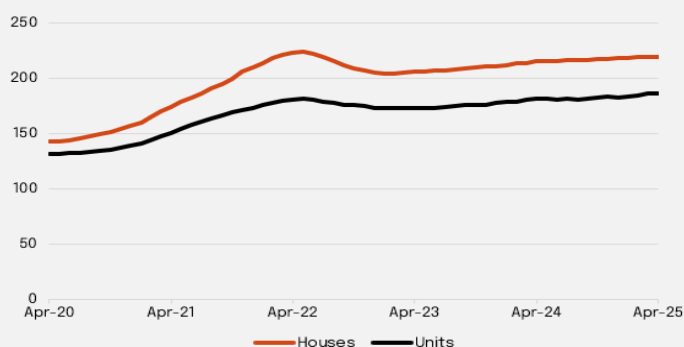


MELBOURNE MARKET SNAPSHOT

Home Value Index – April 2025

The change in house and unit values to end of April is recorded at:



HOUSES



UNITS

Quarter **+1.0%** **+1.0%**

Annual **-2.0%** **-2.6%**



+11.7%
HOUSE SALES



-2.0%
UNIT SALES

Source: CoreLogic (formerly CoreLogic)

Annual Dwelling Sales to April 2025

95,950 +5.3% higher than one year ago.
+3.0% higher than the five-year average.

Melbourne's property market continued its recovery phase in April, recording an increase of +0.2% for the month. This now sees the third month of consecutive growth.

Following the positive growth trend seen in the first quarter of 2025 the annual growth now sits at -2.2% with the median dwelling value reaching \$786,158.

Both the house and unit markets continued to show positive results, both recording monthly growth of +0.1% and +0.4% respectively as well as quarterly growth of +1.0% for houses and +1.0% for units. Annual growth showed similar softening in both markets, at -2.0% and -2.6% for houses and units respectively.

Increased property prices are reported alongside increased sales volumes and higher listing volumes, which would usually place downward pressure on values. Despite Melbourne's weaker performance in the last year in comparison with other capital cities, its relative affordability continues to make the city more attractive to buyers.

The positive shift in dwelling values is primarily driven by improved sentiment after the RBA cut the cash rate in February, alongside its direct impact on borrowing capacity and mortgage serviceability. While the rate cutting cycle is expected to be a drawn-out process, affordability challenges persist despite gradual improvements, which will impact how much property prices can grow.

Although nationally housing values recorded a broad-based rise, not every market is back to new record highs. In fact, across the capital cities, it is only the mid-sized capitals where home values are at their highest level on record. Melbourne values are down -5.4% from the market's record peak in 2022.

The annual pace of gains slowed to 3.2% nationally in April, the slowest annual rise since the 12 months ending August 2023. The loss in momentum is reflective of the persistent slowdown in value growth seen between mid-2024 and early 2025, which culminated in falls over the three months ending January 2025.





MARKET CONDITIONS



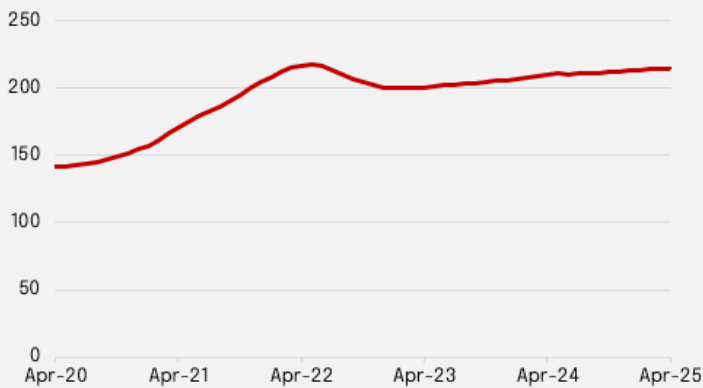
HOUSE



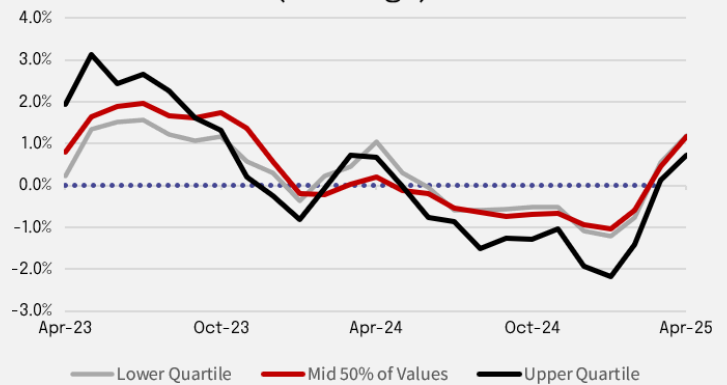
UNITS

| | | |
|----------------------------|-----------|-----------|
| LISTINGS – ANNUAL VARIANCE | -3.8% | +4,2% |
| DAYS ON MARKET | 37 days | 36 days |
| VENDOR DISCOUNT | -3.3% | -2.8% |
| MEDIAN VALUE | \$934,500 | \$610,327 |

Hedonic Home Value (Dwellings)



Value Change by Price Quartile (Dwellings)



Source: CoreLogic (formerly CoreLogic)

New housing supply is expected to remain constrained amid high costs, a scarcity of skilled trades and compressed profit margins. Although population growth is easing, the cumulative undersupply of housing will take some time to address. Housing construction costs are still rising from an already high base, creating ongoing feasibility challenges for builders and developers.

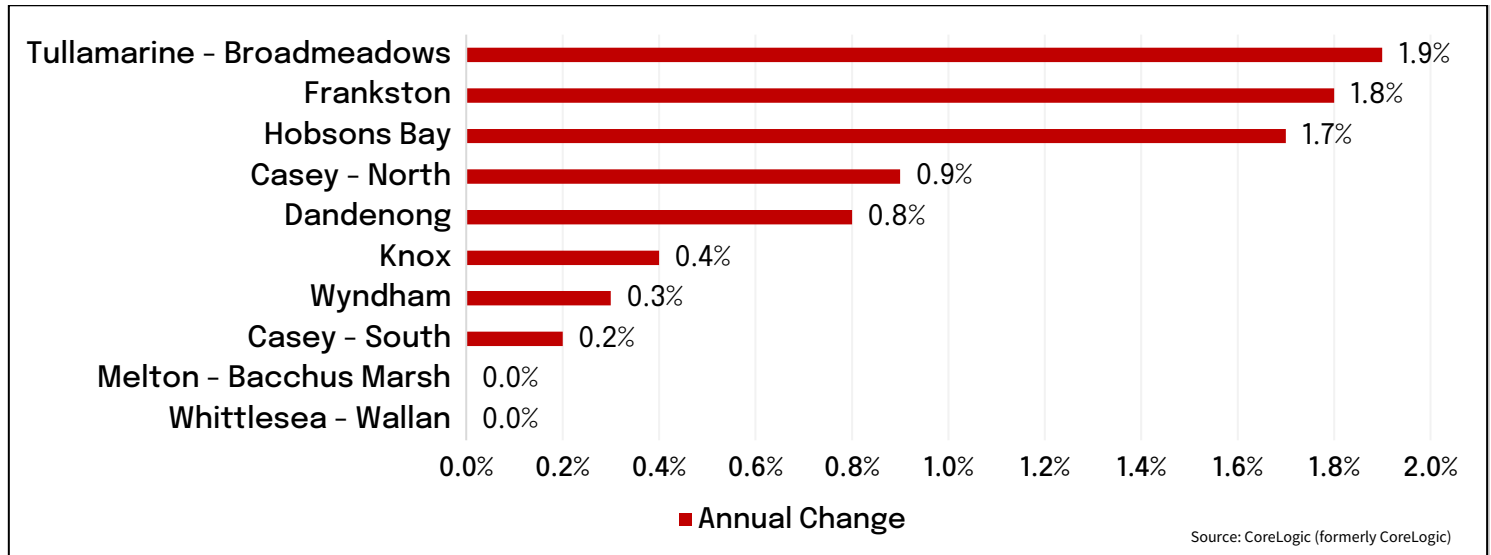
The competition for trades within the infrastructure sector is also likely to persist for several years, with these challenges contributing to the low supply which could support further value growth.

Melbourne has seen a sharp drop in annual rental growth for the month of April, easing from +9.4% to +2.0%. With rents outpacing housing values, the national gross rental yield reached a two-year high in April, sitting at +3.7%.

Looking ahead, cost of living relief is expected to support household balance sheets, although the effects from the May 3rd federal election is anticipated to be a flurry of campaign announcements on housing more broadly.

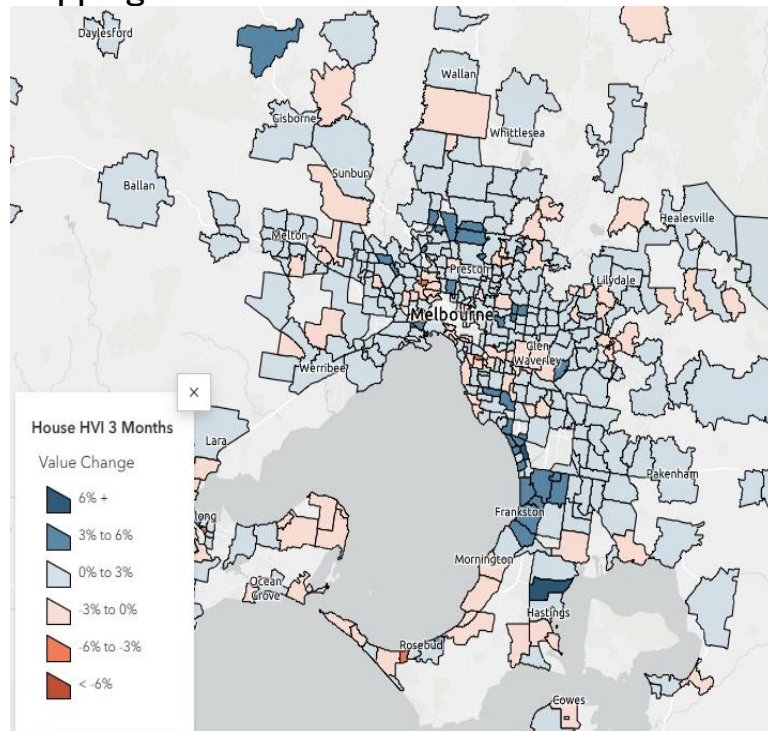


Top 10 Suburbs Annual Change - Dwellings



Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

Mapping the Market - 3 months to March 2025



Source: CoreLogic (formerly CoreLogic)

- The average median house value in Melbourne sits at \$934,500, recording subtle growth of +0.1% for the month of April, and bringing quarterly growth back into positive territory for the first time since May 2024. Annual growth was -2.0% to the end of April.
- Units in Melbourne grew +0.4% in April, bringing quarterly and annual growth to +1.0% and -2.8% respectively. The average median unit value to the end of March was \$610,327.
- The median time on market for Melbourne dwellings currently sits at 36 days for April.



RECENT SALES ACTIVITY

Entry-level Market

317 Highett Street, Richmond



The sale property comprises a 70's modern, two-bedroom, one-bathroom, single-storey renovated abode on a 124 sqm lot. Improvements include a renewed lounge/dining space, kitchen and bathroom with herringbone tiles and black accents and finishes. Property also includes a small outdoor courtyard with deck. After a marketing campaign and 24 days on the market, the property was sold for \$920,000 on 12th April.

Mid-price Market

15 Federation Street, Ascot Vale



The sale property comprises a double fronted, block fronted Victorian home with 3-bedrooms, 1-bathroom of 109 sqm on a 404 sqm lot. Behind the property's period façade you'll find 3 spacious bedrooms, a formal lounge and an open plan kitchen/meals area. With a listing price guide of \$1.35m - \$1.425m and after 34 days on the market, the property was sold for \$1,400,000 on 30th April.

Premium Market

21 John Street, Mordialloc



The sale property comprises a modern, multi-living-zoned residence with five-bedrooms, two-bathrooms of 365 sqm on an 669 sqm lot. The property contains a spectacular 360-degree panoramic view from its roof top terrace, large lower level rumpus/family room, dedicated study, entertaining zone with a bay view terrace and new kitchen. The property was offered for sale via private treaty with a listed price guide of \$2.8m. After a marketing campaign and 57 days on the market, the property was sold for \$2,720,000 on 23rd April.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of April 2025 and is intended to be of general nature only. It has been prepared without taking into account any person's objectives, financial situation or needs. Before acting on this information, NAB recommends that you consider whether it is appropriate for your circumstances. NAB recommends that you seek independent legal, property, financial, and taxation advice before acting on any information in this publication.

