

SYDNEY PROPERTY MARKET INSIGHTS 2025 REVIEW

SNAPSHOT

Dwelling Value Change

-0.1% **+0.8%** **+5.8%**
Month Quarter Annual

\$1,280,613
Median Dwelling Value

99,490
Annual Dwelling Sales

32 Days
Median Days on Market

Source: Cotality



- Sydney's housing market grew +5.8% in 2025 with houses rising +6.9% and units up +2.9%. The year closed out with softer conditions with a first monthly easing in nearly a year seeing house prices slipping -0.3% in December after a steady run of gains since January. The softening reflects easing momentum across the city as buyers react to weaker consumer confidence and the renewed possibility of rate hikes. Even with the December dip, house values lifted 0.7% over the quarter taking the median to \$1,587,709. Unit values continued to rise, increasing 0.3% in December, 1.2% over the quarter and 2.9% over the year, pushing the median to \$901,314.
- Sales activity remained relatively resilient through 2025, although momentum varied between markets. House sales lifted 2.2% over the year and sat 2.6% above the previous five-year average, signalling steady demand despite softer sentiment late in the year. Unit sales moved in the opposite direction, falling -7.3% annually and sitting just -0.2% below the long-term average, reflecting a more cautious buyer pool and greater sensitivity to borrowing costs. On the supply side, listing volumes tightened across both segments as prospective sellers delayed decisions in an uncertain rate environment. House listings were 3.1% lower year-on-year and unit listings dropped a sharper -15.8% as many owners opted to hold.
- The introduction of the first home buyer scheme in early October reshaped activity at the lower end of Sydney's market through the December quarter. With price caps set at \$1.5 million, demand concentrated sharply in sub-cap segments as eligible buyers moved quickly to take advantage of the support on offer. Dwelling values below the cap rose 2.3% over the quarter, reflecting stronger competition for affordable stock and a clear uplift in first-home buyer participation. Properties above the cap edged -0.1% lower over the same period as buyer attention shifted downwards, creating a mild cooling effect in higher-value brackets. This divergence highlights the scheme's role in strengthening pricing momentum in more accessible parts of the market while slightly easing conditions at the top end.
- Sydney's rental market remained tightly constrained through 2025, with strong demand continuing to outpace limited available stock. House rents rose 4.9% over the year and unit rents lifted 6.0%, reflecting sustained pressure across both segments as population growth and limited new supply pushed competition higher. Even with this growth, gross rental yields sat at 3.0%, below both the national average of 3.6% and the combined capitals average of 3.4%, reflecting Sydney's high dwelling values. Vacancy tightened to just 0.7% in December, down from 0.9% a year earlier, underscoring the city's ongoing shortage of rental stock.



Valuer on the Ground

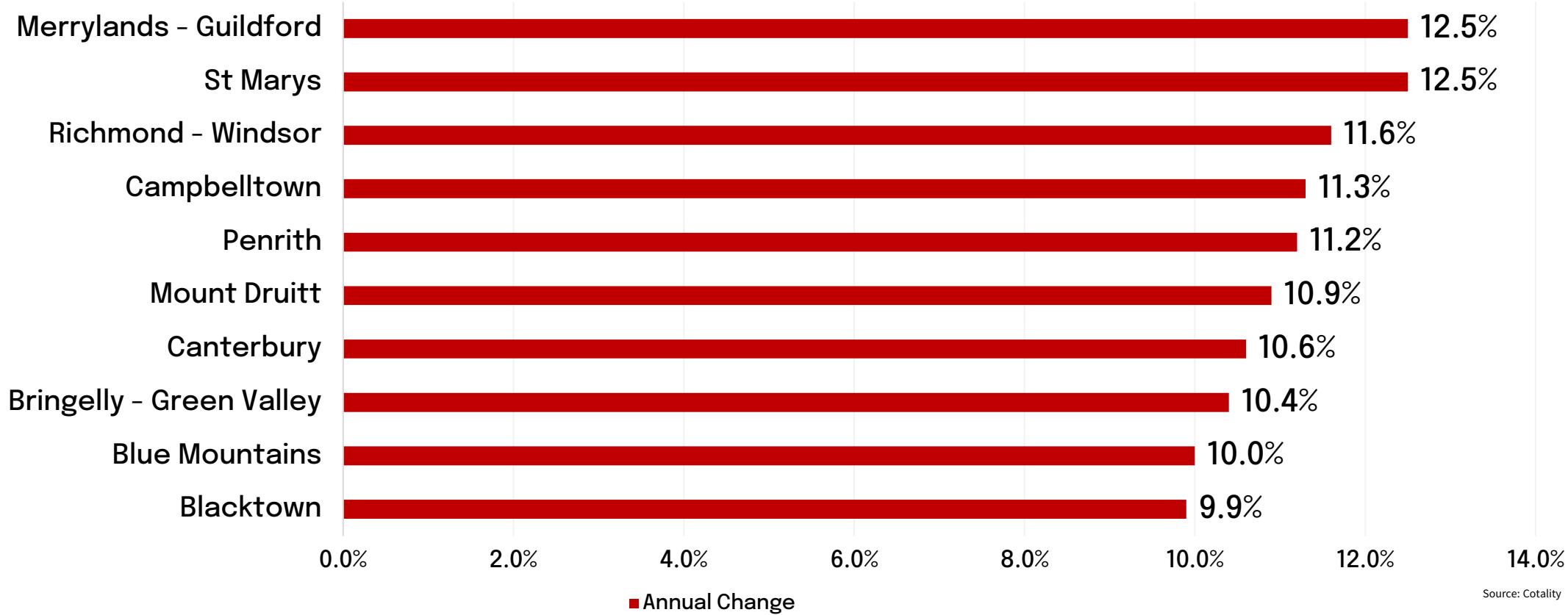
The market held steady overall, with growth slowing in some areas but plenty of pockets still showing solid gains.

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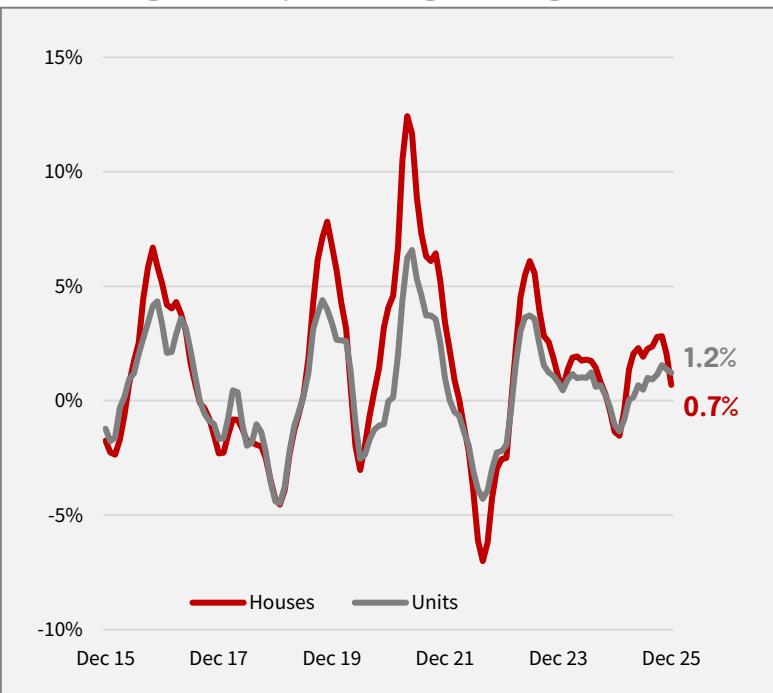
2025 REVIEW

Top Suburbs Annual Change - Dwellings



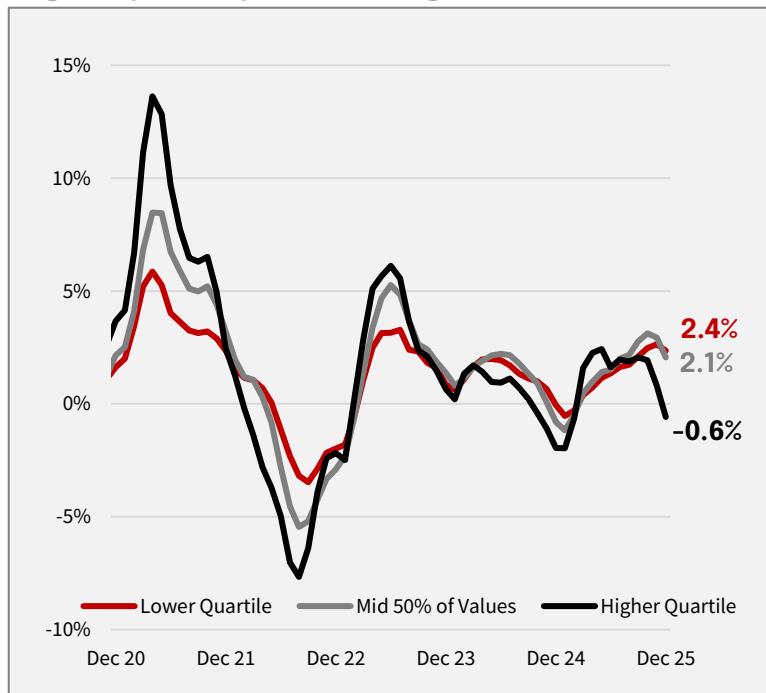
Quarterly Value Change by Property Type

House segment experiencing softer growth



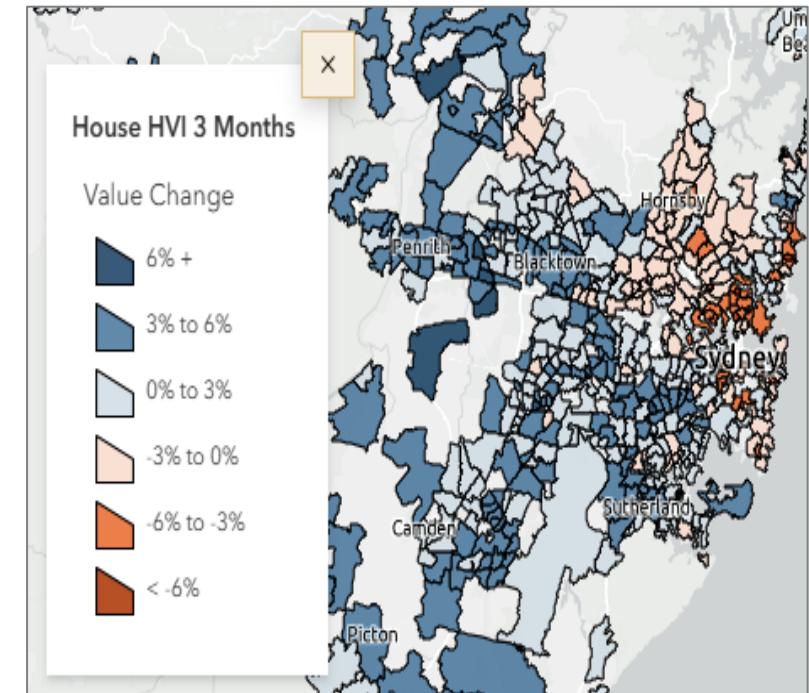
Quarterly Value Change by Price Quartile

Higher quartile prices trailing rest of market



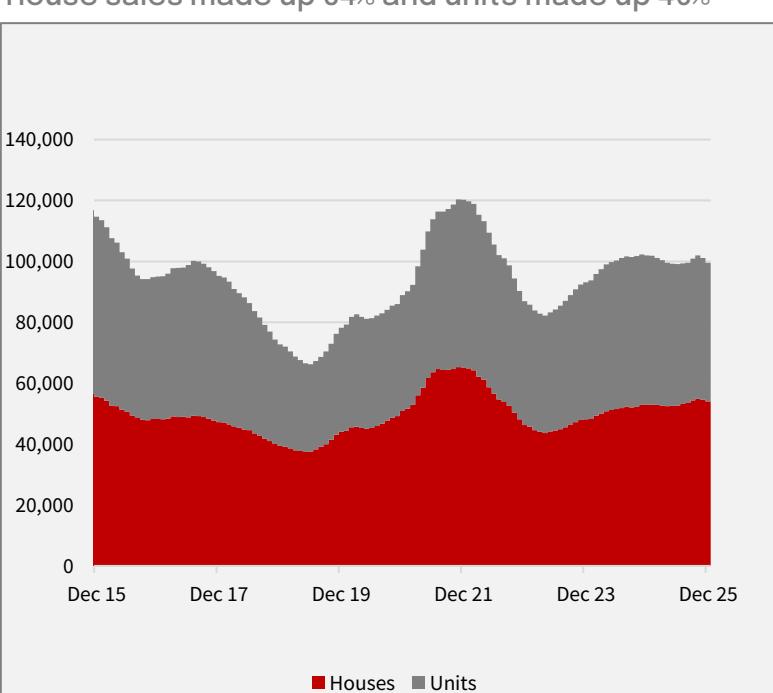
Mapping the Market - 3 months to Dec

Stronger quarterly growth evident in outer region



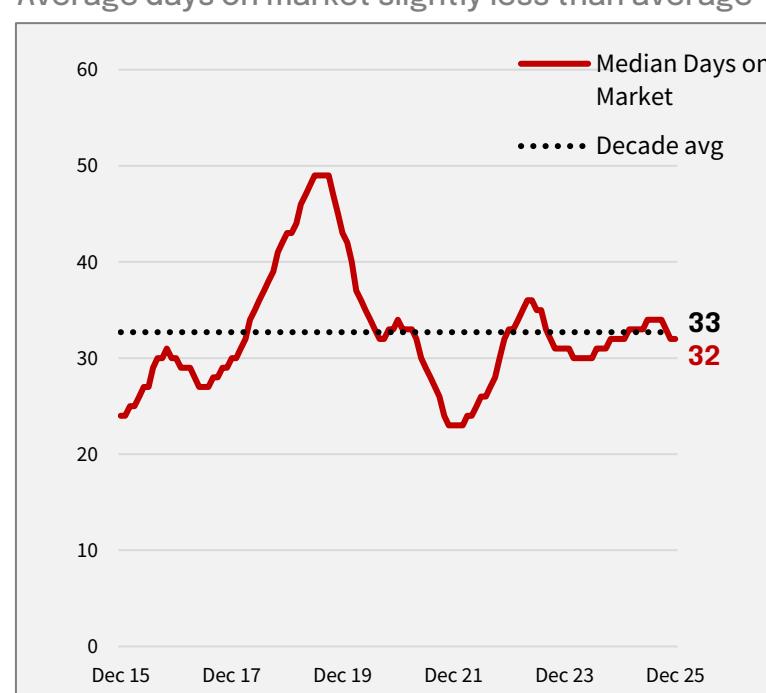
Annual Volume of Sales by Property Type

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



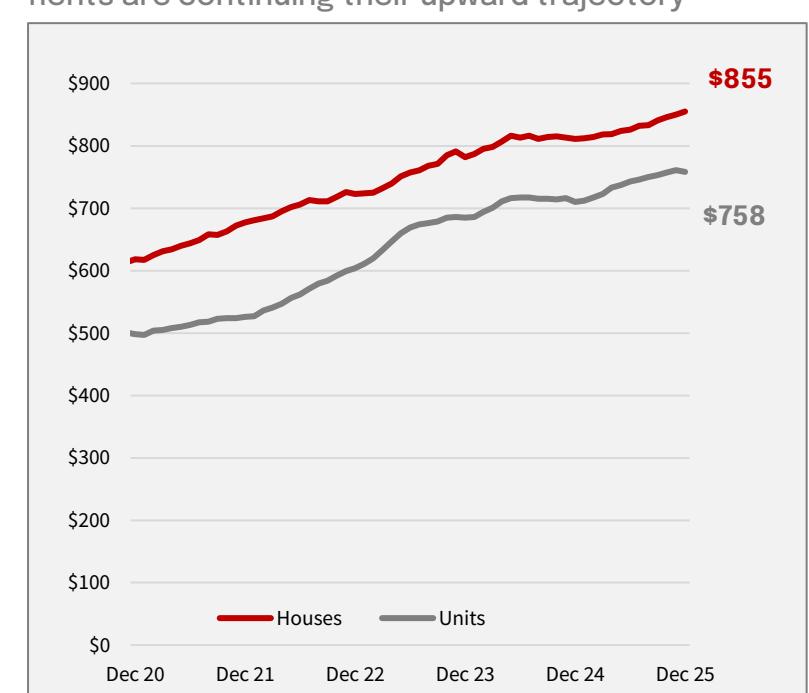
Median Days on Market vs Decade Average

Average days on market slightly less than average



Median Rental Value by Property Type

Rents are continuing their upward trajectory



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RECENT SALES ACTIVITY

192 The Parkway, Bradbury



\$770,000



Sold: 15/12/2025

Days on Market: 33

9 Oswald Street, Guildford



\$1,500,000



Sold: 17/12/2025

Days on Market: 24

64 Bellevue Road Bellevue, Hill



\$17,200,000



Sold: 01/12/2025

Days on Market: 62

Source: Cotality

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of December 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.