbalance will intensify. Structural reform across planning, taxation and funding remains the path to closing the gap.

Future apartment supply pipeline



Source: Urbis Apartment Essentials Platform 2025-Q4

National apartment *market insights*

Future apartment supply pipeline

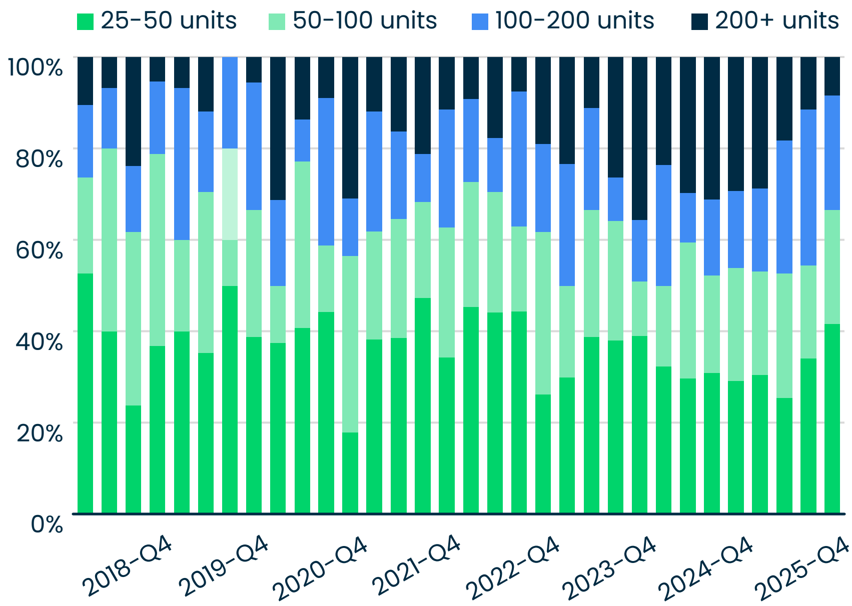
The shift toward smaller, mid-scale schemes signals a structural shift in the development landscape. The share of 200+ unit approvals has fallen from 29% in Q1 to 8% in Q4, while 25-50 unit projects now account for 42% of activity. This is a response to the market environment that has made large-format projects increasingly unviable. Construction cost inflation, tighter debt funding conditions and buyer preferences underpin a market that is becoming increasingly difficult to facilitate density without policy intervention.

The Q4-2025 data lays bare the scale of Australia's apartment supply problem. Completions are running at half the long-run average, projects under construction sit 28% below historical norms, approvals have collapsed 75%, and applications remain 47% below average. At the project level, just 18 approvals were recorded against a historical average of 65.

The one bright spot is presales, tracking above average on both volume (+21%) and project count (+2%), a sign that buyer intent exists where the right product is on offer. With approvals and applications so deeply depressed, the projects needed to sustain supply through 2027 and beyond are simply not being initiated. Unless feasibility, funding and planning conditions improve materially, this gap will translate directly into a deepening housing shortage through the second half of the decade.

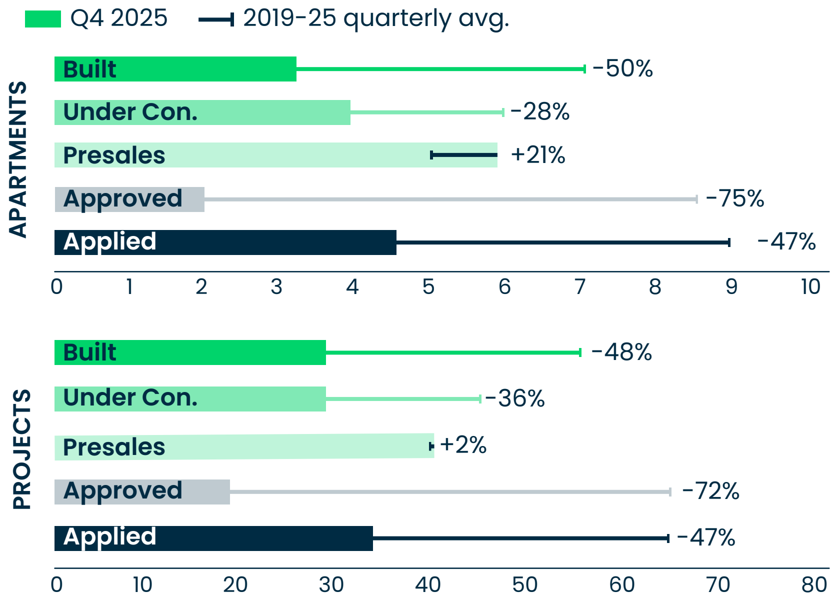
Scale of Approved Projects

Count by size range



Source: Urbis Apartment Essentials Platform 2025-Q4

Supply pipeline snapshot

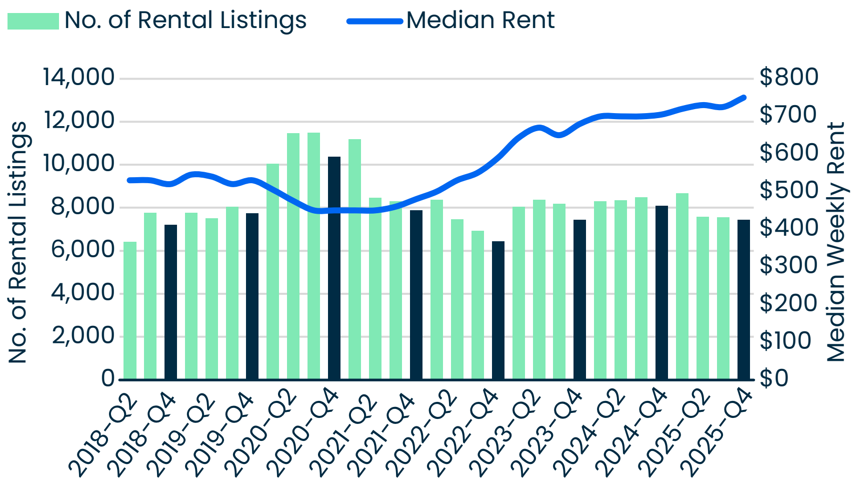


Source: Urbis Apartment Essentials Platform 2025-Q4

National apartment *market insights*

Rents in new builds

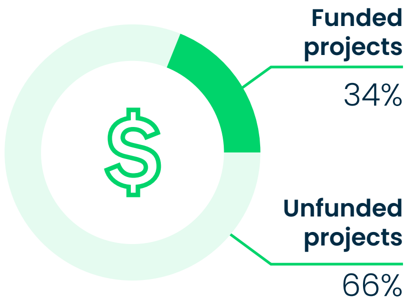
New apartment rents are stabilising at elevated levels, with the national median reaching $750 per week, up 6.4% year-on-year and well above CPI. The RBA's outlook on interest rates may support further increases, compounded with moderate supply entering the market, the structural imbalance driving rents higher will persist.

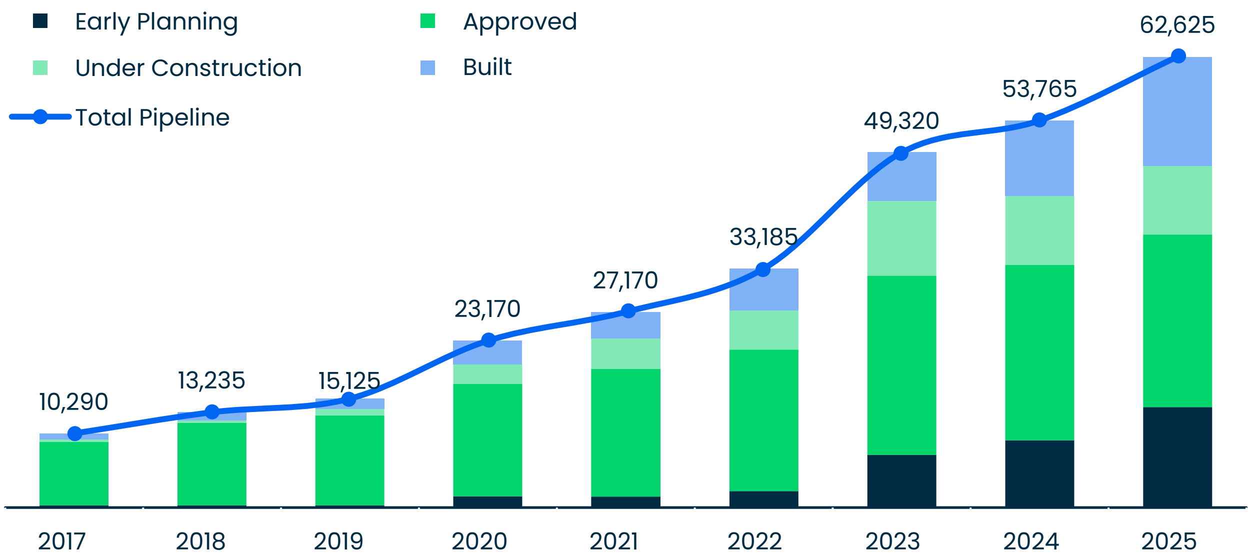


Source: Urbis Apartment Essentials Platform 2025-Q4

Build-to-rent pipeline

The BTR pipeline has almost reached 63,000 units, with 2,600 units beginning construction in Q4 signalling sustained growth in the sector. More than half of the pipeline remains in early planning and approval stages. However, the sector holds real promise as part of the solution to Australia's rental crisis as long as there is sustained policy support.





Source: Urbis Apartment Essentials Platform 2025-Q4

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:

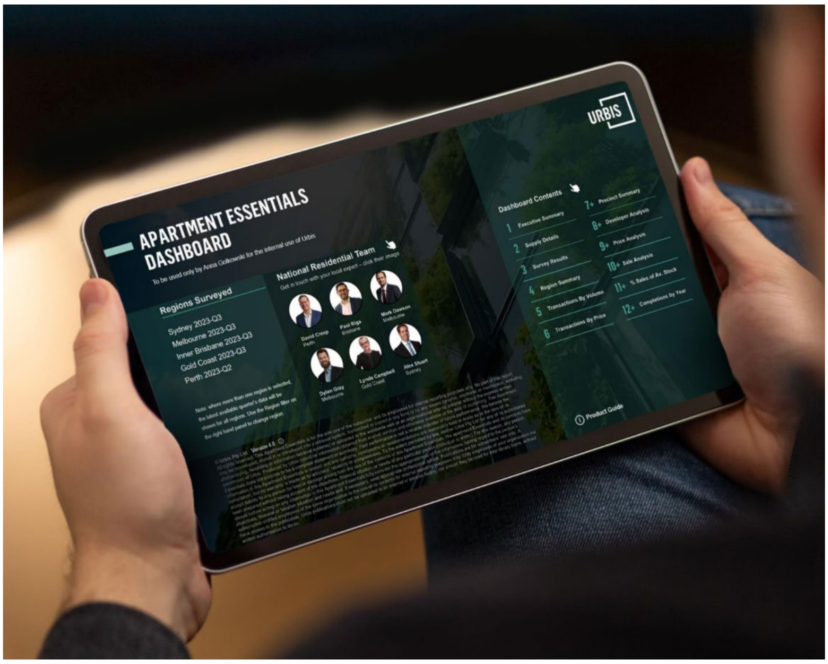
Core module

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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