JULY 2026 EDITION

Futureland

Australian Property Market Report

Premium Residential Property Intelligence | July 2026

Prepared by Futureland Property Group

Helping Australians build long-term wealth through strategic property investment.

Market Intelligence	Strategic Outlook	Published
SQM Asking Price Data · Cotality HVI · City Ratings	Investment conviction rankings · Buyer opportunity analysis	1 July 2026 · Futureland Property Group

FUTURELAND

PROPERTY GROUP

EXECUTIVE SUMMARY

Australia's Property Market Has Entered a New Phase

Australia's residential property market remains resilient despite higher interest rates and affordability pressures. The total value of Australia's residential housing has reached **$12.77 trillion**, increasing by more than $315 billion during the March 2026 quarter — a testament to the enduring strength of Australian residential real estate as an asset class.

Market Transition

Queensland remains one of Australia's strongest performing states, while Melbourne is emerging as one of the most attractive investment opportunities. South East Queensland has cooled from extraordinary growth, creating improved buying conditions and greater negotiating power.

Futureland's View

The market has transitioned from a "fear of missing out" environment into one where disciplined investors can secure quality assets below intrinsic value. Long-term wealth is built through strategic acquisition, not speculation.

The shift from a seller's market to a more balanced landscape is one of the most significant developments of the past eighteen months, and it presents a generational opportunity for those prepared to act with conviction.

Recent Cotality HVI data confirms that demand headwinds are building, with national values falling in June and capital city values declining over the June quarter. This reinforces Futureland's view that the market is becoming more selective, more negotiable and more dependent on disciplined asset selection.

> "This is not a market to chase — it is a market to strategically acquire."

MARCH 2026 QUARTER

Australian Property Market Snapshot

Key metrics from the March 2026 quarter paint a compelling picture of Australia's residential property landscape.

$12.77T

Total Housing Value

Total value of Australia's residential housing stock

$315.9B

Quarterly Increase

Value added during the March 2026 quarter

11.5M

Total Dwellings

Residential dwellings across Australia

$1.11M

Average Dwelling Value

National average Australian dwelling value

$127.9B

Queensland Growth

Value added in Queensland this quarter

New South Wales holds the highest average dwelling price of any Australian state, reflecting continued strong demand in Sydney and surrounds. SQM asking price data confirms the transition from urgency to discipline. Monthly price movements have softened across several markets, but annual growth remains positive nationally, reinforcing the strength of Australia's structural housing fundamentals.

SQM RESEARCH · WEEK ENDING 30 JUNE 2026

SQM Asking Price Momentum

Short-Term Cooling, Long-Term Strength

SQM Research's Weekly Asking Prices Index for the week ending 30 June 2026 shows a clear divergence between short-term buyer caution and longer-term market resilience.

$982,658

National Combined Asking Price

National combined residential asking price

+7.6%

National 12-Month Growth

↑ Strong annual asking price growth

-1.3%

Rolling Month Change

Short-term monthly cooling across national market

$1.315M

Capital City Average

Average combined capital city asking price

+4.1%

Capital City 12-Month Growth

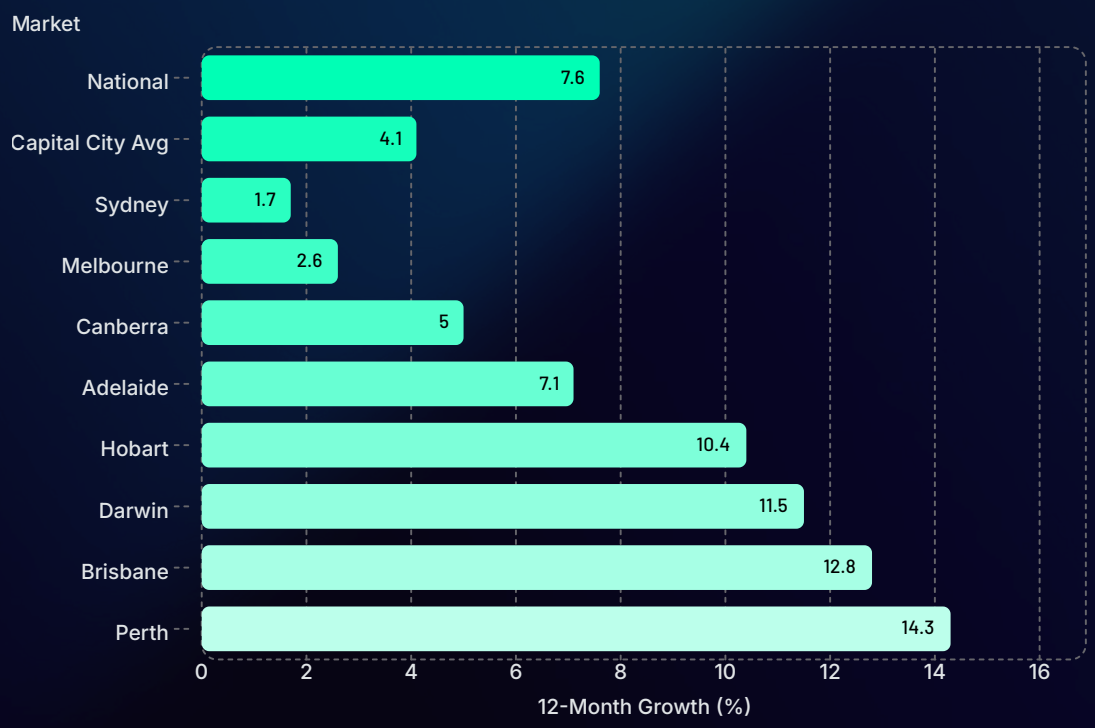
↑ Positive annual growth across capitals

> "National asking prices remain higher over the past twelve months, despite short-term monthly cooling. This supports Futureland's view that the market is not collapsing — it is normalising."

SQM RESEARCH · WEEK ENDING 30 JUNE 2026

Capital City Asking Price Growth Rankings

Where Annual Asking Price Momentum Remains Strongest



12-month combined asking price growth by market. Perth, Brisbane and Darwin lead annual momentum. Source: SQM Research, week ending 30 June 2026.

Futureland Interpretation

The strongest annual asking price growth is being recorded in markets where supply constraints, affordability, population movement and rental pressure continue to support demand.

However, rolling monthly weakness across several markets shows that buyers now have more negotiation power than during the previous FOMO-driven cycle.

Perth +14.3%

Supply constrained, population-driven leader

Brisbane +12.8%

Olympic tailwinds, strong interstate migration

Darwin +11.5%

Affordable base, infrastructure-led growth

> "The best opportunities are emerging where short-term buyer caution meets strong long-term fundamentals."

COTALITY HVI · PUBLISHED 1 JULY 2026

Home Values Are Cooling, But the Market Is Becoming More Negotiable

June 2026 Home Value Index | Cotality

Cotality's national Home Value Index fell **0.4%** in June 2026, marking the largest month-on-month decline since December 2022. Capital city values fell **1.3%** over the June quarter, led by Sydney and Melbourne.

-0.4%

National HVI Monthly

June 2026 — largest monthly decline since Dec 2022

-0.7%

National HVI Quarterly

Values down since March 2026 peak

-1.3%

Capital City Quarter

June quarter capital city value change

-3.2%

Sydney Quarterly

Largest capital city drag in the June quarter

-2.6%

Melbourne Quarterly

Second largest capital city decline

+1.1%

Regional Markets Quarter

Regions continue to outperform capitals

City Movements — June 2026

Perth +0.7% · Brisbane +0.3%

↑ Resilient — positive monthly growth

Adelaide 0.0%

→ Stable — unchanged in June

Regional +0.3%

↑ Resilient — outperforming capitals

ACT -0.6% · Melbourne -1.0% · Sydney -1.2%

↓ Cooling — capital city headwinds

Futureland Interpretation

Cotality's data confirms that demand headwinds are building. However, for strategic investors, softer value conditions can create stronger negotiation opportunities where long-term fundamentals remain intact.

"The market is not collapsing. It is becoming more selective. The advantage is moving from emotional sellers to disciplined buyers."

COTALITY HVI · PUBLISHED 1 JULY 2026

Demand Has Softened — Negotiation Power Has Improved

Demand Headwinds

Auction Clearance Rates Below 50%

Capital city clearance rates have held below 50% since late May — a clear signal of softening buyer urgency.

Capital City Sales -16.2%

Estimated sales over the three months to June were down compared with the same time last year.

Sales vs Five-Year Average -14.5%

Capital city sales were below the five-year average for this time of year.

Advertised Supply +11%

Capital city advertised stock was almost 11% higher than a year ago, giving buyers more choice and leverage.

Futureland Interpretation

Weaker demand conditions are not a reason to avoid the market. They are a reason to become more selective.

When buyer urgency falls, negotiation power improves. The opportunity is to focus on quality assets in locations supported by population growth, rental pressure, infrastructure investment and long-term undersupply.

Population Growth

Sustained demand driver

Rental Pressure

Tight vacancy, growing yields

Infrastructure

Corridor value creation

Undersupply

Structural floor on values

> "The market is no longer rewarding urgency. It is rewarding discipline."



STRUCTURAL DRIVERS

Australia's Economic Foundations

Despite elevated interest rates, Australia's property market remains supported by exceptionally strong structural fundamentals. These drivers are not cyclical — they are long-term forces that continue underpinning residential property values across every major Australian market.

Population Growth

Migration remains well above long-term averages, driving sustained housing demand across capital cities and regional centres alike.

Supply Constraints

Construction costs remain elevated and housing supply continues to lag demand significantly, creating persistent upward pressure on prices.

Infrastructure Investment

Significant infrastructure spending continues across multiple states, driving employment, connectivity and long-term value creation in targeted corridors.

Low Unemployment

Unemployment remains relatively low by historical standards, supporting household income, consumer confidence and mortgage serviceability.

PROPERTY CYCLE

From FOMO to Fundamentals

Australia has now entered a more balanced phase of the property cycle. Unlike the rapid growth experienced during 2021 through 2024, today's market rewards careful property selection rather than simply buying any available asset.

Rapid Growth

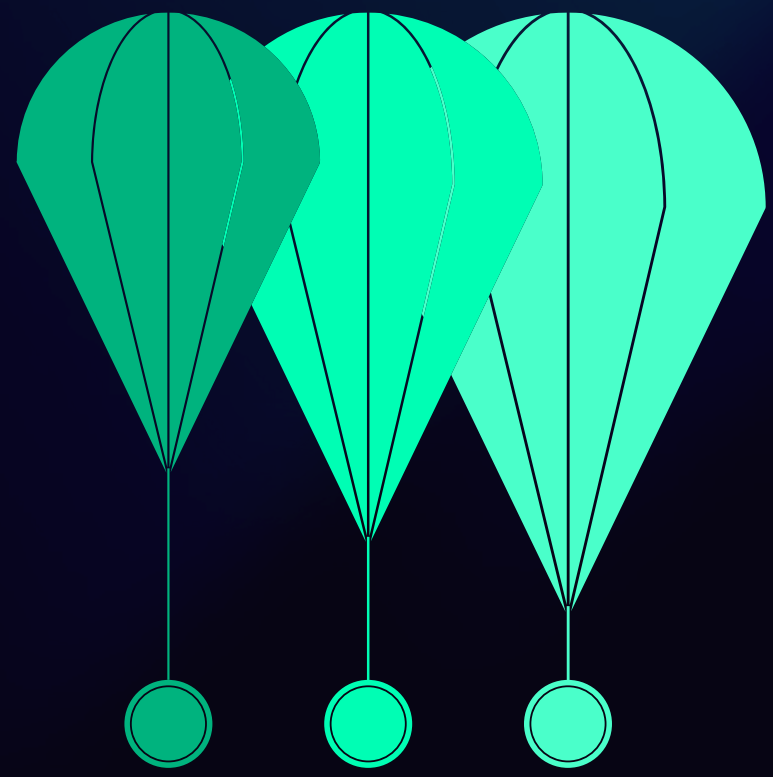
2021–2024: FOMO, limited negotiation

Balanced Market

2025–2026: disciplined selection, better negotiation

Long-Term Growth

2027+: quality assets outperform, wealth creation



Cotality's June 2026 HVI shows national values down 0.4% for the month and capital city values down 1.3% over the quarter, confirming the shift from FOMO-driven buying to a more disciplined market. The current environment rewards patience, discipline and asset selection. Investors now have greater opportunities to negotiate while still benefiting from Australia's structural housing shortage. The combination of improved negotiating power, persistent undersupply and strong long-term demographic tailwinds is a rare alignment of conditions that experienced investors recognise immediately.

HIGH-CONVICTION MARKET

Queensland Leads Australia

Queensland continues to outperform many Australian markets. During the March 2026 quarter, Queensland added approximately **$127.9 billion** in residential property value — the strongest quarterly contribution of any state outside New South Wales. Despite broader capital city weakness, Brisbane values rose 0.3% in June, showing relative resilience compared with Sydney and Melbourne.

Interstate Migration

Queensland continues attracting net positive interstate migration from southern states, particularly from Victoria and New South Wales.

Olympic Infrastructure

The 2032 Brisbane Olympics is catalysing unprecedented infrastructure investment across South East Queensland, with flow-on effects for property values in key corridors.

Employment Growth

A diversifying economy across construction, healthcare, education and professional services is driving employment and population retention.

Limited Supply

Housing supply remains structurally constrained across South East Queensland, with approval rates consistently below what is needed to meet current demand.

JULY 2026 RATINGS

City-by-City Investment Ratings

Futureland assesses each major Australian market across a consistent framework of population dynamics, supply constraints, infrastructure investment, employment strength and long-term capital growth potential.



Melbourne — ★★★★★ 5/5

Australia's most attractive emerging investment market, with improving affordability and renewed investor confidence supporting stronger market momentum. Melbourne remains a high-conviction recovery market, but current value softness means asset selection and suburb-level due diligence are critical.



Brisbane — ★★★★½ 4.5/5

Balanced market with strong long-term fundamentals, Olympic investment and increased buyer negotiation power. Brisbane values rose 0.3% in June, showing relative resilience against broader capital city softness.



Sunshine Coast — ★★★★ 4/5

Premier lifestyle market with strong fundamentals; focus on large land, development upside, dual occupancy and renovation potential.



Sydney — ★★★★ 4/5

Blue-chip wealth preservation market supported by migration, employment, limited land and global investment demand. Cotality data records Sydney at -3.2% for the June quarter — asset selection is paramount in this environment.



Perth — ★★★★ 4/5

Sustainable growth market with constrained supply, population growth and improving yield metrics. Perth rose 0.7% in June, remaining one of Australia's most resilient capital cities.



Adelaide — ★★★★ 4/5

Stable and affordable market with reliable long-term performance and attractive affordability relative to eastern capitals. Adelaide values were unchanged in June — a sign of resilience relative to Sydney and Melbourne.



Gold Coast — ★★★½ 3.5/5

Softer market, but selective opportunities exist in premium locations for experienced investors with strong negotiating capability.

REGIONAL MARKETS

Other Markets at a Glance

Beyond the major capitals, a number of secondary and regional markets offer selective opportunities for investors with local knowledge and the patience to identify genuine value.

Hobart

Lifestyle demand remains positive, though growth has moderated. Focus on strong rental appeal and lifestyle-driven demand attracting remote workers and retirees.

Darwin

Affordable market supported by infrastructure investment and government-linked employment. Selective yield opportunities exist for patient investors.

Cairns

Tourism remains a key driver. Patient investors should focus on well-located properties benefiting from North Queensland growth and Great Barrier Reef gateway demand.

Due diligence and local market knowledge are essential before committing capital across these markets.

RENTAL CONDITIONS

Rental Conditions Remain Structurally Tight

Australia's rental market remains exceptionally tight across virtually every major capital city and many regional centres. Low vacancy rates continue supporting rental growth, with demand consistently exceeding available rental supply.

Strong Rental Demand

Demand for rental properties continues to significantly exceed available supply across most capital cities, creating a highly competitive market for tenants.

Improving Yields

Rising rents combined with moderated property price growth have improved gross rental yields in many markets, improving the income case for new investment purchases.

Reduced Vacancy Risk

Persistently low vacancy rates reduce the income risk for investors, supporting consistent cash flow and reducing extended periods without a tenant.

Long-Term Income Growth

Structural undersupply and ongoing population growth support continued rental growth over the medium to long term, building investor income year on year.

STRATEGY

The Next 12 Months Reward Discipline

Futureland expects the next twelve months to be characterised by improving buyer confidence, moderating interest rate expectations and continued population-driven demand. The market will reward patience and discipline.

12-Month Outlook

- Continued population growth driving sustained housing demand
- Improving buyer confidence as interest rate expectations moderate
- Greater negotiating opportunities across most markets
- Strong long-term capital growth in quality, well-located assets
- Short-term asking price softness is improving negotiation conditions for disciplined buyers
- Demand softness and higher advertised stock are improving buyer leverage and negotiation conditions

Futureland Investment Criteria

01

Strong population and employment growth

02

Significant infrastructure investment pipeline

03

Limited housing supply and land scarcity

04

Proven rental demand and low vacancy rates

05

Future development or value-add potential

06

Long-term capital growth fundamentals

CONVICTION RANKINGS

Where We'd Invest Today

Based on current market conditions, structural fundamentals and our proprietary investment framework, Futureland's conviction rankings as at July 2026 are as follows.

> The best opportunities now belong to disciplined investors focused on long-term wealth creation rather than short-term speculation. Australia remains fundamentally undersupplied, and population growth continues to be the most reliable tailwind for property investors.

Cotality data shows Perth and Brisbane remained positive in June, while Sydney and Melbourne recorded sharper quarterly declines. Futureland sees this as a market for selective acquisition, not broad-based buying. Perth and Brisbane remain among the strongest annual asking price performers, while Melbourne continues to offer recovery-stage upside from a lower-growth base.

GET STARTED

Build Your Long-Term Property Strategy with Futureland

Futureland Property Group helps Australians identify, acquire and structure investment-grade property opportunities designed for long-term wealth creation.

Futureland Property Group

Helping Australians build long-term wealth through strategic property investment.

Book a Strategy Call

Speak directly with a Futureland property advisor about your investment goals.

Website

www.futurelandpropertygroup.com.au

Email

connect@futurelandpropertygroup.com.au

This report has been prepared by Futureland Property Group for informational purposes only. It does not constitute financial advice. Readers should seek independent financial and legal advice before making any investment decisions.