

MELBOURNE

PROPERTY MARKET INSIGHTS

OCTOBER 2025



SNAPSHOT

Dwelling Value Change

+0.9% **+1.6%** **+3.3%**
Month Quarter Annual

\$818,975
Median Dwelling Value

95,315
Annual Dwelling Sales

34 Days
Median Days on Market

Source: Cotality



- Melbourne's property market surged in October, notching its strongest monthly growth in over a year. House values rose 0.9% over the month, lifting 1.6% over the quarter and 4.0% annually, with the median now at \$973,994 – just shy of the January 2022 peak of \$984,720 and edging closer to the \$1 million milestone. Unit values also rose 0.9% in October, up 1.5% for both the quarter and the year, bringing the median to \$636,605. While unit prices remain below their March 2022 peak of \$654,344, the consistent growth across both segments signals renewed confidence in Melbourne's housing market.
- Sales activity in Melbourne remained strong through October, with house sales up 8.9% year-on-year and sitting 13.3% above the previous five-year average, reflecting strong buyer demand. While unit sales dipped slightly by -0.4% annually, they were still 10.1% above their five-year average, evidencing a steady rebound in this market. On the supply side, listings remain tight, with house listings down -10.1% and unit listings down -17.2% compared to a year ago. This imbalance between rising demand and constrained supply is placing upward pressure on values, particularly in the detached housing segment, and is likely to support further price growth if current trends persist.
- The extension of the Home Deposit Guarantee Scheme has supported stronger price growth at the more affordable end of Melbourne's housing market. In October, lower quartile dwelling values rose by 1.1%, outpacing the 1.0% growth in the middle quartile and the 0.7% rise in the upper quartile. This trend suggests that increased access to the market for first-home buyers – many of whom target lower-priced properties – is helping to drive demand and price growth in that segment. As affordability constraints persist, policy support like the Guarantee Scheme is playing a key role in shaping the composition of buyer activity and influencing where price pressures are most pronounced.
- Melbourne's rental market remains relatively subdued compared to other capital cities, with house rents rising just 1.6% annually and unit rents up 2.2% - the lowest annual rental growth rates among all capitals. Despite this softer growth, gross rental yields in Melbourne sit at 3.6%, matching the national average and outperforming the combined capital city average of 3.4%. This suggests that while rental price growth has moderated, particularly compared to the increases seen in other cities, yields remain competitive – supported by stable property values and ongoing demand from a growing population.

Valuer on the Ground



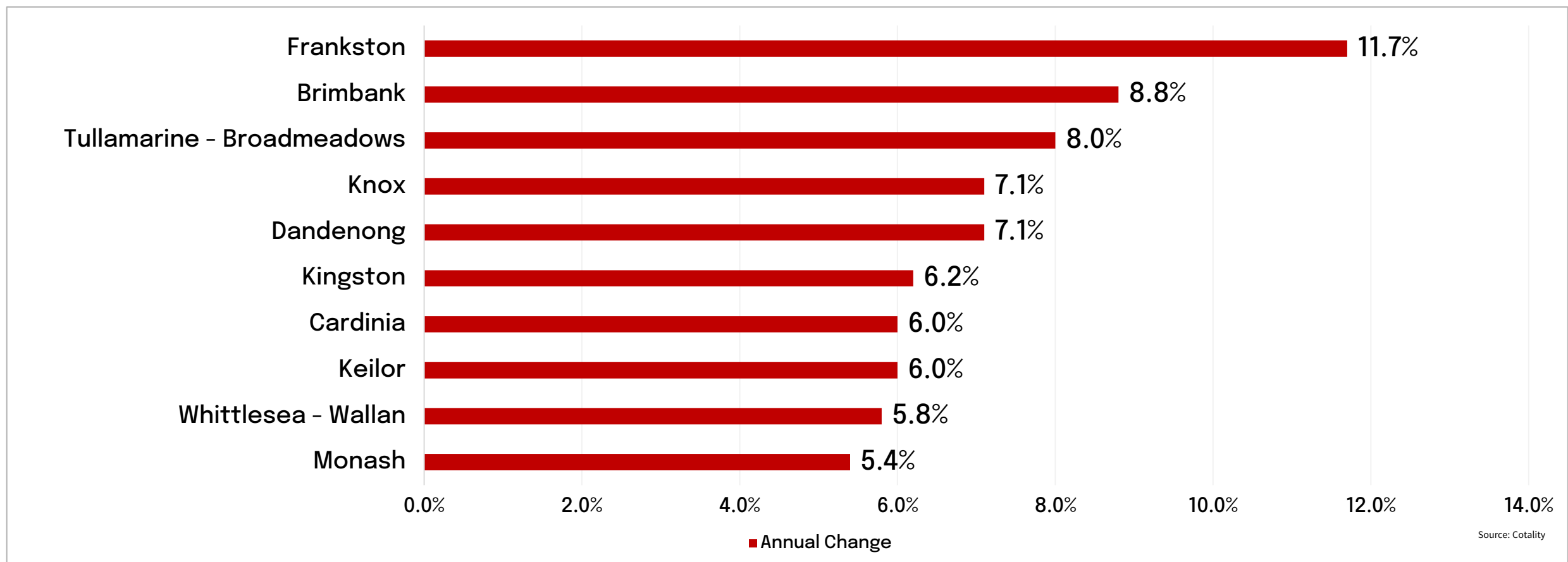
Agents are reporting there's more activity from both investors and first-home buyers.



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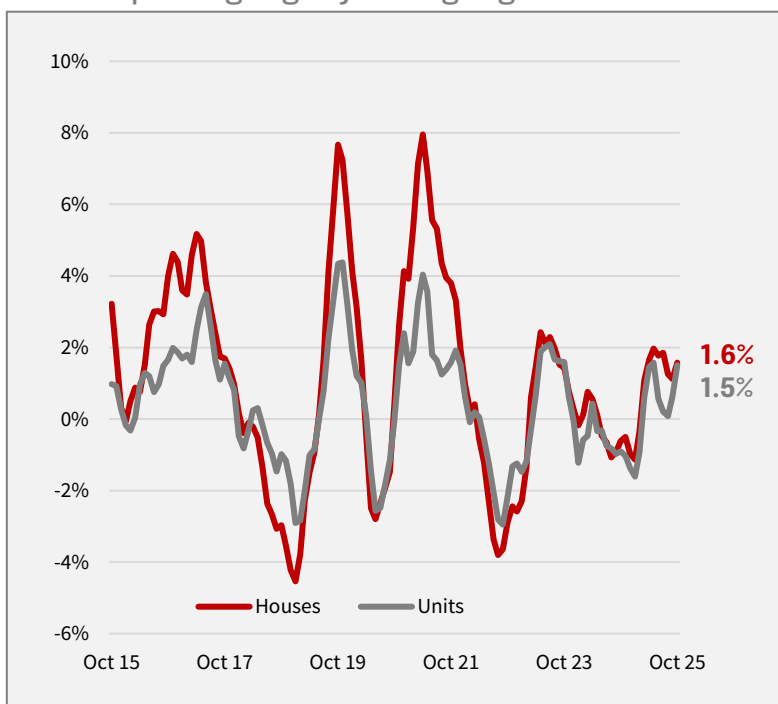


Top Suburbs Annual Change - Dwellings



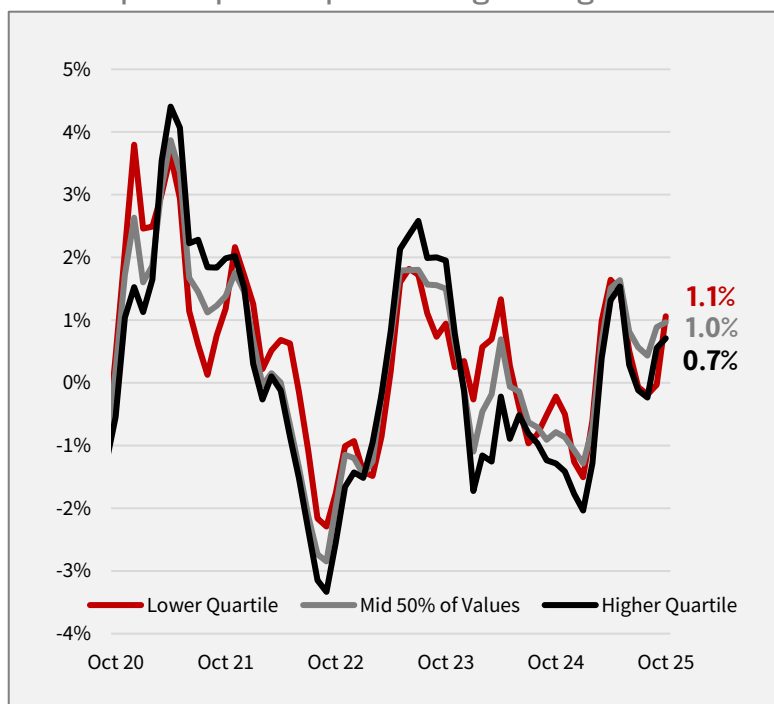
Quarterly Value Change by Property Type

Houses posting slightly stronger growth than units



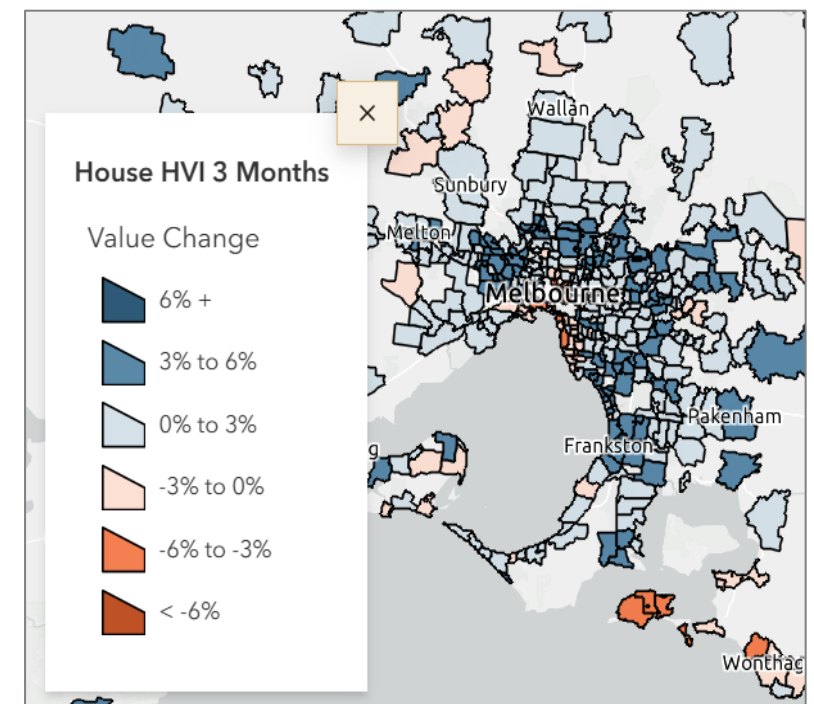
Quarterly Value Change by Price Quartile

Middle price quartile performing strongest



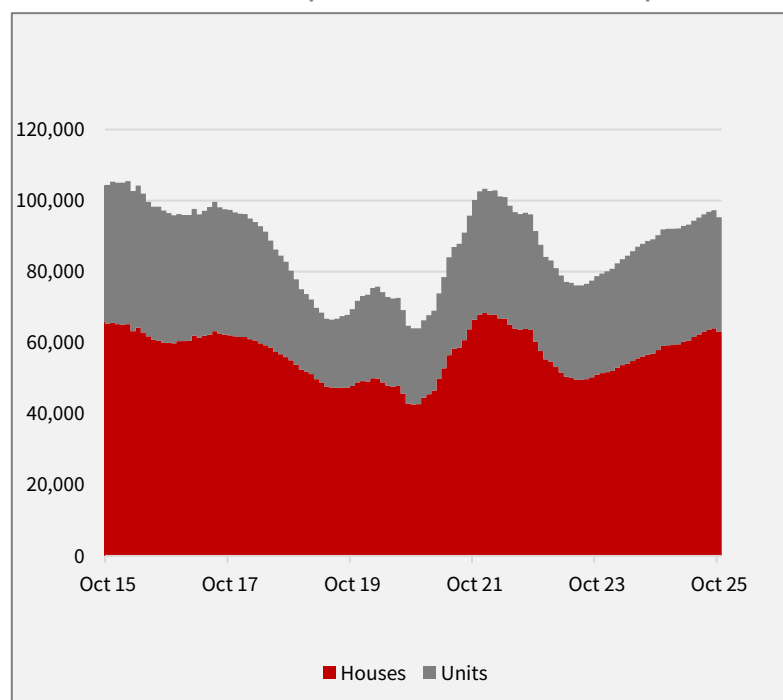
Mapping the Market - 3 months to Oct

Strongest growth noted outside Inner City areas



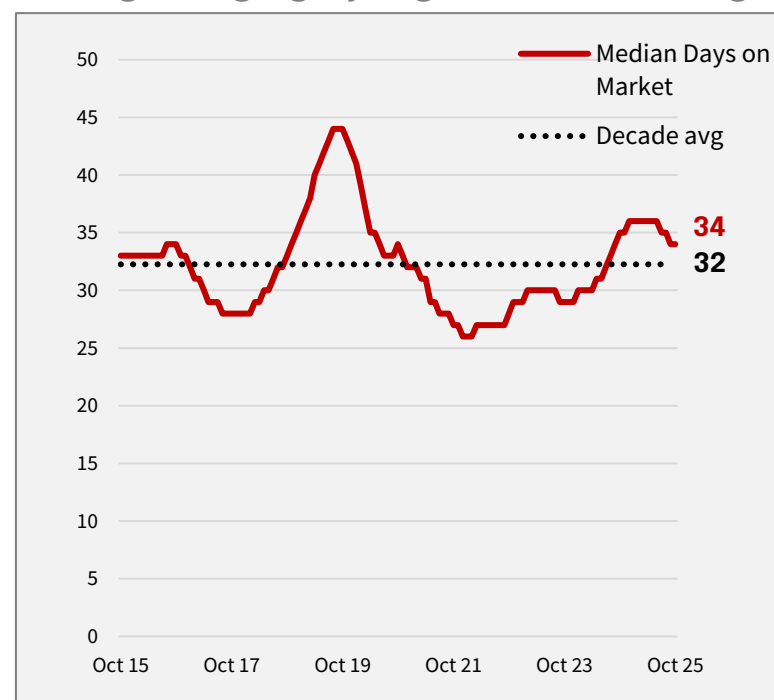
Annual Volume of Sales by Property Type

House sales made up 66% and units made up 34%



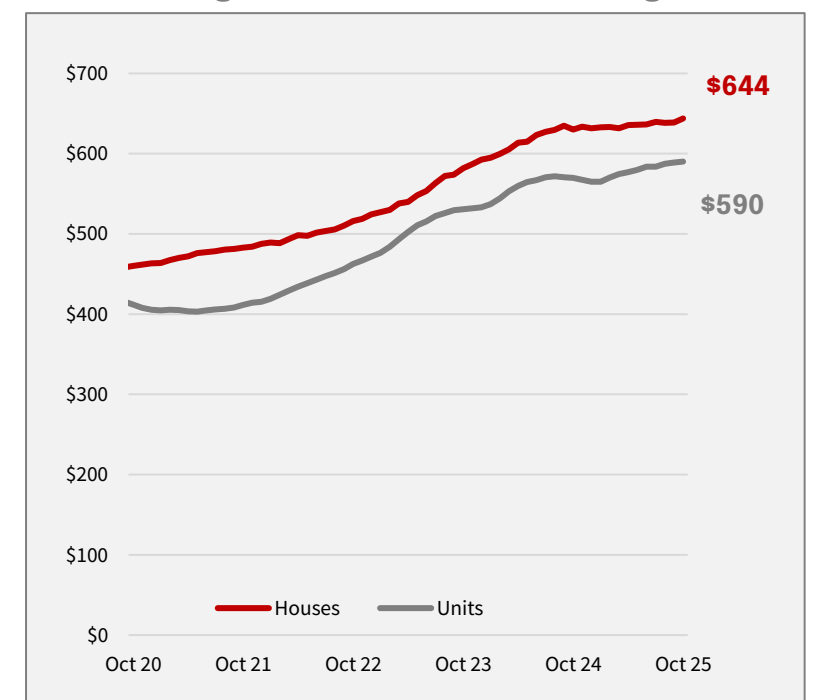
Median Days on Market vs Decade Average

Dwellings taking slightly longer to sell than average



Median Rental Value by Property Type

Rental value growth has slowed in both segments



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more
than
money



RECENT SALES ACTIVITY

43 Bimberry Circuit, Clyde



\$504,500



2



1



1



210 m²



107 m²

Sold: 27/10/2025

Days on Market: 154

10 Nandina Street, Forest Hill



\$1,200,000



3



1



1



720 m²



150 m²

Sold: 04/10/2025

Days on Market: 27

33 Ardmillan Road, Moonee Ponds



\$7,077,777



4



3



6



1,783 m²



377 m²

Sold: 25/10/2025

Days on Market: 18

Source: Cotality

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of October 2025 and is intended to be of a 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.