



Australian Property

Month in Review

August 2026

The Month in Review identifies the latest movements and trends for property markets across Australia.

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Disclaimer

This publication presents a generalised overview regarding the state of Australian property markets using property market risk-ranking scales. It is not a guide to individual property assessments and should not be relied upon.

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CEO Address

Month in Review
August 2026

Every so often, anecdotes and data finally meet, and in this market cycle, August is that moment.

On 11 August, the Reserve Bank held the cash rate at 4.35 per cent for a second consecutive meeting. Before anyone reads that as the peak, the Bank's own forecasts assume one more increase is more likely than not, with inflation back inside the target band late next year. Rates are the highest they have been since late 2011, and the working assumption is that they're likely to stay there for a while yet.

The market has responded accordingly. National dwelling values fell 0.7 per cent over the month and 1.9 per cent across the quarter to the end of July. In both cases, these are the largest declines since December 2022. Sales volumes over that quarter are also well down from a year ago. Total listings have reached their highest level since 2020. In addition, median time on market has stretched to 44 days from 27, and the typical vendor is now discounting by the largest concession since May 2023.

Tracking that discounting figure will be crucial over the next few months. Listings are climbing into spring against subdued demand. Many properties simply will not sell, and for most of the rest the only path to a contract is a price cut. Vendors anchored to 2025 expectations will likely trail 2026 realities, and it could cost some dearly.

Policy is compounding the picture. The budget's negative gearing and capital gains tax changes have clearly deepened a slowdown already underway in some centres, and the ban on new

Welcome to the August 2026 edition of Month in Review

The budget's negative gearing and capital gains tax changes have clearly deepened a slowdown already underway in some centres.

limited recourse borrowing arrangements for residential property inside self-managed super funds has closed a funding channel for many investors. Building completions sit well below target, with the RBA Governor noting that data centre and infrastructure work is drawing trades away from house construction.

Our Prestige Index tells the same story at the top end, easing to 53 from 58, its largest single-month fall since launch, with Brisbane and the Gold Coast the movers.

Against that backdrop, our residential section addresses property renovation options across the country. The reasons owners improve rather than move remain largely unchanged, but the arithmetic has shifted. Materials shortages have eased but building product prices have continued rising. The CGT changes have also made renovating to flip far less attractive outside a principal place of residence.

Our commercial specialists examine industrial, still the market's steadiest sector. First-half take-up of industrial space has been strong, and vacancies have stabilised between three and 4.5 per cent. Scarcity of serviced land continues to push land values up.

Our rural teams report on grain cropping, where a clear regional divide has opened up. Western

Australia and Victoria are set for strong results, and the north of New South Wales has recovered on useful winter rain, while the south needs a kind finish to the year. The mid-June El Niño declaration makes spring a crucial period for the industry.

As always, our valuers on the ground turn these macro forces into intelligence you can act on. Please enjoy our August edition of Month in Review.

Peter Maloney
CEO
Herron Todd White



CEO
ADDRESS

Economic and Property Market August Update

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CEO
ADDRESS

Headwinds for the Australian residential property market persisted over the past month, with value declines broadening and market conditions weakening further. Weakness in residential property, our largest single asset class by value, will likely weigh on the broader economy too.

Economic growth has already slowed on a quarterly basis, and the Reserve Bank of Australia (RBA) expects it will continue to slow over the coming quarters.



Cameron Kusher
Chief Economist
Herron Todd White

 *Despite that pessimism, household spending remains elevated and discretionary spending growth is accelerating.*

The labour market remains tight with an unemployment rate well below five per cent, however the unemployment rate is higher than a year ago and is expected to rise. Furthermore, although job creation is still positive, part-time job growth has been much stronger, which has resulted in an increase in underemployment. Job vacancies remain elevated although they have trended lower over recent years.

The rate of inflation remains elevated, and the RBA is currently not forecasting it will return to the two to three per cent target range until late next year and won't hit the mid-point of that range (2.5 per cent) until the first half of 2028. While inflation stays elevated, further rate rises remain possible; indeed, the forecast return to target assumes one more increase is more likely than not.

Consumers remain much more pessimistic than optimistic, while business confidence is also negative and business conditions are continuing to trend below long-term average levels. Despite that pessimism, household spending remains elevated and discretionary spending growth is accelerating - a pattern that sits oddly with the cost-of-living narrative. Whether it holds over the coming months is worth watching.

Dwelling approvals, commencements and completions remain well below target levels and increasing construction costs and higher interest

rates for longer are likely to weigh on new dwelling supply over the coming quarters and years. So will changes to SMSF lending for residential, which was integral to making many new projects viable to commence.

The RBA Governor recently stated that the large pipeline of non-residential work, particularly data centres, but also infrastructure in certain regions, is seeing competition for trades that would typically build residential housing. The resulting shortage of trades makes building at volume harder still.

The latest quarterly mortgage lending data for June 2026 was also released during the month and it showed a further slowing of mortgage demand. Both new lending and refinances fell sharply in number and value terms, although all measures remain above the same quarter last year.

With new policies targeted specifically at investors, there were much larger declines in lending to investors over the quarter. Lending to owner-occupier non-first homebuyers also fell, with the number of loans to owner-occupier first homebuyers falling but the value of lending rising.

The data points to a broad slowdown in loan numbers. First homebuyers are fewer, but those buying are borrowing much more; their average loan size rose 3.3 per cent over the quarter and 10 per cent over the year, well ahead of the changes

for investors and non-first-homebuyer owner-occupiers.

With the weakness in values expected to continue, it's likely that lending will also continue to slow over the coming months.

National housing market conditions have also continued to ease. The latest Cotality Home Value Index data found that nationally, dwelling values fell by 0.7 per cent over the month and were 1.9 per cent lower over the three months to July 2026. In each instance, the decline in values was the largest since December 2022.

Housing market conditions were already slowing before the federal budget, with values already falling in Sydney and Melbourne and slowing in most others. However, the tax changes around investment properties have clearly exacerbated the slowdown and reduced buyer demand.

Over the past three months, values have fallen in all capital city markets except Adelaide, Hobart and Darwin, and in the rest-of-state areas of New South Wales and Victoria, with Queensland values unchanged. Even where values have still risen, the rate of growth has typically slowed.

The rate of value growth weakness is more prevalent in the capital city markets than it is in regional markets, and houses are seeing greater weakness than units. This reflects the largest falls at the expensive end, while the most affordable properties are still recording growth, albeit more slowly.

With buyer interest subdued, sales volumes well down on a year ago and listings high and rising, sellers are finding it much harder to secure a buyer.

BY THE NUMBERS – JULY 2026



44 days

Median time on market, up from 27 days a year ago



278,984

Total listings nationally, up 22.8% year-on-year, the highest since 2020



4%

Typical vendor discount, the largest since May 2023

The slowdown in dwelling-value growth has come alongside a decline in sales volumes, reflecting reduced buyer demand. According to estimates from Cotality, sales volumes over the three months to July 2026 were 15.6 per cent lower than over the same three-month period last year. Sales volumes are lower in both the capital cities and regional markets, but capital city volumes have experienced a much larger decline of 21.2 per cent compared to a 5.3 per cent fall in regional markets.

Sydney, Melbourne, Brisbane, Perth and regional Western Australia have recorded falls in sales in excess of 20 per cent compared to a year ago. Only Adelaide, Hobart, Darwin, Canberra, regional New

South Wales and regional South Australia have recorded increases in sales volumes relative to a year ago.

According to data from SQM Research, there were 72,806 newly-listed properties for sale nationally in July, which was 5.1 per cent higher over the month and 15.9 per cent higher than in July 2025. Despite slower market conditions and a seasonally slower period of the year, a relatively high number of properties are coming to the market. Only Sydney and Hobart had fewer new listings than a year ago, with all other capital cities outside of Perth and Canberra seeing double-digit rates of growth in new listings.

The total number of properties listed for sale reached 278,984 in July 2026, which was 12.4 per cent higher over the month and 22.8 per cent higher than a year ago. SQM Research also reports it was the largest annual increase in total listings in more than a year. Total listings are now the highest they've been since 2020 with Hobart the only capital city seeing fewer total listings than a year ago and all other capital cities except Darwin seeing double-digit annual rates of growth.

The total volume of stock available for sale is now close to a record high in Sydney and Canberra and at a historic high in Melbourne. Listing volumes are trending lower in Hobart, and although total listings are still historically quite low in the other capital cities, they are trending higher quickly and are now the highest they've been in several years.

With buyer interest subdued, sales volumes well down on a year ago and listings high and rising, sellers are finding it much harder to secure a buyer. Many properties simply will not sell, and for many others the only path to a sale is a price cut, which will put further downward pressure on prices. Whether vendors are willing to do that remains to

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RESIDENTIAL

be seen, but other data points to properties taking longer to sell and discounting levels increasing.

The median time on market in July 2026 was 44 days, which was up from 27 days a year ago and the highest time on market figure, outside of seasonal results in January, since June 2020. Capital city days on market has increased to 42 days from 24 days a year ago, while in regional areas it has risen to 47 days from 33 days.

Most capital cities and rest-of-state areas have seen their median days on market increase over the past year. Notably, Brisbane, regional Queensland, Sydney, Melbourne and Perth have recorded the largest increases. Sydney and Melbourne also have some of the longest median days on market of any capital cities or regional areas.

The magnitude of discounting by vendors has also increased, with the typical sale in July 2026 seeing a price reduction of four per cent compared to 3.3 per cent a year ago. This is the largest vendor discount since May 2023.

Hobart and regional Tasmania are the only capital city and rest-of-state markets in which discounting levels have reduced over the past year. The largest increases in discounting relative to a year ago have been in regional Western Australia, Perth, Brisbane and Sydney. Melbourne had a lower rate of discount relative to the other capital cities, which likely reflects the fact that the market has been weak for several years, so vendors tend to be more realistic on their sale price expectations.

National rents have increased by 0.2 per cent over the month, 1.2 per cent over the past three months and 5.9 per cent over the past year. There has been a notable slowing of rental growth on a quarterly basis from earlier this year, however that is something we often see occur seasonally and the

rate of growth over the past three months has been stronger than over the same three months last year. The annual rate of rental growth has remained steady.

The strongest rental increases over the past year have been in Darwin, regional Tasmania, regional Western Australia and Perth. The slowest growth in rents has occurred in Canberra, regional Victoria and Melbourne. Rental growth in most markets remains well above the rate of inflation.

The challenge for renters now is that, as inflation remains elevated and living costs continue to climb, their capacity to absorb further rent increases diminishes. Landlords will need to keep this in mind when reviewing rents.

Meanwhile, gross rental yields were unchanged over the year at 3.7 per cent, however they have been trending higher throughout this calendar year, a trend which is expected to continue.

Across the combined capital cities, gross rental yields have risen from 3.4 per cent a year ago to 3.6 per cent, and the regional markets have noticeably higher rental yields at 4.2 per cent, but they have fallen from 4.3 per cent a year ago.

In the capital cities, gross rental yields are higher over the year in Sydney, Melbourne and Canberra but lower elsewhere, whilst regional Victoria is the only regional market in which yields have increased over the past year.

Housing market data is reported with a lag, even where it is reported daily or monthly, so what is actually happening right now in a particular market can be quite different to what the data shows.

That is why the Herron Todd White Month in Review is so valuable; it provides up-to-the-minute insight from the nation's largest network of valuation

professionals, who are inspecting, valuing and talking with buyers, vendors and agents every day.

With spring approaching, I expect more stock to come to market. Rising listings alongside low sales volumes will slow conditions further, and values are expected to keep falling – potentially at a faster pace.

The housing market conditions and results will continue to be reported each month in the Herron Todd White Month in Review.

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RESIDENTIAL



Prestige Property

August 2026

HTW Prestige Property Monitor

The Herron Todd White Prestige Property Monitor is a monthly window into Australia's prestige real estate, showcasing exceptional sales and the insights shaping the top end.

The recalibration we have been tracking since autumn has picked up pace. The August HTW Prestige Index registers a national average of 53 out of 100, down from 58 in July and 61 through May and June. That five-point fall is the largest single-month movement since this monitor launched, and it takes the index 13 points below its equivalent February reading of 66. What had been an incremental drift is now a more decisive shift in sentiment.

Brisbane is the notable mover, easing from 62 to 50 and stepping out of Warm territory for the first time. Our team there reports transactions easing, days on market extending and supply beginning to build, with sustained negative commentary

weighing on confidence. The Gold Coast has softened from 65 to 55 as listing volumes contract and vendors hold out for the spring campaign. Sydney has slipped from 40 to 35, joining Melbourne, which is unchanged at 35, with both markets now in Cool territory. Perth holds firm at 80 and Adelaide at 65, leaving only two of our six cities in Warm territory and a 45-point spread between the strongest and weakest readings - the widest we have published since the Monitor's inception.

The drivers are unchanged, but their cumulative weight is telling. Successive cash rate increases through 2026, the Federal Budget's changes to negative gearing and capital gains tax settings, and

HTW PRESTIGE INDEX	
Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

May Average
Prestige Index

53/100



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ongoing geopolitical instability are all sharpening price sensitivity, even among cash-funded purchasers. Sydney's auction clearance rate has now held below 50 per cent for a third consecutive month.

Conviction has not left this market, though. Three Sydney suburb records fell in July, and Perth's western suburbs continue to trade in off-market transactions at double-digit annual gains. Scarcity and turnkey quality still command a premium; it is secondary positions and capital expenditure risk where the hardest questions are being asked.

Spring will be the real test. Our teams are in these markets daily, and the pages that follow set out what they are seeing.

PRESTIGE
WRAP

Sydney

Market conditions continued to soften throughout July as prestige areas across Sydney saw subdued sales activity. This month we are focusing on some of the less traditional prestige areas which have seen some suburb records fall in July.

In Balgowlah Heights, a waterfront reserve home on Beatty Street sold for \$17.5 million in July, beating the previous suburb record of \$13 million set in 2024.

The inner-city suburb of Chippendale also saw its house price record fall in July with the sale of a large warehouse conversion residence on Pine Street for \$13 million, beating the previous mark set back in 2017 of \$11.25 million by another warehouse conversion in Buckland Street.

Heading out to the north-west, the sale of a large French Provincial style home in Cranstons Road, Middle Dural for \$16.5 million in July topped the previous house sale record for the suburb of \$15 million set in 2025 by a property in McLeod Road.



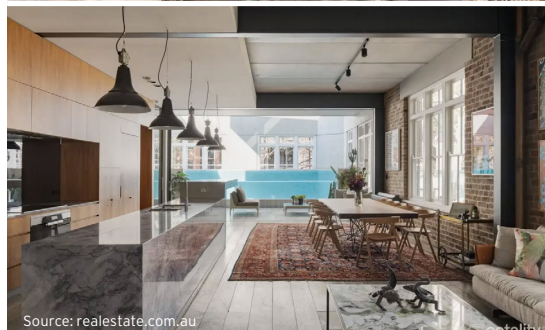
Shaun Thomas
Director, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

35/100



42-44 Pine Street, Chippendale, sold July 2026 (unsettled) for **\$13 million**

Setting a new suburb house price record, this large warehouse converted dwelling provides five bedrooms, four bathrooms, single garage, internal lift and indoor pool over three levels on 325 square metres of land. The property was first listed in August 2025 with an initial asking price of \$19 million, with the sale achieved in early July 2026 for \$13 million. The property previously transacted in February 2012 for \$3.1 million, prior to the conversion.



65 Cranstons Road, Middle Dural, sold July 2026 (unsettled) for **\$16.5 million**

This large French Provincial style home set on two hectares was completed in 2023 and comprises six bedrooms, five bathrooms, multiple living areas, six-car garage, pool and tennis court. The property set a new suburb record, reaching a sale after 37 days on the market, showing the relative strength of this market segment compared to other prestige localities. It previously sold for land value in February 2020 for \$2.1 million.

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PRESTIGE
WRAP

Melbourne

The prestige segment is starting to feel the same effects as the greater residential market.

Transactions have significantly slowed, particularly in the sub \$10 million segment, with most pressure being felt in the \$5 million to \$8 million segment. The softening in the wider economy has reduced the availability of stock for ultra-high end property (greater than \$15 million).

Market feedback from selling agents indicates that purchasers in this segment are increasingly price sensitive. Vendors who are unwilling to meet current market expectations are experiencing extended selling periods, with properties often remaining on the market longer. While A-grade homes – those offering premium locations and turnkey condition – continue to attract strong competition and achieve robust sale prices, properties requiring significant capital expenditure or those in secondary locations are encountering reduced buyer demand, prolonged marketing campaigns and heightened levels of vendor discounting.



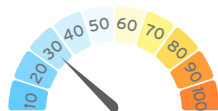
Perron King
Director, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

35/100



Source: realestate.com.au

158 Esplanade, Brighton, sold 27 May 2026 (pending settlement) for **\$8,108,888**

This is a circa 1980, split level, contemporary rendered brick dwelling that was circa 2015 renovated and provides four-bedroom and four-bathroom accommodation with dual two-car detached garages accessed via a second frontage to Victoria Street. Features to the dwelling include travertine flooring, modern kitchen, modern bathrooms, double height void over stairs and an office. Ancillary improvements include landscaping and a heated pool with bluestone paved surrounds. The site faces west with excellent uninterrupted views to Port Phillip Bay and Brighton Beach. The living area is 410 square metres with a land area of 976 square metres.

The property was previously purchased in November 2020 for \$8.52 million, an example of the undulating prestige market over the past few years.



Source: realestate.com.au



Source: realestate.com.au

13 Murphy Street, Kew, sold 27 May 2026 (settled) for **\$6 million**

This property is a circa 2022, three-level, detached, architect-designed, contemporary dwelling that provides four-bedroom and five-bathroom accommodation with a four-car basement garage featuring showroom display doors. Features include a double height void upon entry, a stone kitchen with V-ZUG and ASKO appliances, butler's pantry, walk-in dressing room and wide oak flooring. It is located in the esteemed Studley Park estate and features city views. The living area is estimated at 375 square metres with a land area of 650 square metres.

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PRESTIGE
WRAP

Brisbane

The Brisbane prestige market is continuing to move and shift towards a more balanced phase in the property cycle with price growth flattening as a result of the current general uncertainty in the market and economy as well as sustained negative media attention. Transactions have eased, days on market have extended and there is evidence of supply slightly increasing. A two-speed and segmented market continues where unique high-end properties that are rarely brought to market or traded are still experiencing reasonable demand, while those that fall short of market expectations are seeing a disconnect between vendor and buyer pricing and increased days on market and are subject to price adjustments.



David Notley
Director, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

50/100



26 Wynnum Road, Norman Park, sold 23 June 2026 for \$6.2 million

This property is an 810 square metre riverfront allotment in the riverside suburb of Norman Park with local, city skyline and Brisbane River views as well as approximately 26 metres of frontage to the river. It is improved with a circa 1930 two-storey Interwar Old English residence providing a good standard of three-bedroom plus study or fourth bedroom, three-bathroom accommodation and one-car built-in garage. Further features comprise an in-ground pool and a pontoon jetty.



102 Mein Street, Hendra, sold 29 June 2026 (under contract, pending settlement) for \$6.5 million

This property is a 736 square metre inside allotment on the southern side of Mein Street with Eagle Farm Racecourse frontage and associated views to the south. It is improved with a two-storey Queenslander dwelling providing a very good standard of five-bedroom, four-bathroom accommodation and three-car built-in garage. Further features comprise an in-ground pool and solar panels. The property has a living area of 355 square metres, outdoor area of 92 square metres and car space of 54 square metres.



Perth

Demand for prestige residential property in Perth remains strong, with premium prices being paid for the limited stock available and top selling agents having cashed-up buyers waiting on their databases for off-market opportunities. Owners of prestige property are largely hesitant to list their properties and relocate due to the lack of available prestige stock and the risk of not finding a suitable replacement property, creating a bottleneck in the market.

Property in blue-chip locations are especially sought after, with strong prices being paid for any listings that become available. This trend is clearly evident in our showcased sales of the month. 144A Victoria Avenue, Dalkeith was shown off-market. The vendors received four written offers, with the sale price demonstrating a 28 per cent increase over the past two-and-a-half years. 30 Duncraig Road, Applecross sold in approximately 36 days on the market, attracting strong interest and demonstrating an 11 per cent price increase across the past year.



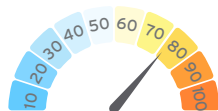
Connor Shaw
Associate Director, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

80/100



144A Victoria Avenue, Dalkeith, sold July 2026 (under contract) for \$10.55 million

Occupying a unique and premium river-fronting location within the affluent suburb of Dalkeith, this property is improved by a two-storey, circa 1997, four-bedroom, four-bathroom Tuscan style dwelling with three-car garage. It is situated on a 1267 square metre battleaxe shaped allotment obtaining expansive river views. Transactions of this nature are scarce with river-fronting real estate being tightly held. The property previously sold in February 2024 for \$8.25 million, representing a 28 per cent increase.



30 Duncraig Road, Applecross, sold July 2026 (under contract) for \$11.7 million

Situated on one of the most prestigious streets in Perth, this 1551 square metre lot enjoys expansive views of the city and Swan River. The property is improved with a modest and dated single-level, circa 1993, brick and tile, three-bedroom, two-bathroom dwelling. The improvements are an undercapitalisation of such a premium site. This property previously sold in July 2025 for \$10.5 million, representing an 11 per cent increase.

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PRESTIGE
WRAP

Adelaide

Conditions in the local prestige market remain similar to last month, with market participants at this price point more discerning and considered. Although not necessarily impacted by the constraints of market participants in other segments, purchasers in the prestige market are understanding of the traction towards a seller's market more broadly. There appears to be reduced new listings of properties to market at the prestige price point locally, with the availability of well-presented properties which are move in ready becoming scarce. Pressure on pricing for these properties is likely to remain given the lack of current availability and the comparative value they present in comparison to other capital cities. Properties requiring renovation or capital works at this level continue to face greater market scrutiny, with more extended marketing periods and complex negotiations required to execute a sale.



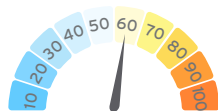
James Khabbaz
Valuer, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

65/100



Source: realestate.com.au



Source: realestate.com.au

762 Strathalbyn Road, Mylor, sold 29 June 2026 (settled) for \$8.05 million

This property comprises a very recently constructed dwelling, built across three levels (basement, ground and first floors) with four bedrooms, three bathrooms, multiple living areas and a two-car garage. The dwelling offers very high-quality contemporary living with further improvements including a pool, outdoor entertaining area and sauna. The property comprises a land holding of some 592 square metres in the popular inner north-eastern suburb of Walkerville.



Source: realestate.com.au



Source: realestate.com.au

15 Bickford Terrace, Somerton Park, sold 22 July 2026 (settled) for \$6.725 million

This property comprises a 2011 two-level and conventional style dwelling which is very well presented, offering five bedrooms, three bathrooms, multiple living areas, a large alfresco and covered car accommodation for four cars, with a reported living area of 525 square metres. Further improvements include roof-mounted solar panels and an in-ground swimming pool with spa. The property offers a land holding of some 925 square metres within 130 metres of the Esplanade and beach.

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PRESTIGE
WRAP

Gold Coast

Market conditions and sales activity for prestige on the Gold Coast softened during July, in sync with the slowing market conditions reported nationally.

Whilst some agents remain positive in their outlook, anecdotal evidence suggests that listing volumes are also contracting. Many vendors are choosing to hold off until the spring or summer selling periods. It is noted however that there are several very high value residential homes and near-new apartments currently on the market. If these properties sell, the transactions will provide a useful guide to the impact of recent events on the Gold Coast prestige markets.

To date we have only seen select sales which indicated a decrease in value. Highly unique and coveted prestige homes appear to remain somewhat shielded from the broader market downturn, and provided the appropriate buyer is actively looking, vendors continue to demonstrate patience and are resistant to reducing asking prices.



Luke Nichols
Director, Prestige Residential

HTW PRESTIGE INDEX

Score	Market Condition
0-9	Stagnant
10-19	Cold
20-39	Cool
40-60	Balanced
61-80	Warm
81-90	Hot
91-100	Frenzied

HTW Prestige Index

55/100



Source: realestate.com.au

9 Sunnymede Place, Mudgeeraba QLD, sold 31 July 2026 (under contract) for **\$8.65 million**

Sunnymede House, a circa 2020, part two-level Hamptons-style dwelling, provides six-bedroom and four-bathroom accommodation with three-car garage. The lot has coastal glimpses through trees to the east. The property has a living area of 562 square metres with an outdoor area of 148 square metres and car space of 63 square metres. The gross floor area is 773 square metres. Ancillary improvements include tiled inground swimming pool (with travertine surrounds, spa, and frameless glass pool fencing) and half-sized basketball court (with flood lights, fenced surrounds, matting and basketball ring). The land area is 6675 square metres.

The home previously sold on 13 October 2025 for \$9 million. This recent sale of \$8.65 million shows a 3.9 per cent discount.



Source: realestate.com.au

25 Cylinders Drive, Kingscliff NSW, sold 20 March 2026 (under contract) for **\$8.4 million**

The property comprises a circa 2010 architect designed, stone and cement sheet dwelling that provides five-bedroom and six-bathroom accommodation with a seven-car basement car space. The living area is 672 square metres with an outdoor area of 82 square metres and car space of 252 square metres. The gross floor area is 1006 square metres. Ancillary improvements include a solar-heated concrete inground pool and outdoor shower.

The property is a rectangular shaped lot with an approximate 19.1 metre beach reserve frontage along the eastern boundary. The property faces east and the land area is 775 square metres. The home previously sold on 17 May 2013 for \$2.25 million. This recent sale at \$8.4 million shows a 273 per cent increase.

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PRESTIGE
WRAP



Commercial Property

August 2026

National Industrial Overview

Australia's industrial and logistics sector is settling into a healthier, more predictable rhythm in mid-2026 after a few years of rental spikes and very low vacancy rates. Across the country, the underlying fundamentals are still solid, underpinned by steady demand for e-commerce, third-party logistics and data centres, even as businesses and occupiers navigate broader economic challenges.

Leasing momentum across Australia's capital cities remained healthy during the first half of 2026, with tenants recording a gross take-up of approximately 1.8 million square metres. To put that in perspective, in just six months, Australia wiped out more than half of the total leasing volume recorded for all of 2025.

 *The limited availability of serviced industrial land is driving both demand nationally and value rates per square metre upwards.*

Noticeably, tenants have continued to prefer top-tier, modern facilities, with roughly 80 per cent of deals happening in existing modern stock as users want ready-to-use spaces. Older secondary assets are taking longer to fill as tenants get more selective.

Many businesses and tenants have also chosen to simply renew their current leases, suggesting that they are deferring big moves until the broader economy clears up over the next year or two.

Melbourne has maintained its position as the most active leasing market nationwide, with huge absorption around its outer suburbs. Brisbane and Perth are also showing strong momentum, while Sydney tenants are playing things a bit more cautiously.

National vacancy has stabilised at between three and 4.5 per cent, suggesting availability is hitting its high mark for this cycle. Over 1.25 million square metres of new space was reportedly completed in the first half of 2026. While Sydney led completions during the first half of the year, the focus will shift heavily toward Melbourne in the second half.

Over half of the remaining space being built for 2026 is already pre-leased, offering near-term protection from oversupply. Looking further out, only 25 per cent of the proposed 2027 pipeline is actively under construction. Between high

construction costs, slow planning approvals and banks refusing to lend without pre-commitments, many upcoming projects will be delayed. That built-in brake will keep the market from drowning in excess space in 2027 and 2028.

The limited availability of serviced industrial land is driving both demand nationally and value rates per square metre upwards quite markedly for englob industrial sites. Western Australia and Queensland are significantly impacted.

Brisbane's industrial land market is experiencing an unprecedented supply squeeze, driving developable and serviced land values to record highs across core precincts like the Australia TradeCoast, northern and south-western corridors. Years of elevated space absorption, fuelled by rapid population growth, e-commerce adoption and corporate demand for modern logistics infrastructure, have rapidly depleted development-ready sites, leaving greater Brisbane with fewer than five years of remaining industrial land capacity.

Physical and planning constraints, long infrastructure delivery lead times and escalating construction costs further impact new supply. As a result, intense competition between owner-occupiers, logistics operators and institutional investors has pushed prime rents up by roughly

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Chris Winter,
Director

Capital markets had a massive start to the year.

50 to 80 per cent over the past five years and kept land values increasing at record levels. This structural deficit is set to compound as major civil works and staging demand for the Brisbane 2032 Olympics collide with an already severely restricted industrial land pipeline.

Headline net face rents are holding firm because landlords aren't panicking across Australia. Super-prime industrial space in Sydney is still commanding around \$270 per square metre, while Melbourne, Brisbane and Perth are floating in the \$150 to \$180 per square metre range. However, landlords are offering slightly better incentives (especially in Sydney and Melbourne), meaning effective rental growth has cooled down just a bit.

Capital markets had a massive start to the year. Total transaction dollars in Quarters 1 and 2 of 2026 have already topped the entire year of 2025.

National super-prime yields are sitting pretty steady at around a 6% midpoint. Yields in Sydney and Perth held flat, while Melbourne, Brisbane and Adelaide saw minor expansions. Victoria dominated investor focus, helped along by major flagship deals like the Moorabbin Airport sale.

The Australian industrial market is consolidating into a steady environment. While higher interest rates will keep yields from compressing anytime soon, tight long-term supply and reliable rental streams give this sector a rock-solid floor. Prime industrial real estate remains one of the safest, most dependable places to park capital in the country.

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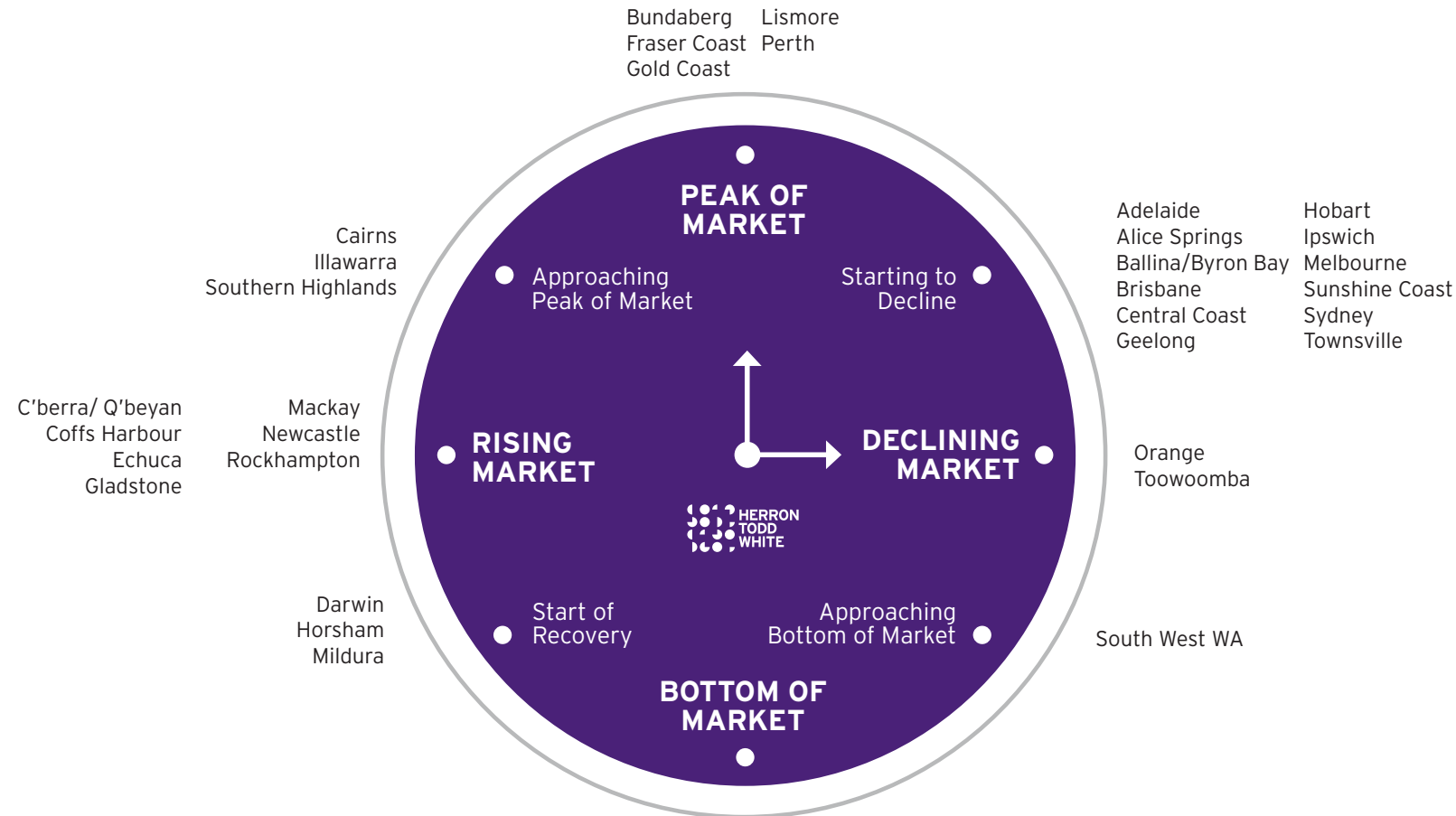
National Property Clock: *Industrial*

Entries coloured purple indicate positional change from last month.

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New South Wales - Industrial 2026

Sydney

The current market is primarily driven by an ongoing lack of supply, particularly for land and Torrens title properties. Within the development sector, sustained demand for industrial space – fuelled by small business growth – has centred focus on smaller strata units, warehouses and self-storage facilities.

Given elevated industrial price points, entry-level opportunities are largely restricted to strata and storage units, which consistently deliver strong sales and reliable capital growth. Their relative affordability makes them an ideal match for first-time investors and self-managed superannuation funds, offering stable rental yields, solid returns and minimal ongoing management requirements.

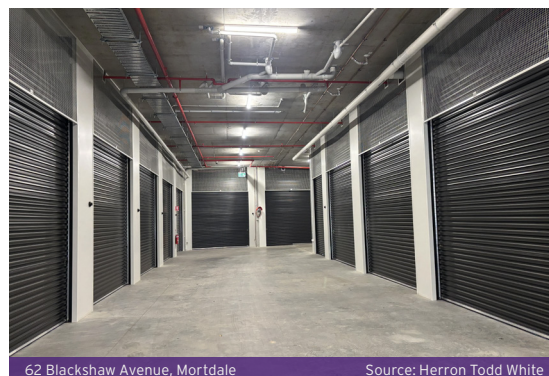
It would be difficult to find industrial assets below \$1 million in the central western regions (Parramatta, Canterbury and Bankstown) that are new and greater than 200 square metres. Older stock below \$1 million would be limited to units less than 250 square metres.

Entry-level buyers are therefore likely to be attracted to areas further west, such as the Penrith, Hawkesbury, Liverpool, or MacArthur regions, where value levels are lower. Demand for these assets remains strong. An example is the recent sale of a strata unit at Kelso Crescent, Moorebank that achieved a sale price of \$700,000 for 107 square metres. The unit has an income of \$31,767 per annum gross.

Looking ahead, the industrial market is tipped to see capital values hold given supply and demand but with lower levels of activity.

Turning to storage units, whilst traditionally being limited to parts of the northern beaches, inner west and southern Sydney areas, storage unit complexes or mixed industrial and storage unit complexes are becoming increasingly prevalent throughout western Sydney.

Developments such as: Silo Oran Park, 10 Yato Road, Prestons; 1 Prime Drive, Seven Hills; 62 Blackshaw Avenue, Mortdale; 5 Money Close, Rouse Hill; and 40 Anzac Street, Chullora all provide affordable alternatives to smaller industrial units which appear to be achieving high capital value rates.



Storage units at 62 Blackshaw Avenue, Mortdale are selling for \$9000 to \$9500 per square metre. Of the 75 units in the complex, five storage units and six warehouse units remain unsold.

A small warehouse unit at Seven Hills recently sold for \$425,000, achieving over \$9000 per square metre.

Lower capital values and increases in rents over the past two years have also made storage units increasingly attractive to investors, with higher achieved yields than most other comparable industrial investments.

Looking ahead, the industrial market is tipped to see capital values hold given supply and demand but with lower levels of activity.



Angeline Mann
Director, Commercial

Wollongong

The Wollongong commercial property market presents a stark contrast between a buoyant industrial sector and an uncertain macroeconomic and geopolitical landscape. Currently, the industrial sector stands out as the undisputed powerhouse among the three main commercial asset classes, driven by a severe imbalance where demand has outpaced supply for a prolonged period. This demand has been from all buyer types: owner-occupiers, developers and investors.

A critical shortage of available industrial properties paired with aggressive competition from both



tenants and buyers has triggered a substantial uplift in both rental rates and overall capital values across the region. These elevated conditions in the industrial sector make it challenging for investors to achieve a competitive investment return, particularly in the entry-level part of the market which is dominated by owner-occupiers.

Strata business park style complexes have been developed in abundance over the past 10 years and have been taken up well with many entry-level investors buying off the plan and leasing upon completion. However, over more recent years, leasing conditions have stabilised and the yield has deteriorated, causing concern about speculative growth-based decisions amongst investors in this class today.

Price points have also risen dramatically and pushed investors to more affordable markets such as South Nowra and the Southern Highlands where different dynamics and drivers are in play. As with any investment, we would caution investors to thoroughly research prior to making an investment decision in this asset class, particularly at this juncture.



Chris McKenna
Director, Commercial



Victoria - Industrial 2026

Melbourne

Melbourne's industrial property market is operating in a phase of stabilisation, establishing itself at the top of the commercial investment hierarchy due to structural demand driven by e-commerce, logistics and manufacturing. For everyday property investors navigating federal and state tax changes that continue to squeeze housing yields, industrial property has emerged as a high-performing alternative.

For investors pivoting away from residential portfolios, entry-level industrial assets such as small micro warehouses and strata-titled sheds housed within larger, master planned business complexes rather than existing as standalone properties offer a reasonable starting point. These modern units provide highly practical, low-maintenance features like container-height roller doors, clear-span internal clearance and small mezzanine offices. Less common and highly localised options include older, secondary freestanding sheds on the outer suburban fringes, although these generally come with higher maintenance requirements. These easy buy-in assets are predominantly concentrated within established and emerging industrial growth corridors across Melbourne. The north (Epping, Campbellfield, Somerton and Thomastown) offers

exceptional connectivity to the Western Ring Road, the west (Truganina, Laverton North, Derrimut and Ravenhall) acts as a high-density strata logistics area and the south-east (Dandenong South, Carrum Downs and Cranbourne) provides tight vacancy rates alongside slightly higher land-driven entry prices.

The financial barrier to entry for this sector is low, often sitting lower than the median cost of a Melbourne house. Entry-level strata sheds generally command price points between \$450,000 and \$850,000, while the broader sub-\$2 million strata space enjoys sustained momentum among private buyers.

Investing in this asset class offers distinct rewards, notably net leases where commercial tenants pay all outgoings such as council rates and body corporate fees, plus Land Tax if the property does not fall under the provisions of the Retail Leases Act 2003, protecting investor profit margins. Additionally, owners benefit from favourable tax treatment through commercial depreciation, simpler tenancy laws and tenant longevity, as small businesses tend to sign two- to three-year terms with annual rent increases. However, investors must weigh these benefits against specific risks, including extended vacancy periods that require a larger cash buffer than residential assets, a

relative lag in capital growth due to a reliance on yield compression over raw land appreciation and a higher sensitivity to economic downturns that directly impact small business tenants.

Over the past 12 months, the entry-level industrial market has successfully adjusted to elevated interest rates. Prime yields have stabilised while secondary asset yields softened slightly. Transaction volumes among private investors have remained highly resilient because owner-occupiers, such as local trades, boutique e-commerce brands and local distributors have actively stepped in to buy units, effectively setting a firm price floor under the strata market.

Looking forward to the remainder of 2026 and into 2027, the outlook remains highly favourable for the sub \$1 million sector as new supply pipelines are forecast to drop by roughly 20 per cent. This incoming supply squeeze will likely trigger a flight to quality, ensuring that well-located strata warehouses with high operational efficiency continue to enjoy steady tenant demand and well-protected income streams for first-time commercial investors.



Nick Michael
Director, Commercial

For everyday property investors navigating federal and state tax changes that continue to squeeze housing yields, industrial property has emerged as a high-performing alternative.

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Queensland - Industrial 2026

Brisbane

Brisbane's industrial market has been one of the strongest performing commercial property sectors over recent years, underpinned by population growth, infrastructure investment, a diversified economy and historically low vacancy rates. While the exceptional rental growth experienced during the post-COVID period has begun to moderate, the fundamentals remain sound, with well-located industrial assets continuing to attract strong demand from both owner-occupiers and investors.

One of the biggest influences on the entry-level investment market over the next 12 to 24 months is likely to be the federal government's proposed changes to residential property tax concessions. With negative gearing expected to be limited to newly constructed residential dwellings, investors who have traditionally purchased established residential investment properties may begin looking at alternative asset classes that offer stronger yields and long-term capital growth potential.

For many investors, entry-level industrial property is likely to become an increasingly attractive option.

In Brisbane, the most accessible industrial investments are typically strata titled industrial units located within multi-unit developments. These

assets generally range from approximately 80 to 300 square metres and often include a warehouse component with a small office and amenities. They represent one of the lowest price points into the commercial property market while still providing exposure to the industrial sector.

Freestanding industrial buildings at an entry-level price point are becoming increasingly difficult to secure within Brisbane due to significant underlying industrial land values. As a result, strata developments have become the dominant form of new industrial supply across many middle and outer industrial precincts.

Buy-in prices for strata industrial units will vary depending on location, size and quality, but generally will range from around \$600,000 to \$1.5 million, with yields typically sitting between 5.5% and 7.0%, depending on the strength of the tenant covenant and lease profile.

While these investments can provide attractive income returns and relatively low ongoing management requirements, investors should also understand the risks.

High industrial land values mean that strata developments are often the only financially viable form of industrial development in Brisbane. This has resulted in a significant pipeline of new strata projects across several industrial precincts.

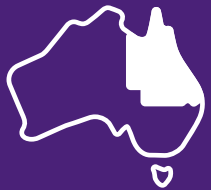
Where barriers to entry are relatively low, there is potential for an oversupply of similar product over the coming years.

Historically, many of these strata units have been targeted at the owner-occupier market rather than investors. Sole traders, small businesses and private purchasers have often acquired these properties to operate their own businesses or for storage purposes. As a result, the pool of prospective tenants can be narrower than for larger industrial facilities occupied by established businesses. Investors purchasing purely for rental income should therefore carefully assess local supply levels, competing developments and tenant demand before committing to a purchase.

The best-performing opportunities are likely to be those located in established industrial precincts with limited future land supply, strong surrounding employment bases and good connectivity to major transport infrastructure.

Over the past 12 months, Brisbane's industrial market has remained resilient despite higher interest rates and a moderation in rental growth. Investor demand continues to be supported by confidence in the sector's long-term fundamentals, although buyers have become more selective and are placing greater emphasis on asset quality and leasing risk.

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D One of the biggest influences on the entry-level investment market over the next 12 to 24 months is likely to be the federal government's proposed changes to residential property tax concessions.

Looking ahead, we expect entry-level industrial property to remain a popular investment option, particularly as residential investors reassess their strategies in response to taxation changes. However, not all industrial strata investments will perform equally. Careful asset selection will become increasingly important, particularly in markets where a substantial volume of new strata supply is expected. Investors who focus on established locations with proven tenant demand and constrained future supply are likely to be best positioned to benefit from the sector over the medium to long term.



David Walsh
Director, Commercial

Gold Coast

The Gold Coast industrial property market enters the second half of 2026 in a stable yet buoyant state, characterised by persistent supply shortages relative to ongoing tenant and buyer demand. While the sector has shifted to more moderate growth than the rapid acceleration of recent years, high construction costs and land scarcity continue to support underlying asset values.

For first-time buyers looking at the industrial sector, the immediate reality is that the sub-\$500,000 industrial property has practically vanished across the Gold Coast. Today, entry-level opportunities are firmly centred in the \$500,000 to \$700,000-plus bracket.

In the tightly held central Gold Coast market, entry-level opportunities are almost exclusively limited to strata-titled industrial units within larger complexes. Standard entry-level strata units are typically priced from circa \$500,000 to \$600,000. Freestanding freehold industrial properties remain



In the tightly held central Gold Coast market, entry-level opportunities are almost exclusively limited to strata-titled industrial units within larger complexes.

highly sought after but require a significantly larger capital outlay, with entry-level pricing starting at \$2.5 million to \$3 million.

While central strata units historically reflected yields of 5.5% to 6.0%, investors have become increasingly price-sensitive due to elevated borrowing costs. Many buyers are now actively targeting yields of 6.0% or higher to achieve acceptable cash-flow buffers.

First-time investors must exercise caution regarding the asset type and ongoing costs:

- ▶ A notable portion of residual stock from larger complexes delivered over the past 18 months consists of small self-storage or workstore units. This segment has experienced an influx of supply, creating a higher vacancy risk and softer tenant demand compared to traditional warehouse-approved units.
- ▶ Landlords on the central Coast must contend with rising statutory costs and land taxes driven by high underlying land values. These increasing outgoings are starting to load pressure on total occupancy costs, which may ultimately limit future net rental growth.

The southern Gold Coast continues to perform strongly, though capital values have stabilised. In highly fashionable beachside hubs like Burleigh Heads, entry-level properties are exceptionally scarce. Strata units represent the entire sub-\$1 million category, and the entry-level buy-in price point is rarely under \$700,000.

Because the southern coastal strip is heavily dominated by owner-occupiers who prioritise securing a strategic location over yield, investment returns are extremely compressed, typically sitting in the 4.25% to 4.75% range. For pure investors, these tight yields offer very little immediate buffer against prevailing debt costs.

For more price-sensitive buyers seeking palatable entry points, attention has shifted south of the border. Tweed Heads and Tweed Heads South are undergoing a strong resurgence of activity. In this region, entry-level buyers can still secure quality new-build or under-construction units in the \$500,000 range (such as the new strata projects currently progressing on Ourimbah Road), offering a more accessible foothold into the market.

The Yatala Enterprise Area (YEA) remains the dominant industrial powerhouse of the northern Gold Coast corridor. However, high construction costs have compressed developer profit margins on freestanding builds, shifting the development pipeline heavily toward strata-titled complexes.

While Yatala's strata market has historically been thinner than that of the central and southern regions, entry-level strata opportunities are available starting around \$700,000. Key metrics in the YEA currently reflect:

- ▶ Strata units are achieving building floor area rates in the \$4000 to \$4500 per square metre range.
- ▶ Investment yields generally hover between 5.5% and 6.0%. In this market, properties with lower



quantum values tend to reflect the lower end of the yield range due to the larger depth of private buyers competing for smaller price-point assets.

For the everyday property investor, the Gold Coast industrial sector remains highly compelling. It blends a lower perceived risk profile than retail or office assets with strong long-term capital appreciation potential driven by a structural land shortage. By focusing on traditional, warehouse-approved strata units with superior parking, and carefully evaluating location-specific yields, patient first-time investors can secure a resilient, performing asset (if they are not outbid by an owner-occupier).



Ryan Kohler
Director, Commercial

Sunshine Coast

The Sunshine Coast industrial market continues to attract attention as a comparatively affordable entry point into commercial real estate when benchmarked against larger south-east Queensland markets. Smaller warehouses and strata industrial units continue to experience relatively strong demand from owner-occupiers. While investor demand has become more selective recently due to higher financing costs, the Sunshine Coast remains an attractive location for investors due to its strong population growth, limited industrial supply and long-term growth prospects.

Population growth, continued interstate migration, and constrained land supply have contributed to substantial increases in the value of entry-level industrial investments across the Sunshine Coast over the past five years. Feedback from active investors indicates there is a shortage of well-

located, leased, quality entry-level industrial assets, with many buyers spending months searching before securing a suitable property.

Investment assets remain in short supply, as strong owner-occupier demand leads vendors to offer strata units to the market vacant to capitalise on the premium owner-occupiers are willing to pay.

At the same time, the sector faces ongoing supply constraints due to a shortage of industrial land and strong competition for development sites. Across the established industrial precincts including Caloundra West, Kunda Park, Buderim, Maroochydore and Warana, the supply of developable land is becoming increasingly limited.

At the entry level, the market is typically defined by strata-titled industrial units. New supply is generally concentrated within emerging industrial precincts such as Beerwah, Landsborough, Coolum Beach and Baringa (Aura). In these locations, entry-level industrial strata units range between \$450,000 and \$1 million and typically achieve building sales rates between \$3000 and \$4300 per square metre, depending on design, size and location, with yields ranging from 5.0% to 6.0%.



Katie O'Connor
Valuer, Commercial

Townsville

The Townsville industrial sector continues to outperform most regional commercial property asset classes, sustained by low vacancy rates, acute stock shortages and a scarcity of available land. This strong performance is further underpinned by a major pipeline of committed public and private infrastructure projects across North Queensland, currently valued at more than \$12 billion.

Capital growth in Townsville has outpaced surrounding regional hubs in recent years. Prime entry-level and mid-tier assets across Townsville are currently transacting at net yields generally ranging between 6.00% and 7.25%.

The threshold for an entry-level industrial asset has shifted significantly over the past 24 to 36 months, now broadly defined as properties under \$1.2 million. Lower-end entry stock predominantly comprises small strata units and basic freestanding warehouses on compact allotments (under 2,000 square metres), frequently transacting with vacant possession to owner-occupiers, whilst upper-end entry-level stock typically includes functional, small-scale warehouses secured by short-to-medium-term leases (two- to five-year terms).

The primary drivers of this upward value trajectory are that the elevated construction costs and headworks charges present a significant barrier to new development. There is a distinct lack of supply for industrial allotments under 2000 square metres. Established industrial areas such as Garbutt have virtually no vacant industrial land remaining, driving intense competition for existing assets.

While it remains premature to quantify immediate shifts following the 2026 state and federal budget announcements (including residential land and tax relief measures), the sector's broader investment proposition remains compelling. Given the existing strong buyer depth, driven by local trade businesses alongside Self-Managed Super Funds, this entry-level market segment may experience heightened demand, particularly from mum and dad investors seeking alternative opportunities.



Hayden Lynam
Valuer, Commercial



Mackay

The Mackay industrial market is strongly reliant on the coal mining industry and is currently performing well. Paget is the main industrial hub of Mackay with a range of operations. Other suburbs such as Glenella, West Mackay, East Mackay, North Mackay and Slade Point are considered secondary industrial locations.

Entry-level assets in Paget are mostly strata-titled, light industrial warehouse and office units that can be found in Terminus Business Park on Caterpillar Drive, Site Business Park on Margaret Vella Drive and a few others on Iridium Drive and Connors Road. Market yields have been ranging between 6.00% and 7.50% and a price range of \$250,000 to \$950,000. Entry-level assets outside of Paget can be found on Jeffcoat Drive (West Mackay), Fursden Street (Glenella) and Chain Street (East Mackay). Entry-level assets can be split into two price ranges. Typically, an owner-occupier will purchase at the lower end of the range for vacant assets at \$300,000 to \$650,000 while private investors will generally purchase the tenanted assets on the higher side of the range at \$650,000 to \$1 million.



6/30-38 Margaret Vella Drive, Paget

Source: realcommercial.com.au

Some recent entry-level sales include:

- ▶ 4/16 Transport Avenue, Paget sold on 1 April 2026 for \$465,000 (\$2,657 per square metre). This is a semi-modern, split level, light industrial unit situated in Paget that was purchased in vacant possession.
- ▶ 6/30-38 Margaret Vella Drive, Paget sold on 2 October 2025 for \$995,500 (\$2,273 per square metre). This is a semi modern, part two level, light industrial unit situated in Paget. It was tenanted at the date of sale with an unexpired lease term of 1.49 years. Analysed market yield is 6.75%.



Emily Davies
Valuer, Commercial

Toowoomba

The industrial market continues to be the strongest performing commercial sector within the local market. This has been influenced by good regional growth, specifically in the manufacturing, e-commerce and agricultural sectors, where demand has outpaced supply in recent years and this trend is expected to continue.

The local market is challenging for entry-level investors, with demand for sub \$1.5 million properties being extremely high, particularly from owner-occupiers. Entry-level opportunities are most prevalent in newly developing estates such as the recently developed Community Management Scheme industrial estate in Torrington with lots ranging from 1000 to 6875 square metres. This estate has been fully sold or leased with a second small allotment industrial subdivision in the planning stage offering lots ranging from 3043 to 9725 square metres. Reports from local agents suggest strong demand for these allotments.

The established freestanding and strata markets within Toowoomba have extremely high occupancy rates with low turnover. Owner-occupiers who have secured premises from which to operate their businesses have very limited opportunities or incentive to seek alternative accommodation, thus leaving new builds as the primary vehicle for entry to the local market for investors.

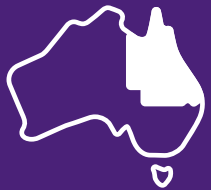
Toowoomba has also seen several industrial strata complexes constructed or announced in the Harristown area. The current development of a strata title complex at 42 Condamine Street, Harristown is under construction and represents the first new build of a significant-size strata complex in recent years. Units have been marketed to both owner-occupiers and investors with reportedly strong interest and a significant percentage of the complex under offer to out-of-town investors.

The turnkey nature of strata complexes is likely to have appeal to investors who hold concerns about rising construction prices. It is also noted that demand from tenants can lag supply when new-build industrial complexes come to market, as this accommodation type is not suitable for a wide range of potential tenants.

In summary, the local industrial market has had an extremely strong twelve months, reflected in increasing rental rates and capital values. The lack of supply continues to be widely reported, which is likely to keep sale prices strong and transaction volume low over the next twelve months.



Ian Douglas
Director, Commercial



South Australia - Industrial 2026

Adelaide

The South Australian industrial property market remains fundamentally strong, underpinned by low vacancy rates, limited land supply and sustained demand from key sectors including defence, renewable energy, construction and food production. Ongoing land scarcity and elevated construction costs have continued to drive rental growth and increases in industrial land values, particularly across Adelaide's core industrial precincts. Owner-occupiers remain active purchasers, seeking protection against rising occupancy costs, while investors continue to target industrial assets for their relative yield attractiveness, although institutional buyers are becoming more selective. More recently, agents have reported a moderation in demand from both tenants and owner-occupiers, suggesting that the rapid growth experienced in recent years may be easing, coinciding with broader market reactions to proposed changes to negative gearing and capital gains tax policies.

Supply of industrial properties remains tight for entry-level investors, with realcommercial.com.au returning only four industrial properties in excess of \$1 million offered as tenanted investments at the time of writing, highlighting the limited availability of entry-level industrial investment assets, which

remain a tightly held and highly sought-after market segment at present.

35 Aberdeen Street, Port Adelaide offers a modern, entry-level industrial investment opportunity in a highly accessible inner north-west location. The property comprises a two-level office and warehouse facility with a total building area of approximately 200 square metres, incorporating office accommodation and 3.7 metre clearance warehouse space. The property is being marketed for sale by LJ Hooker Commercial Adelaide with an asking price of \$850,000. This property also has an existing tenancy until 30 September 2026, with rights of renewal, providing immediate holding income and appealing to investors seeking a well-located, income-producing industrial asset.



9 Bel-Air Drive, Port Lincoln offers a substantial industrial investment opportunity within an established commercial precinct. The property comprises approximately 612 square metres of warehouse and office improvements situated on a proposed allotment of approximately 1980 square metres, incorporating high-clearance shedding, office accommodation, amenities and secure hardstand. The property is being marketed



Ongoing land scarcity and elevated construction costs have continued to drive rental growth and increases in industrial land values.





through Kemp Real Estate with an asking price of \$899,000, being partially leased with the existing tenancy providing partial holding income while offering future owner-occupier or leasing potential.

Recent sales of entry-level investments in the industrial market are similarly scarce. 2/8 Home Avenue, Glynde recently transacted for \$1.07 million. The property is a community-titled, recently constructed tilt-up concrete warehouse of 148 square metres, including an office, kitchenette and mezzanine area. The property was sold through McGees Adelaide with a passing net income of \$31,900 per annum.



27 Schilling Street, Angaston comprises a purpose-built industrial facility of approximately 428 square metres situated on a regular shaped allotment of approximately 1580 square metres. The property was sold through RWC Adelaide for \$1.055 million in late 2025 as a tenanted investment, leased to the South Australian Ambulance Service through to 2027 with options extending to 2030, returning an estimated net rental of \$72,258 per annum plus GST.

Entry-level investment stock typically consists of somewhat dated, secondary buildings, smaller strata-titled offices, warehouses and regional properties.



In the current climate, entry-level investor opportunities into the industrial market are strongly led by properties offered with vacant possession, providing an attractive price point for those wanting to enter the commercial market for the first time, with the majority of the stock offered for owner-occupier businesses and the like.



Chris Winter
Director, Commercial



Western Australia - Industrial 2026

Perth

Perth's industrial property sector remains one of the tightest and most resilient markets in Australia. Strong resources sector activity, defence spending and severe land constraints have pushed vacancy rates down to a critically low 1.9 per cent when excluding sublease stock.

With recent federal budget changes reducing the tax benefits of residential property, many everyday property investors are looking at industrial assets as the alternative. In the Western Australian market, these opportunities usually mean small strata warehouses and modern industrial spaces ranging from 100 to 300 square metres. Whilst older, freestanding sheds exist, the rapid rise of strata-titled complexes has become the go-to entry point because they require less hands-on maintenance. These accessible assets are typically found in Perth's established northern, southern and eastern industrial corridors, with high activity concentrated in hubs like Wangara, Malaga and Neerabup in the north, alongside Cockburn, Canning Vale and Bibra Lake in the south.

The financial entry point for this sector is often comparable to or lower than a standard Perth residential property. Small strata units generally command buy-in price points between \$400,000 and \$800,000, presenting net yields around 5.0% to 6.0%, which easily outpace residential returns. On a rate per square metre basis, investors are typically looking at capital values between \$3000 and \$4500 per square metre

Perth's industrial property sector remains one of the tightest and most resilient markets in Australia.

depending on the age and location of the build. The main attractions are net leases where the tenant pays the outgoings, built-in annual rent increases and longer lease durations. However, the risks require a mindset shift. Vacancy periods can last several months rather than weeks and banks typically demand larger deposits of 30 to 40 per cent. Furthermore, buyers must watch out for strata body corporate fees and strict council zoning limits that regulate exactly what business types can occupy the space.

Over the past 12 months, the Perth industrial market has experienced exceptional performance, outperforming the eastern states with prime rental growth rising more than five per cent annually due to an acute shortage of development-ready land. Looking forward, the market shows no signs of slowing. Massive state and federal infrastructure pipelines announced this year, including funding for the Western Trade Coast, Westport and the Anketell Road freight link, ensure that tenant demand will continue to outpace new supply. Local government initiatives this year, such as the major land releases and high-tech developments within the Neerabup Industrial Area, are actively drawing advanced manufacturing and automation businesses to the region. The pool of potential occupiers has also expanded significantly to include boutique e-commerce distributors and specialised

mining engineering contractors. This ongoing infrastructure rollout ensures a highly favourable outlook for entry-level property investors seeking long term capital stability.



Greg Mullins
Director, Commercial

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Northern Territory - Industrial 2026

Darwin

Entry-level industrial property in Darwin is mainly devoted to servicing the needs of the local domestic economy, as opposed to the larger properties at East Arm which support logistics and the oil and gas industries. There is a wide range of strata industrial property stock priced at the sub \$1 million mark, but it is increasingly difficult to find Torrens Title industrial property in that price bracket.

The sub \$1 million mark is dominated by owner-occupiers. This class of owner is more concerned with satisfying their own accommodation requirements than an investment return. They often hold these assets in a SMSF and the certainty of tenure that they enjoy often outweighs any concerns regarding a direct financial return on investment.

As a result, small-scale investors can have difficulties competing with owner-occupiers and getting a reasonable investment return in this price bracket. There are examples of these properties being offered for sale with a lease to a third party already in place, but these tend to be more the exception than the rule.

Moving up the price ladder, much of the available stock is of an older style and investors need to be wary. Whilst the lack of any land tax is an inducement, this can be offset by the higher repair costs for older properties. The relatively high rate of stamp duty on purchase must also be considered.

 *Moving up the price ladder, much of the available stock is of an older style and investors need to be wary.*

The Northern Territory has seen some large-scale compulsory property acquisitions since it was surrendered to the Commonwealth by South Australia in 1911. The Darwin Lands Acquisition Act (1945) saw the entire 90 square miles of the Darwin peninsula acquired by the Commonwealth to facilitate reconstruction after World War II. In 1971, the Commonwealth compulsorily acquired large parcels of land from various owners to develop Darwin's satellite city of Palmerston, with construction commencing in the 1980s.

The Commonwealth is now considering a compulsory acquisition of the lease of the Port of Darwin. This property is owned by the Northern Territory Government, but in 2015, the 99-year lease of the port was purchased by Landbridge for about \$506 million. Over the past 11 years the new lessee has continued to develop the port infrastructure to the benefit of the Northern Territory economy.

Landbridge opposes the proposed compulsory acquisition. It is an overseas company and has launched international legal action against the acquisition at the World Bank's International Centre for Settlement of Investment Disputes.

It is very encouraging to finally see a federal government that is prepared to invest significantly into Darwin's maritime logistics, especially after the lack of investment for

years prior to the sale of the port lease. But on a purely economic basis, changing the ownership of the Port of Darwin will not provide any tangible benefit to the Northern Territory. The Commonwealth would receive a much greater bang for its buck by bringing forward the promised \$1.5 billion shared marine and common user infrastructure for the Middle Arm Sustainable Development Precinct.



Terry Roth
Director, Commercial

Month in Review
August 2026



COMMERCIAL
- INDUSTRIAL



Residential Property

August 2026

National Residential Overview

Twelve months on from our last examination of renovation activity, the reasons owners choose to improve rather than move remain largely unchanged. The market in which they are making that decision however is not. Cost of living pressures, the highest interest rates since late 2011 and a marked shift in the availability of trades have combined to reshape both the appeal of renovating and the practicalities of getting the work done.

The cost of moving and the desire to reduce debt are keeping owners in place and once that decision is made, the renovation conversation tends to follow quickly. The transactional costs of a sale and purchase are substantial and in an environment where many households are actively

working to reduce debt rather than take on more, the case for staying put is compelling. Less easily quantified, but no less influential, are the reasons owners give when asked why they are reluctant to leave a particular street: a good location, friendly neighbours, proximity to the children's schools and a favourite cafe nearby.

It is the calculation I have made myself. An extension delivers the floor plan, kitchen and bathroom features we want without the expense of finding another house and then updating it in any case, and it does so in a location and a dwelling that are already known quantities. That final point should not be underestimated. Buying carries a degree of uncertainty that renovating an existing home simply does not.

Conditions on the supply side have improved considerably. The reduction in building approvals and construction commencements has freed up trade capacity and the market is behaving much as basic economics would predict. We are no longer seeing the twelve-month-plus waits for a builder to commence, nor the same difficulty engaging a trade for smaller-scale projects. Largely, the supply constraints on materials that characterised the past few years have resolved themselves. The offset is cost, with well-reported increases in the price of certain building products now being felt at quote stage.

The traditional renovation still dominates. Households extend to add a bedroom or a bathroom as the family grows, increasing the building footprint in the process. That segment

may have slowed slightly, although other categories of work have held very consistently or lifted marginally. A new kitchen or bathroom remains the most typical project we see and the appeal is straightforward - making the dwelling more liveable and improving the way the household uses the home day to day. Alongside this sits a category of work aimed squarely at reducing household running costs, with the addition of solar panels the most common example as owners look to bring down the cost of running the home.

For those considering the leap, discipline around cost and documentation matters. Understand precisely what works are being undertaken through a solid building agreement, contract or quote, and where the meaning of a document is unclear, seek clarity or professional advice before signing. Equally important is staying engaged once work is underway. Be mindful of progress claims and the payments required and satisfy yourself that the works have genuinely been completed before releasing funds. The difficulties tend to emerge at handover, when incomplete works meet a builder who has already been paid for the project.

Renovating is not for everyone. It demands time, patience and a tolerance for disruption that not every household has. For those prepared for it, the rewards are real: a home configured the way you want it, delivered without the cost and uncertainty of a move and a level of house-pride that is difficult to replicate when the finished product is shown off to family and friends.



Matthew Richardson
Residential Director

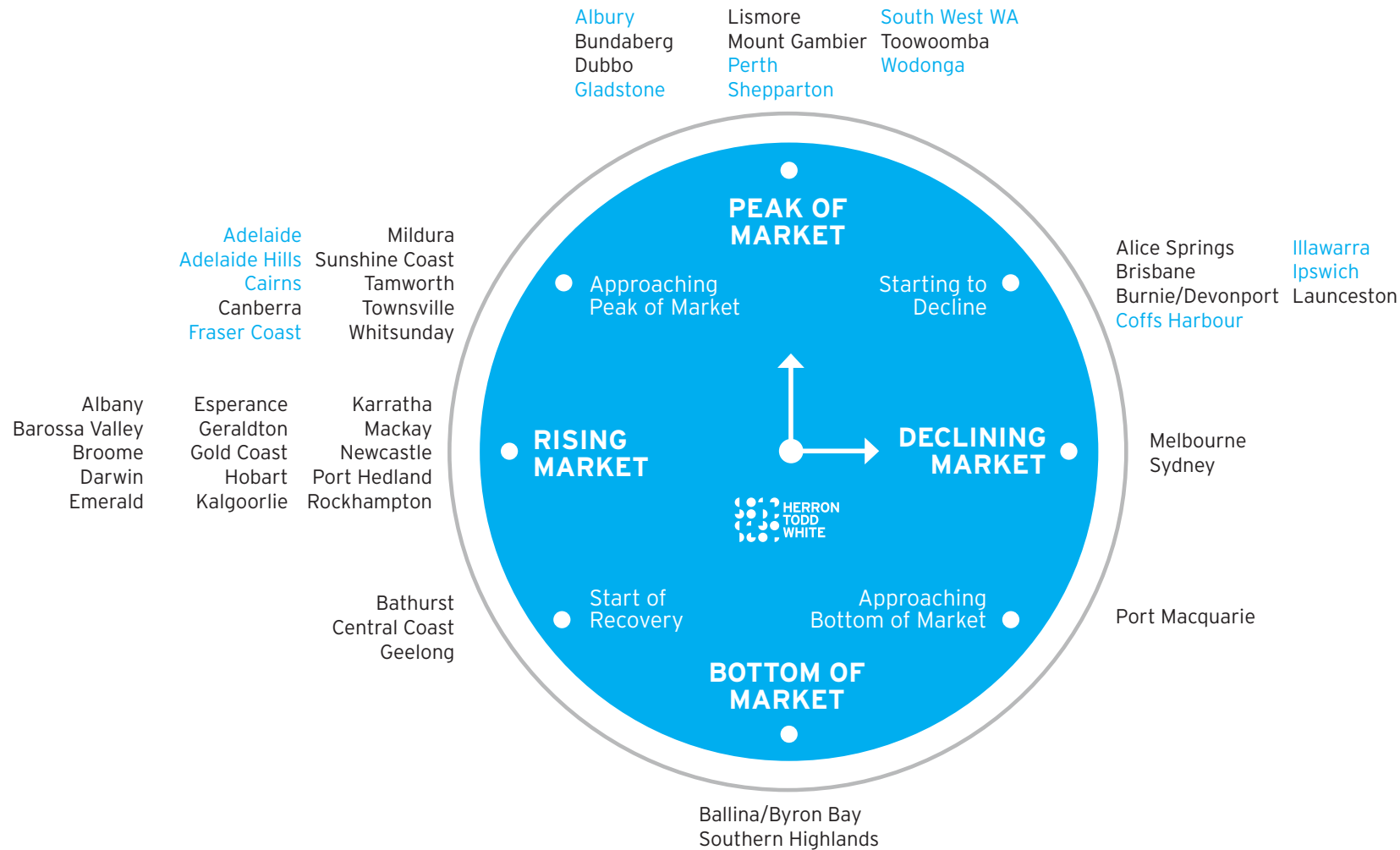
Month in Review
August 2026



RESIDENTIAL

National Property Clock: Houses

Entries coloured orange indicate positional change from last month.



Month in Review
August 2026



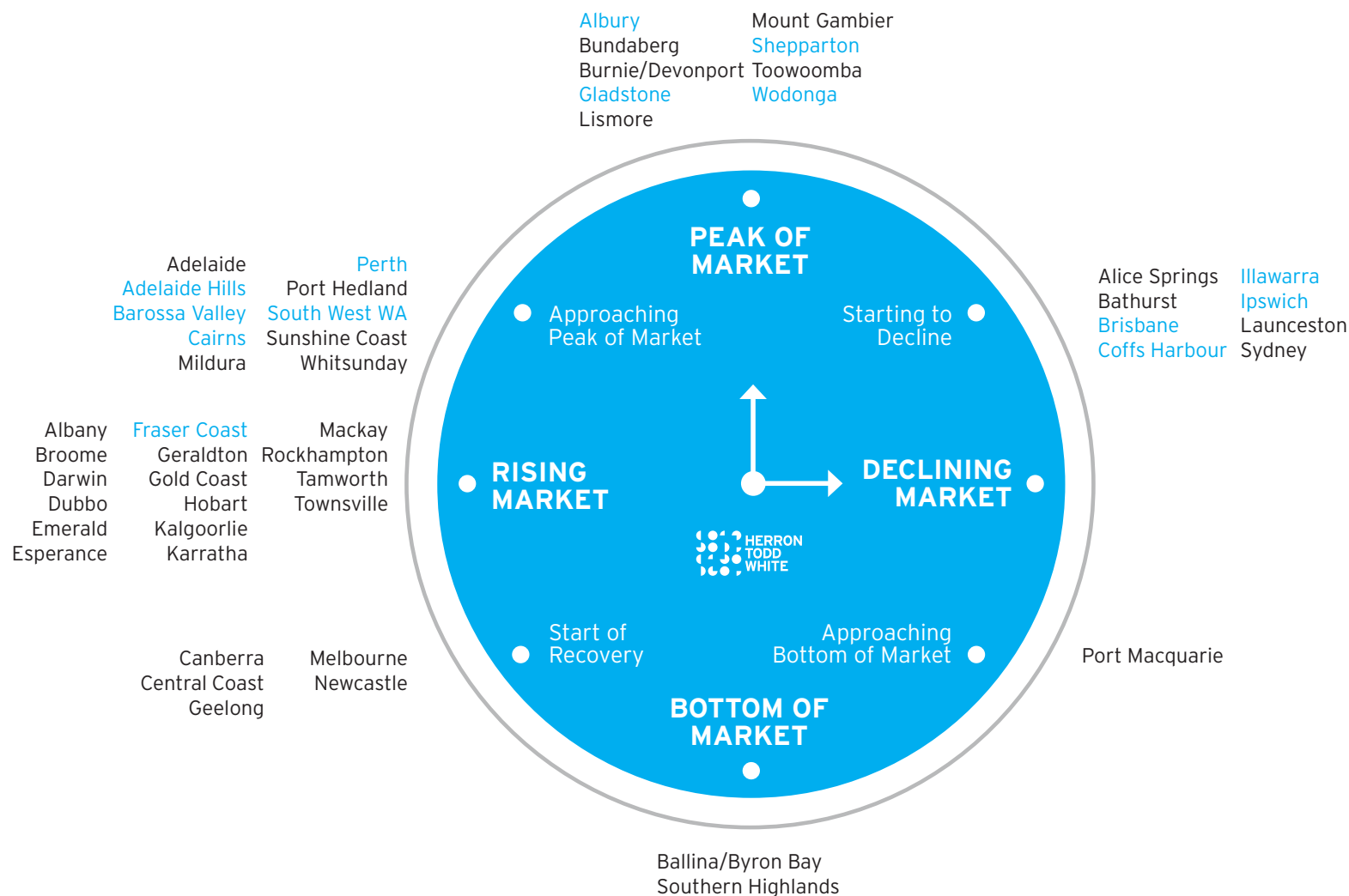
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National Property Clock: *Units*

Entries coloured blue indicate positional change from last month.

Month in Review
August 2026



DECIDENTIAL

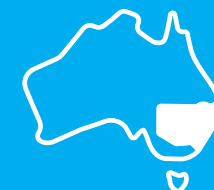
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New South Wales - Residential 2026

Month in Review
August 2026

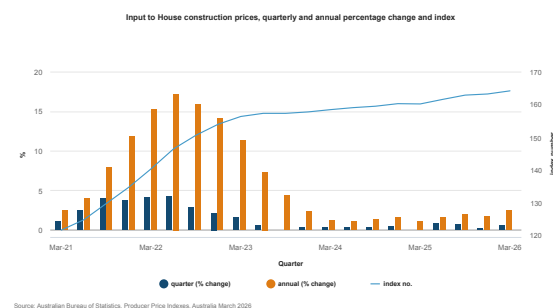


RESIDENTIAL

Sydney

Normally at this time of year we would be focusing on the topic of renovations as a precursor to the upcoming spring selling season. However with market conditions softening this year, many owners and potential vendors will be more focused on upgrading their current property rather than upgrading to a new property.

Building costs have remained somewhat steady since the start of 2024, although there has been a slight uptick in the annual change in the past few months, partly as a result of the conflict in the Middle East.



Input to House construction prices PPI Source: ABS

The latest ABS data on building approvals in Australia showed that the value of alterations and additions including conversions to residential buildings for the Greater Sydney area was \$4.05 billion for the 2026 financial year until the end of May. This is a significant increase from the \$3.01 billion for the first 11 months of financial year 2025.

The concept of undertaking a renovation in today's market is highly dependent on the outcome expected by the homeowner.

So, as Sydneysiders continue to spend an increasing amount on renovating their properties, what does it mean for the property market? Despite a softening market, are there still opportunities to profit, or should renovations in the current climate be primarily for lifestyle choices? We take a look around some of the key areas of Sydney to see how renovated properties are performing in these markets.

Western Sydney

It's hard to believe that spring is around the corner. It's a time of year when the weather will be warming up and all those hoping to take on a 2026 renovation will be eagerly gearing up for their projects. However, the environment for renovation in Western Sydney has changed over the past five years. The increased cost of renovating, increased cost of living, softening market conditions, shortage of trades and the availability of affordable new properties which still allow for negative gearing has meant many have shied away from undertaking a renovation. Rather, people have simply sold and purchased a product that doesn't come with the headache of managing a renovation.

Additionally, unlike inner Sydney areas where older style dwellings that are renovated are well received, the Western Sydney market is different. Older style dwellings are generally seen as being dated, with new properties readily available and just as

financially obtainable compared to undertaking a full renovation which can take considerable time.

However, there are circumstances under the right scope when renovation is still a viable option. From our experience, focusing on a quick cosmetic update or short term renovation between \$20,000 and \$100,000, centered around bathrooms, kitchens, overall presentation and energy efficiency within the footprint of the original dwelling, can yield an increase in rental return or make a quick dollar on a sale. Major structural renovations like extensions and first floor additions come with added risks, added time, a higher per square metre cost than a new build and the need for approvals which can easily blow out a budget and make a knockdown rebuild a more viable option.

The concept of undertaking a renovation in today's market is highly dependent on the outcome expected by the homeowner, with the three main reasons being to make a profit from a sale, to increase the rental income, or to live more comfortably in a current property.

What is very important is that whichever the scenario, you will require proper planning, set a clear budget, do your research on property prices in your area so you don't over-capitalise and be aware of whether this is a short term or long term investment return that you are aiming for.

North Shore

The North Shore property market is currently finding its new baseline, creating a clear two-speed dynamic that hinges heavily on a property's immediate condition and development potential. Fixer-uppers and homes with a tricky topography are taking a hit, often lingering on the market until sellers adjust their expectations. On the flip side, turnkey builds and easy to build sites are commanding top dollar. The standout performer right now continues to be knockdown-rebuild blocks and level, prime land, which consistently attract the strongest competition from buyers.

Buyer demand across the region is almost entirely driven by a property's highest and best use. Under-capitalised homes sitting on clear, level blocks – especially those offering dual-occupancy potential – are the hottest commodity on the market. Local builders and developers are competing aggressively for these development-ready opportunities and are frequently willing to pay significant premiums to secure them. Because of this targeted demand, land values within this specific niche have remained remarkably stable, even through broader market corrections.

However, the traditional strategy of buying, renovating and flipping has become far more complex and far less forgiving. Elevated interest rates paired with high construction costs have squeezed profit margins, giving experienced developers a massive upper hand. Most builders remain hesitant to enter into fixed-price contracts without building in substantial profit buffers to cover supply chain risks and potential material price spikes. This climate makes it increasingly



31 Royal Street, Chatswood before

Source: realestate.com.au



31 Royal Street, Chatswood after

Source: realestate.com.au

difficult for everyday owner-occupiers or casual renovators to compete, leaving the development space primarily to seasoned professionals who can absorb the risk.

This divide is creating generous premiums for both land and high-end finished homes, as evidenced by a recent result at 31 Royal Street in Chatswood. The original, dated property was purchased for \$2.15 million in November 2023, subsequently

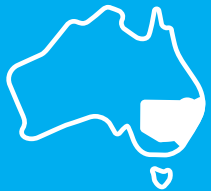
demolished and replaced with a luxury two-storey home. Featuring five bedrooms, three bathrooms, a built-in single garage, high-end European appliances and a private pool, the completed property recently resold for \$4.18 million. Even after accounting for rising build costs, holding charges and council levies, the project is expected to have delivered a strong return on investment for the developer.

More than anything, this Chatswood sale highlights a massive shift in buyer psychology across the North Shore – people are actively running away from construction headaches. Facing unpredictable build schedules and drawn-out council approval times, local buyers – particularly downsizers and busy families – are putting a heavy premium on turnkey certainty. They want move-in-ready, low-maintenance luxury equipped with modern conveniences like home automation and swimming pools and they are more than willing to pay top dollar to jump straight to the finish line.

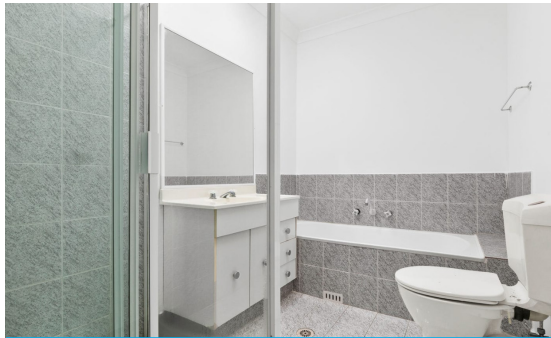
Northern Beaches

On the peninsula, the overall market has slowed and in a softening or flat environment, a poorly managed budget, council delay or an unexpected structural hurdle can instantly turn a projected profit into a net loss.

Because of this compressed margin, the most successful renovation stories on the Northern Beaches right now are restricted to smart cosmetic refreshes or easy wins, where buyers are successfully adding value through targeted projects that bypass long council approvals – like updating kitchens and bathrooms in older brick unit blocks in Dee Why or Freshwater, or converting an under-utilised internal floor plan to add a highly sought-after extra bedroom or bathroom without changing the home's external footprint.



The traditional strategy of buying, renovating and flipping has become far more complex and far less forgiving.



21/2 Forest Road, Warriewood - before

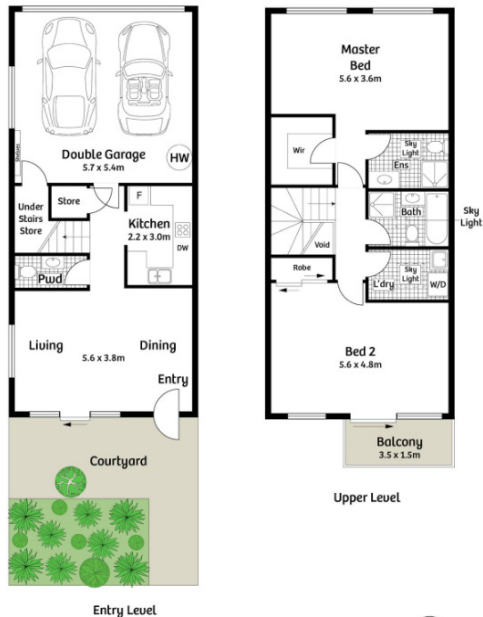
Source: realestate.com.au



21/2 Forest Road, Warriewood - after

Source: realestate.com.au

21/2 Forest Road, Warriewood



Approx. Internal Area 110sqm
Approx. External Area 10sqm
Approx. Total Area 120sqm

Raine & Horne.

21/2 Forest Road, Warriewood - before

Source: realestate.com.au



21/2 Forest Road, Warriewood - after

Source: realestate.com.au

21/2 Forest Road, Warriewood is a recent example of the latter. This townhouse sold in August 2023 in completely original condition. It comprises two bedrooms and two bathrooms. It subsequently underwent a full renovation where the original larger second bedroom was split to create an additional bedroom. The townhouse recently re-sold for \$1.675 million, suggesting modest profit when factoring in associated costs.

Notably, there is very limited re-sale evidence of properties selling for a profit in the past six to twelve months compared to previous boom years (with most properties currently selling below 2022 to 2025 price levels). This distinct



The north Agency

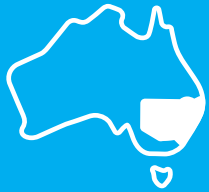
21/2 FOREST ROAD, WARRIEWOOD
3 BEDS 2 BATHS 2 CARS

21/2 Forest Road, Warriewood - after

Source: realestate.com.au

lack of transaction data strongly suggests that professional flippers are strategically holding on to assets, waiting out the current slowdown for stronger, more liquid market conditions to return.

Despite these creative additions, the most reliably profitable strategy on the Beaches remains the full knock-down rebuild given that older, unrenovated dwellings on prime coastal parcels are losing their premium due to high building costs. Levelling the existing structure in a family-centric suburb like Allambie Heights, Belrose or Frenchs Forest to build a modern, high-spec architectural home tailored to affluent local downsizers or incoming families



remains the primary way to generate significant capital uplift and avoid getting caught in the middle-market squeeze.

18 Alkoomie Avenue, Forestville sold for \$1.9 million as land value and was recently re-sold upon construction of a new build for \$4.07 million.



18 Alkoomie Avenue, Forestville

Source: realestate.com.au

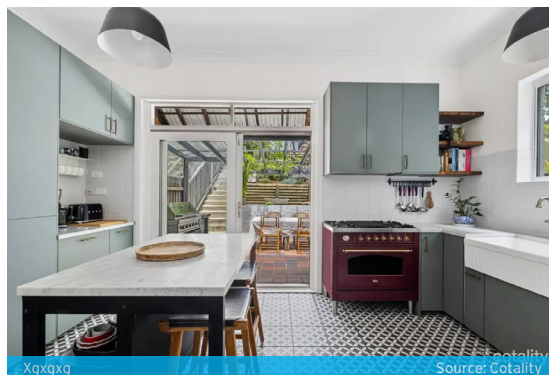
Eastern Suburbs

Market conditions have been softening throughout 2026 for the Eastern Suburbs residential market, with middle and upper end houses peaking even earlier, in mid to late 2025. Whilst modern or recently renovated properties tend to perform comparably better in a falling market, we are seeing less examples this year of properties that have been flipped after a renovation within a two year period of the original purchase.

Properties that have undergone a renovation and then sold have predominantly been held for five plus years, where owners have been able to enjoy the benefits of living in the renovated property

whilst also benefiting from the value lift of both the renovation and the post-COVID market growth period.

In Bondi Beach, a two-level semi on Curlew Street recently underwent a minimal renovation along with the addition of a detached studio with kitchenette to the rear yard. It sold in February for \$4.625 million, having previously sold in March 2022 for \$3.76 million. This represents an increase of 23 per cent, whereas the Bondi Beach median house price moved about 12 per cent over those four years.



Xoqxq

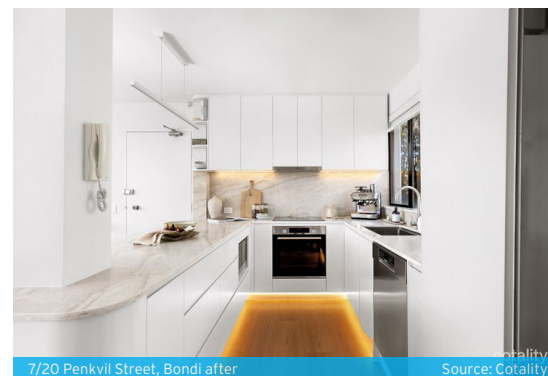
Source: Cotality

In the adjacent suburb of Bondi, a three-bedroom, two-bathroom, 1970s unit in Penkivil Street sold for \$2.35 million in June. It had undergone a full internal renovation with new marble kitchen and bathrooms, oak flooring, new laundry, joinery and air conditioning. It previously sold in July 2022 for \$1.68 million, representing a 40 per cent uplift in value when the median unit price in Bondi has seen minimal growth over that period.



7/20 Penkivil Street, Bondi before

Source: Cotality



7/20 Penkivil Street, Bondi after

Source: Cotality

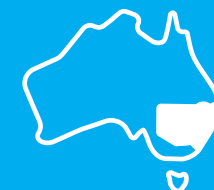
With changes to capital gains tax rules, the benefits of renovating to flip will become less attractive from a tax perspective unless the property is a principal place of residence.

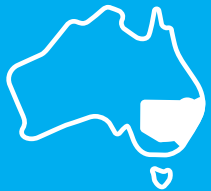
Inner West

The residential property market in the inner west of Sydney experienced a downturn in capital values across all residential property types throughout the first half of 2026. Coupled with historically high costs of construction, undertaking a renovation in this market has become a risky proposition.

Newtown is a suburb which has attracted younger professionals looking to renovate older period homes. An example of a recently renovated

With changes to capital gains tax rules, the benefits of renovating to flip will become less attractive from a tax perspective unless the property is a principal place of residence.





property is an attached worker's cottage at 39 Holmwood Street, Newtown which sold for \$2.45 million in June 2026. The property initially sold for \$1.25 million in March 2021. It underwent a substantial internal renovation and extension completed circa 2025, which yielded a \$1.25 million capital increase from its initial purchase price.



39 Holmwood Street, Newtown sold in June 2026 Source: realestate.com.au

Leichhardt is another inner west suburb which attracts renovators seeking a forever home given its intact Victorian and Edwardian era streetscapes and distance to the city. 20 Day Street, Leichhardt, a dated circa 1980s double-storey dwelling, sold for \$2.53 million in June 2024. The property underwent an extensive renovation and resold in May 2026 for \$3.4 million, equating to a capital increase of \$870,000.



20 Day Street, Leichhardt sold in May 2026 Source: realestate.com.au

In regard to the apartment market, 202/10 Peninsula Drive, Breakfast Point sold for \$1.7 million in October 2022. The property had renovations to its kitchen and bathrooms in circa 2023 and resold in March 2026 for \$2.27 million. This equates to a capital increase of \$570,000.



202/10 Peninsula Drive, Breakfast Point Source: realestate.com.au

Although significant capital gains have been achieved in the sales mentioned above, the net gains are reliant on the total cost of the renovations and associated holding costs. Further softening is expected to occur in the market during spring and summer, which will present a significant risk to renovators seeking to complete and sell their projects over the next six to twelve months. This may lead to a drop in demand for older houses and apartments which require significant renovations.

Inner Sydney

Within Sydney's inner suburbs, renovator's delight style properties come to market occasionally, but

are by no means common. Building costs within city fringe suburbs are typically higher as a result of tricky access within dense suburban areas with narrower streets, attached dwellings and tree preservation concerns. As a result, renovating for a profit is not always feasible. Throw into the mix high median prices and the impact of interest rates on holding costs, and it means that your market knowledge has to be sharp in order to identify the areas where a premium is paid for a renovated product and properties which could be renovated to add value without overcapitalising.

Given these barriers to entry, renovations to houses are often undertaken by owner-occupiers looking to build a dream home for their family and as a result, good quality renovations seldom hit the market. Renovations to units are more common as they are not as costly, are more cosmetic and are therefore more achievable for both investors and owner-occupiers. However, with more subdued market conditions and uncertainty around interest rates, properties being flipped are uncommon, with most renovated properties listed for sale in the current market having been owner-occupied and renovated over an extended period.

Currently, the demand for homes needing renovation is comparatively soft compared to previous years, largely due to recent increases in the cost of labour and materials. This has been compounded by the recent higher interest rate environment which has increased holding costs associated with blank canvas properties, which are often unable to be occupied throughout the

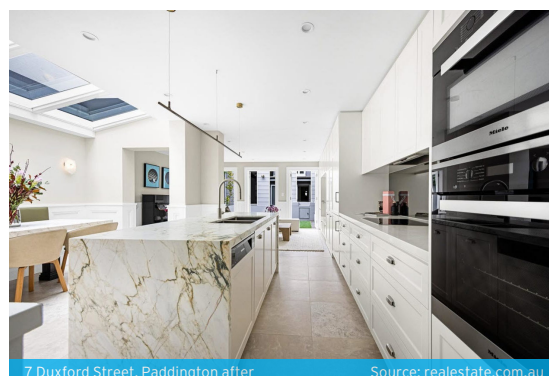
The demand for homes needing renovation is comparatively soft compared to previous years, largely due to recent increases in the cost of labour and materials.

Flipped properties have to be brought into line with the current expectations of that demographic, elevating them into a new market segment and allowing them to achieve a strong sale result.

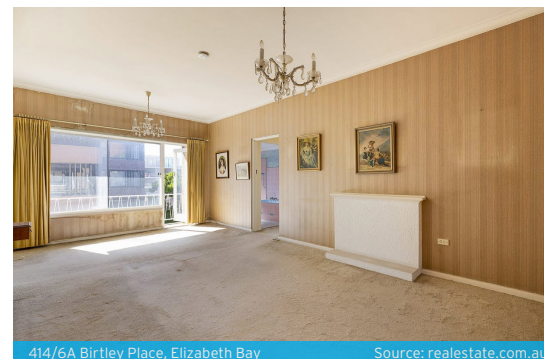
construction period. However there are some still available, such as 44 Victoria Street, Paddington. This property was sold in late June for \$1.725 million and is a basic two-bedroom, one-bathroom terrace in need of some TLC, on a 50 square metre lot on a quiet side street in a blue-chip area.



Most renovated properties coming to market have been owner-occupied and renovated over an extended period. An example is 7 Duxford Street, Paddington, a terrace property set on a premium street in Paddington on a 186-square-metre block of land. The home was initially purchased in 2017 for \$4.05 million as a three-bedroom, two-bathroom property. Additions and renovations in 2021 transformed it into a four-bedroom plus study, two-and-a-half-bathroom home, which then sold for \$7.5 million in May 2026. On paper this is a good gain; however, Cotality notes that the suburb's median price increased by around 66 per cent in that timeframe, leaving little change after renovation and holding costs.



In Elizabeth Bay, 414/6A Birtley Place, a 1950s built two-bedroom, one-bathroom unit requiring a full renovation sold for \$1.34 million. It's an 82 square metre unit in a company title building. Well-renovated units in the area commonly exceed \$2 million, so if it gets flipped, this will be one to watch.



The common theme of these examples is that they are in prime inner city locations, areas which have evolved to suit a modern professional demographic. To capitalise on this, flipped properties have to be brought into line with the current expectations of that demographic, elevating them into a new market segment and allowing them to achieve a strong sale result.



Matt Greenland
Associate Director, Residential

Lismore/Casino/Kyogle

Theoden, King of Rohan mused about the current state of renovating the Golden Hall:

*"Where is the wall that once stood proud and true?
Divided the room once was*

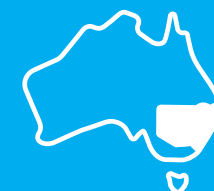
Where is the roof that kept out the rain?

*They have fallen like flaked wattle and daub from
the ceiling*

Like slippery mould upon the floor

*Our days of labour have vanished into over-quoted
estimates and delays*

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RESIDENTIAL

Behind the wooden scaffolds, into disorder.

How did it come to this?

So much expense. What can one do against such relentless and unthinkable renovation?

"Light the beacons..... Gondor will answer; Gondor will come to our aid" Aragon urged.

Just as King Theoden contemplated, the thought of tackling a renovation can be rather overwhelming and if it's not planned carefully or the right people aren't involved, it can quickly become an expensive mistake. The challenge is to persevere, and the trick is to not over-capitalise.

With interest rates at an elevated but steady level over the past 12 months, the number of opportunities to acquire property for the purposes of renovation either as an investment or owner-occupation has softened. That being said, the alternative to buying land and then doing a new build is likely to be even more expensive under current market conditions as construction costs continue to soar. Therefore, the renovation option could potentially still feature in the minds of investors, developers, first homebuyers and even upgraders. Borrow a few dollars to put some new life back into the tired and dated home.

Cost is naturally going to be the key ingredient in the decision making and the resultant end value of the final product. Whilst the supply of such properties is not as abundant compared to four years ago (thanks catastrophic flood of 2022!), there are still hidden gems requiring TLC or refurbishment within the council areas of Lismore City, Casino and Kyogle. Renovating an established dwelling or unit rather than a new build can achieve a lot... if done properly. With a budget of say \$150,000, much of that could provide for a modern kitchen, bathroom, ensuite, general interior and



There is no particular area of Lismore, Casino or Kyogle which has the upper hand on renovation activity... diamonds in the rough can be found anywhere if you look hard enough.

exterior painting and floor coverings. Provided the renovation work is emphasising the more positive features that are already there OR introducing new features that the market desires (do your homework for the areas you wish to invest or live in as each locality is different), then the cost-to-added-value ratio could yield some reasonable capital gain... and nicer digs to reside in!

Within the Lismore region it is best to find an established, three-bedroom, two-bathroom dwelling within the \$450,000 to \$650,000 price bracket. For Casino and Kyogle, a similar real estate product would be in the region of \$350,000 to \$450,000.

There is no particular area of Lismore, Casino or Kyogle which has the upper hand on renovation activity... diamonds in the rough can be found anywhere if you look hard enough.

An alternative option is to seek out a large home with only two bedrooms and a large living space. Cut the living room to provide a third bedroom and the rental would naturally improve to reflect that of a three-bedroom home.

Older style, turn of the century homes are quite popular for those with an interest in timber and old-world appeal but the cost to renovate and maintain such a prized older style timber weatherboard home needs to be strictly monitored as one could easily get carried away.

In conclusion, from a conservative standpoint, purchasing an established home with renovation potential is the more sensible and sustainable path. It offers the opportunity to build equity, improve

the property over time and eventually upgrade to something newer without being weighed down by debt. After all, as Fallout reminds us, having a sturdy vault is far more valuable than chasing the shiniest new gadget if it leaves you vulnerable when things go sideways. Better to invest in a solid foundation today than end up carrying a financial burden that feels like surviving the wasteland above ground with a sack of bottle caps strapped to your back and radiation monitor attached to your forearm.

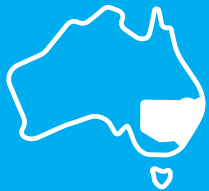


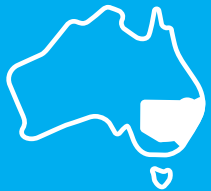
Vaughan Bell
Valuer, Residential

Newcastle

With all the TV programs readily available showing us all how to renovate a home, enthusiasm is always driven by the end result of a glitzy new home we can sell for a fortune, or so we are led to believe. This is always the dream, but does it tell us the real story of what's involved?

From an investor's point of view, finding the right property at the right price in the right suburb is the first hurdle. Where exactly do you start to look? Where's the up-and-coming suburb that will be worth more in the future? The problem is that we have seen market growth over the past 15 years such that the low-value suburb doesn't really exist anymore, so do you buy in the popular suburb where prices are high but could be higher in the future?





Do you buy in the older suburb where a glitzy new home will be in demand more than the homes already there?

Then, when the property is bought, how much does it cost to renovate? Well since 2020, build costs and in particular renovation costs have increased substantially, making the risk of over-capitalisation a real issue.

Lastly, with increased interest rates over the past few years, buying and holding a property is costing more than it did in 2021 and therefore increasing the hidden costs.

Having considered these various points, renovator demand has suffered during 2026 and this is likely to continue in the short term.

The alternative is renovating your own home, which you plan to live in for the medium term. The costs are offset by your enjoyment of just living there. This can be a case of renovating your existing home and saving on the costs of relocation whilst keeping the continuity of everyday life, such as travel times to work and school and the convenience of local amenities.

The cost of renovating your home is still expensive and, in some cases, not financially viable in reality. We have seen examples where a weatherboard home may be extended by just 10 square metres and the cost is \$300,000. Does it make sense? No. Does it increase the size of the home? Yes. This is also compared to the old versus new kitchen, bathroom etc. The most expensive parts of the home, but the benefit and appearance is noticeable.

So, what about demand when the property is ready for market? Since 2020, the market has adjusted its expectations. With build costs being high, purchasers are no longer looking to take risks with unknown repair costs or have the appetite for a



Most agents will say that a renovated home at a sensible price will always sell while an older home in need of attention will take longer to sell and not always at a good price.

project, so renovated homes are in demand. Most agents will say that a renovated home at a sensible price will always sell while an older home in need of attention will take longer to sell and not always at a good price. From this, vendors with an older home have had to adjust their expectations of selling price and how long they expect the marketing time to be.

As we look to the future, what needs to change for the renovation market to gain momentum? In simple terms, interest rates and build costs need to come down as they are the drivers to profitability. Interest rates are cyclical and will come down over time as economic factors change. Build costs rarely reduce and would need to increase at a rate less than property price inflation, so the future for the renovator will remain difficult. Work harder to find that property at a competitive price in a location that is in demand, whilst getting the timing right in the property cycle and controlling the costs of renovation.



Darren Sims
Associate Director, Residential

Coffs Harbour

As the warmth of spring approaches, the Coffs Harbour property market is gearing up for its peak selling season. For both owner-occupiers and investors to a lesser point, the lens of renovated versus renovatable reveals distinct opportunities and structural shifts in this competitive coastal hub.

Demand for homes needing major renovation is currently subdued. A sharp aversion to major structural overhauls dominates the market, driven primarily by high building costs and trade shortages on the Mid North Coast. Buyers are heavily factoring in the holding costs – paying a mortgage at current rates while waiting months for development approvals or available builders.

However, tight stock levels across the region act as a price floor. With a vacancy rate hovering around a critically low 1.1 to 1.2 per cent, properties with minor cosmetic flaws are still heavily contested by entry-level buyers who simply want to get a foot in the door.

So, does renovating make sense?

Well, market conditions in 2026 have divided the viability of renovations based on the scale of the project. It makes sense to undertake cosmetic blitz renovations. Kitchen swaps, floor coverings, painting and deck restorations remain highly viable. Because these projects can be completed quickly or handled via DIY, they add immediate equity without exposing the owner to prolonged builder delays.

When does it not make sense? When the property requires structural additions or total gut-and-rebuilds, which are highly risky. Unless the property is secured at a massive discount (well below the median price point), the combined cost of acquisition and construction frequently overshoots the finished market value, not to mention the time for development approvals, building quotes and

construction, which potentially can turn into years rather than months.

The market for turnkey, fully renovated homes is exceptionally strong. Buyers are actively foregoing the stress of managing their own projects, choosing instead to pay a premium to move straight in. The price disparity between unrenovated and fully renovated properties widened significantly throughout 2025 and remains broad in 2026. A fully modernised four-bedroom home in a prime pocket routinely commands a premium that far exceeds the raw cost of a cosmetic renovation, simply because it eliminates buyer risk.

Which goes back to the first point that it makes sense to undertake the cosmetic blitz on an established home in a good location which does not require major extension or council development approvals.

To manufacture profit in the current landscape, your property selection must be highly strategic:

The sweet spot for housing requires you to target older three- or four-bedroom brick-and-tile homes in established pockets like Toormina, Coffs Harbour or Boambee East. The structural integrity of these builds minimises nasty surprises, allowing budget allocation to remain strictly cosmetic.

For units and townhouses, seek older, low-strata brick blocks in Park Beach or near the Jetty. Buying a dated unit for roughly \$450,000 to \$500,000 and investing \$60,000 into a crisp, coastal aesthetic yields excellent returns due to the dense concentration of lifestyle buyers and premium holiday and rental demand.

The ones to avoid include mid-tier price points (\$850,000 plus) requiring structural fixes in outer suburbs. The margin for profit disappears once regional building rates are applied.

A dramatic change in the stabilisation of local building material costs and a flattening out of trade labour rates would be required to see the structural flip become profitable again. Until trade availability increases, the cosmetic flip remains the only reliable path to short-term profit.

The buyer pool for renovated family homes in Coffs Harbour comprises two dominant groups:

The first is Sea Changers and Metro Relocators. These are buyers moving from Sydney or Newcastle who are accustomed to higher prices. They bring equity, have zero local trade contacts, and actively seek turnkey coastal aesthetics near the Jetty, Diggers Beach, or Korora.

The second is downsizers. Local retirees moving out of large acreage blocks into low-maintenance townhouses or single-level villas. They demand high-end, renovated finishes (stone benchtops, accessible walk-in showers) and are willing to pay top dollar to secure them.

The following examples illustrate the basic math required to generate a profitable margin in the Coffs Harbour region. These are only examples and may vary greatly depending on various factors.

Case Study 1: The Coastal Unit Face-Lift (Park Beach / Jetty Pocket)

- **Unrenovated Purchase Price:** \$460,000 (older two-bed brick unit with original 1980s laminate kitchen and orange carpets)

- **Renovation Outlay:** \$55,000 (DIY painting, hybrid timber flooring, flat-pack modern kitchen, updated vanity and lighting)
- **Holding and Transaction Costs:** \$25,000 (stamp duty, interest during a swift six-week renovation)
- **Total All-In Investment:** \$540,000
- **Post-Reno Market Valuation / Sale Price:** \$575,000 to \$600,000
- **Net Profit Margin:** ~\$35,000 to \$60,000

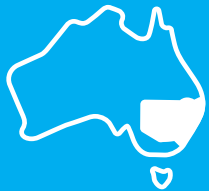
Case Study 2: The Family Home Cosmetic Upgrade (Boambee East)

- **Unrenovated Purchase Price:** \$760,000 (dated three-bed, two-bath brick-and-tile home)
- **Renovation Outlay:** \$90,000 (professionally sprayed roof, rendered external brick, new kitchen countertops, modern bathrooms, landscaped outdoor entertaining area)
- **Holding & Transaction Costs:** \$40,000
- **Total All-In Investment:** \$890,000
- **Post-Reno Market Valuation / Sale Price:** \$950,000 to \$1 million
- **Net Profit Margin:** ~\$60,000 to \$110,000

The message is that if you are planning a renovation this spring, keep your focus tight, your layout original and your aesthetics clean and coastal. Look for property which does not require structural extension or lengthy council development applications and as always, is close to transport, schools and services. The market heavily rewards the presentation of a completed product provided you don't get trapped in the structural building queue.



Grant Oxenford
Director, Residential



 *The sweet spot for housing requires you to target older three- or four-bedroom brick-and-tile homes in established pockets.*

Shoalhaven

The Shoalhaven residential property market appears to be continuing to weaken as we head into spring because buyers and sellers are still worried about another possible rate increase by the RBA. Government changes surrounding negative gearing, stubborn inflation levels, the current world conflicts, and cost of living pressures are also contributing to these softening and weakening market conditions. Overall market confidence is down, with agents advising of more days on the market to sell properties and fewer people attending open houses. In this current environment, vendors are often having to rethink their expected selling figures. Let's take a quick look at how renovated dwellings entering the market will fare in the warmer weather.

We expect renovated homes and well-presented properties to still perform well even in these softening market conditions as we head into spring. Renovating a property in the current market can take a considerable time and cost. This is largely because sourcing labour, hiring tradespeople, and purchasing materials is still time-consuming and costly. The construction industry is still seeing delays and local builders and construction professionals are advising that some material prices are still increasing. Fuel prices are near all-time highs. Therefore, when an owner undertakes the considerable effort of renovating a home, prospective purchasers recognise the value because it saves them the time and money required to complete these works for themselves.

As highlighted above, due to the time and cost involved in renovating a home, now more so than ever, a renovated dwelling is still likely to perform well, even in the current soft and weakening Shoalhaven property market conditions. It is fair to say that renovated and perfectly presented homes are likely to spend fewer days on the market and achieve the highest price the property is worth.



Joshua Devitt
Associate Director, Residential

Southern Highlands

As spring approaches across the Southern Highlands, warmer weather and blooming cool-climate gardens in towns like Bowral, Moss Vale and Mittagong typically mark the start of the region's most vibrant real estate window. However, this year could present a somewhat different dynamic. Off the back of broader economic headwinds including slowing growth, recent interest rate pressure, shifts following the federal budget and softer overall market conditions, sellers face a more cautious landscape as they prepare to list.

These changing conditions have visibly reshaped buyer behaviour across the region. Older, unrenovated homes have frequently been subject to lower prices and heavier discounting recently, as cautious purchasers shy away from unpredictable renovation expenses. Conversely, the appeal of turnkey, move-in-ready properties remains high. Relocating Sydney tree-changers and upsizing families are often eager to avoid the inflation,

delays and trade shortages associated with post-purchase builds, leading fully updated homes to command a noticeable premium.

At the same time, the financial equation for major pre-sale renovations has become increasingly delicate. Rising material costs and unpredictable trade expenses continue to compress profit margins for professional flippers, while casual mum-and-dad renovators are equally hesitant to take on extensive projects. Consequently, committing to a large-scale renovation right before selling carries a heightened risk of overcapitalisation, particularly while the broader market softens.

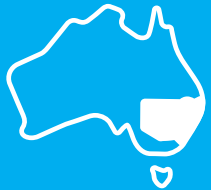
Ultimately, deciding whether to renovate before selling comes down to balancing capital risk against presentation. Unless you have direct building expertise or reliable trade connections, attempting a major overhaul in the current climate may not deliver the profit margin it once did. For most local homeowners, the smartest, lowest-risk strategy remains a targeted cosmetic refresh – showcasing lush spring gardens, applying a fresh coat of neutral paint and decluttering – allowing vendors to maximise buyer interest without taking on excessive financial risk.



Kurt Bismire
Associate Director, Residential

Illawarra

As springtime rolls across the Illawarra, real estate activity naturally shifts into high gear, with sellers timing their listings to capitalise on sunlit afternoons, blooming gardens and lush green lawns. In a coastal region stretching from Helensburgh down to Gerroa, presentation is everything and spring provides the best chance to highlight a property's street appeal. However, as



We expect renovated homes and well-presented properties to still perform well even in these softening market conditions as we head into spring.

the market has been softening, both buyers and sellers need to carefully weigh up the true cost and financial upside of tackling a springtime project in today's landscape.

Navigating the Illawarra's renovated versus renovatable sphere will depend on property type and localised price points.

Freehold, detached houses remain the prime target for structural value-add projects, particularly character-filled, mid-century brick cottages or timber bungalows in northern suburbs like Corrimal, Fairy Meadow and Towradgi, or entry-level southern pockets like Albion Park and Warrawong.

In contrast, older-style double brick unit blocks in Wollongong or North Wollongong offer accessible, lower-risk cosmetic renovation prospects, often sitting in the \$550,000 to \$750,000 price range, where kitchen and bathroom upgrades will provide strong rental yield boosts without requiring major structural changes. Townhouses occupy a trickier middle ground where strata will often limit the scope for major exterior transformations compared to Torrens title houses.

The age-old question of whether buying a doer-upper still makes financial sense comes down to trade-offs between purchase price, holding costs and trade availability (unless you're skilled to complete works yourself). With construction costs elevated, the classic buy-and-flip model has become far tighter than it was a few years ago. Buying an unrenovated property now only stacks up when there is a substantial price gap between original and fully restored homes. For owner-occupiers

willing to live through a staged renovation and contribute sweat equity over time, securing a rough diamond in a leafy, high-demand location like Balgownie, Bulli or Shellharbour Village still offers a sound path to equity provided the core building structure is healthy.

The primary buyers eager to pay a premium for fully renovated properties in the Illawarra continue to be time-poor Sydney sea-changers, local upsizers and busy young working families. These purchaser profiles are actively avoiding the stress, supply delays and uncertain trade budgets linked to managing building works. Their appetite is concentrated on turnkey, three- or four-bedroom family homes in desirable coastal and escarpment suburbs like Thirroul, Austinmer, Woonona and Farmborough Heights. For these buyers, the ultimate prize is a move-in ready home offering contemporary finishes, seamless indoor-outdoor alfresco living and immediate lifestyle enjoyment the day they receive the keys.



Chris McKenna
Director, Residential

Tamworth

As the warmer months approach and Tamworth's property market looks toward a new season of activity, it is a timely moment to examine the landscape for both renovators and those seeking renovated properties.

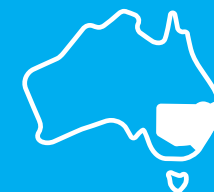
In the current Tamworth market, demand for renovatable homes remains driven largely by affordability and the desire to secure a foothold

in well-performing suburbs. First homebuyers and astute investors are continuing to target the lower-to-mid-range segments, particularly in suburbs like South Tamworth, West Tamworth and Hillvue. The primary driver here is the ability to acquire property at an entry-level price point, where strategic capital works – renovations or refurbishments – can both improve lifestyle and potentially increase gross rental yields, which have remained a key metric for local investors.

Whether renovation makes sense at present depends heavily on the scale and objective of the project. While the cost of construction materials has seen some stabilisation, the regional labour market remains tight, keeping the cost of skilled trades elevated. Consequently, large-scale structural extensions or significant renovations often face a disparity between the cost of works and the resulting market value.

For many owner-occupiers and investors, light renovations such as cosmetic updates to kitchens, bathrooms and flooring offer the most sensible path. Renovating is generally a good idea when the property is being held for the long term, as this minimises the risk of over-capitalisation in the short term, allowing the owner to build equity while enjoying the property's growth over time.

There is persistent demand for fully renovated, turnkey properties. Many buyers are wary of the time and cost risks associated with project management and trade lead times in a constrained labour market, leading some to forego renovation themselves in favour of buying established homes. This has kept price points for high-quality, renovated homes firm. While the market disparity between unrenovated and fully renovated homes still exists, the gap is often influenced more by the availability of trade labour than by property value



Freehold, detached houses remain the prime target for structural value-add projects.

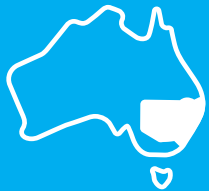
alone. Buyers who can find value-add opportunities in well-located areas are often rewarded, provided they account for these labour premiums in their budget.

The main buyers for renovated or ready-to-move-in property remain young families and professionals returning to regional areas, drawn by lifestyle benefits and affordability. They are largely concentrated in the established residential precincts where proximity to schools, medical facilities and the CBD remains a priority.

Ultimately, as we head into spring, the best buy in Tamworth is not necessarily the cheapest project, but the one that aligns with your long-term objectives and budget. We strongly advise potential renovators to engage with local professionals and Herron Todd White valuers before committing to large-scale projects to ensure their budget and renovation strategy remain realistic in the current environment.



Nick Humphries
Valuer, Residential



Victoria - Residential 2026

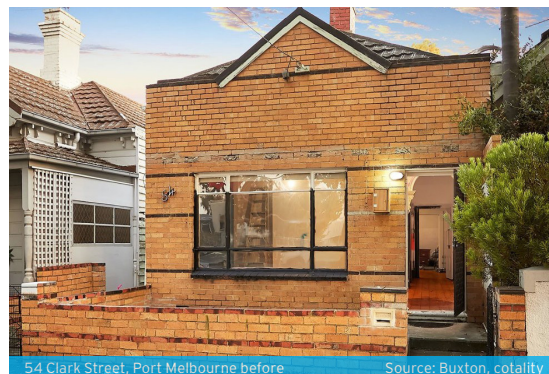
Melbourne

South East

Renovations are more common in Melbourne's inner south-eastern suburbs, particularly in the City of Port Phillip and Bayside council regions. This is generally driven by their strong locations mixed in with planning overlays which restrict building new homes. In the outer areas on Melbourne's south-east there is less demand for renovated properties as there are not as restrictive planning overlays, however the market is still strong for buyers looking to purchase renovated properties as they can be cheaper than purchasing newly built homes.

A prime example of a renovation in the City of Port Phillip is 54 Clark Street, Port Melbourne, which sold in February 2023 for \$1.265 million. It was a run-down property seeking a buyer to renovate the existing dwelling. In March 2026, this three-bedroom, two-bathroom, one-garage property on 176 square metres of land sold for \$2.06 million, indicating that demand is strong in this region for renovated properties. This property has modern features; however, it has retained elements from prior to the renovation, including the cornices, which still give the property a historical feel.

An example of a high-end renovation in the City of Bayside is 18 Bayside Crescent, Hampton which was sold for \$2.563 million in November 2021 and



54 Clark Street, Port Melbourne before

Source: Buxton, cotality

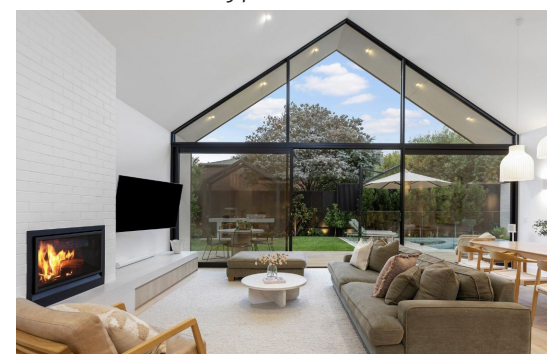


54 Clark Street, Port Melbourne after

Source: Buxton, cotality

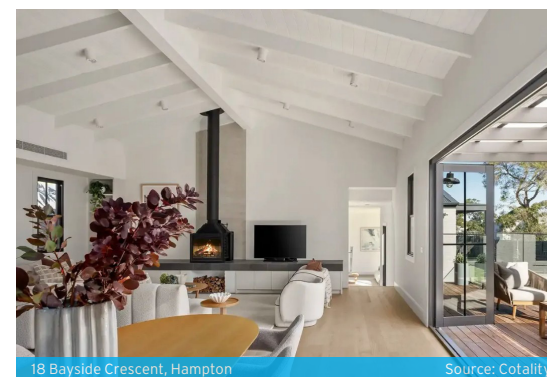
has since been renovated. This 1925 built, four-bedroom, two-bathroom, two-garage property on 607 square metres of land sold for \$3.9 million in March 2026. This property is ideal for families as

it is spacious and close to the beach, parks, public transport and schools. This property has high end fixtures and fittings, modern architecture which suits the area and established landscaping which includes a swimming pool.



18 Bayside Crescent, Hampton

Source: Cotality



18 Bayside Crescent, Hampton

Source: Cotality

Although the Mornington Peninsula does not have planning overlays similar to those in the City of Port Phillip and Bayside, renovations are still popular due to the strong demand for renovated

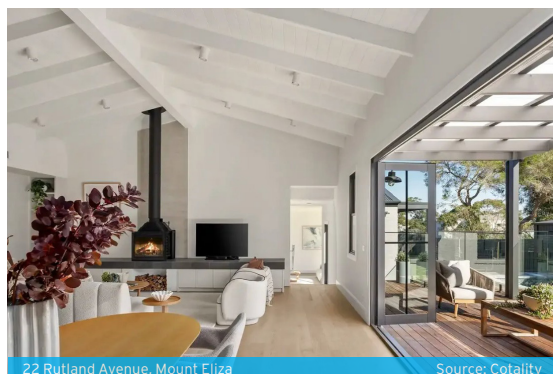
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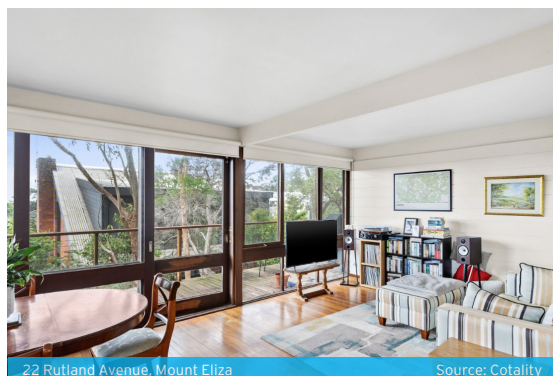


properties, particularly in areas such as Mount Eliza and Mount Martha. A high-end renovation is 22 Rutland Avenue, Mount Eliza which sold for \$1.4 million in March 2024 and re-sold for \$3.2 million in June 2026. This property is a 1965, four-bedroom, two-bathroom, two-garage property on 815 square metres of land. It has high end fixtures and fittings, modern architecture and established landscaping including a swimming pool. For those considering renovating along the Mornington Peninsula, the market is more volatile compared to other south-east areas of Melbourne.



22 Rutland Avenue, Mount Eliza

Source: Cotality



22 Rutland Avenue, Mount Eliza

Source: Cotality

Although renovations can be profitable, due to increased construction costs in recent years, it can

Although renovations can be profitable, due to increased construction costs in recent years, it can be difficult to profit.

be difficult to profit from renovated homes in some instances. However those seeking to complete a renovation should consider areas with planning overlays restricting newly built homes as these pockets will always have demand for renovated properties which is important when it comes time to sell.

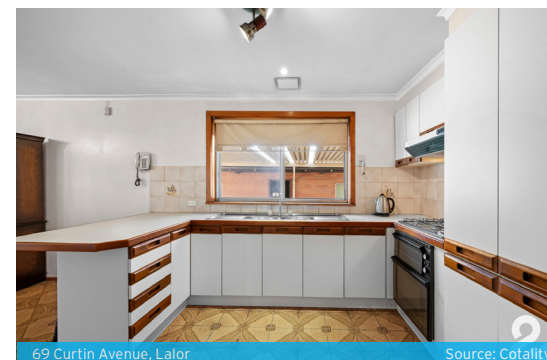
Northern suburbs

The market for properties requiring extensive renovation in Melbourne's northern suburbs faces notable headwinds. The broader Melbourne property market is navigating a softening period with overall values seeing minor corrections. The appetite for doer-uppers has softened considerably. The primary driver of this subdued demand is the combination of persistent high material costs and a severe shortage of reliable trades, making building timelines unpredictable.

Buyers are increasingly factoring a stress premium into unrenovated homes. In areas like Reservoir, Thomastown and Lalor, properties requiring cosmetic updates or structural repairs are sitting on the market longer. Buyers realise that the eventual cost of bringing a home up to modern standards can quickly eclipse the initial purchase savings, dampening enthusiasm for major structural undertakings.

Take 69 Curtin Avenue, Lalor as a case study. This circa 1970s, three-bedroom, one-bathroom, single-family home has languished on the market for 158 days with a listing price of \$820,000. The property would benefit significantly from cosmetic and internal renovations. Ultimately, its current dated condition has stifled buyer

demand, as prospective buyers are routinely deterred by the anticipation of immediate renovation costs.



69 Curtin Avenue, Lalor

Source: Cotality



69 Curtin Avenue, Lalor

Source: Cotality

Economic indicators are defining the viability of property renovations. With interest rates remaining elevated to combat inflation, holding costs during a lengthy renovation can impact potential profit margins. To extract profit from renovations under current conditions, investors must target highly specific property types and



133 Rathcown Road, Reservoir - before Source: realestate.com.au



133 Rathcown Road, Reservoir - after Source: realestate.com.au

locations. Classic brick or weatherboard houses on generous allotments in established middle-ring suburbs have traditionally offered the best structural foundations for value add-ons. A prime example of value creation is 133 Rathcown Road, Reservoir. This four-bedroom, two-bathroom weatherboard home was purchased in 2022 for \$880,000. Following extensive cosmetic and internal renovations, the property successfully resold in May 2026 for \$1.205 million, demonstrating the substantial equity growth achievable through strategic capital improvements.



133 Rathcown Road, Reservoir - before Source: realestate.com.au



133 Rathcown Road, Reservoir - after Source: realestate.com.au

The primary buyers driving the market for these renovated northern properties are unknown but we can assume they include young professionals, upsizing families moving outward from the immediate city fringe and affluent downsizers looking for low-maintenance, walkable lifestyles near transport corridors. These buyers are looking for immediate functionality, energy-efficient additions and clever space utilisation.

For unrenovated properties to attract stronger speculative interest again, a stabilizing shift in building material supply chains and a softening of borrowing costs are required to reduce the financial risk of holding an uncompleted asset.

Western and North Western

As the weather warms up heading into the spring selling season, the property landscape across Melbourne's western and north-western suburbs presents a fascinating dynamic for both buyers and sellers. In areas stretching from inner-ring premium pockets like Essendon, Ascot Vale, Moonee Ponds and Footscray out to middle-ring hubs like Sunshine, Albion and St Albans, we are witnessing a massive divide between properties that are turnkey ready and those labelled doer-uppers.

Buyers are currently fiercely risk-averse due to volatile building costs, trade shortages and high holding expenses. First homebuyers and budget-conscious young families simply do not have the cash reserves or the time to manage a lengthy construction project while paying elevated interest rates on their primary mortgage, which has left unrenovated homes sitting on the market significantly longer.

Despite these hurdles, taking on a renovation project can still make immense sense under the right circumstances. The classic era of flipping a quick cosmetic fix for an effortless profit is on pause, but the numbers still work for two types of buyers: long-term family homeowners looking to settle into these western and north-western corridors for a decade and strategic investors focusing strictly on cosmetic-only value add-ons.

The primary driver of the current market is the sheer premium placed on fully renovated, finished properties. Upsizing families and professional buyers migrating towards established residential pockets with good rail access or in elite schooling zones are willing to overpay for structural certainty. They want to know exactly what their monthly mortgage



repayments will be without the threat of builder variations or council delays.

A prime example is 36 Primrose Street in Moonee Ponds, which recently underwent a renovation and extension. The property transformed into a premium four-bedroom, two-bathroom family home with a one-car garage and achieved a standout turnkey price of \$1.891 million when it sold on 16 April 2026.



36 Primrose Street, Moonee Ponds Source: realestate.com.au



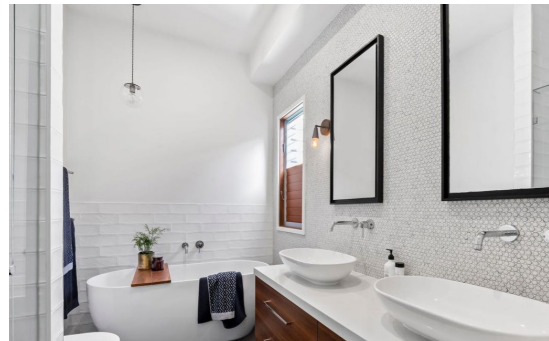
36 Primrose Street, Moonee Ponds Source: realestate.com.au

Further west, 4 Chapman Street in Sunshine underwent a comprehensive renovation and extension. The property was reborn as a beautifully finished four-bedroom, two-bathroom family home with a two-car garage and

commanded a premium price of \$1.505 million when it sold on 16 May 2026.



4 Chapman Street, Sunshine Source: realestate.com.au



4 Chapman Street, Sunshine Source: realestate.com.au

In Footscray, 62 Essex Street perfectly illustrates this turnkey premium. Having previously traded as a single-storey house with dated amenities for \$880,000 in early 2024, the property was transformed into a renovated and extended double-storey residence featuring five bedrooms, three bathrooms and a double garage. This blend of character and modern luxury ultimately commanded a standout sale price of \$1.94 million on 6 March 2026.



62 Essex Street, Footscray in 2026 Source: realestate.com.au



62 Essex Street, Footscray in 2024 Source: realestate.com.au



62 Essex Street, Footscray in 2026 Source: realestate.com.au

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62 Essex Street, Footscray in 2024

Source: realestate.com.au

Geelong

The market for unrenovated homes in Geelong is currently facing a period of subdued demand, primarily driven by high building and material costs alongside a shortage of available and reliable trades. The primary deterrent is cost, time and the uncertainty to accurately budget for a renovation. Consequently, homes requiring significant structural or cosmetic work are staying on the market longer and frequently selling at a discount compared to turnkey properties.

Conversely, the market for fully renovated, turnkey homes in Geelong is highly competitive and commands a premium. Buyers are actively avoiding renovations due to delays and the stress of unexpected costs associated with building. The primary driving force of the premium turnkey renovated market is budget certainty and the value of time and immediate lifestyle benefits. These buyers include those relocating from Melbourne, local families upgrading and transitioning into the highly regarded school zones of Newtown and Highton and downsizers moving from larger rural or acreage properties into low maintenance and quality finished properties closer to the Geelong CBD and waterfront.

However, renovations can still be viable by undertaking minor updates (such as paint, flooring, and basic kitchen and bathroom refreshes) that do not require major work or structural engineering. They are also viable for buyers who plan to live in a home for a decade or more and so can absorb the current high cost of building over a longer timeline without needing an immediate capital return, or when the purchase price of an unrenovated property is low enough to offset the cost of renovation building costs.

Profiting from a renovation in Geelong is challenging but possible if targeted strategically by location and property type. Established, high-amenity, inner-ring suburbs such as Geelong West, Newtown and East Geelong offer the best margins. In these areas, character period homes in a walkable location have a high ceiling for value where a well-designed rear extension with a high-quality fit-out can capture a turnkey premium from cashed up buyers. Renovating for profit is significantly riskier in the budget suburbs of Corio and Norlane. While entry points in these suburbs are low (medians around \$470,000 to \$520,000), the price ceiling is strictly capped by first homebuyer budgets. There is a risk of overcapitalizing where a sale price may not cover the purchase price, stamp duty, holding costs and building costs. These areas are suited to a basic cosmetic update with no structural change which will help to drive up the rental yield rather than provide immediate capital growth.

The property at 87 Weller Street, Geelong West is an example of a renovation completed with the right property type, in the right location coupled with structural modifications to unlock value and high impact cosmetic features to drive the premium feel and capture the target market.

The property was purchased in 2024 for \$617,000 as a blank canvas. A high-end renovation was executed that preserved the heritage facade while introducing a premium, modern architectural extension to the rear, creating a three-bedroom, two-bathroom luxury residence.



87 Weller Street, Geelong West - before

Source: realestate.com.au



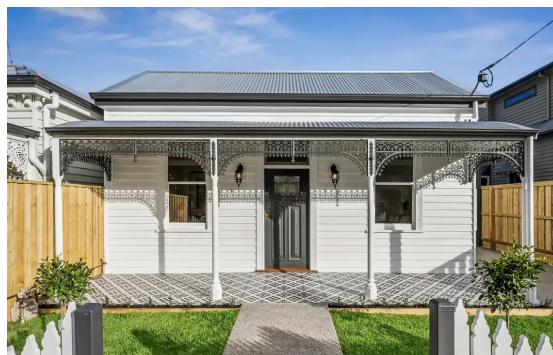
87 Weller Street, Geelong West - before

Source: realestate.com.au

The floorplan remained single-level, instead of a complex, expensive double-storey extension that would have required structural engineering. The renovation focused the structural costs on a dramatic raked ceiling in the new rear open-plan living area adding vertical volume, where space feels significantly larger without the cost of a second level. Rather than demolishing the original



three-bedroom front layout, the existing core framing of the house remained intact. Desirable features added included a master ensuite, separate powder room and butler's pantry. The oversized glass sliding doors leading to a private alfresco courtyard creates indoor/outdoor living, making the small land size feel more expansive.



87 Weller Street, Geelong West - after Source: realestate.com.au



87 Weller Street, Geelong West - after Source: realestate.com.au

Following the renovation, the property was sold in July 2026 for \$1.425 million, a gross margin of \$808,000. The renovation succeeded as it was not over-engineered or under-dressed cosmetically and catered to the buyer profile. By delivering a finished, luxury property in a premium, walkable lifestyle pocket, competition was triggered from

buyers willing to pay a turnkey premium to avoid facing the stress, delays and uncertain costs of construction.



Perron King
Director, Residential

Warrnambool

Dated properties in the regional city of Warrnambool are most popular when they're in a central location, however over the past 12 to 18 months, investors have sought out ex-commission homes in less desirable locations in order to renovate and rent out or re-sell. These homes have proven to sell at a higher price point after renovation works are completed due to having a higher liveable standard and the ability to move in straight away without any maintenance required.

An example of this is 3 Beamish Street, Warrnambool. The property was purchased on 22 January 2025 for \$382,000 in its original condition and has been reassessed recently by Herron Todd White at \$550,000 after being fully renovated.

The option to renovate a property in the current market is mostly taken up by owners wanting to live in a popular location where there is no longer any land to purchase and build their own home. Investors are also having to renovate properties more regularly than ever before due to rental laws tightening on liveability and essential repairs.

If renovations are completed by professionals to a good standard, profits can be made on dated homes located in popular areas such as central, east and north Warrnambool. Solid brick homes built in the 1970s to 2000s are the most sought after for renovation projects due to offering good layouts, multiple bathrooms and good onsite car

accommodation, making them easier to renovate and bring back to life.

Fletcher Steere
Valuer, Residential

Mildura

The Sunraysia residential market is facing a period of uncertainty after a sustained period of growth in the sub-\$650,000 market, largely due to a substantial presence of out-of-town investors. However, given that many of these investors are now leaving the market, the residential property market is entering a period of the unknown.

With these investors increasing the median house price over the past 18 to 24 months, many owner-occupiers have opted to renovate or extend their own dwellings as opposed to going back into the market to upsize.

Although renovating can offer value when a property is acquired at a competitive price, high labour and material costs may diminish the financial benefits of major projects. For buyers with access to renovation expertise – whether personal or through family and friends – these investments remain viable.

There is currently strong demand for fully renovated, turnkey homes from buyers looking to avoid significant work to be completed. Profitability is still achievable, particularly with smaller homes or those in sought-after locations, however success hinges on securing the right purchase price, tightly managing renovation budgets and prioritising cosmetic updates over structural overhauls.



Jake Garraway
Valuer, Residential



Queensland - Residential 2026

Brisbane

Brisbane folk love a renovation, and we have plenty going for us on that front. Our weather is a starting point for renovation enthusiasm, especially our bright but cool winter days, which make for good conditions to swing a hammer or pick up a paintbrush. Then there are our dominant housing styles across the city's suburbs. Timber and tin, much of it raised above the ground, means even amateur DIY-ers have easy access for upgrades to services, and it is simple enough to cut, nail and do the other things renovators do to timber. There are very few of those hard-material, on-ground homes in our established inner suburbs to worry about.

Also, until recently at least, Brisbane's market has been the renovator's friend and safety net. A steady rise in capital values meant that those who paid a little too much for their original project or overcapitalised a bit on the work were generally forgiven over time as the natural value growth cycle offset their errors.

So how does the renovation landscape look heading into spring, given the direction the market has been travelling of late?

The headline numbers still look reasonably good. Cotality's Home Value Index has Brisbane's median dwelling value at just over \$1.1 million at the end of July, up 14.8 per cent across the year and only 0.7 per cent below the record set in May. Domain's latest Profit and Loss Report is even more flattering: 99.5 per cent of Brisbane house and unit resales in the first half of 2026 turned a gross profit, with a median house gain of \$629,056 and a

Upward pressure on construction costs is affecting both project viability and the ability to fund or obtain finance to proceed.

median unit gain of \$385,000, reflecting the best combination of profit rate and depth in the country.

Read those figures carefully, though. They measure time in the market, not renovation skill. Values eased 0.6 per cent in July and across the quarter, and the same Domain research shows the first cracks appearing in resale profitability nationally. For anyone buying a project this spring, the safety net of automatic growth is thinner right now than it has been for many years.

That shift is being felt acutely in the inner ring. Demand for properties requiring renovation has softened, with buyers overly cautious, uncertainty higher and cost-of-living pressures eroding the savings that used to fund these projects. Upward pressure on construction costs is affecting both project viability and the ability to fund or obtain finance to proceed. Our valuers report properties that have recently obtained architectural plans and gone through the approval process being placed back on the market, with elevated costs and extended construction timeframes the reason. Buyers simply are not as eager to take on a project given the expense and the difficulty of securing a good builder.

The exception is genuine scarcity. When a true renovator comes up in a tightly held inner-city pocket, the result can still be extraordinary. In May, 43 Bristol Street, West End sold at auction

for \$2.415 million. It comprised a four-bedroom post-war home in original condition on a 574 square metre block, held by the same family for 57 years. Four parties competed, and the selling agent made the point that this is one of the few inner-city pockets where it is very difficult to overcapitalise. That is the market pricing the land and the location, not the improvements.

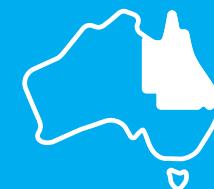


43 Bristol Street, West End

Source: realestate.com.au

For the gap between a project and a finished product, two recent sales in our inner north-west illustrate the key points well.

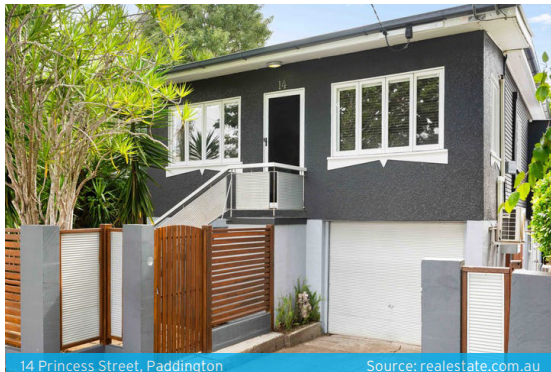
The first is 14 Young Street, Milton, which sold for \$1.307 million at the end of July. It is a traditional three-bedroom, one-bathroom cottage on 405 square metres, a long-term rental with polished timber floors and an enclosed front verandah, marketed frankly as entry-level buying with



potential to renovate or extend. It took 21 days to sell.

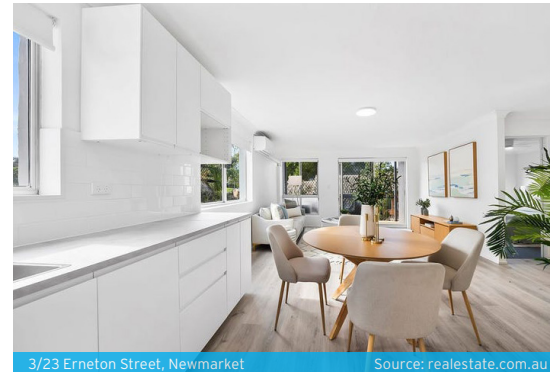
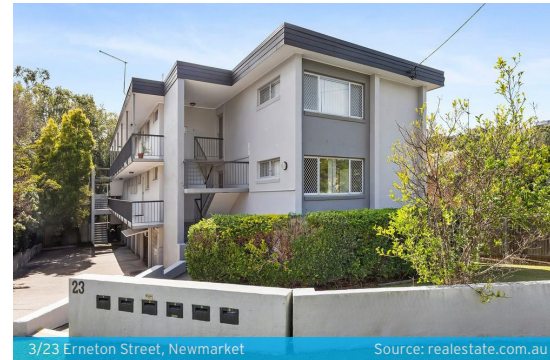


The second is 14 Princess Street, Paddington, which sold for \$1.82 million in April. It's a similar-sized block with a renovated three-bedroom home. We concede the market continued to soften after April however for two properties within close proximity - one offering all the work as done and the other requiring a fair bit of elbow grease, the price difference of just over \$500,000 is notable. Of course, that gain reflects the total price premium, not the profit. Take out the renovation cost, holding costs, stamp duty and selling costs, and the margin is a good deal thinner than the headline gap suggests.



Move into the attached housing market and the picture is firmer. There are not many unrenovated dwellings on the market that appeal to owner-occupiers, and larger older units are the standout. A lot of modern stock has smaller living areas, a higher price point, or both, so an older two- or three-bedroom apartment with generous floor space that only needs cosmetic work has a genuine niche. Cotality has Brisbane unit values up 17.1 per cent across the year against 14.3 per cent for houses, which reflects that hunt for affordable floor area.

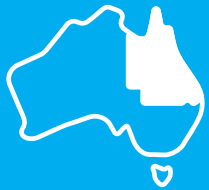
A good example of the finished product is 3/23 Erneton Street, Newmarket, which sold for \$767,500 in July. It is a two-bedroom, one-bathroom apartment of 102 square metres in a boutique block of six, renovated throughout with an updated kitchen, new flooring and fresh paint. It sold in 23 days. Note the floor area - at 102 square metres it is considerably more generous than most new two-bedroom stock at that price, which is precisely the point.



What is harder to find is the other half of that equation. Working through recent sales across the inner north, genuinely original units are scarce. That scarcity is worth understanding before you go looking. The cosmetic unit project is a sound strategy, but the stock to execute it on is thin, and competition for the ones that do surface is real.

At the top of the market, the returns on offer remain substantial for those who execute flawlessly.

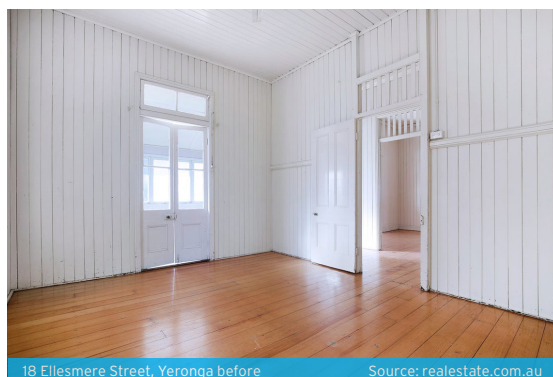
The cosmetic unit project is a sound strategy, but the stock to execute it on is thin, and competition for the ones that do surface is real.



The owners of 18 Ellesmere Street, Yeronga bought a dilapidated Queenslander across two parcels in 2021 for \$1.215 million, then commissioned a restoration that, by the listing agent's account, saw essentially every structural component of the original shell replaced, the lower level rebuilt and a new master wing added. It sold in mid-April this year for \$4 million. We do note that Yeronga as a location did a meaningful share of the work in lifting values since 2011, but the before and after illustrate the exceptional level of work carried out.



18 Ellesmere Street, Yeronga before Source: realestate.com.au



18 Ellesmere Street, Yeronga before Source: realestate.com.au



18 Ellesmere Street, Yeronga after Source: realestate.com.au



18 Ellesmere Street, Yeronga after Source: realestate.com.au

For those wanting to see what happens at the heady heights of Brisbane's ultra-prestigious market, the history of Governess at 49 Reading Street, Paddington is worth checking out. The 1860s residence on 1634 square metres was bought in 2021 for \$4.5 million by owners who intended to renovate it themselves. They sold in 2022 for \$5.8 million, with a development approval attached, to a purchaser who saw the project through with builder Graya over roughly a year. It sold on 14 May for more than \$12 million, resetting

the Paddington house record (of note is that the previous benchmark of \$11.8 million was also a fully renovated pre-war home). The lesson here is not that renovation is easy money. It is that the buyer pool for immaculate character homes in blue-chip suburbs remains deep, and that the first owners taking their profit at the approval stage was a perfectly rational decision.

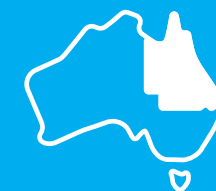


49 Reading Street, Paddington Source: realestate.com.au



49 Reading Street, Paddington Source: realestate.com.au

So, does a renovation make sense at present? It depends entirely on the strategy. Whether it is a cosmetic or staged renovation with a long-term plan to hold, or an extensive build-and-flip in a short timeframe. In many instances, buying an established, completed property provides better



In many instances, buying an established, completed property provides better value.

The main purchasers of renovated property remain families and upgraders buying their second or third home.

value. Renovated homes are still selling at a premium, and that premium is often well above the cost of the works, which is precisely why so many buyers now choose to pay it rather than do it themselves.

Two groups can still make the numbers work. The first is builders and trades, who complete a proportion of the work themselves, access trade rather than retail pricing, and carry little or no builder's margin.

The second is the rest of the buyer pool, so long as they are careful with their due diligence. We suggest renovators look for properties where there is limited value in some of the existing improvements, such as a 1970s kitchen or bathroom. When you weigh the cost of remediation against complete replacement and factor in the value the new work adds, it could prove worthwhile. What does not work, however, is a renovation that lifts a property out of a competitive price bracket and into a thinner one.

The market for finished product is a different animal to the market for projects. Buyers are highly discerning. Properties completed to a high standard in sought-after areas are still selling well, but purchasers are price sensitive and days on market have increased. A number of recently completed renovations are coming to market at once in some pockets, and where supply outweighs demand, it is having an impact on values.

The disparity between renovated and unrenovated stock is probably widening now, driven by construction costs and the risk attached to taking

on a large project. Most people would simply prefer to buy the finished article. Less risk. That said, if the market softens further, expect that gap to narrow – a falling market punishes the premium end of any segment first.

For projects to become broadly viable again, we would need to see improved consumer confidence, renewed growth in values, relief in the general cost of living, and reduced construction costs and timeframes. None of those look imminent right now.

The main purchasers of renovated property remain families and upgraders buying their second or third home. In the mid-ring they are buying renovated pre- and post-war dwellings; further out, it is conventional on-ground brick and highset homes that are garnering appeal.

All of which is to say that renovation in Brisbane this spring is a strategy question rather than a market one. The city is no longer doing the heavy lifting on your behalf when it comes to capital gains. Careful property selection and honest upgrade cost analysis have gone from useful to essential.



Shannan Chandler
Director, Residential

Gold Coast

Spring is traditionally one of the busiest selling seasons in the residential property market. As the weather warms up, many homeowners are encouraged by real estate agents to list their properties, usually resulting in increased market activity and greater choice for buyers.

The season also often marks a surge in renovation projects. With the Gold Coast offering a diverse range of housing styles, there are generally plenty of opportunities for buyers who are willing to roll up their sleeves and take on a project. However, as market conditions begin to stabilise, with some market segments even showing signs of softening, renovation trends may shift over the next 12 months.

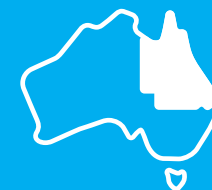
After several years of a buoyant property market where rising values created opportunities for buyers to purchase, renovate and then re-sell in a timely manner, the local market appears to have entered a more cautious phase. Buyer urgency has reduced, property transaction numbers have softened and purchasers are becoming increasingly selective about where they spend their money.

At the same time, renovation costs remain a major consideration. While the availability of trades has somewhat improved compared with the peak post-COVID period, labour and material costs remain high.

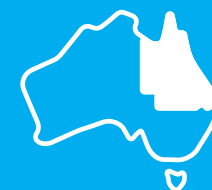
Our team has recently observed continued demand for original and dated homes, particularly across the more affordable segments of the Gold Coast market. These properties remain attractive to first homebuyers, purchasers looking to transition from apartments to houses and buyers seeking an affordable entry point into the more established suburbs. Despite often requiring renovation or modernisation, these homes continue to generate good interest due to their relative affordability and potential to add value over time.

For many buyers considering a larger scale renovate-and-flip style project, the financial viability has become increasingly difficult to justify. While renovations can still deliver strong value add, success now depends on carefully assessing

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RESIDENTIAL



both the scope of the project and the underlying costs. The days when almost any tired property could be purchased, renovated and quickly re-sold for a substantial profit have diminished. In today's market, achieving those outcomes requires far more planning, disciplined budgeting and a selective approach to the available opportunities.

Dwellings and units that are liveable in their current condition but require cosmetic upgrades appear to be the preferred option amongst this buyer group. These properties provide buyers with the flexibility to move in and complete improvements over time, easing the financial burden associated with undertaking a large-scale renovation upfront. Properties that feature an older kitchen, dated bathroom, or outdated interior finishes for example can be refreshed as budgets and priorities allow, enabling purchasers to personalise the home to their preferences while avoiding the higher price points typically associated with fully renovated properties.

On the other hand, properties requiring extensive immediate renovation are facing more challenges. Buyers are increasingly cautious about taking on projects involving significant building works, major repairs or extensions due to uncertainty around costs, timeframes and the availability of specific trades and supplies. This has reduced the appeal of renovation projects where profitability is the primary objective. In previous years, rising property values often provided a significant buffer, allowing renovators to absorb increasing construction costs. In the current environment, renovators need to create genuine value through the works themselves rather than relying on broader market growth to deliver a decent return. It should also be kept in mind that a renovated property does not necessarily achieve a premium simply because money has been spent on improvements. The best

Many of these suburbs contain older dwellings or units that may present in original or dated condition but offer strong underlying fundamentals.

results usually come from renovations that are practical, that don't overcapitalise, and match what buyers are looking for in the area.

Let's take a look at some of the suburbs where renovation activity remains steady and presents favourable opportunities for owners and investors to add value through refurbishment. Across the Gold Coast, established pockets like Miami, Southport, Labrador, Ashmore and Coombabah continue to show good prospects, thanks to their convenient access to schools, local business hubs and lifestyle amenities.



16 Bixa Street, Southport

Source: realestate.com.au



16 Bixa Street, Southport

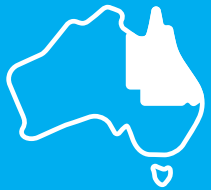
Source: realestate.com.au

Many of these suburbs contain older dwellings or units that may present in original or dated condition but offer strong underlying fundamentals. In these locations, a well-considered cosmetic renovation can significantly improve buyer appeal without requiring excessive expenditure.

Simple improvements such as updated kitchens and bathrooms, fresh paint, new flooring, well-presented landscaping and enhanced outdoor areas can significantly improve a property's market appeal and help achieve a stronger sale result, as exemplified by 16 Bixa Street, Southport which recently sold for \$1.55 million. These improvements not only enhance a property's visual presentation but can also broaden buyer appeal and positively influence perceived value, particularly where they modernise older style dwellings.

Another good example of an older style property that has been recently listed for sale following an extensive renovation is 17 Rodlan Parade, Labrador. Prior to the renovation, the property was purchased in March 2025 for \$1.075 million and comprised a circa 1970s high-set brick and fibrous cement dwelling with three bedrooms, two bathrooms, an original kitchen, dated bathrooms and a double lock-up garage, situated on a 751 square metre allotment.

Renovation works subsequently undertaken to the property included new internal and external paintwork, construction of a basic three-car carport, installation of a new rear patio, complete refurbishment of the kitchen and bathrooms, new carpet throughout, a new driveway, refurbishment



of the front balcony, installation of new glass pool fencing and basic landscaping works.



17 Rodlan Court, Labrador

Source: Cotality



17 Rodlan Court, Labrador

Source: Cotality

The property was initially placed on the market with an asking price of \$2.1 million, however at the time of writing, we understand that the asking price has since been reduced to offers over \$1.7 million, indicating that while the renovation has substantially enhanced the property's presentation and market appeal, buyer expectations may not have aligned with the original pricing strategy.

Another example of a property that has undergone a significant transformation following acquisition is 4 Koro Court, Ashmore. The property was purchased in September 2025 for \$1.111 million and,

at the time of sale, comprised an older-style, high-set rendered brick and tile roof dwelling on an 800 square metre allotment offering five bedrooms and three bathrooms in dated and tired condition.

Following the purchase, the dwelling appears to have been modernised to a good standard, with the works including a complete refurbishment of the kitchen and bathrooms, new flooring and finishes throughout, internal and external repainting, upgraded lighting and fixtures and enhancements to the outdoor entertaining areas and landscaping. The renovation has also improved the property's functionality by creating a contemporary dual-living layout, while significantly enhancing its overall presentation and appeal to the market.



4 Koro Ct, Ashmore

Source: Cotality



4 Koro Ct, Ashmore

Source: Cotality

The property has since been listed for sale with an asking price of offers over \$1.665 million, reflecting a significant increase relative to the previous purchase price. While the improvements have materially enhanced the property's appeal and market positioning, the eventual sale outcome will provide a more reliable indication of the premium purchasers are prepared to attribute to the renovation works under current market conditions.

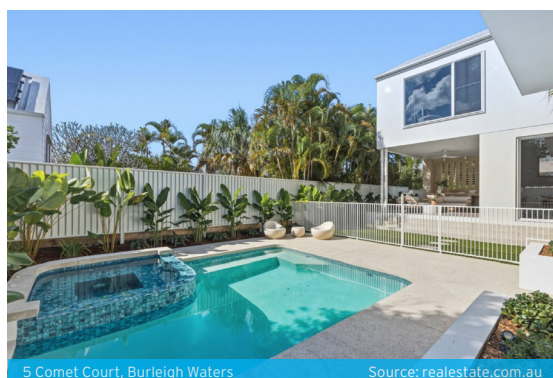
So far in 2026, as mentioned earlier, the affordable segment continues to be a key driver of the renovation market. Properties under \$1.5 million are attracting consistent interest, supported by limited supply in this price range despite the broader easing of market conditions.

Above this price point, properties priced between \$1.5 million and \$3 million typically give buyers more choice, although renovation decisions can become more complex as expectations around quality, design and overall value become greater.

The higher end of the market (above \$3 million) often presents a different dynamic. In sought-after suburbs such as Burleigh, Palm Beach, Mermaid Beach, Mermaid Waters and Broadbeach Waters, many buyers are opting to demolish existing dwellings and construct new homes rather than undertake significant renovations. This trend is illustrated by the redevelopment of 5 Comet Court, Burleigh Waters, where a newly constructed, two-storey residence recently sold for more than \$4 million following strong buyer interest. The property was originally purchased in September 2024 for \$1.87 million, at which time it was improved with an original circa 1980s dwelling that was subsequently demolished and replaced with the new residence.

For these purchasers, the appeal lies in creating a residence that reflects their individual tastes

while also maintaining broad market appeal. A knockdown and rebuild approach offers the opportunity to deliver a contemporary prestige home with enhanced construction quality, improved functionality and modern design principles tailored to today's lifestyle expectations.



Builders and experienced renovators can still uncover opportunities in these coastal suburbs, particularly where they have established networks, strong trade relationships and the expertise to manage construction costs effectively. However, for the average buyer, these projects remain significantly more challenging.

The market for fully renovated homes or new builds remains fairly strong according to recent agent feedback. The reason is largely driven by certainty and convenience. Buyers are still prepared to pay a premium for a property that requires little or no immediate work because it allows them to move in immediately without the additional cost, disruption and stress associated with renovating or building.

The apartment and townhouse markets present a different perspective on renovation opportunities.

The Gold Coast has a significant amount of older apartment buildings, duplexes and townhouses, particularly those constructed during the 1970s through to the 1990s. Many of these apartments feature reasonable layouts but dated interiors, creating opportunities for buyers prepared to modernise them.

Apartments and townhouses can be attractive renovation projects because their smaller footprints generally reduce the amount of material and labour required compared with houses. Cosmetic improvements such as kitchens, bathrooms, flooring and paint can deliver a noticeable transformation without the expense associated with larger dwellings.

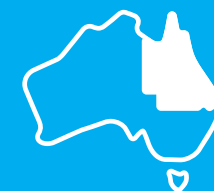
However, unit renovations require careful consideration. Body corporate requirements, access limitations, building presentation and future maintenance obligations can all influence the end result. A high-quality internal renovation cannot completely overcome the limitations associated with an older or poorly maintained complex.

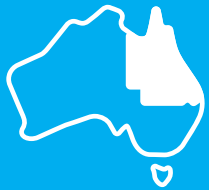
A high-quality internal renovation cannot completely overcome the limitations associated with an older or poorly maintained complex.

Some recent examples of townhouses offering good value in the established suburbs where buyers are prioritising affordability without compromising lifestyle include 31/60-76 Whitby Street, Southport, which is an older-style, circa 1993-built, two-storey brick and tile roof townhouse opposite the grounds of the prestigious St Hilda's School. Representing as an entry-level townhouse opportunity, the property was purchased earlier this year for \$750,000. The property comprises two bedrooms, one bathroom and a single covered car space and was sold with an existing tenancy in place achieving \$700 per week.

Whilst the townhouse was presented largely in its original condition, it offered strong potential for value-add through cosmetic renovation and general improvements. This is evidenced by the recent sale of Unit 42, a comparable two-bedroom townhouse in the same complex which sold in April 2026 for \$880,000 following a cosmetic refurbishment to the interior.

Interestingly, Unit 42 was originally purchased in October 2024 for \$575,000 in original condition before undergoing the renovation. The refurbishment works included a new kitchen and bathroom, fresh internal paint, new floor coverings and the conversion of the laundry into a second bathroom. The subsequent sale price represents an increase of approximately 53 per cent over the original purchase price. It's also worth noting that renovated two-bedroom townhouses within the local area are typically achieving rental returns of approximately \$800 to \$850 per week, further demonstrating the upside available through strategic refurbishment.





31/60 Whitby Street, Southport

Source: Herron Todd White



42/60 Whitby Street, Southport

Source: Cotality



21/23 Santa Barbara Road, Hope Island

Source: Herron Todd White



31/60 Whitby Street, Southport

Source: Herron Todd White



42/60 Whitby Street, Southport

Source: Cotality



30/23 Santa Barbara Road, Hope Island

Source: Herron Todd White

The potential benefit of renovation in this sector is not necessarily limited to immediate capital growth. A trend observed by some of our valuers is that investors are increasingly considering renovation as a strategy to enhance rental performance and improve ongoing returns.

Anecdotal evidence supporting this trend can be seen in the difference between two comparable townhouses at 23 Santa Barbara Road, Hope Island. An original-condition townhouse within the complex recently achieved a rental return of approximately \$850 per week, while a comparable renovated townhouse achieved approximately \$1100 per week. This example highlights how targeted

improvements can deliver meaningful rental uplift, even in circumstances where a short-term resale strategy may not be feasible.

Looking ahead, the Gold Coast renovation scene is expected to become more measured with people being more selective about the projects they take on. The strongest opportunities will generally be found where buyers are purchasing with a long-term outlook, where the property can be occupied during the works and where improvements are practical rather than overly ambitious.

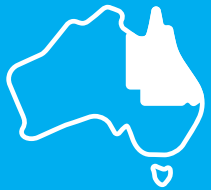
For renovation flippers hoping to renovate and quickly re-sell, current market conditions present greater risks than in previous years. Slower price

growth, high construction costs and more cautious buyers mean that the previous formula of buying, renovating and relying on rapid market growth will be harder to execute successfully.

Regardless of the prevailing market conditions, a successful renovation project is likely to come down to identifying the right property, understanding the costs involved and making improvements that genuinely enhance buyer appeal.



Sam Gray
Director, Residential



Sunshine Coast

As we move through August 2026, the Sunshine Coast property market is gearing up for the traditional spring selling season. Sellers are starting to list their properties, aiming to present their homes and investments in the best possible light. This period often brings a spike in renovation activity as owners look to add value before a sale or future-proof their current residence by upgrading rather than trading up in an increasingly difficult market.

The renovation landscape has always been driven by the ongoing gentrification of established coastal and beachside suburbs, particularly in the corridors stretching from Caloundra through to Maroochydore, the central and northern beaches like Mount Coolum and Yaroomba, and premium enclaves in the Noosa region such as Sunshine Beach and Noosa Junction. This has now moved into the inland townships where renovation activity has grown significantly. However, the old sweat equity gamble requires more caution now than in previous years; while material costs have stabilised, labour costs for trades remain firm, meaning you need to be as handy with a spreadsheet as you are with a paintbrush.

The broader investment climate is also navigating significant headwinds. We are beginning to see the impact of a slowing market, largely due to recent government policy changes to capital gains tax and negative gearing. These shifts have led investors to take a more cautious approach, contributing to a softening in the true investor market. While the underlying strength of the rental market – with

vacancy rates still hovering near one per cent – provides a solid foundation, the competition from owner-occupiers is driving house prices beyond levels conducive to the high rental yields seen in the past. Strategic investors are now looking for value in more niche areas, such as properties that allow for secondary dwellings like granny flats, which can help maximise rental income and future resale value despite the tightening environment.

In 2026, entry-level price points for renovatable properties along the coast typically range from \$900,000 to \$1.2 million, though these numbers climb significantly higher in sought-after areas. Houses remain the primary target for major renovations, especially where the adage of the worst house in the best street still holds merit. We are also seeing a rise in internal renovations within older walk-up style unit complexes, though buyers must be wary of building exteriors that may diminish their return if the body corporate isn't aligned on upgrades. There remains a notable disparity between fully-renovated and unrenovated homes; well-presented, completed projects continue to attract a premium because many buyers simply want to avoid the uncertainty of modern construction timelines and costs.

Ultimately, the Sunshine Coast continues to be a magnet for buyers, bolstered by the countdown to the 2032 Olympics and the enduring appeal of the coastal lifestyle, but success in today's market requires a flexible and smart approach to both assets and location.



Stuart Greensill
Director, Residential

Fraser Coast

Renovating for a quick profit is currently a tough proposition and riskier than it was pre-interest rate rises. The current property market is tight with strong competition for appropriately priced homes. This means renovation properties are hard to find at bargain prices. Most renovations currently underway are of existing owner-occupied properties.

Given the current high cost of materials, renovating only makes sense if you can mitigate the high labour costs or have access to trade materials. Additionally, there is benefit if the home can be lived in while undertaking the work. Although supply of suitable renovator product is low, the older suburbs of Pialba, Scarness, Torquay and Urrumbidgee are the most likely due to the large scattering of beach house style homes on larger lots.

Cosmetic upgrades like fresh paint, new flooring and basic bathroom or kitchen upgrades rather than major structural additions help to limit the potential risk of overcapitalisation. When I am asked "what can I add to my property to improve market appeal?", my usual response is presentation. First impressions last. Additionally, sheds have a strong appeal and if the size of the lot allows, a two- or three-bay shed generally realises a positive return on investment.



Doug Chandler
Director, Residential

Townsville

As we move towards spring in the Townsville residential property market, purchasing an unrenovated property to flip for profit remains

 *Gentrification has now moved into the inland townships where renovation activity has grown significantly.*

These professionals tend to have superior access to affordable, renovatable properties, with the majority of their transactions occurring off-market.

a remarkably tough proposition for the average person. The widening price gap between renovated and unrenovated homes has become a defining feature of our local landscape, with fully renovated properties currently highly sought after and attracting a significant price premium. This strong demand is primarily driven by everyday buyers who are eager to avoid the mounting costs, effort and uncertainty associated with undertaking renovations themselves. Construction costs have continued to climb over the past twelve months, and when combined with ongoing challenges surrounding trade availability, managing a major project is daunting for most. Consequently, purchasing with the intent of completing major extensions or substantial structural renovations is usually not cost effective, as the high capital outlay frequently fails to equate to added end value. In fact, very few of these ambitious projects are currently proceeding to completion.

The market disparity clearly favours a select handful of professional flippers operating within the region who possess distinct structural advantages. These professionals tend to have superior access to affordable, renovatable properties, with the majority of their transactions occurring off-market. They also benefit from having established networks of tradespeople readily available and can effectively mitigate their financial risks by utilising consistent materials purchased in bulk. For the everyday homeowner or investor, success in the current climate relies on strategic restraint. General cosmetic improvements such as updating a kitchen or modernising a bathroom can still be

quite beneficial and add tangible appeal without overcapitalising. Furthermore, if a seller has held a property for a substantial period, completing minor renovations prior to listing is highly likely to reap rewards, particularly if the home is showing signs of age, wear and tear. Because the asset was likely purchased in a much weaker market cycle, the proportional costs associated with refreshing the property are not as prohibitive. Ultimately, until construction costs stabilise and trade availability improves, the Townsville market will continue to heavily reward those selling completed homes while leaving major renovation projects to the seasoned professionals.



Hayden Lynam
Valuer, Residential

Gladstone

Renovation projects have been thin on the ground over the past two years. A combination of record-high local building costs and elevated entry-level purchase prices has significantly shifted buyer behaviour.

While occasional bargains exist, entry-level basic original homes are sitting at a much higher price point than in previous years. There is currently very little established dwelling stock available below the \$430,000 mark.

At the sub-\$430,000 price point, buyers typically secure a circa 1950s dwelling in a central Gladstone suburb in need of significant work. Assuming a

comprehensive, full renovation, that same 1950s dwelling would currently fetch north of \$500,000 on the open market (heavily dependent on the quality and scale of the finish).

Due to sustained high building costs and the ongoing difficulty of securing tradespeople to complete projects, as well as the current supply risks, the viability of a DIY or managed renovation has dropped for the average buyer. As a result, many owner-occupiers and investors are bypassing renovations entirely. They are opting to go straight for fully renovated properties so they do not have to spend additional capital or time after settlement.

While individual buyer preference always plays a role, clear premiums are consistently being paid for well-renovated, low-maintenance homes where no immediate capital expenditure is required.

What we are more likely to see is the owner-occupier adding lifestyle desires to their existing properties. Key items such as a pool or a shed provide the occupants with a lifestyle upgrade at a more palatable price point than a complete upgrade, when taking into consideration buying and selling costs, including stamp duty. Plus, there is the bonus of not having to move!

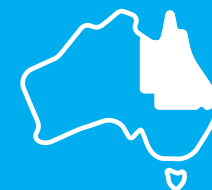


Cara Pincombe
Associate Director, Residential

Mackay

Purchasing an entry-level property in one of Mackay's older suburbs such as North Mackay, South Mackay, West Mackay or East Mackay has become increasingly difficult in the current market. These properties are typically older dwellings, including Queenslanders and cottages constructed during the mid-1900s. Opportunities to secure them

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are rare, and when they do become available, they often require significant renovation.

To maintain the profitability of a renovation project, buyers need to carefully manage renovation costs. Unless they have the skills, time and capacity to undertake the work themselves, renovating can quickly become both costly and challenging. The ongoing shortage of qualified tradespeople, together with elevated construction and material costs, can make it difficult to complete renovations within budget. As a result, buyers need to carefully consider the total cost of purchasing and renovating a property, as what initially appears to be an affordable entry-level home may ultimately require a substantially larger investment than anticipated. These challenges have become an important consideration in the Mackay market, where labour shortages and increased building costs have reduced the feasibility and profitability of renovation projects for many purchasers.

For those fortunate enough to have secured and successfully renovated one of these properties in recent years, the rewards have been significant. Well-presented, renovated Queenslanders and character homes are attracting strong buyer interest and, in many cases, achieving premium sale prices.



West Mackay renovation before

Source: Cotality



West Mackay renovation after

Source: Cotality

A recent example is a renovated property in West Mackay that sold for \$1.05 million. Although the property was originally purchased in 2019, the owners were able to complete a substantial renovation before construction costs escalated further and subsequently benefited from the strong demand and price growth evident in the current market.



Samantha Morgan
Valuer, Residential

Cairns

Demand for homes requiring renovation in Cairns remains steady, but not strong. Factors that strengthen demand include the property's structural soundness, location in an established, better-quality suburb, or proximity to the CBD or Cairns northern beaches. Buyers continue to see value in properties requiring cosmetic improvements rather than homes requiring extensive structural work or complete refurbishment.

Properties requiring major refurbishment are mainly attracting buyers with residential building

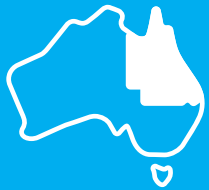
construction experience or owner builder experience who can control building costs and timeframes and not pay full retail cost for materials and wages. The primary factors influencing demand for renovation properties include:

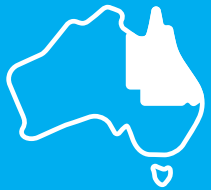
- ▶ Ongoing affordability pressures encouraging buyers to consider properties below the median price point of around \$750,000;
- ▶ Limited availability of quality housing stock;
- ▶ High construction and renovation costs, which continue to make buyers cautious;
- ▶ Longer building timeframes and ongoing trades shortages, although these have eased slightly compared to previous years.

Properties requiring only cosmetic improvements which can be completed in a shorter timeframe generally attract stronger competition than those requiring significant capital expenditure. Cosmetic or basic upgrades such as kitchens, bathrooms, internal painting, flooring, landscaping and street appeal continue to provide the strongest and quickest return on investment.

Recent slowing market conditions in Cairns have made selective renovation more viable than major redevelopment. This is because the rate of capital growth has moderated compared with previous years. At the same time, construction costs remain elevated. This combination has raised buyer risk and reduced renovation profit margins, meaning buyers and investors are focusing on purchasing well-located properties that provide shorter, more manageable improvement projects.

Renovations generally make sense when the main motivation is personal and not investor-driven. If the renovator is an owner-occupier and likes the suburb they are living in and intends to reside there





Fully renovated homes continue to attract strong buyer demand across the Cairns region.

long term, then the cost factors should not be the primary motivation. However, if there is a need to turn a profit, then the following factors should be considered:

- ▶ The property occupies a desirable location with strong underlying land value;
- ▶ Improvements are predominantly cosmetic;
- ▶ The existing dwelling has functional floor plans and good structural integrity;
- ▶ The renovation brings the dwelling into line with comparable homes in the surrounding neighbourhood;
- ▶ Owners intend to retain the property over the medium to long term, allowing additional capital growth to assist in recovering renovation expenditure.

Overcapitalising remains a significant risk, particularly within lower and middle-priced suburbs where there is a ceiling on achievable sale prices.

Fully renovated homes continue to attract strong buyer demand across the Cairns region.

Many purchasers, particularly owner-occupiers, are willing to pay a premium for properties requiring little or no immediate work. This reflects ongoing concerns regarding renovation costs, availability of trades and the inconvenience associated with completing building works after purchase.

Professionally renovated homes that present well and are priced appropriately often sell more quickly than comparable unrenovated properties.

There remains a noticeable price premium between renovated and unrenovated homes, however that gap has narrowed slightly over recent months as construction costs have stabilised and buyers have become more value-conscious. While buyers continue to pay for quality finishes and presentation, they are increasingly unwilling to pay excessive premiums that exceed replacement value.

A recent example of an unrenovated home is 34 Montrose Avenue, Edge Hill. This property sold at auction and is currently under contract for \$857,000. It comprises a circa 1987, onground, detached, rendered masonry and Colorbond dwelling that provides four-bedroom and two-bathroom accommodation with a patio and a two-car built-in garage. The living area is 188 square metres with an outdoor area of 61 square metres and car space of 46 square metres. Features include high raked ceilings to the living area. The residence had no internal fitout, with some floor coverings in part. Ancillary improvements include a Pebblecrete in-ground swimming pool. It is situated on an 800 square metre lot in a highly regarded location.



34 Montrose Avenue, Edge Hill

Source: Cotality



34 Montrose Avenue, Edge Hill

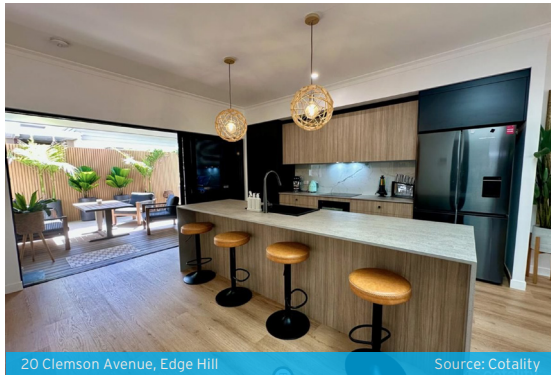
Source: Cotality

An example of something renovated is 20 Clemson Avenue, Edge Hill. This property comprises a circa 2019, onground, detached, modern, Hardiplank and Colorbond dwelling that provides four-bedroom and three-bathroom accommodation with a two-car carport. The main home has three bedrooms and two bathrooms with kitchen, lounge and dining and there is an attached granny flat with one bedroom, bathroom, kitchen and living area. The total living area is 162 square metres with outdoor area of 34 square metres and land area of 405 square metres. The property sold in April 2025 for \$825,000 and then resold in April 2026 for \$1.52 million. Completed in 2019, the owners



20 Clemson Avenue, Edge Hill

Source: Cotality



20 Clemson Avenue, Edge Hill

Source: Cotality

opted to give it a major refurbishment and upgrade including new quality hybrid timber flooring and a new kitchen. Also installed were 13.2 kw solar and 13.5kw TESLA Battery and EV wall charger, new two-car carport, new linen cupboard, outdoor kitchen cabinetry and new eco-decking. The resale incurred in a rising market and appeared to show significant profit.

Overall, the Cairns market continues to reward well-presented, renovated homes in desirable locations. While opportunities remain to flip unrenovated properties, success increasingly depends on astute acquisition, careful cost and timeline management and ensuring improvements are appropriate for the property's location and target market.



Danny Glasson
Director, Residential

Rockhampton

In recent years the Rockhampton region has offered great opportunities for those looking to buy and renovate, otherwise known as flipping. Traditionally the Rockhampton region offers very attractive price points, has a strong local economic status and extremely low vacancy rates which

In recent years the Rockhampton region has offered great opportunities for those looking to buy and renovate, otherwise known as flipping.

provide a favourable combination of factors for attracting flippers from all parts of the country.

However it is now increasingly difficult to acquire homes of this nature due to a combination of rising values, increased construction or renovation costs and the recent budget changes that may likely discourage traditional investors.

Despite these new challenges, for those who are hands-on and capable of completing a large proportion of the work themselves, it remains appealing, however for those who require reliable trades to complete the work, that can be one of the biggest challenges to overcome.

Finding the right property is a key starting point. Most notably it requires a dwelling with good bones where the majority of renovations to be done are of a cosmetic nature such as painting, floor coverings, fencing and landscaping. It is a step up however once we look at new kitchens or bathrooms, layout reconfiguration or extensions which will drive up the cost and complexity.

Completing a project of this nature requires sufficient funds to obviously purchase the property initially but also an allowance for the renovation budget plus a reasonable contingency factor as renovations can often be higher than expected.

Some examples of recently flipped homes are:

- ▶ 37 Card Street, Berserker, QLD, 4701
- ▶ Purchased off market in late January 2026 for \$256,000



37 Card Street, Berserker - before

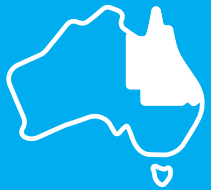
Source: realestate.com.au

- ▶ Renovation - \$90,000 (fresh paint, part new fencing, landscaping, updated kitchen and new floor coverings);
- ▶ Resold in early April 2026 for \$515,000 for a \$169,000 gross profit in under four months.



37 Card Street, Berserker - after

Source: realestate.com.au





37 Card Street, Berserker - after

Source: realestate.com.au

Despite the above example, homes of this nature are now increasingly harder to acquire. As a result, we are starting to see an increase in owner-occupiers completing renovations and upgrades rather than selling and upscaling.

One example recently is an owner-occupier who completed an internal renovation at a cost of \$120,000 which included new internal stairs, two bedrooms, new bathroom and a second living area or rumpus underneath the home, increasing the living area from two bedrooms to four bedrooms. (We note that the ceiling height underneath the home was already sufficient.) The home was initially valued at \$800,000, and the updated valuation came in at \$1.05 million, adding \$130,000 equity. This is in contrast to selling the home for \$800,000 and purchasing a new home for \$1.05 million which would incur a similar transaction cost of over \$100,000 in agent's commission, legal fees and stamp duty. This enables the owners to add equity to their personal place of residence and not have the stress of finding another home in a tightly held location.



Kym Cook
Valuer, Residential

Toowoomba/Darling Downs

Spring has traditionally marked one of the busiest periods on the residential property calendar. As gardens begin to flourish and homes present at their best, many owners turn their attention to renovation projects, whether preparing a property for sale, improving liveability or creating their long-term family home.

For many years, the question facing homeowners was relatively simple: should I renovate? In the second half of 2026 however, the decision has become far more considered.

Across the Toowoomba residential market, buyers and homeowners are increasingly asking not only whether they should renovate, but whether the proposed works represent a sound financial decision. Construction costs, pressure on trade availability, project timeframes and more measured buyer sentiment are all influencing how renovation opportunities are assessed.

Following several years of exceptional growth, the Toowoomba market appears to have entered a more balanced phase. As discussed in our July Month in Review, transaction volumes have moderated, buyer confidence has become more measured, and purchasers are taking slightly longer to make decisions. While activity has eased from the heightened conditions of recent years, there remains little evidence of any widespread decline in residential values. The market has not stopped rewarding quality; it has simply become more considered about what quality looks like.

One of Toowoomba's greatest strengths is the diversity of its housing stock. From traditional Queenslanders and early timber homes to

established brick dwellings, contemporary estates and modern townhouses, there are opportunities to add value across a broad range of price points. What has changed is the way buyers assess those opportunities. Successful renovations are increasingly judged by how well the improvements suit the property, its location and the likely purchaser, rather than by how much has been spent.

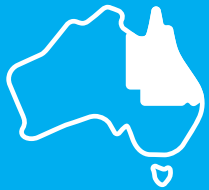
East Toowoomba continues to demonstrate the enduring appeal of quality renovation. Its established streetscapes, quality schooling options, parklands and proximity to the CBD support strong owner-occupier demand, while its character homes offer architectural detail and tightly held positions that cannot be easily replicated in newer estates.

An entry-level renovation opportunity is the sale of 19 Eton Street, East Toowoomba, for \$715,000 in May 2026. The circa 1930 three-bedroom, one-bathroom dwelling comprises approximately 108 square metres of living on a 551-square-metre allotment. Presented in dated condition, it offered scope to renovate or restore a character home within one of Toowoomba's most desirable residential locations.



19 Eton Street, East Toowoomba

Source: Cotality





19 Eton Street, East Toowoomba

Source: Cotality



19 Eton Street, East Toowoomba

Source: Cotality



19 Eton Street, East Toowoomba

Source: Cotality

evolved. The market is increasingly driven by long-term owner-occupiers seeking to create a family home, rather than speculative renovators pursuing a quick return. As a result, renovations that retain the original character of a dwelling while improving its functionality and liveability continue to attract interest.

A standout example is 2 Joffre Street, East Toowoomba, which sold for \$2.55 million in March 2026 following an extensive renovation and extension. The property had previously transacted in May 2021 for \$620,000 in largely original and dated condition. The increase reflects both the considerable capital invested in the renovation and the strong appreciation experienced across the broader Toowoomba market over the intervening five years. Nevertheless, the sale highlights the premium buyers continue to place on thoughtfully renovated character homes in tightly held locations. The works aligned the property with the expectations of today's owner-occupier market, successfully combining heritage character with contemporary family living.



2 Joffre Street, East Toowoomba unrenovated in May 2021

Source: Cotality



2 Joffre Street, East Toowoomba unrenovated in May 2021

Source: Cotality



2 Joffre Street, East Toowoomba unrenovated in May 2021

Source: Cotality

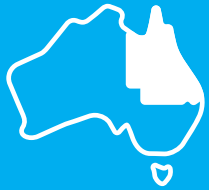


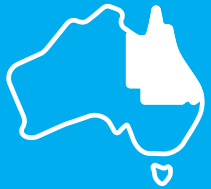
2 Joffre Street, East Toowoomba unrenovated in May 2021

Source: Cotality

While buyers remain prepared to take on renovation projects, the purchaser profile has

Renovations that retain the original character of a dwelling while improving its functionality and liveability continue to attract interest.





2 Joffre Street, East Toowoomba recently renovated and sold Source: Cotality



2 Joffre Street, East Toowoomba recently renovated and sold Source: Cotality



2 Joffre Street, East Toowoomba recently renovated and sold Source: Cotality



2 Joffre Street, East Toowoomba recently renovated and sold Source: Cotality

Not every successful renovation requires a blue-chip address. Strong value-adding opportunities also exist within Toowoomba's established brick and timber housing stock. Harristown, Newtown, South Toowoomba, Centenary Heights and Kearneys Spring contain many homes constructed during the 1960s, 1970s and 1980s that remain serviceable but require updating.

These properties can represent sensible renovation opportunities where purchasers focus on practical improvements rather than costly extensions or substantial structural alterations. Updated kitchens and bathrooms, flooring, fresh paint, landscaping and functional outdoor areas can improve presentation and liveability while generally carrying less risk, shorter timeframes and lower holding costs than more extensive projects.

Functionality is also becoming increasingly important. Home offices, open-plan living, energy efficiency, additional storage and practical outdoor entertaining spaces can be just as influential as premium finishes.

An achievable renovation example is 27 Obst Street, Harristown, which sold for \$789,000 in March 2026 after previously transacting for \$435,000 in April 2024. At the time of the earlier

sale, the three-bedroom home was marketed as offering good bones and scope for cosmetic improvement. It was subsequently updated (updated bathroom, kitchen, floor coverings, painting etc) and presented to the market as a completed, move-in-ready home.

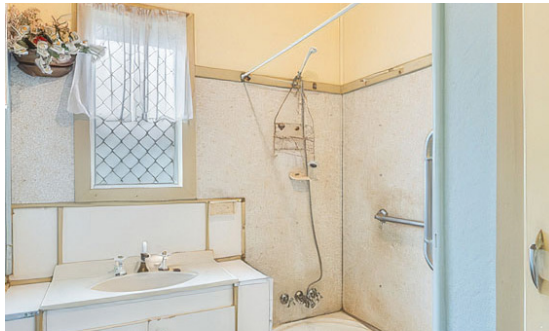
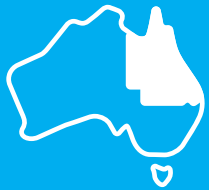
While the increase in value also reflects the strong appreciation experienced across Harristown and the broader Toowoomba market during this period, the resale demonstrates how well-directed improvements can strengthen presentation and purchaser appeal without requiring a prestige location or substantial extension.



27 Obst Street, Harristown unrenovated in April 2024 Source: Cotality



27 Obst Street, Harristown unrenovated in April 2024 Source: Cotality



27 Obst Street, Harristown unrenovated in April 2024 Source: Cotality



27 Obst Street, Harristown renovated in March 2026 Source: Cotality



14 Binns Street, South Toowoomba, unrenovated in December 2023 Source: Cotality



27 Obst Street, Harristown renovated in March 2026 Source: Cotality



27 Obst Street, Harristown renovated in March 2026 Source: Cotality



14 Binns Street, South Toowoomba, unrenovated in December 2023 Source: Cotality



27 Obst Street, Harristown renovated in March 2026 Source: Cotality

For a more substantial middle-market example, 14 Binns Street, South Toowoomba sold for \$370,000 in December 2023 and resold for \$1.125 million in April 2026 after being marketed for offers over \$1.05 million. The property backs onto the Toowoomba Golf Course and underwent a substantial transformation between sales.

Again, the movement in value should not be attributed solely to the renovation, given broader market growth and the capital invested. However, the resale demonstrates that buyers will reward a finished product that improves the property's functionality, presentation and overall appeal.



14 Binns Street, South Toowoomba, unrenovated in December 2023 Source: Cotality



14 Binns Street, South Toowoomba, recently

Source: Cotality



14 Binns Street, South Toowoomba, recently

Source: Cotality



14 Binns Street, South Toowoomba, recently

Source: Cotality

This example demonstrates that meaningful value can still be created outside Toowoomba's

traditional prestige suburbs when the renovation is appropriate for the location and purchaser profile.

Another clear trend is the value buyers place on certainty. While purchasers may once have been comfortable buying an older home and renovating gradually, construction costs, trade availability, project timeframes and economic uncertainty are encouraging more buyers to seek homes where the major work has already been completed.

Buyers remain willing to renovate where they can clearly identify the value being created. Equally, many are prepared to purchase a fully completed or renovated property to avoid the disruption, cost escalation and project management associated with substantial works. In many cases, they are purchasing convenience and confidence as much as the property itself.

Renovation opportunities are also available in older units and townhouses within established locations throughout the Toowoomba region. Improvements to kitchens, bathrooms, flooring, paint and lighting can enhance owner-occupier and tenant appeal without the financial commitment of a full dwelling renovation. However, body corporate requirements, common property limitations and the standard of the surrounding complex must be considered to avoid overcapitalisation.

One example is 1/43 James Street, East Toowoomba, which sold for \$490,000 in February 2026 after previously transacting for \$270,000 in February 2024. The kitchen and bathroom had already been updated at the time of the earlier

sale, with further improvements including new floor coverings and internal painting completed prior to the resale. While the increase in value also reflects the significant growth experienced across Toowoomba's unit market during this period, the sale demonstrates how relatively modest improvements can enhance presentation and buyer appeal, particularly when the property benefits from a convenient location close to the CBD, St Vincent's Hospital and St Joseph's College.



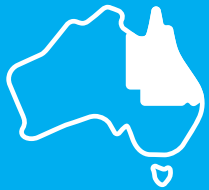
1/43 James Street, East Toowoomba

Source: Cotality

For purchasers who do not wish to renovate, the Toowoomba market still offers modern or recently completed homes requiring little or no additional work. Newer estates across Toowoomba and surrounding localities provide an alternative for those who prefer to avoid the expense, disruption and time involved in managing a project.

These homes often offer contemporary layouts, modern kitchens and bathrooms, energy-efficient inclusions and established outdoor living areas. Purchasers may compromise on land size, mature

For purchasers who do not wish to renovate, the Toowoomba market still offers modern or recently completed homes requiring little or no additional work.



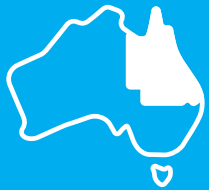
landscaping or the character of older suburbs, but many are willing to make that trade-off for a home they can enjoy immediately.

So, does renovating still make sense? Yes, but the margin for error is narrower. The strongest projects begin with buying well, understanding the local market and undertaking improvements suited to both the property and its neighbourhood. For owners renovating a long-term family home, the return may also be measured in comfort and future use rather than resale value alone. For investors and renovators seeking a profit, purchase price, construction and holding costs, likely end value and the risk of overcapitalisation require much closer attention.

Renovation remains a viable way to create value across Toowoomba, but it is no longer a simple bet on a rising market. The best projects spend selectively, solve the right problems and deliver what the next purchaser values. In the second half of 2026, success is less about transformation for its own sake and more about judgement and knowing what to improve, what to leave alone and when a completed home may be the better buy.



Marissa Griffin
Director, Residential



South Australia - Residential 2026

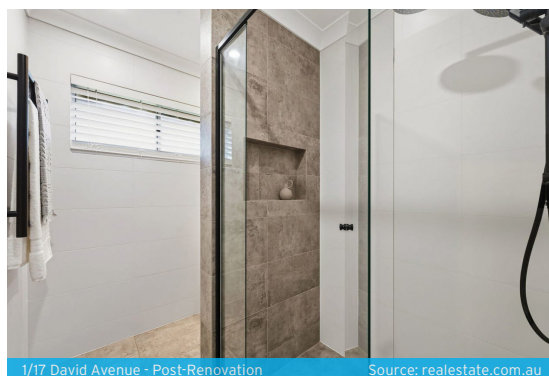
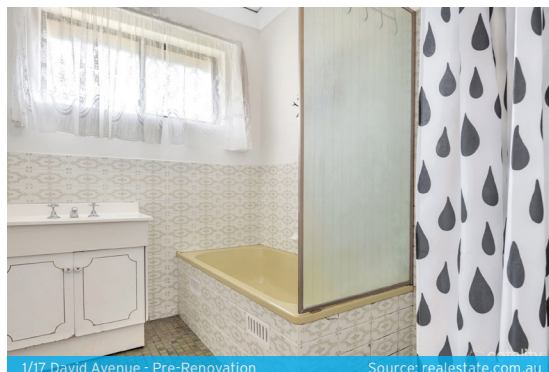
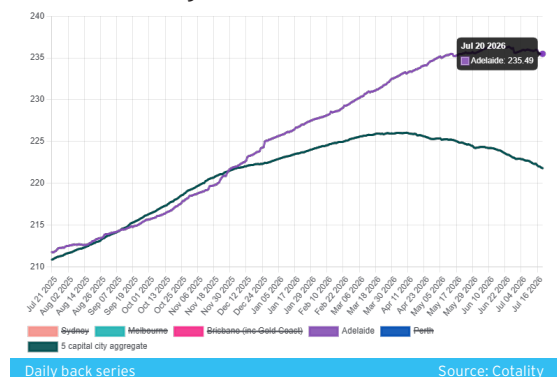
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Adelaide

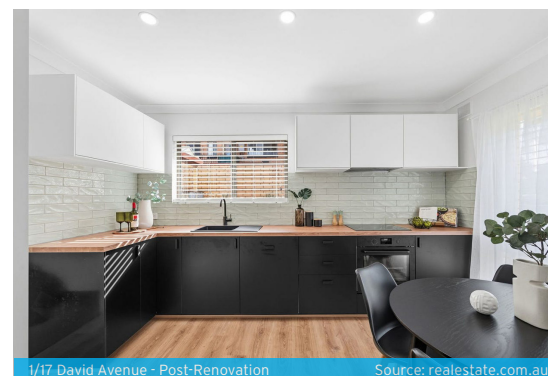
Crossing the halfway point in 2026, winter has well and truly set in. Property owners may have recently looked to carry out some works on their homes if they're thinking of hitting the market in the spring and summer months. Whether this includes cosmetic changes like a fresh coat of paint, a floor polish, or lighting upgrades, or more substantial renovations to kitchens and wet areas, sellers will be hoping this draws a bigger crowd and helps their home stand out from the rest.

With a combination of economic, political and global tensions, the Adelaide property market appears to have plateaued across the past few months. Barely a day goes by without media coverage on the cost-of-living pressures facing most Australians or the geopolitical tensions in the Middle East. Cotality's daily back series, a measure of overall dwelling values, indicates a five-capital city average that has fallen marginally since April, whilst growth in Adelaide has stagnated.



With rising construction costs, home renovations have become more expensive. This may have buyers turning away from project properties that require significant refurbishment or renovation and instead search for something where the work has already been completed.

A prime example is 1/17 David Avenue, Glenelg North. The west side unit previously sold back in March 2020 for a mere \$300,000 - a well-



timed purchase in a property market that went on to record six years of significant growth, with realestate.com.au highlighting an Adelaide property market with median prices up a staggering 85 per cent in the past five years. The two-bedroom, one-bathroom unit features an updated kitchen and bathroom, new floors and a fresh coat of paint throughout, recently selling for \$680,000 to return the vendor \$380,000 on top of their initial investment.

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A recent renovation that sold just above the current median price point in Greater Adelaide is 15 Johnson Court, Golden Grove. Pre-



15 Johnson Court - Pre-Renovation Source: realestate.com.au



15 Johnson Court - Pre-Renovation Source: realestate.com.au



1 Springbank Road - Pre-Renovation Source: realestate.com.au

renovation, the property sold for \$506,000 back in December 2021, another well-timed purchase with the owners setting it up to test the market



15 Johnson Court - Pre-Renovation Source: realestate.com.au



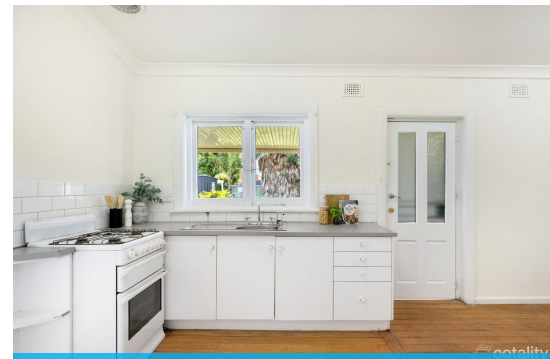
15 Johnson Court - Pre-Renovation Source: realestate.com.au



1 Springbank Road - Post-Renovation Source: realestate.com.au

4.5 years later in June of this year. 15 Johnson Court sold for \$1.078 million in June through Harris Real Estate after undergoing a significant renovation across the kitchen and living spaces to incorporate a more open-plan layout, as well as updating bedrooms, bathrooms, and the addition of an entertaining area and in-ground swimming pool.

Another renovation project that has recently tested the market is 1 Springbank Road, Colonel Light Gardens. The property underwent significant renovation works on a relatively short turnaround. Initially sold in January 2024 for \$750,000, the home is now virtually unrecognisable, featuring



1 Springbank Road - Pre-Renovation Source: realestate.com.au



1 Springbank Road - Post-Renovation Source: realestate.com.au

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24 Marion Street - Frontage Source: realestate.com.au



24 Marion Street - Kitchen Source: realestate.com.au

substantial additions across the kitchen and living space, completely new bathrooms, refreshed bedrooms and extensive landscaping. The property recently sold for an undisclosed amount, after being listed for \$1.7 million to \$1.8 million through Ray White Burnside.

There are opportunities on the market for budding and experienced renovators. One of the more substantial projects is 24 Marion Street, Adelaide. The one-bedroom maisonette in the south-eastern corner of the CBD recently sold at auction for \$570,000 through Williams Real Estate and the Public Trustee. The heritage-listed home is in need of some significant TLC with an extensive



43 Tewkesbury Street - Frontage Source: realestate.com.au



43 Tewkesbury Street - Kitchen Source: realestate.com.au

restoration project ahead for the purchaser, despite the size of the dwelling.

43 Tewkesbury Street, Cheltenham sold in June for \$765,500. The 521 square metre corner allotment features an original workman's cottage in need of some significant restoration. Situated 11 kilometres north-west of the CBD and close to public transport links and local amenities, the purchaser can make the most of the existing floorplan, high ceilings and character features, with room for significant extensions to the original dwelling.

While softening growth rates and persistent high construction costs have reduced profit margins for speculative flips, the Adelaide market continues to

demonstrate a clear price premium for move-in-ready, fully renovated homes. Today's renovators need to be wary of trade delays, material inflation and rising living expenses, with buyers increasingly willing to pay a premium to avoid undertaking major works themselves.

For vendors and buyers alike, success in late 2026 relies heavily on strategy, location and scope. High-end updates in blue-chip or well-connected suburban pockets continue to yield strong returns. Conversely, entry-level project properties or heritage restorations require precise budgeting and long-term vision to offset elevated build costs.



Nick Smerdon
Valuer, Residential

Western Australia - Residential 2026

Perth and regionals

This month, we turn our attention to the renovation market around Western Australia to analyse how unrenovated homes are performing against those that have had a bit of spit and polish and those that have had extensive renovation works completed.

Unlike the hyper-competitive seller's market of recent years when buyers absorbed properties regardless of their condition, buyers now have more options to choose from and more time to make the right decision and complete their due diligence. Some of the superficial renovation works we have seen in previous years may not cut the mustard any more, as vendors work harder to secure an optimal price.

We start our discussion in the Perth metropolitan area, where intense FOMO activity has moderated over the past few months. Current demand is predominantly driven by owner-occupiers prioritising long-term lifestyle and equity creation rather than speculative investors chasing capital gains and weakening yields.

A pronounced value gap persists between original and turnkey properties, primarily fueled by ongoing friction within the construction sector. Elevated building costs, extended trade delays and the complexity of project management have

led many purchasers to forgo the DIY route entirely, demonstrating a clear willingness to pay a premium for fully completed homes. Under present conditions, executing a renovation remains viable, though profitability is heavily contingent on location and property footprint. Established, highly desirable precincts, particularly blue-chip coastal strips and inner-ring corridors, offer the safest runway for capital appreciation and margin protection, as discerning owner-occupiers reward high-standard finishes. Conversely, feasibility drops significantly in outer-ring suburbs, small unit developments, and entry-level price brackets, where rigid local affordability ceilings heighten the risk of overcapitalisation.

Across Perth's southern suburbs, the residential renovation and infill landscape is defined by a clear distinction between high-demand educational corridors and coastal-fringe redevelopment zones. In established hubs such as Winthrop, Bull Creek, Leeming and Willetton, strong market activity is anchored by premier public school catchments, where unrenovated 1980s and 1990s homes around the \$1.5 million mark represent the primary entry point for families seeking location without paying the \$2 million-plus premium required for fully modernised properties. Elevated trade and material costs have created a significant value gap, driving

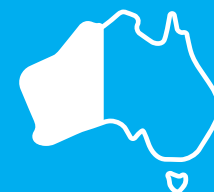
risk-averse buyers toward turnkey stock while prompting others to purchase original dwellings and upgrade them incrementally over time, or to undertake flip projects to satisfy demand for sought-after products.

We commence our exploration in the inner southern suburb of Bull Creek, which is highly sought after for school catchment zones and its proximity to train lines and the freeway. 33 Bass Road sold in May 2025 for \$1.52 million when it featured an original, 1970s-built four-bedroom, one-bathroom dwelling on a 1083 square metre allotment.

The buyers then did a full internal and external renovation of the dwelling and subdivided the property, selling off the house in March 2026 on a now much smaller 603 square metre allotment for \$1.588 million whilst retaining a highly desirable 480 square metre lot in a prime location.

Further west in suburbs like Coolbellup, Spearwood and Hamilton Hill, strategy pivots toward urban infill and lot subdivision. A highly effective model involves acquiring original 1970s dwellings on large land parcels, modernising the existing house and severing or developing the rear lot. A renovated front home on a reduced lot size often realises a price point comparable to an unrenovated dwelling

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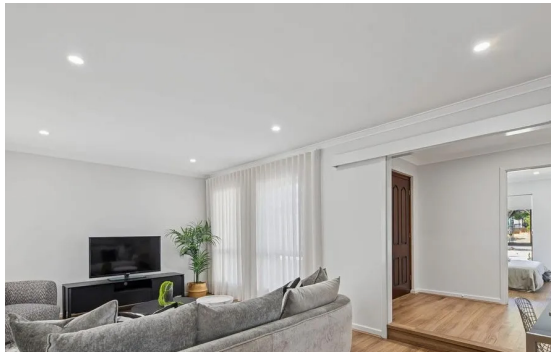
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Elevated building costs, extended trade delays and the complexity of project management have led many purchasers to forgo the DIY route entirely, demonstrating a clear willingness to pay a premium for fully completed homes.



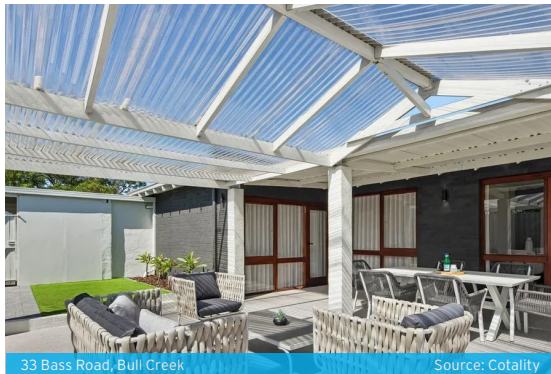
33 Bass Road, Bull Creek

Source: Cotality



33 Bass Road, Bull Creek

Source: Cotality



33 Bass Road, Bull Creek

Source: Cotality

on a full block. Across both markets, buyer profiles are dominated by owner-occupiers, including local upgraders, downsizers seeking high-end finishes on

manageable blocks and first homebuyers driving competitive demand for renovated properties under the \$850,000 threshold.

The prestige market in Perth continues to show resilience in the midst of geopolitical instability, sustained inflation, cash rate increases and recent federal budget changes. There appears to be sustained demand for good quality, well-presented properties and buyers are happy to pay to walk into a well-presented home.



23 Dunrossil Street, Wembley Downs

Source: Cotality

One example is this property on Dunrossil Street, Wembley Downs. The property was purchased in December 2025 for \$1.885 million with the improvements presenting in original condition. Fast forward to May 2026, and a spectacular transformation has occurred, including a full renovation and repositioning of outdoor amenities. The property transacted for \$2.935 million. The renovators went all out, reinventing a tired property and repositioning its price point in the market.

Another example within the prestige areas of Perth can be found in the coastal haven of City Beach. This property on Boscombe Avenue was purchased in original condition in March 2025 for \$2.525 million before undergoing a remarkable



3 Boscombe Avenue, City Beach

Source: Cotality



3 Boscombe Avenue, City Beach

Source: Cotality

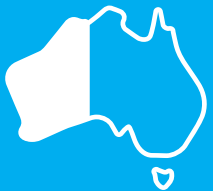
renovation that highlighted its 1950s architecture and style, but with a coastal vibe. The renovation was a success, with the property transacting again in February 2026 for \$4.72 million.

Heading south into the Peel region, the Mandurah area has long been the litmus test for wider market sentiment, particularly coming out of strong market conditions. The area offers a wide range of properties for all budgets and market segments, but can be price- and affordability-sensitive. However, not dissimilar to previous examples, there are properties ripe for renovation and a market prepared to pay for a well-presented property.

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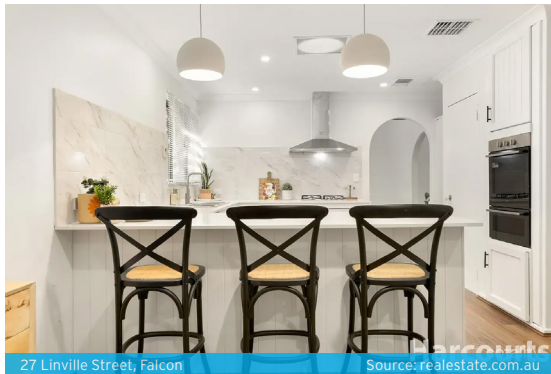


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27 Linville Street, Falcon

Source: realestate.com.au



27 Linville Street, Falcon

Source: realestate.com.au

This property in Linville Street, Falcon features a large five-bedroom, two-bathroom house constructed over two levels. It's safe to say that when it was purchased in October 2025 for \$740,000, it wasn't the most attractive house on the street, but it had good bones and a generous floor plan to work with.

Fast forward to May this year, and the property has undergone a savvy renovation that has transformed it into something far more desirable, resulting in a sale price of \$1.217 million.

Geraldton has been targeted by various market segments over the past four years and has been one of Australia's hottest property markets.

Growth rates of 50 per cent have been recorded in multiple suburbs year on year, although it's worth noting that many of these areas were coming off a very low base and often consisted of very modest housing stock.

In previous articles, we have flagged the risk to investors buying properties in Geraldton without viewing them firsthand. We have seen many examples in the past few years of very modest properties being purchased and then receiving a very basic upgrade which could be as simple as painting every surface white. The word renovation doesn't really suit this level of work, however, that terminology has been used ad nauseam.



34 Lawley Street, Spalding

Source: Cotality



34 Lawley Street, Spalding

Source: Cotality

Naturally, there are also examples of what can be achieved through proper renovation, such as the property at 34 Lawley Street, Spalding. The property was purchased in January 2025 for \$145,000 before the owners spent time updating the bathrooms, kitchen, floor coverings and outdoor areas. Their efforts resulted in a sale in March 2026 for \$530,000.



134 Abraham Street, Karloo

Source: Cotality

Similarly, 134 Abraham Street, Karloo was purchased for \$140,000 in June 2025. The owners completed a partial renovation which included a new kitchen, upgrades to the bathroom and numerous other works. They resold the property in March 2026 for \$470,000.

Similar examples can be found in the south-west region of Western Australia. A particular example that caught our attention is in the inland town of Collie, a town that has been faced with various challenges as it reimagines itself from a mining town to something different. Collie is situated circa 60 kilometres inland from the regional city of Bunbury and retains its historic charm. The property at 28 Hutton Street was purchased in October 2025 for \$310,000 before undergoing a relatively simple renovation and being on-sold for \$550,000 in April 2026.



28 Hutton Street, Collie Source: Cotality



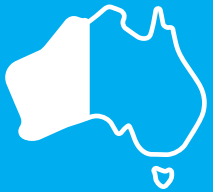
28 Hutton Street, Collie Source: Cotality

Many of the examples shown in this article are likely inflated by rising market conditions between the interior and secondary sale, however the quantum of price increase indicates a fair profit margin has been possible.

The test moving forward will be whether the renovation adds significant value in many of these locations or is it the means to the end of making a property stand out in a market where listings are rising week on week.



Chris Hinchliffe
Director, Residential



Northern Territory - Residential 2026

Darwin

The Darwin market has seen an extension of strong conditions since 2024, with strong capital growth across the region and limited stock availability. The market has seen a range of buyers from local owner-occupiers, interstate investors and local investors.

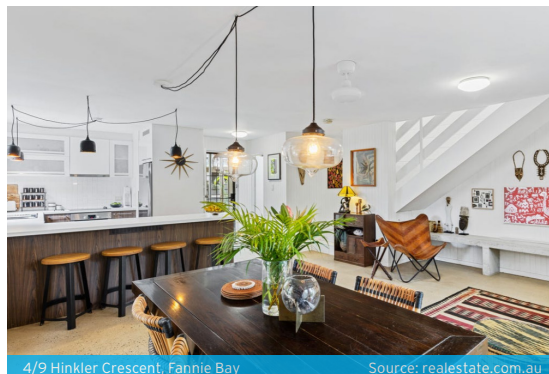
Investors have typically preferred turnkey properties, however with such limited stock levels, properties with minor works are still appealing. Some small changes are seen as enough to lease a property when the rental market is strong.

Buyers in the Darwin market generally favour turnkey and renovated properties as opposed to older style dwellings or incomplete works. There has been a shift away from the traditional strategy of buying the worst house on the best street to renovate, with many buyers now willing to pay extra for a home that doesn't have the never-ending list of things to fix. This preference is influenced by the restrictions of a regional location where materials are costly and skilled trades are also limited and costly, resulting in high construction and renovation costs. In addition to this, the wet season conditions limit time availability for external works or extensions. Despite these challenges, for those who possess the right skills or are willing to manage a project, there remains strong potential for both capital gains and to expand and maximise a high rental income through a renovation.

Property renovations can certainly increase a property's market value, particularly in preferred locations where land values demonstrate stable

capital growth. In such areas of Darwin such as suburbs across inner Darwin and northern coastal areas, owner-occupier buyers pay premiums for modern, turnkey dwellings in the suburbs they know and love.

For units, a cosmetic renovation can attract a better class of tenant and increase rental yield, making it a solid strategy for investors. Renovated units in sought-after suburbs across inner Darwin and the north coast generally see a premium over those with dated features. For example, a well-renovated, two-bedroom, one-bathroom unit with an inground spa in Fannie Bay sold for \$612,720 in August 2025, whilst a dated, three-bedroom, one-bathroom unit with a plunge pool sold for \$565,000 on the same day.



4/9 Hinkler Crescent, Fannie Bay

Source: realestate.com.au

The market has seen some increased demand recently for the doer-upper types where local tradespeople or syndicate-style buyers seek this stock to flip and sell, or owner-occupy. Demand has also been fueled by undersupply of housing after

strong market growth in the area, making these properties a more accessible entry point into the market. 15 Bailey Circuit, Driver sold in May 2026 for \$397,000 at auction with multiple bidders, demonstrating strong demand for a property with major works required.



15 Bailey Circuit, Driver

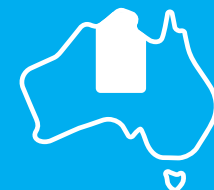
Source: realestate.com.au

Ultimately, if an owner is prepared to take on the stress and risk of a renovation, it can be a great income provider or achieve strong capital growth in our strong market. As always, there can be a risk of overcapitalisation by spending more than the market is willing to pay, and this is especially true in Darwin where renovations and extensions can be costly.



Megan Cornish
Valuer, Residential

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August 2026



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Australian Capital Territory - Residential 2026

Month in Review
August 2026



Canberra

The Canberra property market has been cooling throughout the first half of 2026. We are seeing auction clearance rates hovering around 50 per cent, reflecting a strong buyer's market. In recent months, we have seen significant changes to government policy and heightened economic pressures, both of which are affecting affordability.

As this cooling phase continues, let's discuss renovation opportunities.

In the suburb of Waramanga in Canberra's Weston Creek district, the median house price is \$942,500.

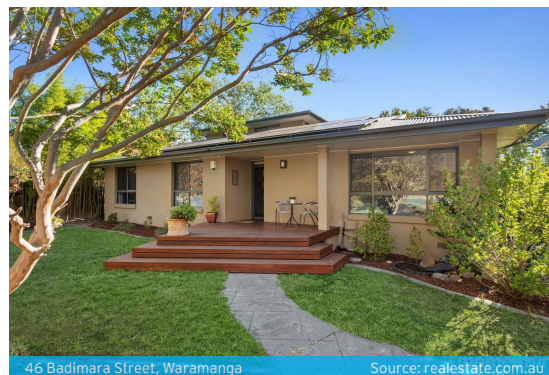
In June 2026, 12 Nangor Street, Waramanga sold under the hammer for \$790,000. The property is an original 1970s three-bedroom, two-bathroom brick home, presenting plenty of opportunity to profit from a renovation while the market is less competitive.



In April 2026, 46 Badimara Street, Waramanga, a fully renovated 1970s four-bedroom, two-bathroom

We are seeing auction clearance rates hovering around 50 per cent, reflecting a strong buyer's market.

brick home, sold for \$1.46 million. This sale price demonstrates that buyers are still willing to pay a premium for a fully renovated, turnkey property.



High renovation costs can make house flipping less viable. It is important for investors to do their research, factoring in elevated construction, labour and material costs when assessing a project's feasibility.

Let's explore some various types of renovations.

First up there's structural renovation. Before commencing any renovation, it is important to understand the condition of the property. Does it have good structural bones? Re-leveling foundations or replacing an entire roof can be extremely expensive. Where possible, look for a well-maintained home that requires only minor

repairs to foundations, roof maintenance, etc, to bring it up to standard.

Energy efficiency and electrical upgrades should also be considered. Improvements such as double-glazed windows, updated lighting and switchboard upgrades can add value, but it is important to research the available options. The money spent on each improvement should be proportionate to the property's expected end value once all renovations have been completed. Avoid using budget finishes in a high-end renovation, while also ensuring not to overcapitalise by installing premium products where the local market will not pay a premium sale price for these additions.

Structural alterations can also improve a home's layout and functionality. Consider repositioning living areas to take advantage of a northern orientation or removing load-bearing walls (where structurally appropriate) to create more open-plan living spaces. It's important to bring the floor plan up to today's modern standards and appeal to the broader market.

Then there are cosmetic renovations. Which cosmetic renovations deliver the greatest return? That depends largely on your budget. Replacing floor coverings and giving the interior a fresh coat of paint remain among the most cost-effective cosmetic improvements.



Larger investments, such as kitchen and bathroom renovations, are also important. If the existing layout is functional and you can retain a similar footprint, this will help minimise renovation costs. Gone are the days of narrow kitchen cupboards and limited bench space. Modern kitchens should occupy a larger portion of the home, seamlessly connecting with the living area to create an inviting space for family and entertaining.

Replacing window furnishings, updating wardrobes and upgrading door hardware can also modernise a property. A neutral colour palette will appeal to a broader range of buyers and further enhance the home's presentation.

Landscaping should not be overlooked. Well-designed outdoor spaces can significantly improve the flow, functionality and street appeal of a property, making them an important consideration within the renovation budget.

However, every renovation reaches a point where additional spending no longer adds sufficient value. Knowing when to stop is just as important as knowing where to invest.

Understand your target buyer and establish a realistic renovation budget, taking into account rising labour and material costs. Every dollar invested should be proportionate to the property's anticipated end value once the renovation is complete. Careful planning and disciplined spending are key to maximising your return on investment.



Michelle Akhmediev
Director

Tasmania - Residential 2026

Hobart and regionals

With the Tasmanian median house price up about nine per cent in 12 months, market activity varies across regions, with some outperforming others.

Hobart's highest statewide median price of \$770,000 (a five per cent annual increase) is dampening rental yields for investors. Whilst Hobart offers the amenities of a capital city, buyers, particularly investors, are currently focused on regional centres in Tasmania, where the trade-off for a capital city location is higher yields and relatively lower property prices.

The north-west coast has recorded a resilient quarter of growth, defying the mainland capital city trend of contraction and pushing property values to an all-time high. Investor activity within the region remains strong, particularly in the sub-\$650,000 bracket, where typical detached housing consistently returns gross yields five to 5.5 per cent. Rental demand remains strong, with typical vacancy rates sitting somewhere between one and two per cent.

Both local and interstate buyers are exploring the market, weighing a fully renovated property against a potential renovation project.

The market for unrenovated homes or structural fixer-uppers remains challenging for traditional owner-occupiers. High interest rates have compressed borrowing power, leaving buyers with tighter cash reserves following purchase. Additionally, the local construction industry is still



Both local and interstate buyers are exploring the market, weighing a fully renovated property against a potential renovation project.

impacted by elevated trade costs and limited skilled labour.

Despite this, it remains financially viable to complete short-turnaround, cosmetic renovations and on-sell to the large pool of investors looking to enter the north-west market.

Manufacturing equity through a renovation remains viable under strict parameters. This includes cosmetic rather than structural renovations. Projects focusing purely on kitchens, bathrooms, floor coverings and paint are desirable, whereas structural issues can erode margins significantly.

Renovations can also help improve yield. With regional rental vacancies still exceptionally low and weekly rents averaging \$475, cosmetic refreshes that lift a property attract premium tenant demand.

Also, renovations make good sense in high-demand coastal fringes or rapidly developing employment corridors supported by major local infrastructure projects.

The market for fully renovated homes is highly active. Pricing differences between original and fully updated properties remain significant (typically in the mid-\$200,000s) because buyers are willing to pay a substantial premium to avoid the stress of building. The primary buyers driving this segment include interstate investors, interstate

lifestyle relocators, time-poor local professionals and downsizers prioritising immediate, hassle-free occupancy.

Looking at property types, three- to four-bedroom houses remain the primary target for manufacturing equity. Regional houses hold a stronger long-term demand base, particularly in established areas. Units offer a highly viable, lower-risk entry point for quick cosmetic turnarounds because of their smaller footprint and lower structural exposure.

Some primary hot spots in the state's north-west are typically the main centres such as Devonport and Burnie, however you can also achieve good results in regional towns such as Sheffield, Ulverstone and Somerset. Demand is high in the north-west for properties under \$650,000, with buyers not discriminating against properties that need renovation, as the majority can be tenanted in their original condition at a lower rent.

Whilst it is becoming harder to secure a property under \$400,000 in these areas, the opportunity still exists to purchase a renovation prospect, such as the following:

7 Bass Highway, Round Hill

- **Purchase Price:** \$235,000 (15 October 2025)
- **The Project:** A renovator's delight in need of

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RESIDENTIAL

plasterwork, a new bathroom and general maintenance and cosmetic updates. The property appeared to be in average external condition, with no known structural defects.

24 Cabot Street, Acton

► *Purchase Price:* \$302,786 (16 March 2026)

► *The Project:* This property needs a façade upgrade and internal cosmetic renovations, including a new kitchen and bathroom.

51 Belton Street, Acton

► *Purchase Price:* \$375,000 (5 August, 2025)

► *The Project:* While this home required an external façade upgrade and a new kitchen, it had the added bonus of an existing brand-new bathroom, reducing some of the overall renovation cost.

Renovated homes in these areas can achieve post-renovation prices in the mid- to high-\$400,000 range in Round Hill, through to the mid-\$550,000 to \$600,000 range in Acton.

Here are a few actual property renovations completed in 2025 and 2026 that highlight the exact financial spreads and timeframes achievable through short-turnaround renovations on the north-west coast:

3 Soutar Street, Devonport

► *Original / Purchase Price:* \$315,000 (24 April 2025)

► *Renovated / Post-Transformation Sale:* \$580,000 (3 October 2025)

► *The Project:* A rapid six-month turnaround converting a dated 1966 three-bedroom former social housing property. Renovations completed included new exterior cladding, a new roof, a new kitchen and bathroom and the addition of a detached double garage.



3 Soutar Street, Devonport - before

Source: Herron Todd White



3 Soutar Street, Devonport - before

Source: realestate.com.au



3 Soutar Street, Devonport - after

Source: Herron Todd White



3 Soutar Street, Devonport - after

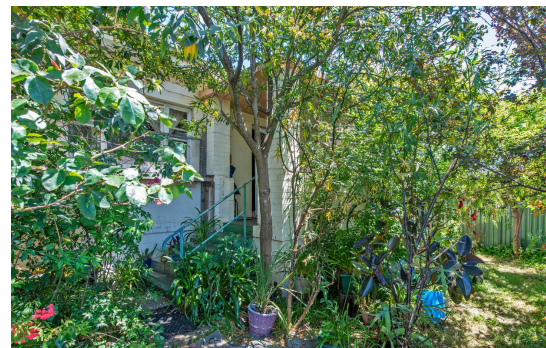
Source: Herron Todd White

10 Hull Street, Wivenhoe (Burnie)

► *Original / Purchase Price:* \$250,000 (1 April 2023)

► *Renovated / Post-Transformation Sale:* \$495,000 (8 May 2026)

► *The Project:* A transformation of a 1947 solid brick bungalow that retained high ceilings and ornate cornices while integrating a modern kitchen and new bathroom.



10 Hull Street, Wivenhoe - before

Source: Herron Todd White

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10 Hull Street, Wivenhoe - before Source: Herron Todd White



23 Main Street, Sheffield - before Source: realestate.com.au



23 Main Street, Sheffield - after Source: realestate.com.au



10 Hull Street, Wivenhoe - after Source: Herron Todd White



23 Main Street, Sheffield - before Source: realestate.com.au

41 George Street, Somerset

- Original / Purchase Price: \$420,000 (26 September 2021)
- Renovated / Post-Transformation Sale: \$629,500 (4 June 2026)
- The Project: A premium three-bedroom, two-bathroom finish featuring a professionally installed stone and Tasmanian Oak kitchen, Black Heart Sassafras bathroom vanities and an undercover entertaining deck..



41 George Street, Somerset - before Source: realestate.com.au



23 Main Street, Sheffield - after Source: realestate.com.au

23 Main Street, Sheffield

- Original / Purchase Price: \$290,000 (18 April 2023)
- Renovated / Post-Transformation Sale: \$550,000 (18 March 2026)
- The Project: A 1958 clad home with updated façade, upgraded wiring, renovated kitchen and bathroom, new roofing and a new double garage.



41 George Street, Somerset - before

Source: realestate.com.au



41 George Street, Somerset - after

Source: realestate.com.au



41 George Street, Somerset - after

Source: realestate.com.au

While demand is strongest for renovated homes at the lower end of the market, the middle sector (\$650,000 to \$850,000) also performs well and suits second-home buyers, retirees and downsizers.

Heading into the third quarter of 2026, the north-west market is heavily insulated by its own lack of supply, with current listings down considerably from previous years. While high interest rates and the removal of some government incentives are capping how much local first homebuyers can borrow, the combination of relative affordability, high rental yields, demand from interstate investors and low stock ensures well-priced homes will continue to move quickly.



Carmen Nalder
Valuer, Residential



Australian Grain Cropping

August 2026

New South Wales

The following covers the Northern Tablelands, North West and Liverpool Plains.

The northern cropping belt has moved into a more favourable position following useful winter rainfall after a delayed and uneven autumn break. Winter-crop programs are substantially complete, with wheat, barley and chickpeas comprising the principal plantings. Recent rainfall has improved crop condition and establishment across the better-received areas, however moisture profiles remain less secure throughout parts of the western and northern districts following the preceding dry period.

At this stage, the region is comparatively well-placed within the New South Wales cropping market. The key determinant of final production will be the extent to which current crop potential can be carried through the reproductive period, particularly across lighter soil types and areas with limited stored moisture.

Now for Central Tablelands and Central West.

Central New South Wales presents a more varied outlook. The season commenced dry and the timing and volume of



The market is very selective in its approach to purchase and in conjunction, funding has slowed in line with some of the unknowns from the recent proposed taxation changes.

subsequent rainfall have created a noticeable distinction between districts with established biomass and those where development has been constrained. Most winter crops are now in the ground, although crop vigour and yield potential are not uniform across the region.

The immediate focus for growers is efficient management of production costs and nitrogen requirements against a softer grain-price environment. Where crops have established adequate moisture, an average to modestly above-average result remains achievable. Conversely, late-sown or moisture-constrained crops will have limited capacity to absorb a hot or dry finish.

Grazing conditions across the Tablelands and Central West New South Wales have also improved dramatically with the late seasonal break. This in conjunction with mild winter conditions

has provided a good environment for grass and fodder growth. Most areas now have viable natural

pasture, perennial pastures and grazing fodder crops kicking into gear. The continued stability and climb of the livestock markets is influencing stronger interest in mixed farming and straight grazing operations. The livestock back of the envelope analysis shows the grazing operation budget versus cropping has strong merit. The rise and rise of the wool market is also reinforcing some restocking decisions to include Merinos.

Listings and sales activity have generally slowed across New South Wales. Once again, the market is very selective in its approach to purchase and in conjunction, funding has slowed in line with some of the unknowns from the recent proposed taxation changes. The rural market is steady as she goes.

Turning to the Riverina, Murray, South West Slopes and Plains, Southern Slopes and South East areas.

Southern New South Wales retains the weakest seasonal position of the principal cropping regions. Autumn rainfall was generally insufficient to support timely planting, and while winter rain enabled many crops to establish, it has not restored subsoil reserves to a level consistent with a high

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AUSTRALIAN
GRAIN CROPPING



confidence production outlook. A sustained late winter and spring rainfall pattern will be required to materially improve dryland production expectations.

This subsoil moisture deficit is resulting in stunted canola biomass across the region, capping early yield potential. Consequently, canola is expected to be the most exposed crop in affected districts, with cereal plantings providing a more resilient base to the current cropping program.

Irrigated enterprises remain comparatively insulated from these dry conditions, though the lack of natural rainfall is shifting market behaviour. The dry soil profile has driven an increase in early season activity within the temporary water market as irrigators look to secure water requirements and manage spring production risks ahead of time.

Purchaser demand remains highly selective. A key property currently testing market dynamics is the 5,574 hectare Yarranvale aggregation in the Wakool district, a highly developed irrigation and cropping enterprise. Anticipated to achieve more than \$40 million, this institutional-scale asset incorporates a substantial 7,531 megalitre permanent water portfolio alongside extensive Wakool River frontage.

Now, some overall News South Wales observations.

The July position reflects a clear regional divide across the New South Wales grain sector. Northern New South Wales has the strongest seasonal footing, central New South Wales offers a mixed but workable production outlook, and southern New South Wales remains dependent on a favourable finish to the season.

Global supply conditions and softer export demand have reduced commodity pricing from recent highs, increasing the importance of yield, quality and

disciplined input expenditure in protecting margins. The balance of the season will be particularly influential for dryland land values and leasing sentiment in moisture-constrained areas, while properties in better-watered northern districts are likely to retain the strongest near-term confidence.

Tim Lane
Director

Victorian

Following several favourable seasons, the balance sheets for the vast majority of Victorian dryland cropping farmers remain strong. However, the prospect of further interest rate rises and rising production costs – particularly spikes in diesel and fertilizer prices – have made buyers more price-sensitive. In many instances, buyers are not currently prepared to meet vendor expectations, and selling periods are becoming longer.

Market levels in 2026 illustrate continued stabilisation. Recent industry reports for the 2025 Victorian farmland market showed the median price per hectare remaining steady at \$14,790 per hectare, easing only 0.4 per cent from 2024.

After years of consolidation, properties are increasingly tightly held. The appetite for expansion from larger enterprises has softened, while smaller operators have become more cautious due to volatility in weather, production costs and the broader market. While vendors have resisted moderating their price expectations, limited interest has forced some to lower initial asking prices after extended time on the market. Paired with subdued demand to expand despite favourable livestock prices, 2026 farmland values continue to track below the peaks seen up to early 2024, however sales of smaller parcels across the western region in the first three to four months of 2026 firmed from previous levels. It is expected that

sales activity will likely stay quite low until we get closer to harvest time later in the year.

Across the majority of the Victorian wheatbelt, 2026 has delivered one of the strongest starts in some time. From the Millewa region to Swan Hill, the Mallee grain belt, the Wimmera, and the Western District, crops are well-established with expectations of above-average yields. The good growing conditions have given farmers confidence to apply in-crop fertiliser, despite the elevated cost.

Large areas of higher-value crops, such as canola and lentils, have been sown, particularly in the Wimmera and western districts. While the start is strong, spring rainfall will ultimately determine how much of this potential comes to fruition.



Lentils

Source: Herron Todd White



Canola

Source: Herron Todd White

Month in Review
August 2026



AUSTRALIAN
GRAIN CROPPING

HERRON
TODD
WHITE



Young canola

Source: Herron Todd White

Barley has become a strong demand story, with traditional varieties sown alongside new high-yielding varieties like Neo. Barley exports are up significantly, with China taking the bulk of shipments and tightening old-crop availability. This is likely to benefit this year's barley crop, which currently shows firmer demand than wheat. Wheat exports are also forecast higher and barley exports are anticipated to reach their second-highest level following a record estimate in 2025.

Looking ahead, the primary concern for growers regarding the current season and any expansion plans is the Australian Bureau of Meteorology's mid-June declaration of El Niño conditions. A dry spring and the ever-present risk of frost damage pose a risk to current production prospects and these will be key factors to monitor as the season progresses.



Shane Noonan
Director

Southern Western Australia

The 2026/27 grain growing season for Western Australia's southern agricultural regions began tumultuously. Not only has there been a significant

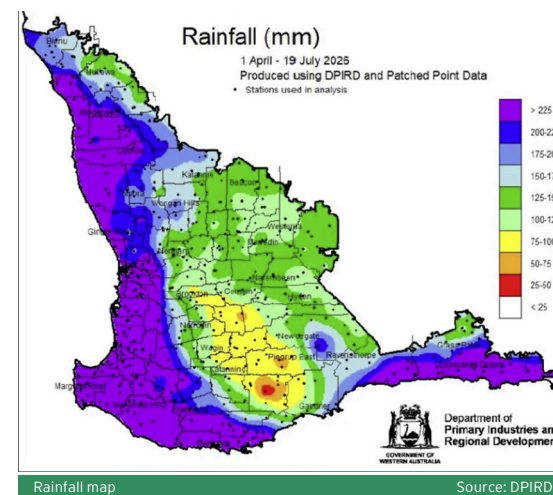
variation in seasonal conditions from month to month, but also been a high degree of uncertainty due to the well-reported increases in input and operating costs caused by the outbreak and escalation of the war in Iran in late February, and concerns around fertiliser availability for post-emergence spraying, as well as inflationary pressures and a subsequent tightening in monetary policy.

After a second consecutive year of very little summer rainfall, tropical Cyclone Mitchell in February and tropical Cyclone Narelle in March brought significant rainfall to large areas across the southern agricultural regions of Western Australia. Early April saw subsequent rainfall events across the south coast, and as a result, sub-soil moisture reserves sat at above-average levels in many areas throughout the state. May, however, was particularly dry, with recorded rainfall up until the end of the month being well below average, until a deep low-pressure system brought timely rainfall across the Western Australia Day long weekend for the south-west region, as well as parts of the wheatbelt and mid-west.

Since the beginning of the season, the overall outlook has shifted to one which is now far more positive with, quite remarkably, the potential for another year of high and possibly record production. There is still trepidation, however, due to international climate models indicating that a hotter and drier spring compared to the average is more likely. These climate models become far more reliable at this time of year compared to late Autumn and early winter.

Since the beginning of the season, the overall outlook has shifted to one which is now far more positive.

Widespread rainfall events and warm growing season conditions to date have resulted in crops that look especially good for this time of year, except in some areas of the eastern wheatbelt as well as the Great Southern north of the Stirling Ranges to Pingrup, which have not received the same level of rainfall as the remainder of the southern agricultural regions.



The Grain Industry Association of Western Australia has recently reported that current production potential is equal to 2025, which eventually recorded a harvest result of 27.35 million tonnes of grain, seeds and pulses. This result saw a new Western Australian record set for the third time in five seasons and a 20 million-plus-tonne crop achieved in four of the past five seasons, however the variance in potential is far greater this year (plus or minus twenty per cent). Most crops

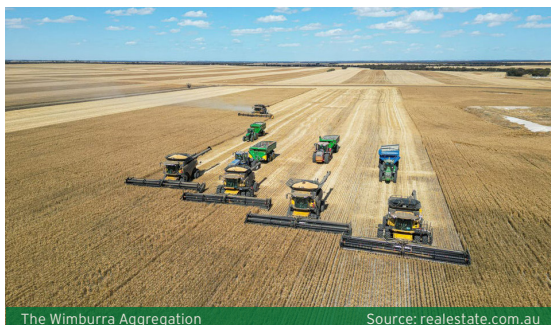
Month in Review August 2026



AUSTRALIAN
GRAIN CROPPING

across the state now have limited subsoil moisture reserves remaining and need further significant rainfall events before temperatures increase throughout spring. Whilst the state's winter crop is generally well set up for another year of high production, there is still the risk that this may not be fulfilled if more rain than forecast doesn't fall. Frost pressure is also likely to be a factor.

The level of demand for cropping properties at the commencement of the selling season in spring, and the subsequent impact on land values, is likely to be influenced more heavily by the finish of the season this year due to the cost side of grower margin equations and little significant short-term upside in wheat price forecasting in particular.



The Wimburra Aggregation

Source: realestate.com.au

Some of the most notable larger-scale landholdings currently listed on the market for sale in Western Australia's southern agricultural regions include:

- Mannavale Holdings, an aggregation of six landholdings totalling circa 11,215 hectares in Pingrup, went out for preliminary interest on 1 May 2026 and is now reportedly under offer.
- The Wimburra Aggregation, an aggregation of three landholdings totalling circa 5527 hectares (circa 3922 hectares arable) in Gnowangerup, is asking for expressions of interest.

- Marchagee Farms, an aggregation of two landholdings totalling circa 5497 hectares (circa 4255 hectares arable) in Marchagee.
- Eraramba, Rainey Plains and Arrowsmith Farm, an aggregation of three landholdings totalling circa 11,288 hectares (circa 9,522 hectares arable) in Arrowsmith East, has just been listed on the market for sale on behalf of the vendors, Perth-based corporate investor PenAgri.



Mitchell Boylan
Valuer

Northern Territory and Kimberley

Sorghum and maize are likely the highest-volume grain crops grown in the Northern Territory and the Kimberley, but they rarely make it to a grain harvest. Instead, they're almost entirely cut for forage or chopped for silage. Most of the crop is concentrated around Katherine, the Douglas Daly and the Ord River Irrigation Area (Kununurra). While predominantly dryland, a fair bit is grown under pivots to help cattle producers fight the region's annual protein drought. Between May and October, native pastures lignify and crash from eight to 12 per cent protein down to under four per cent, making supplementary feed essential.

Aside from forage, true grain crops have never really taken off in the region. A few Douglas Daly farmers run cowpeas under pivot for feed, and mung beans have had brief stints of success, but nothing has truly dominated the landscape. The Peanut Company of Australia gave production of

the humble peanut (not really a grain but often referred to as a grain legume) a serious nudge around Katherine between 2007 and 2011, growing high-quality peanuts under pivot at Taylors Park. Ultimately, the tyranny of distance to major markets impacted the economics, and the company sold the property and headed back to Queensland in 2012.

Cotton, while also technically not a grain, was (and still is... sort of) hoped to become the first major agro-industrial crop for the Territory, with demand for the fibre generally always present and its byproduct seed expected to supply much-needed protein to the local beef industry. However, despite the new WANT cotton gin opening 30 kilometres north of Katherine in 2024, progress with cotton (mostly dryland) has been patchy. The suitability and availability of soils (with required minerals intact) and suitable rainfall is still being worked through. The heavier red loams in the Douglas Daly hold moisture much better for Bollgard 3 cotton than the sandier soils around Katherine, across both dryland and supplementary irrigation. But despite early signs of promise, confidence in dryland cotton seems to be slipping a bit. One major land developer who drove much of the dryland cotton push in the Katherine and Daly Basin is pulling out. Blackbull (14,342 hectares) in the Douglas Daly was recently put up for sale. Blackbull was essentially considered the flagship block for Northern Territory dryland cotton, given its top-tier soils, large freehold areas of cleared land, extensive permits for clearing, and an 8517 megalitre groundwater license. The Claravale aggregation, whilst not growing much cotton at

While predominantly dryland, a fair bit is grown under pivots to help cattle producers fight the region's annual protein drought.



this stage, has some great soils and good rainfall. It has a mix of pastoral leasehold and freehold, yet its Queensland owners have also chosen to test it on the market. A third grower trialling dryland cotton west of Katherine has also quit. Taken together, the optics of these departures could be seen as a negative signal to the market and may well dent investor confidence, which could easily cool off demand for local arable land.

In contrast to the above however, Australia's largest potato grower (Parilla Premium Potatoes) acquired irrigation property Eagle Park in the Florina district late in 2025 after reported successful trials that year growing around 1000 tonnes of seed potatoes in the Venn horticulture precinct just south of Katherine. It has leased more irrigation land in the Florina and Venn areas and is reportedly looking to purchase or lease enough land to produce 10,000 tonnes of seed potatoes per annum in the region. Although certainly not a grain crop, it is a hopeful alternative for another land use.

Over in the Ord River Irrigation Area, the primary grain and broadacre crops grown remain maize (corn), sorghum and Kabuli chickpeas. Cotton has newly emerged as the region's dominant broadacre crop. With Kununurra being a purpose-built agricultural centre and the abundant gravity-fed water supply from Lake Argyle (every grower gets 17 megalitres per hectare per annum), cotton and these other specific grains and pulses remain critical to the region's agricultural footprint. Consequently, the agricultural land market remains very strong, being relatively tightly held (aside from the Indian Sandalwood property sell-down) and in high demand.



Frank Peacocke
Director





Property Market Indicators

August 2026

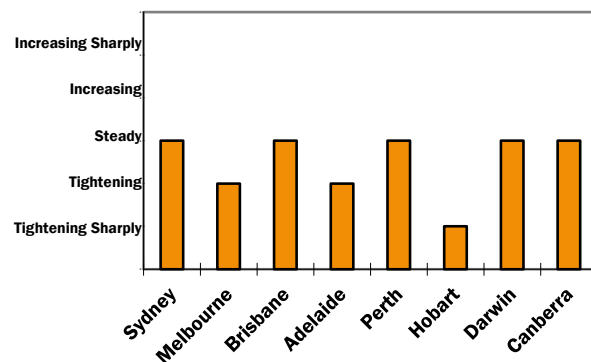
Capital City Property Market Indicators – Houses

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market
Rental Vacancy Trend	Steady	Tightening	Steady	Tightening	Steady	Tightening sharply	Steady	Steady
Demand for New Houses	Fair	Strong	Fair	Fair	Strong	Very strong	Soft	Fair
Trend in New House Construction	Declining	Declining	Steady	Declining	Steady	Declining significantly	Increasing	Increasing
Volume of House Sales	Declining	Increasing	Declining	Declining	Steady	Increasing strongly	Steady	Increasing
Stage of Property Cycle	Declining market	Declining market	Starting to decline	Approaching peak of market	Peak of market	Rising market	Starting to decline	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Frequently	Very frequently	Almost never	Occasionally

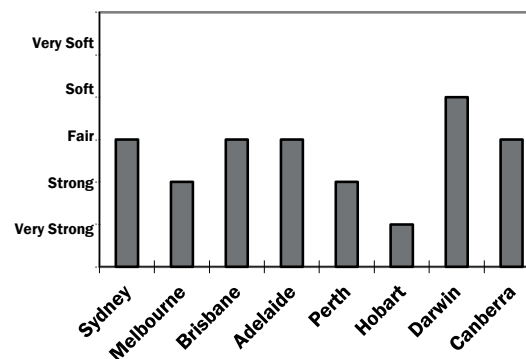
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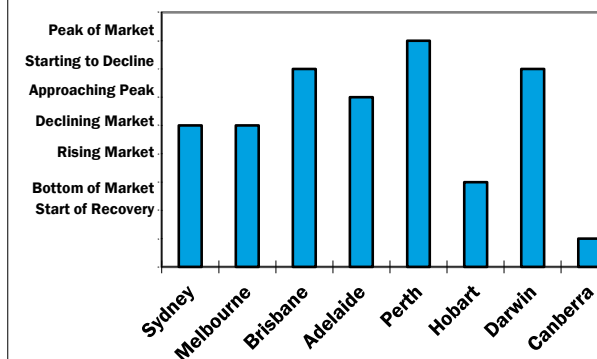
Rental Vacancy Trend



Demand for New Houses



Stage of Property Cycle



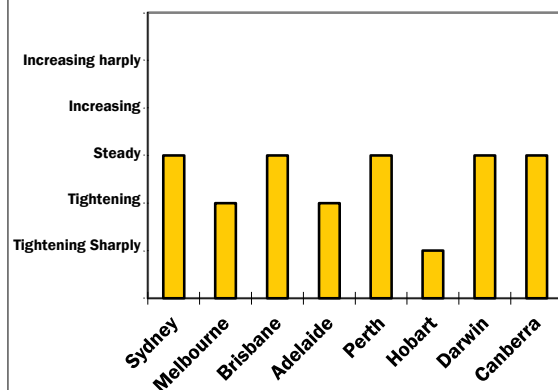
Capital City Property Market Indicators – Units

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market
Rental Vacancy Trend	Steady	Tightening	Steady	Tightening	Steady	Tightening sharply	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Strong	Very strong	Fair	Fair
Trend in New Unit Construction	Declining	Declining	Increasing	Steady	Increasing	Declining significantly	Increasing	Increasing
Volume of Unit Sales	Steady	Increasing	Steady	Declining	Steady	Increasing strongly	Steady	Steady
Stage of Property Cycle	Starting to decline	Start of recovery	Starting to decline	Approaching peak of market	Approaching peak of market	Rising market	Rising market	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Very frequently	Almost never	Occasionally

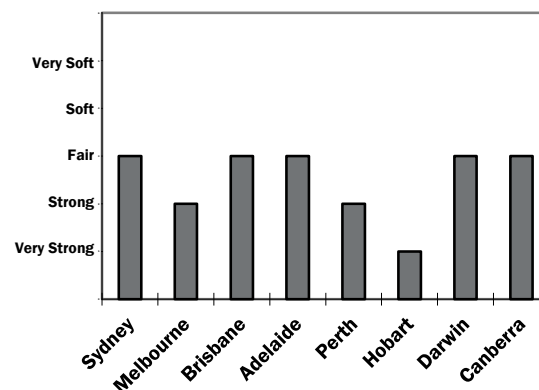
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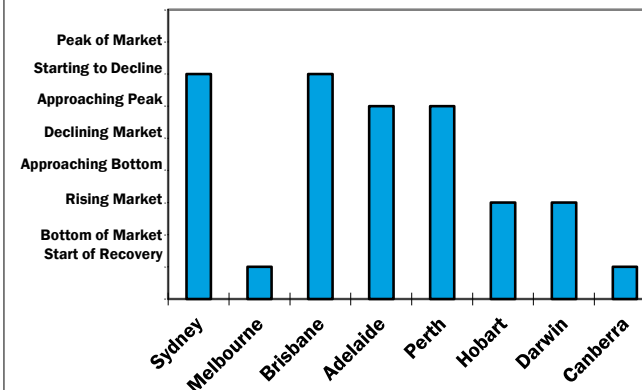
Rental Vacancy Trend



Demand for New Units



Stage of Property Cycle



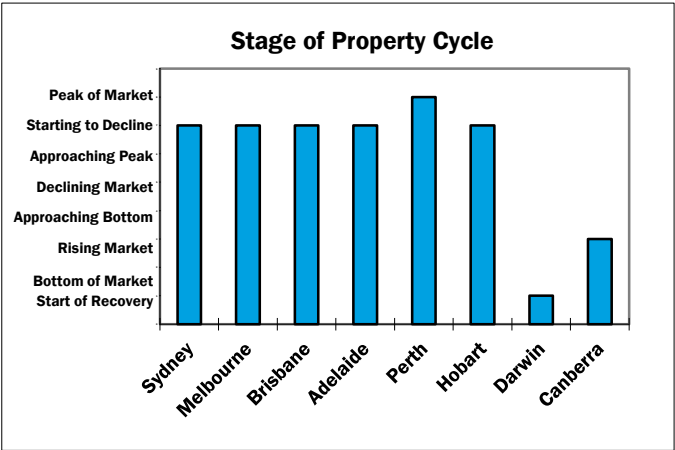
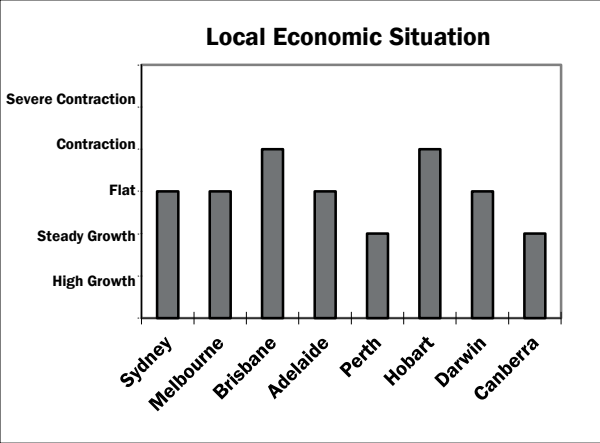
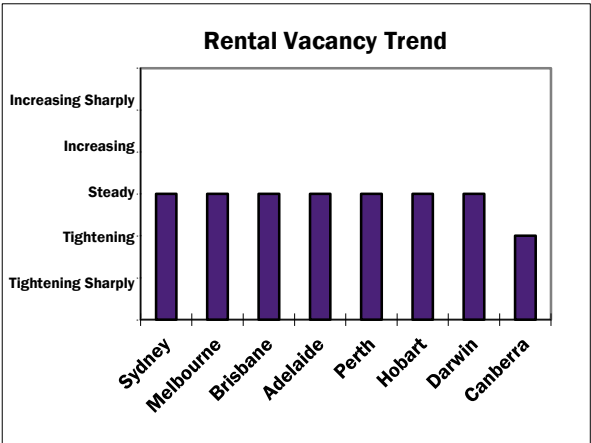
Capital City Property Market Industrial

Month in Review | August 2026

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Over-supply of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Tightening
Rental Rate Trend	Stable	Stable	Stable	Increasing	Increasing	Increasing	Stable	Increasing
Volume of Property Sales	Steady	Declining	Declining	Steady	Declining	Declining	Steady	Increasing
Stage of Property Cycle	Starting to decline	Starting to decline	Starting to decline	Starting to decline	Peak of market	Starting to decline	Start of recovery	Rising market
Local Economic Situation	Flat	Flat	Contraction	Flat	Steady growth	Contraction	Flat	Steady growth
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Small	Significant	Large	Small	Significant	Large	Small

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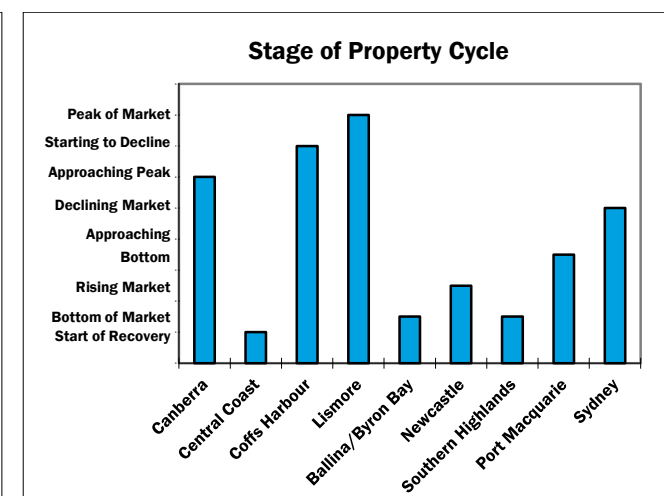
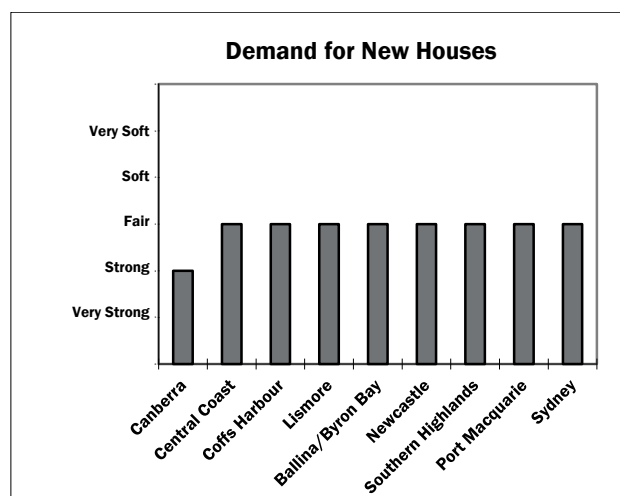
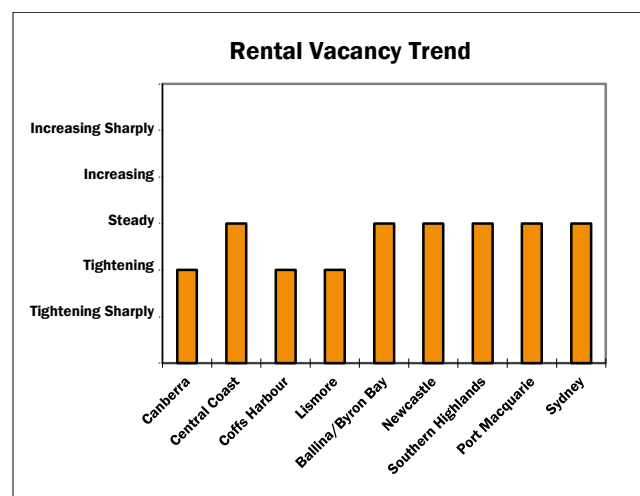


East Coast New South Wales Property Market Indicators – Houses

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Port Macquarie	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Steady	Tightening	Tightening	Steady	Steady	Steady	Steady	Steady
Demand for New Houses	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Fair
Trend in New House Construction	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining
Volume of House Sales	Steady	Steady	Steady	Steady	Steady	Increasing	Steady	Increasing	Declining
Stage of Property Cycle	Approaching peak of market	Start of recovery	Starting to decline	Peak of market	Bottom of market	Rising market	Bottom of market	Approaching bottom of market	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Almost never	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Occasionally

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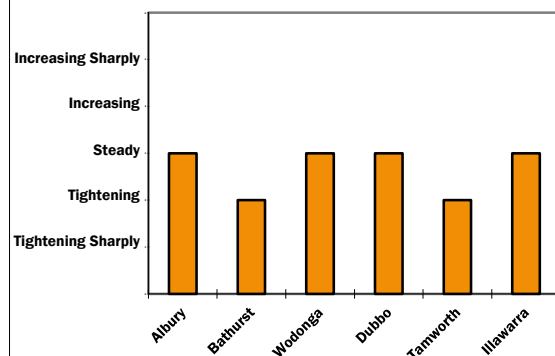
Country New South Wales Property Market Indicators – Houses

Factor	Albury	Bathurst	Wodonga	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Balanced market	Shortage of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening	Steady	Steady	Tightening	Steady
Demand for New Houses	Fair	Soft	Fair	Fair	Fair	Soft
Trend in New House Construction	Steady	Increasing	Steady	Steady	Steady	Increasing
Volume of House Sales	Steady	Steady	Steady	Increasing	Increasing	Steady
Stage of Property Cycle	Peak of market	Start of recovery	Peak of market	Peak of market	Approaching peak of market	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Very frequently	Occasionally	Occasionally

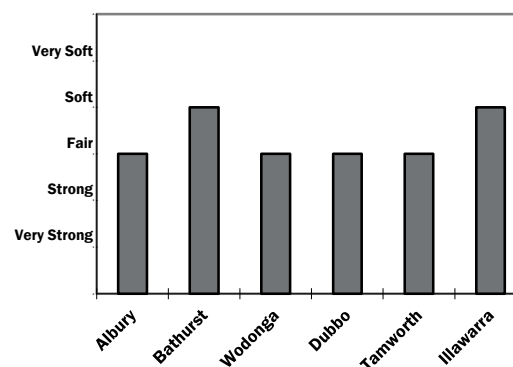
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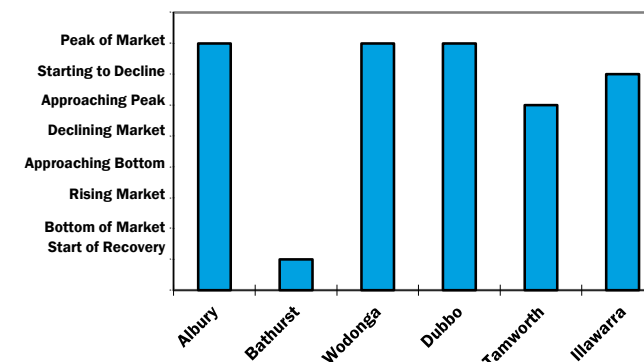
Rental Vacancy Trend



Demand for New Houses



Stage of Property Cycle

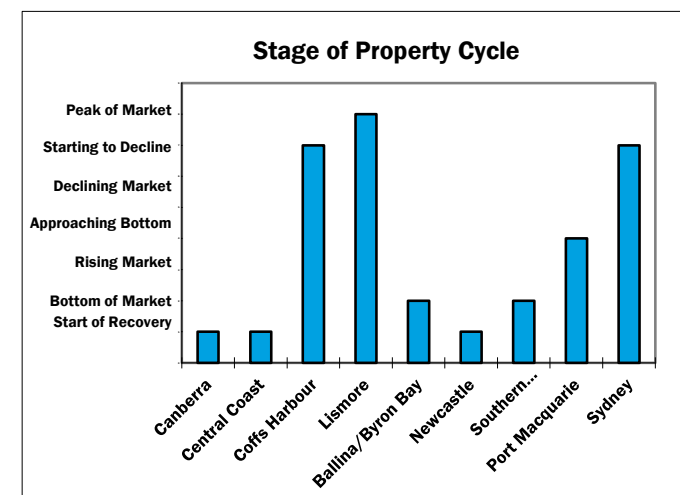
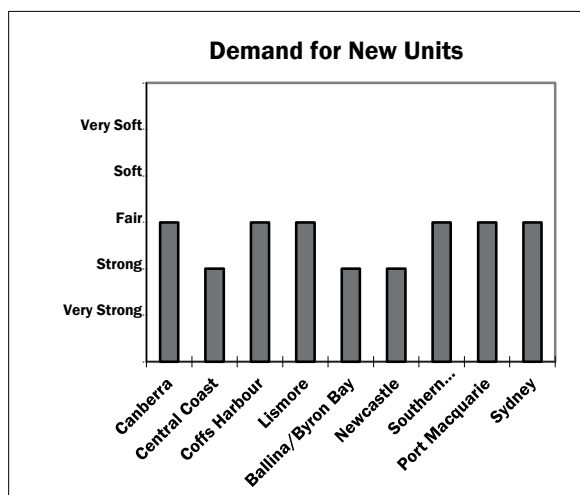
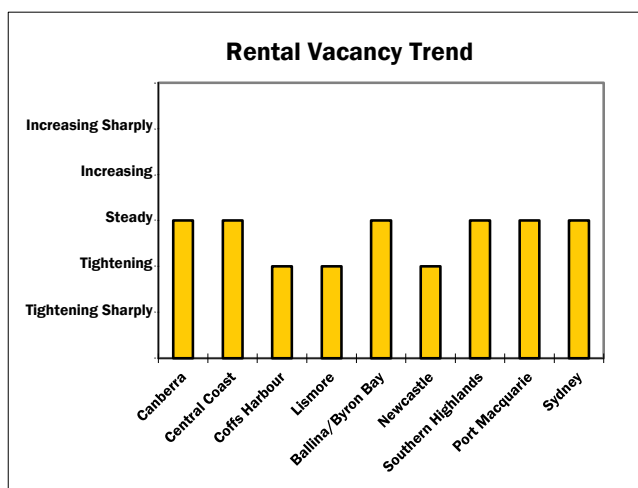


East Coast New South Wales Property Market Indicators - Units

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Port Macquarie	Sydney
Rental Vacancy Situation	Balanced market	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Tightening	Tightening	Steady	Tightening	Steady	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Strong	Strong	Fair	Fair	Fair
Trend in New Unit Construction	Increasing	Declining	Steady	Steady	Declining	Steady	Declining	Steady	Declining
Volume of Unit Sales	Steady	Increasing strongly	Steady	Steady	Increasing	Increasing	Steady	Steady	Steady
Stage of Property Cycle	Start of recovery	Start of recovery	Starting to decline	Peak of market	Bottom of market	Start of recovery	Bottom of market	Approaching bottom of market	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Occasionally

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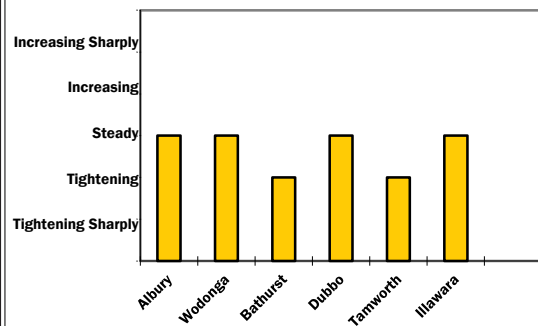
Country New South Wales Property Market Indicators - Units

Factor	Albury	Wodonga	Bathurst	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Balanced market	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Tightening	Steady	Tightening	Steady
Demand for New Units	Fair	Fair	Fair	Fair	Strong	Soft
Trend in New Unit Construction	Steady	Steady	Steady	Declining	Steady	Increasing
Volume of Unit Sales	Steady	Steady	Increasing	Steady	Increasing	Steady
Stage of Property Cycle	Peak of market	Peak of market	Starting to decline	Rising market	Rising market	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

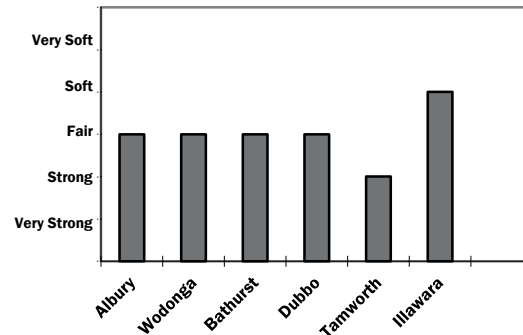
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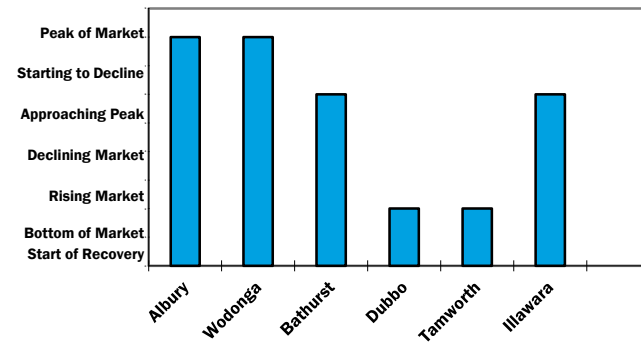
Rental Vacancy Trend



Demand for New Units



Stage of Property Cycle

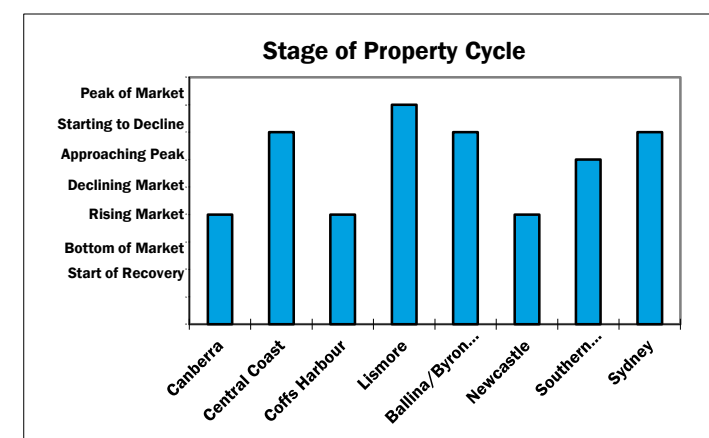
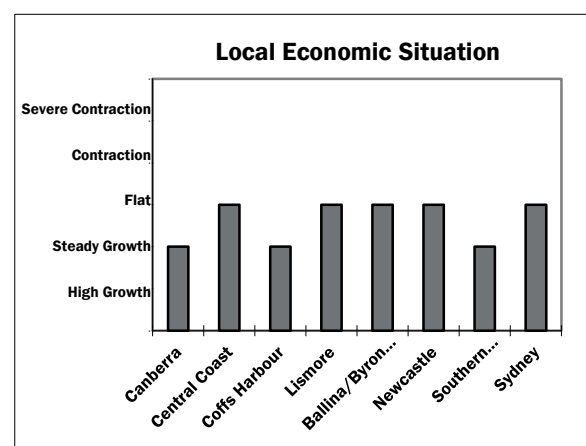
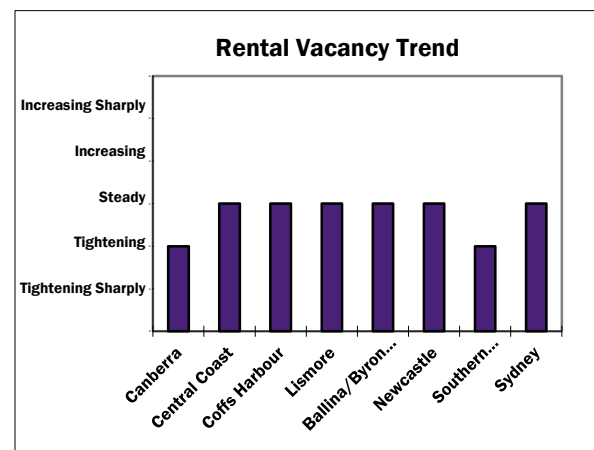


East Coast & Country New South Wales Property Market Indicators – Industrial

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Ballina/Byron Bay	Newcastle	Southern Highlands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Balanced market	Balanced market	Balanced market	Balanced market
Rental Vacancy Trend	Tightening	Steady	Steady	Steady	Steady	Steady	Tightening	Steady
Rental Rate Trend	Increasing	Stable	Increasing	Increasing	Stable	Increasing	Increasing	Stable
Volume of Property Sales	Increasing	Declining	Steady	Declining	Declining	Steady	Increasing	Steady
Stage of Property Cycle	Rising market	Starting to decline	Rising market	Peak of market	Starting to decline	Rising market	Approaching peak of market	Starting to decline
Local Economic Situation	Steady growth	Flat	Steady growth	Flat	Flat	Flat	Steady growth	Flat
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Significant	Nil	Significant	Small	Small	Significant	Small

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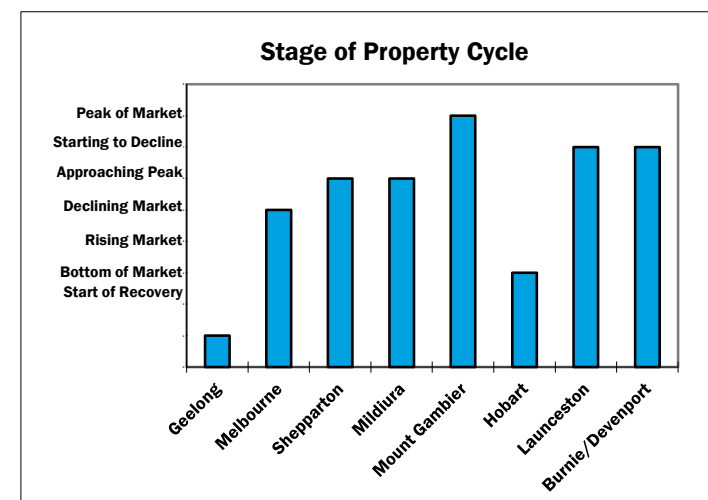
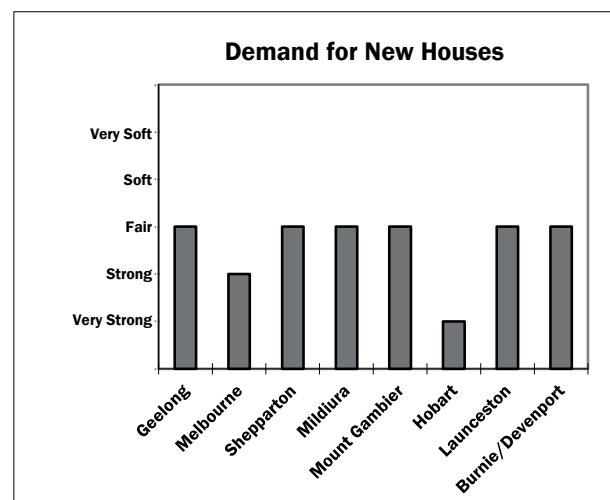
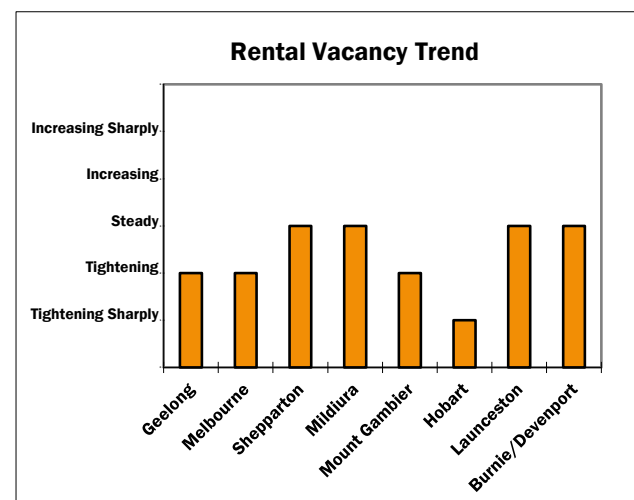


Victorian and Tasmanian Property Market Indicators – Houses

Factor	Geelong	Melbourne	Shepparton	Mildura	Mount Gambier	Hobart	Burnie/Devenport	Launceston
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Tightening	Tightening sharply	Steady	Steady
Demand for New Houses	Fair	Strong	Fair	Fair	Fair	Very strong	Fair	Fair
Trend in New House Construction	Steady	Declining	Increasing	Steady	Increasing	Declining significantly	Increasing	Increasing
Volume of House Sales	Increasing	Increasing	Increasing	Steady	Declining	Increasing strongly	Steady	Steady
Stage of Property Cycle	Start of recovery	Declining market	Approaching peak of market	Approaching peak of market	Peak of market	Rising market	Starting to decline	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Very frequently	Occasionally	Occasionally

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Blue entries indicate change from previous month to a lower risk-rating

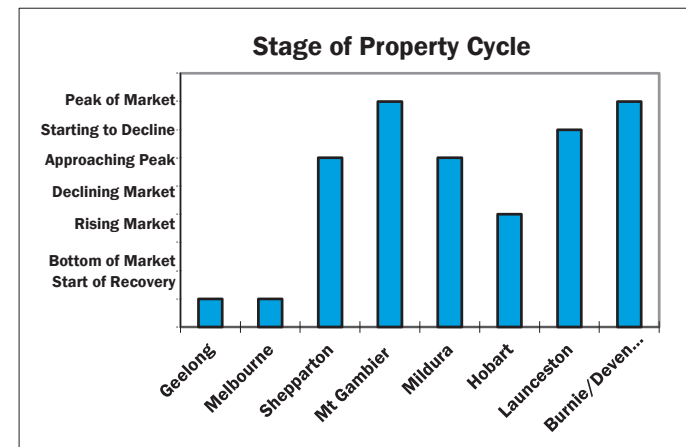
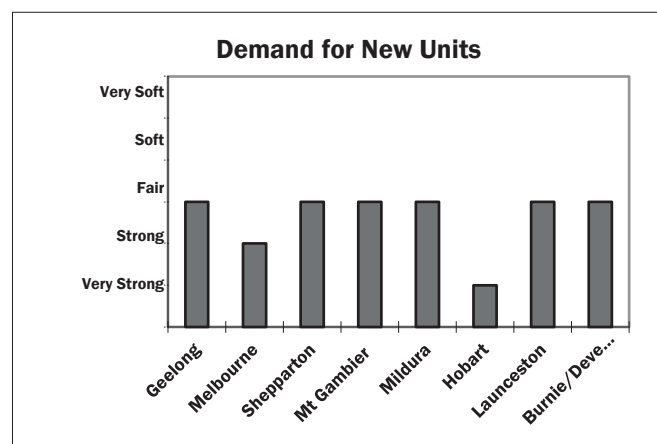
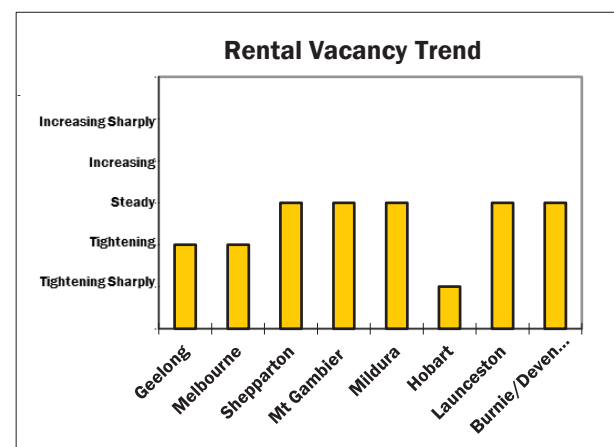


Victorian and Tasmanian Property Market Indicators – Units

Factor	Geelong	Melbourne	Shepparton	Mount Gambier	Mildura	Hobart	Launceston	Burnie/Develport
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Steady	Tightening sharply	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Fair	Very strong	Fair	Fair
Trend in New Unit Construction	Steady	Declining	Steady	Steady	Steady	Declining significantly	Increasing	Increasing
Volume of Unit Sales	Steady	Increasing	Increasing	Steady	Steady	Increasing strongly	Steady	Steady
Stage of Property Cycle	Start of recovery	Start of recovery	Approaching peak of market	Peak of market	Approaching peak of market	Rising market	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Very frequently	Occasionally	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating



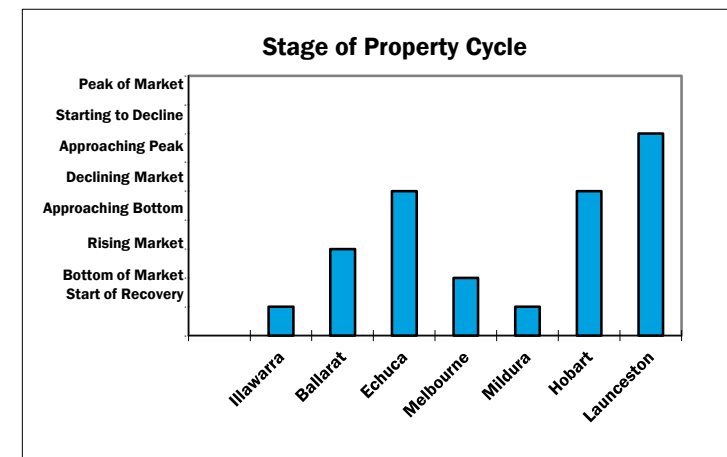
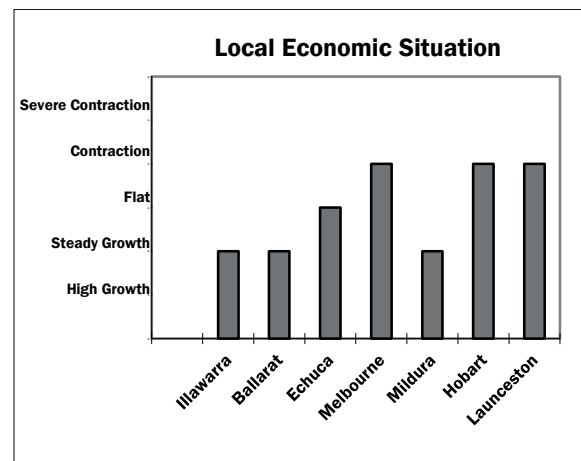
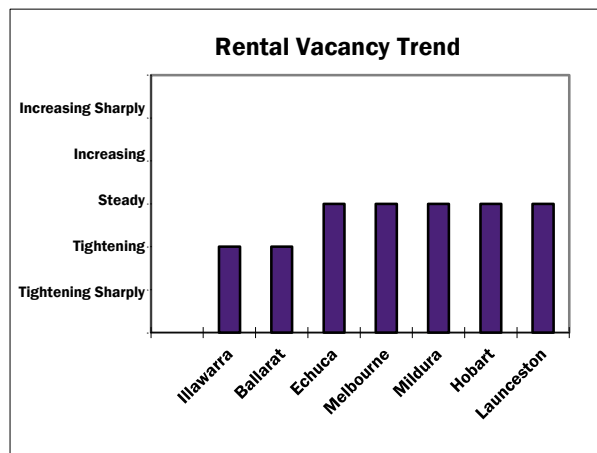
Victorian and Tasmanian Property Market Indicators – Industrial

Month in Review | August 2026

Factor	Illawarra	Ballarat	Echuca	Melbourne	Mildura	Hobart	Launceston
Rental Vacancy Situation	Over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Balanced market	Balanced market
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Steady	Steady	Steady
Rental Rate Trend	Stable	Increasing	Declining	Declining	Stable	Stable	Stable
Volume of Property Sales	Steady	Increasing	Steady	Steady	Declining	Steady	Declining
Stage of Property Cycle	Start of recovery	Rising market	Declining market	Bottom of market	Start of recovery	Declining market	Starting to decline
Local Economic Situation	Steady growth	Steady growth	Flat	Contraction	Steady growth	Contraction	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Large	Small	Small	Significant	Small	Small	Significant

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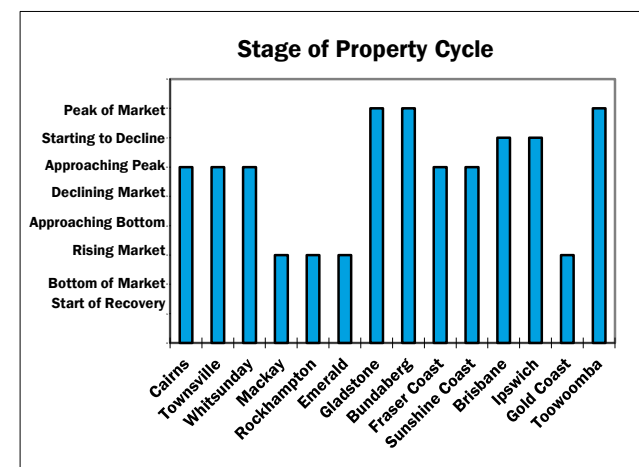
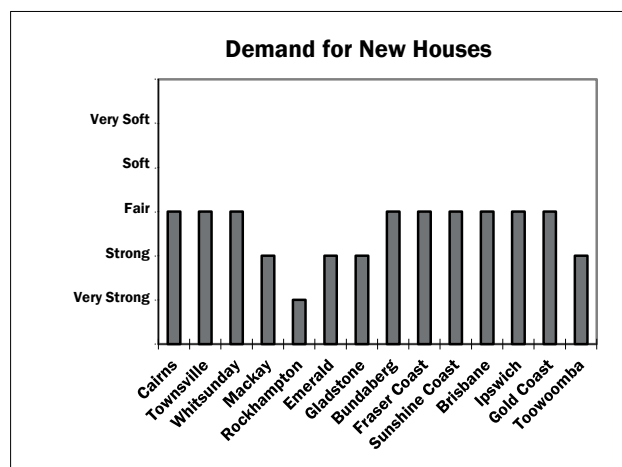
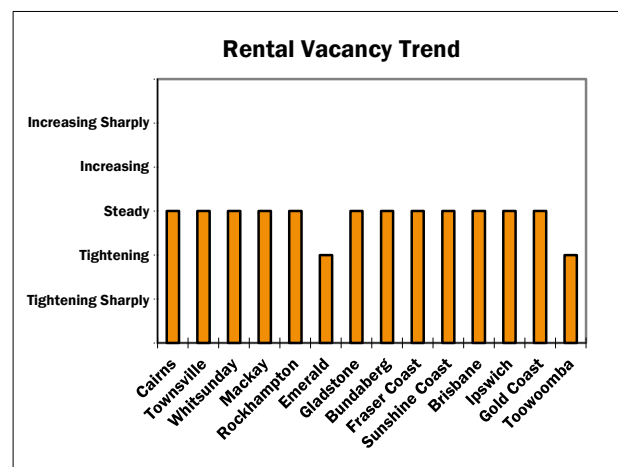


Queensland Property Market Indicators – Houses

Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Tightening	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Tightening
Demand for New Houses	Fair	Fair	Fair	Strong	Very strong	Strong	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Strong
Trend in New House Construction	Increasing	Steady	Steady	Declining	Declining significantly	Steady	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Declining
Volume of House Sales	Declining	Steady	Steady	Steady	Increasing strongly	Increasing	Steady	Steady	Steady	Declining	Declining	Declining	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Approaching peak of market	Approaching peak of market	Rising market	Rising market	Rising market	Peak of market	Peak of market	Approaching peak of market	Approaching peak of market	Starting to decline	Starting to decline	Rising market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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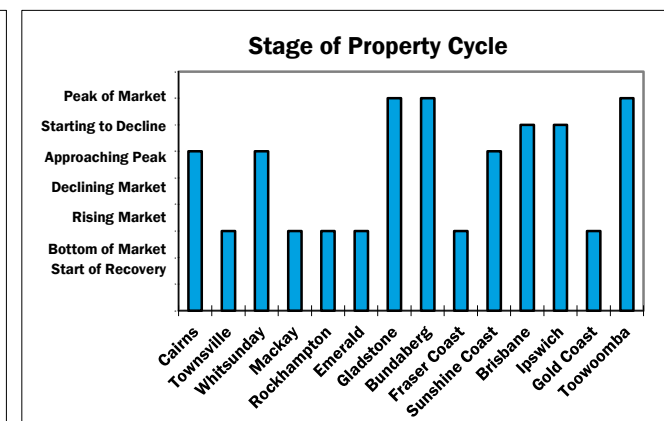
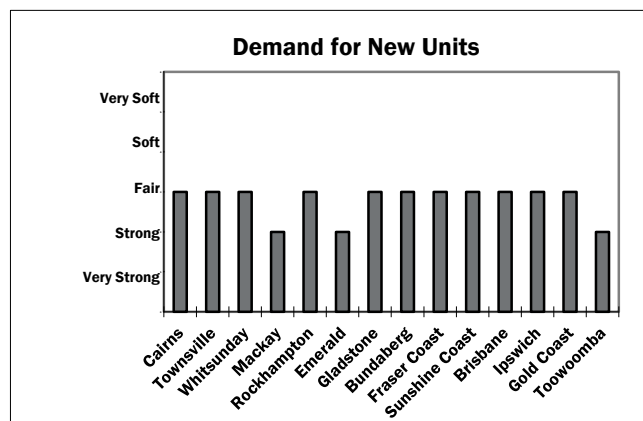
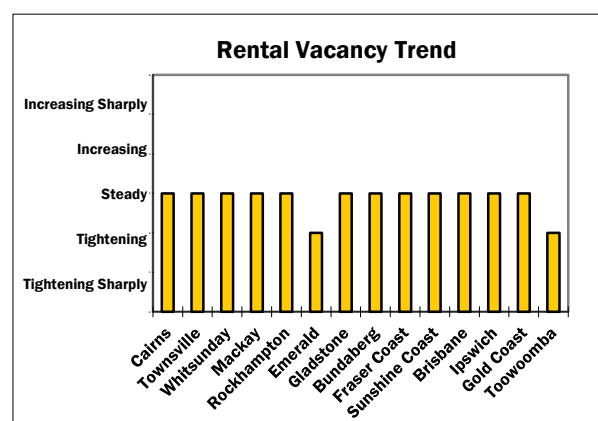


Queensland Property Market Indicators – Units

Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Tightening	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Tightening
Demand for New Units	Fair	Fair	Fair	Strong	Fair	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Strong
Trend in New Unit Construction	Increasing	Steady	Steady	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady	Declining
Volume of Unit Sales	Declining	Increasing	Increasing	Steady	Increasing	Increasing	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Peak of market	Peak of market	Rising market	Approaching peak of market	Starting to decline	Starting to decline	Rising market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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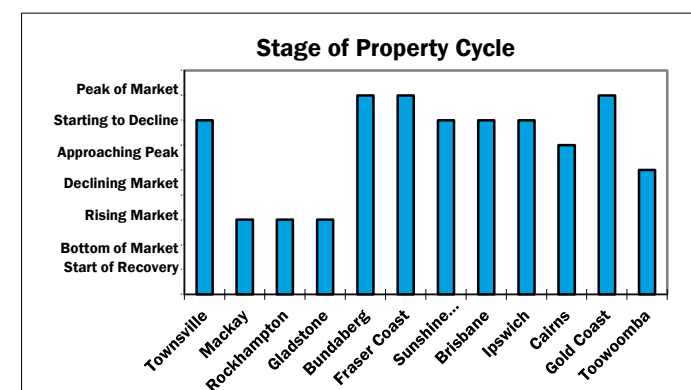
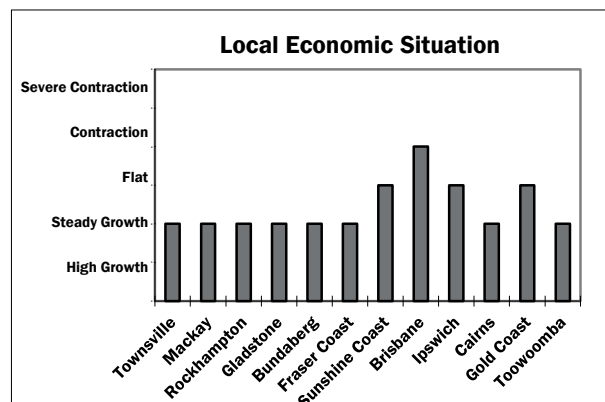
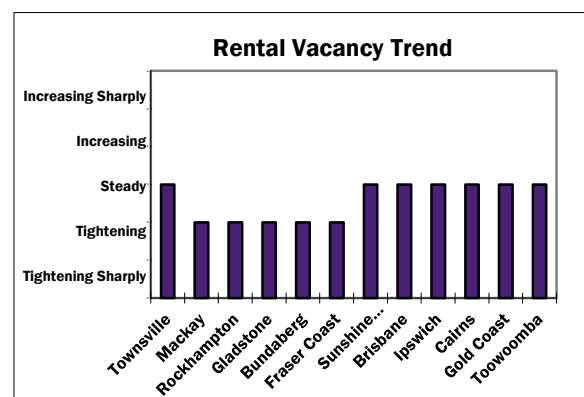


Queensland Property Market Indicators – Industrial

Factor	Townsville	Mackay	Rockhampt-on	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Cairns	Gold Coast	Toowoomba
Rental Vacancy Situation	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand	Balanced market	Balanced market
Rental Vacancy Trend	Steady	Tightening	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Steady	Steady	Steady	Steady
Rental Rate Trend	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Stable	Stable	Stable	Stable	Declining	Stable
Volume of Property Sales	Steady	Increasing	Increasing	Increasing	Declining	Declining	Steady	Declining	Declining	Steady	Steady	Declining
Stage of Property Cycle	Starting to decline	Rising market	Rising market	Rising market	Peak of market	Peak of market	Starting to decline	Starting to decline	Starting to decline	Approaching peak of market	Peak of market	Declining market
Local Economic Situation	Steady growth	Steady growth	Steady growth	Steady growth	Steady growth	Steady growth	Flat	Contraction	Flat	Steady growth	Flat	Steady growth
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Small	Significant	Significant	Significant	Significant	Significant	Significant	Significant	Small	Small	Large

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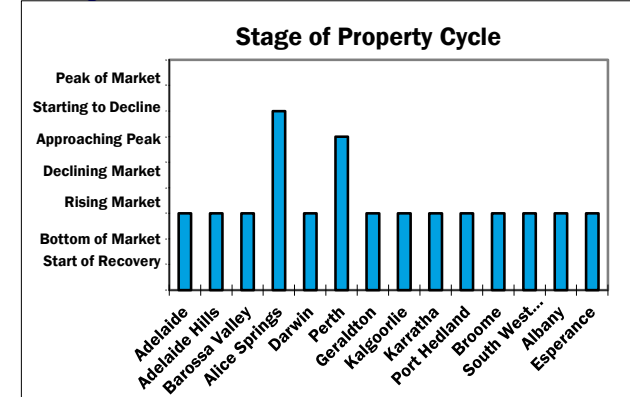
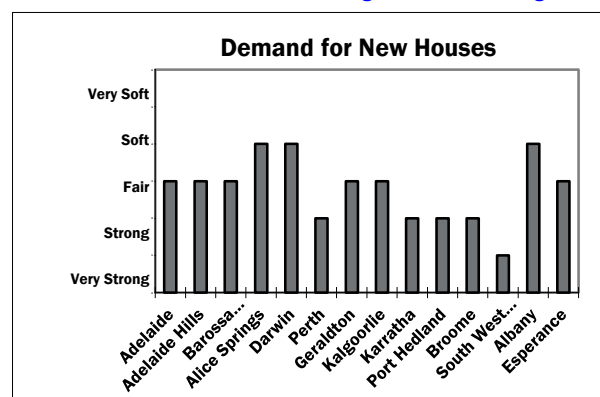
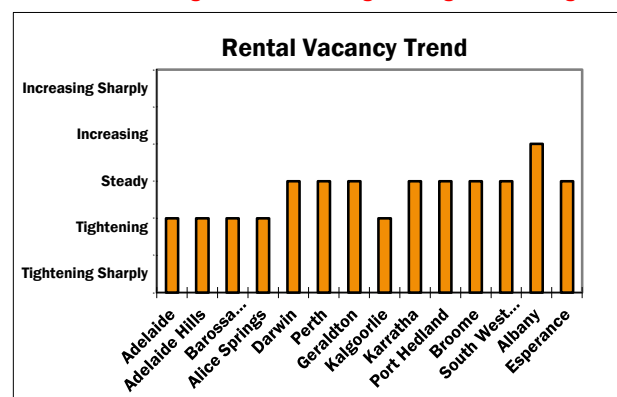


SA, NT and WA Property Market Indicators - Houses

Factor	Adelaide	Adelaide Hills	Barossa Valley	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Steady	Tightening	Steady	Steady	Steady	Steady	Increasing	Steady
Demand for New Houses	Fair	Fair	Fair	Soft	Soft	Strong	Fair	Fair	Strong	Strong	Strong	Very strong	Soft	Fair
Trend in New House Construction	Declining	Declining	Declining	Increasing	Increasing	Steady	Declining	Declining	Declining	Declining	Declining	Declining	Increasing	Declining
Volume of House Sales	Declining	Declining	Declining	Steady	Steady	Steady	Increasing	Steady	Steady	Steady	Steady	Steady	Declining	Increasing
Stage of Property Cycle	Rising market	Rising market	Rising market	Starting to decline	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Rising market	Rising market	Rising market	Rising market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Almost never	Almost never	Frequently	Occasionally	Occasionally	Occasionally	Almost never	Almost never	Frequently	Occasionally	Almost never

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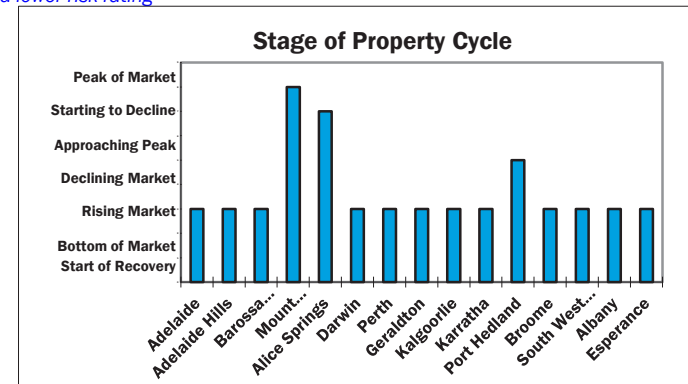
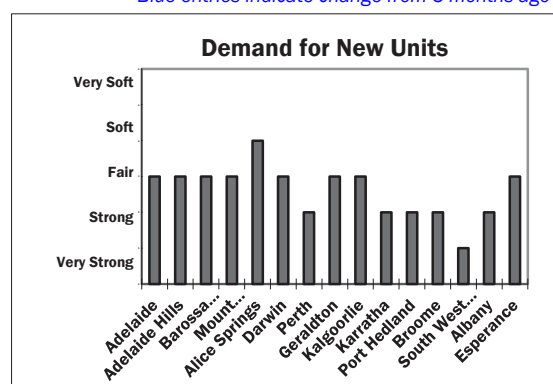
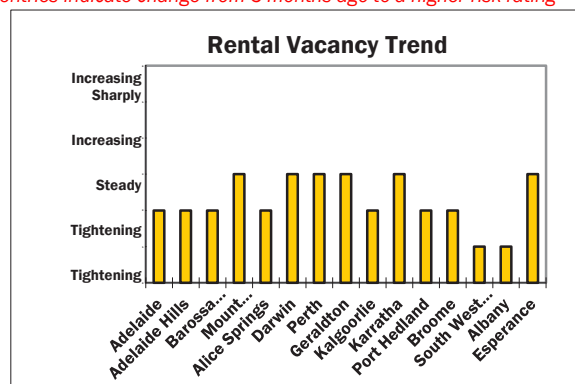


SA, NT and WA Property Market Indicators – Units

Factor	Adelaide	Adelaide Hills	Barossa Valley	Mount Gambier	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Steady	Tightening	Steady	Steady	Steady	Tightening	Steady	Tightening	Tightening	Tightening sharply	Tightening sharply	Steady
Demand for New Units	Fair	Fair	Fair	Fair	Soft	Fair	Strong	Fair	Fair	Strong	Strong	Strong	Very strong	Strong	Fair
Trend in New Unit Construction	Steady	Steady	Steady	Steady	Increasing	Increasing	Increasing	Steady	Steady	Steady	Steady	Steady	Declining significantly	Declining significantly	Steady
Volume of Unit Sales	Declining	Declining	Declining	Steady	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady
Stage of Property Cycle	Rising market	Rising market	Rising market	Peak of market	Starting to decline	Rising market	Rising market	Rising market	Rising market	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Almost never	Almost never	Very frequently	Occasionally	Almost never

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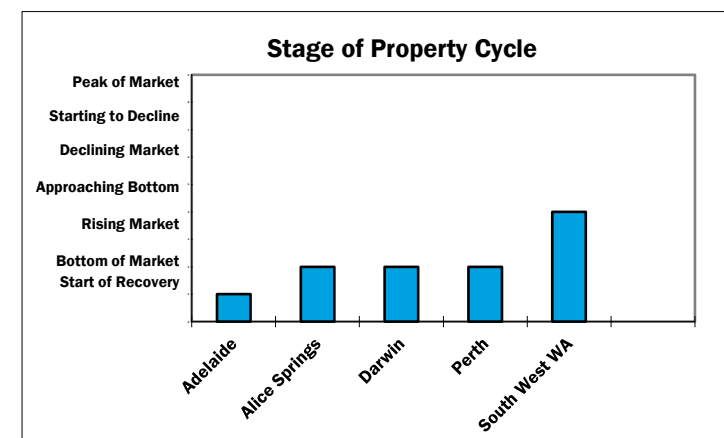
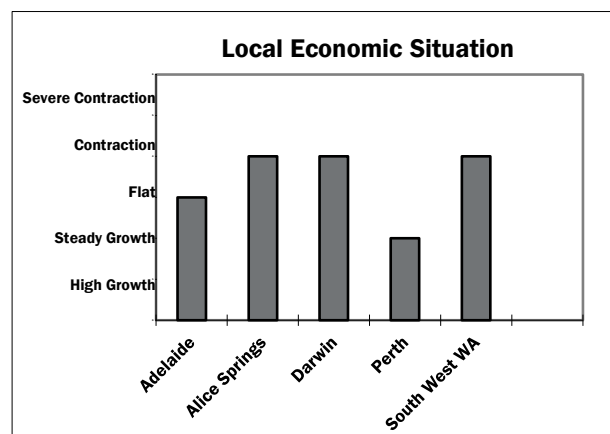
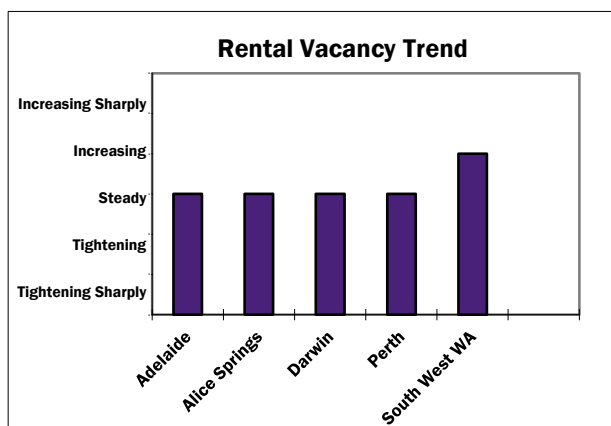


SA, NT and WA Property Market Indicators – Industrial

Factor	Adelaide	Alice Springs	Darwin	Perth	South West WA
Rental Vacancy Situation	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Large over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Increasing
Rental Rate Trend	Stable	Stable	Stable	Stable	Declining
Volume of Property Sales	Steady	Steady	Steady	Steady	Declining
Stage of Property Cycle	Start of recovery	Bottom of market	Bottom of market	Bottom of market	Approaching bottom of market
Local Economic Situation	Flat	Contraction	Contraction	Steady growth	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Large	Significant	Large	Large	Small

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Disclaimer

This publication presents a generalised overview regarding the state of Australian property markets using property market risk-ranking scales. It is not a guide to individual property assessments and should not be relied upon.

Herron Todd White accepts no responsibility for any reliance placed on the commentary and generalised information. Contact Herron Todd White to obtain formal, specific property advice on any matters of interest arising from this publication.

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