

Housing Prices to rise between 6% to 10%

All cities expected to record a rise in dwelling prices over 2026.

Christopher's Housing Boom and Bust Report 2026

Tuesday 25 November 2025

Brisbane, Perth, Adelaide and Darwin housing prices are once again predicted to continue to record outperformance compared to our larger capital cities in 2026. The three cities are tipped to record dwelling price rises of up to 16% according to forecasts released today by SQM Research in its annual update, ***Christopher's Housing Boom and Bust Report 2026***.

The base case forecast is for average national dwelling prices to rise between +6% to +10%.

Capital city Dwelling Price Forecasts 2026

	Scenario 1 (Base case)	Scenario 2 Sticky Inflation	Scenario 3 Slowdown Spillover	Global	Scenario 4 Economic Rebound
City/Region	• 25 to 50bp rate cut from Mid 2026 • Steady but sluggish economy * Inflation 2.5 to 2.7% as yearly average	• No rate cut until late 2026 • Inflation 2.75 to 3.2% yearly average * Slower economy	* 0.75% to 1.00% rate cut throughout the year. * Unemployment rises to 5.5%		* Rate cuts throughout the year of 0.50% to 0.75% * Lower inflation of 1.9% to 2.1% * Falling unemployment back to low 4s
Perth	+12% to +16%	+10% to +14%	+8% to +12%		+17% to +21%
Brisbane	+10% to +15%	+8% to +12%	+9% to +13%		+13% to +18%
Darwin	+12% to +16%	+3% to +7%	+6% to +10%		+14% to +18%
Melbourne	+4% to +7%	+2% to +6%	+6% to +10%		+7% to +11%
Sydney	+3% to +6%	+2% to +6%	+4% to +8%		+7% to +11%
Adelaide	+10% to +14%	+9% to +13%	+11% to +15%		+14% to +18%
Hobart	+4% to +7%	+3% to +7%	+6% to +10%		+6% to +10%
Canberra	+3% to +6%	+1% to +4%	+2% to +6%		+5% to +9%
Capital City Average (weighted)	+6% to +10%	+4% to +8%	+6% to +10%		+10% to +14%
Sunshine Coast	+10% to +15%	+9% to +14%	10% to +15%		+12% to +16%
Gold Coast	+7% to +11%	+6% to +10%	+7% to +11%		+8% to 13%
Mackay/Airlie Beach	+7% to +12%	+7% to +11%	+7% to +12%		+9% to 14%

Source: SQM Research

This uptick in dwelling prices assumes:

- **Population growth will likely moderate to about 390,000 people or 1.4%. This will translate into new demand for about 150,000 dwellings.**
- **Dwellings completions will rise to about 180,000 dwellings, creating a small surplus for the year of about 30,000 dwellings for next year.**
- **Interest rates will remain steady until mid-2026, thereafter, a 0.25% rate cut or two is probable.**

- **Employment growth will slow creating a further rise in unemployment to 5%.**

SQM's base case scenario assumes a steady but sluggish economy for 2026; yet one that carries the momentum of the housing prices growth recorded in the 2nd half of 2025 until at least mid-way through to next year. Thereafter predicted interest rate cuts for the 2nd half of 2026 will ensure ongoing price growth.

If such rate cuts do not materialise, the market is still expected to record dwelling price rises in each capital city but at a slower pace of growth. The interest rate cuts of 2025 plus the First Homeowner's Deposit Scheme will continue to encourage buyers into the housing market.

Louis Christopher, Managing Director of SQM Research said,

"2025 has been a year of resilience for the Australian property market, driven by strong population inflows and initial monetary policy easing; plus in recent months, the First Home Buyer Deposit Scheme," said Louis Christopher, Managing Director of SQM Research.

"However, as we look to 2026, the outlook is shaped by a range of potential economic paths, from a sluggish economy, which is our base case through to sticky inflation delaying rate relief to a global slowdown; or even a robust economic rebound is possible. Our scenarios highlight the market's sensitivity to these factors, with Perth, Brisbane and Adelaide poised for double-digit growth in all cases due to their supply constraints and economic momentum."

[Christopher's Housing Boom and Bust Report](#) also this year run predictions on the holiday locations of the Gold Coast, Sunshine Coast and the Whitsundays and has its usual full breakdown of every postcode in the country covering current market statistics and its postcode investor ratings. The full report can be found on www.sqmresearch.com.au for \$69.95.

About SQM Research

SQM Research Pty Ltd is a respected Australian investment research house, specialising in providing research and data across all major asset classes.

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