SYDNEY
PROPERTY MARKET INSIGHTS SEPTEMBER 2025

more than money

SNAPSHOT

Dwelling Value Change

+0.8%	+2.1%	+3.0%
Month	Quarter	Annual

$1,241,054
Median Dwelling Value

93,015
Annual Dwelling Sales

35 Days
Median Days on Market

Source: Cotality

- Monthly growth continues in Sydney and has propelled property prices to new heights, reflecting ongoing market strength. House prices rose 0.9% over the month, 2.4% over the quarter and are now 4.0% higher year-on-year, lifting the median house value to $1,550,563. Unit values also reached a peak, increasing 0.5% month-on-month, 1.3% over the quarter and 0.3% annually, with the median unit price now at $880,777.
- Despite the rise in property prices and transaction volumes as spring commenced, house sales remained 2.7% lower year-on-year and sit 3.9% below the previous five-year average, while unit sales were down 13.7% annually and 6.4% below average. This slowdown in sales activity coincides with a notable drop in available stock, with house listings down 7.7% and unit listings down 16.6% compared to the same period last year. The constrained supply environment is contributing to upward pressure on prices, as buyers compete for fewer listings in a market still marked by strong demand.
- Sydney's rental market remained firm in September, with house rents rising 3.3% annually and unit rents up 5.3%, reflecting ongoing demand from tenants amid limited rental stock. However, the pace of rent growth has not kept up with surging property values, leading to a decline in gross rental yields, which now sit at 3.0% below the national average of 3.7%. This yield compression is particularly evident in high-demand suburbs where capital growth has outpaced rental increases. While landlords continue to benefit from rising rents, the narrowing yield margins may temper investor appetite, especially for those reliant on rental income rather than long-term capital gains.
- The federal government's expanded Home Deposit Guarantee, which went live on October 1, is poised to reshape Sydney's property market by unlocking access for thousands of first-home buyers and adding the demand and expected price growth in the most affordable quartile of the market. The scheme now allows eligible buyers to purchase with just a 5% deposit, removes income caps and lifts price thresholds to $1.5 million in Sydney - dramatically broadening the pool of potential purchasers. With upfront costs significantly reduced and Lenders Mortgage Insurance (LMI) no longer required, buyer activity is expected to intensify, particularly in the $700,000–$1.5 million range.

> **Valuer on the Ground**
> “Well-presented, quality listings continue to attract interest.”

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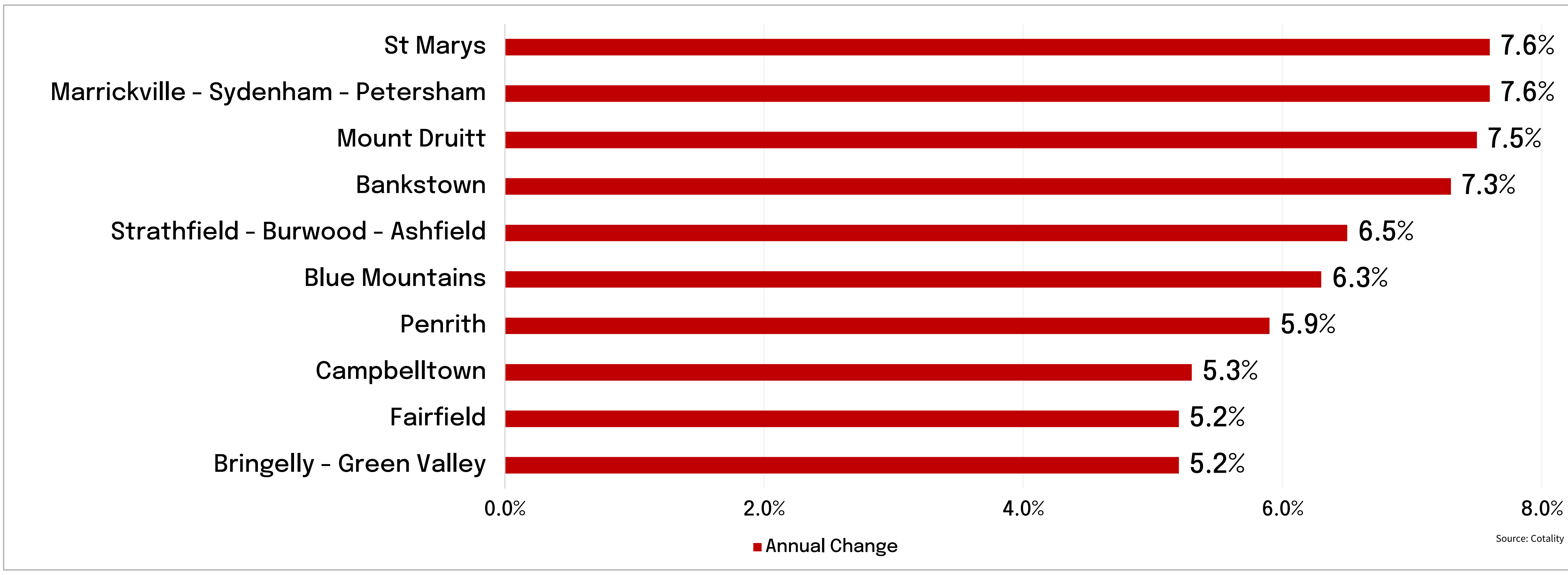
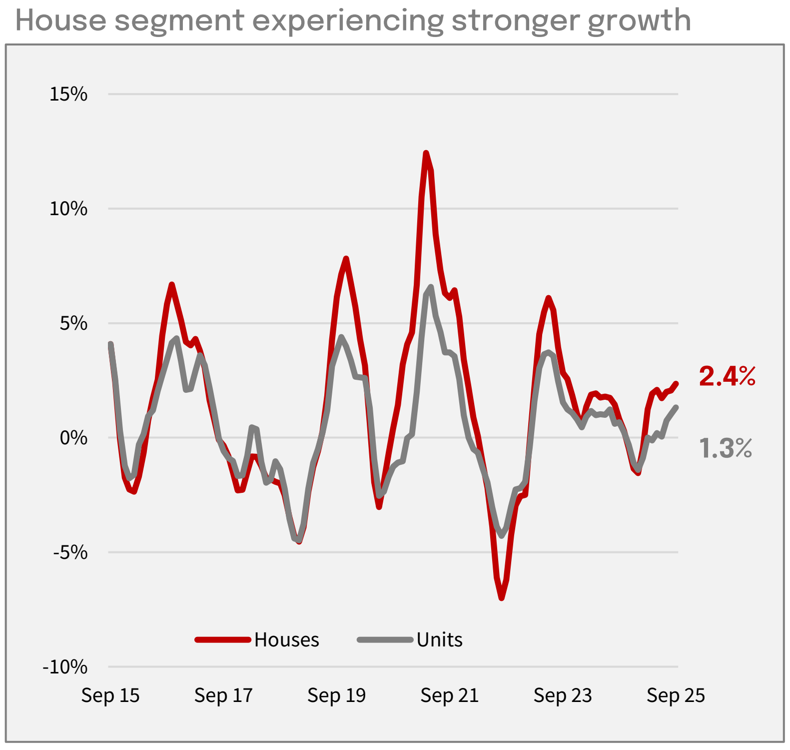
Top Suburbs Annual Change - Dwellings



Quarterly Value Change by Property Type

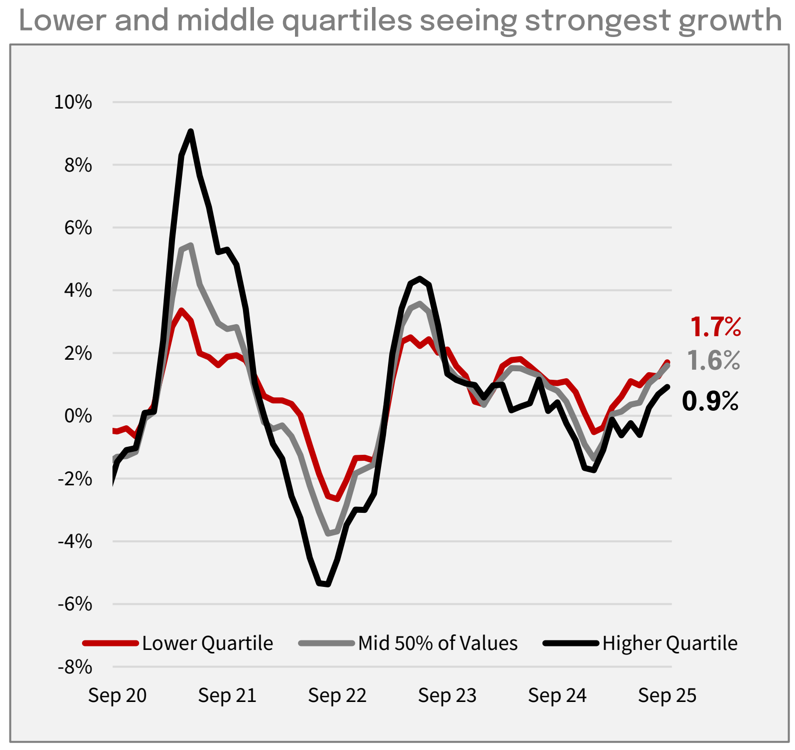
House segment experiencing stronger growth



Source: Cotality

Quarterly Value Change by Price Quartile

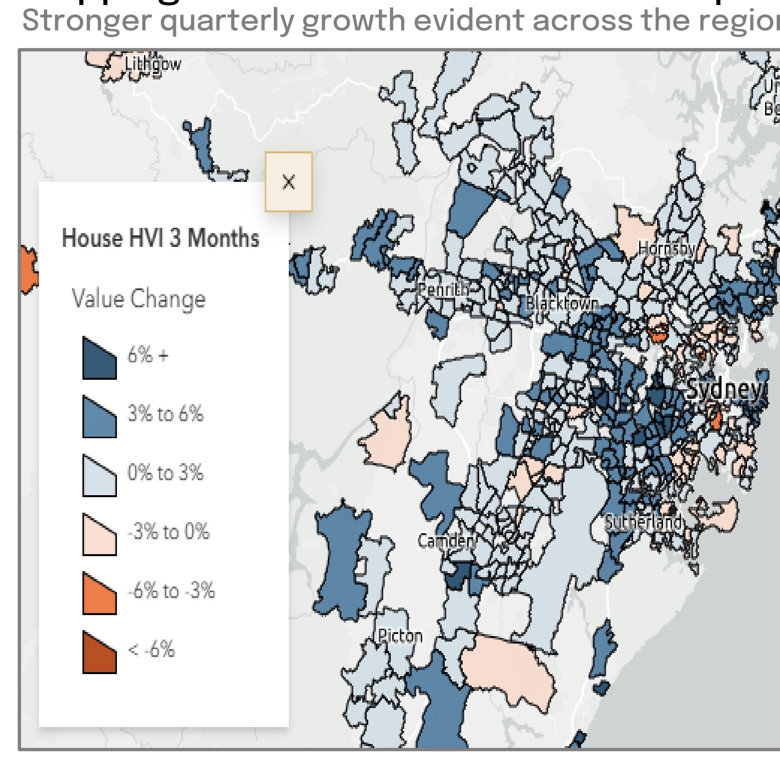
Lower and middle quartiles seeing strongest growth



Source: Cotality

Mapping the Market – 3 months to Sep

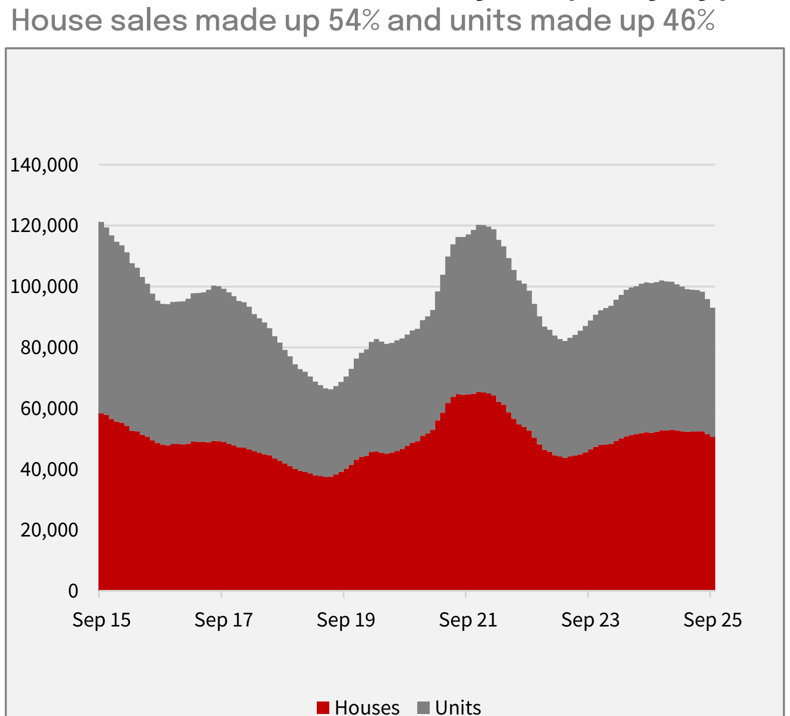
Stronger quarterly growth evident across the region



Source: Cotality

Annual Volume of Sales by Property Type

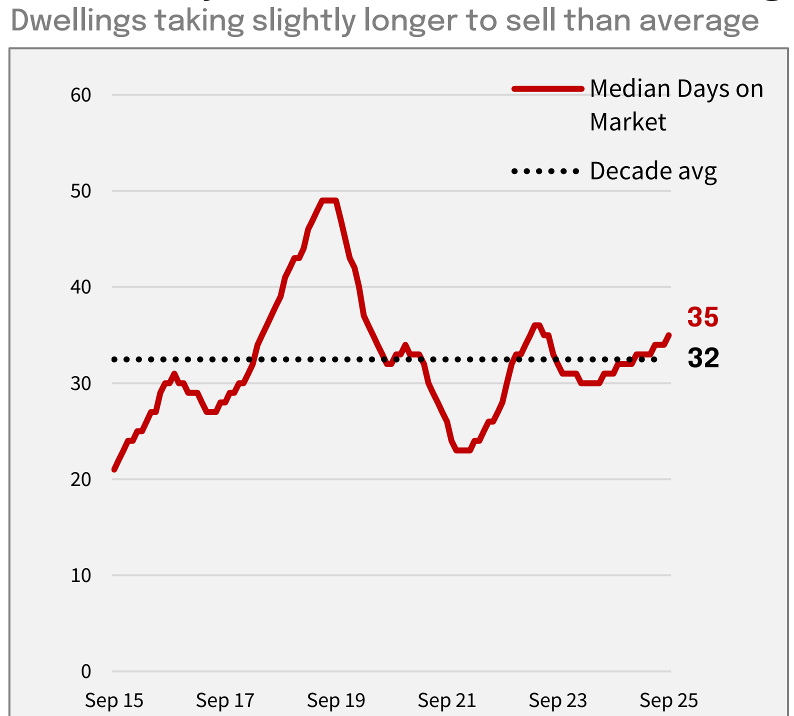
House sales made up 54% and units made up 46%



Source: Cotality

Median Days on Market vs Decade Average

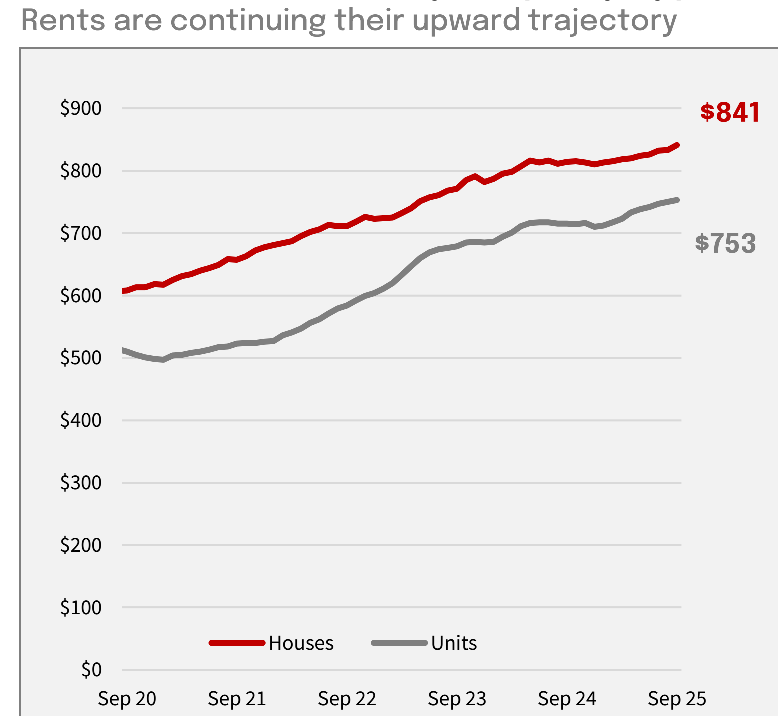
Dwellings taking slightly longer to sell than average



Source: Cotality

Median Rental Value by Property Type

Rents are continuing their upward trajectory



Source: Cotality

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RECENT SALES ACTIVITY

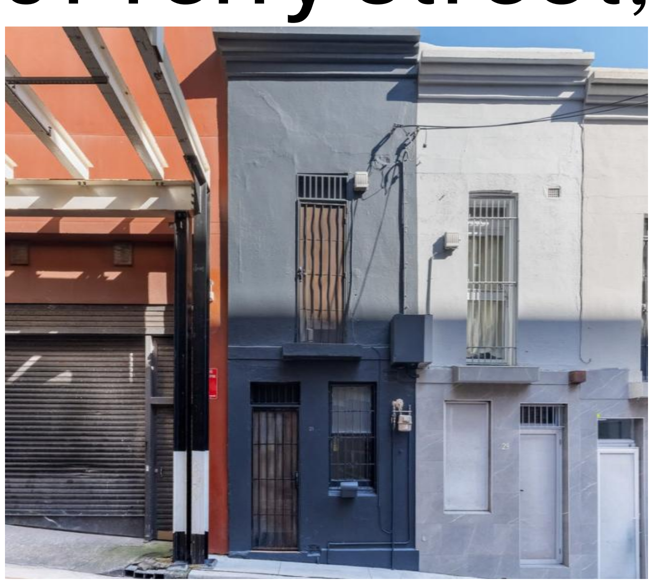
273 Luxford Road, Tregear

$855,000

3	1	1	669 m^2	82 m^2

Sold: 01/09/2025
Days on Market: 8

31 Terry Street, Surry Hills

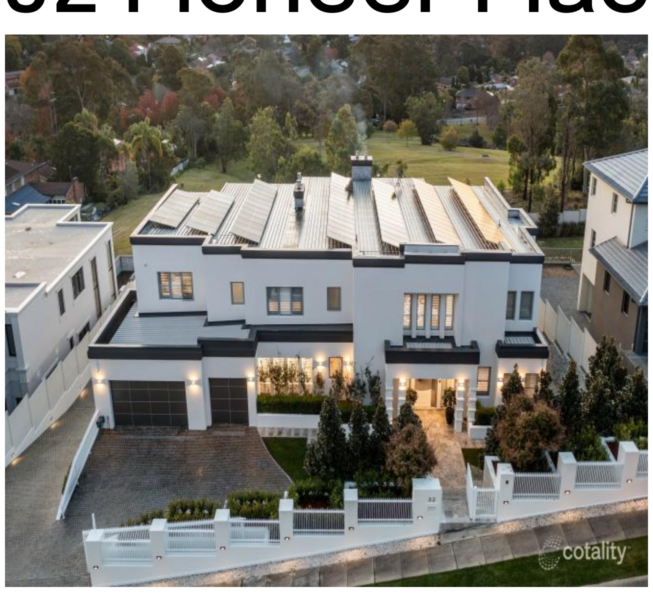


$1,650,000

3	1	-	38 m^2	50 m^2

Sold: 09/09/2025
Days on Market: 28

32 Pioneer Place, Castle Hill



$9,025,786

8	10	7	1,997 m^2	1,034 m^2

Sold: 26/09/2025
Days on Market: 87

Source: Cotality

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