

Intelligent Investment

Prestige Residential Valuer Insights Q1 2025

REPORT

CBRE RESEARCH
MARCH 2025

CBRE





Key Findings

CBRE’s second release of the Prestige Residential Valuations Property Market survey received ~50 responses from our dedicated team of highly experienced Valuers, who specialise in the valuations of high-end residential properties across Australia. With informative insights on local prestige market trends, we gain a deeper comprehension of Australia’s luxury residential real estate market, as detailed in the following findings:



Demand Has Moderated

53% of Valuers reported ‘moderate’ demand in their local prestige markets, with 14% reporting ‘strong’ to ‘very strong’ demand. Demand was strongest in SA, NSW and QLD, with softer demand in WA and ACT.



Local Purchasers/Upgraders

Once again, the most active buyer types were reported as local purchasers and upgraders. Overseas purchasers and interstate purchasers, however, also continue to play a role. As in the previous survey, developers were least active.



Houses/Apartments Up To \$10 Million

Valuers see demand as being the strongest for houses valued up to \$10 million and apartments valued up to \$10 million. Softer conditions prevail for vacant land and rural residential.



Future Demand

4x as many Valuers expect demand to increase in the next 12 months than decrease. The strongest demand is expected in NSW and VIC, with softer demand expected in QLD.



House Values Next 12 Months

43% of Valuers expect house value growth in the next 12 months, down slightly from 54% in Q3 2024. 20% anticipate price growth of 5% or more. The highest growth is expected in SA, NSW, and VIC.



Apartment Values Next 12 Months

Apartment value expectations are similar to the previous survey. 43% of Prestige Valuers predict an increase in apartment values in the next 12 months. The highest growth is anticipated in WA, QLD, and NSW.



Vacant Land Values Next 12 Months

35% of Valuers anticipate an increase in vacant land values with 23% expecting an increase of less than 5%. 39% of Valuers expect vacant land values to remain stable. Most growth is expected in SA, WA, and NSW.



Future Supply (Listings)

Supply (listings) expectations have remained unchanged from the previous survey. 61% of Valuers expect an increase in listings in the next 12 months. The largest increase is anticipated in ACT, VIC, and NSW.

Recent demand

Demand has moderated in Australia's prestige market. 53% of Valuers reported 'moderate' demand in their local prestige markets (51% in Q3 2024). This quarter, 33% reported that demand had been 'soft' or 'very limited', an increase from 9% in Q3 2024. 14% reported demand as 'strong' or 'very strong'.

Demand is strongest in SA, with half of Valuers reporting 'strong' or 'very strong' demand, although down from 100% in Q3 2024. Demand is also strong in NSW, while softer demand is evident in WA and ACT.

FIGURE 1: Demand in local markets in the last 3 months, Australia wide.

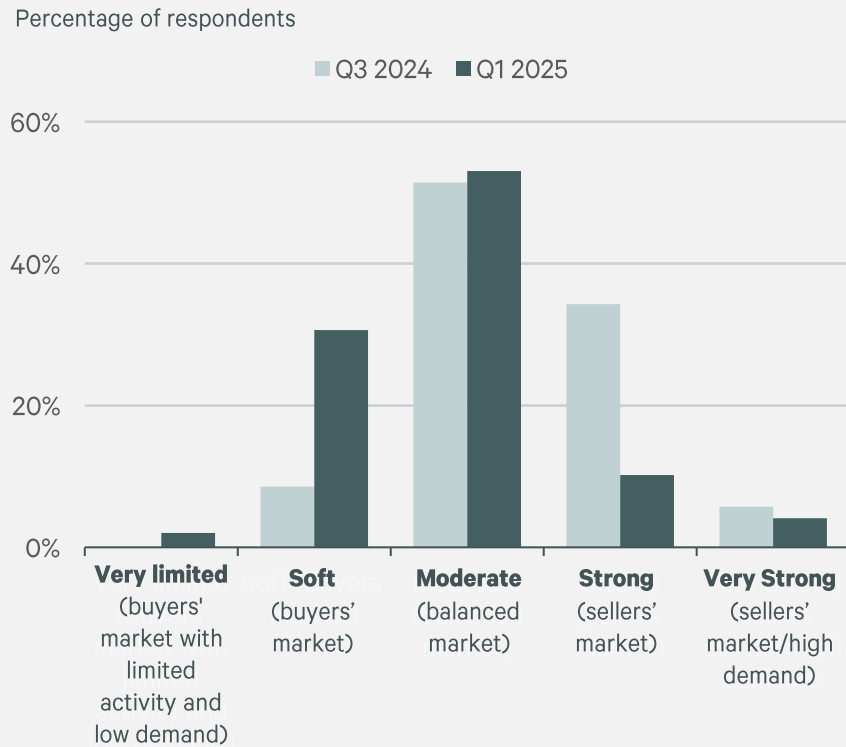
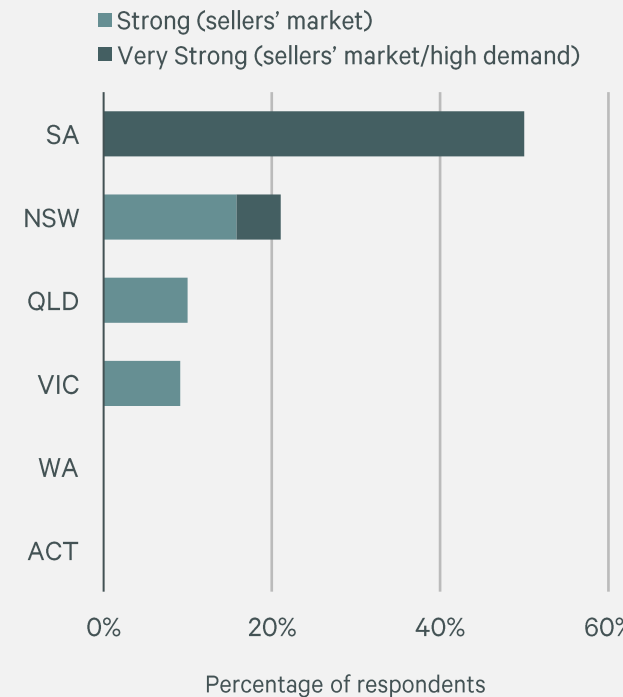


FIGURE 2: A closer look at responses for Q1 2025 indicating 'strong' or 'very strong' demand over the past 3 months.



“

The prestige property market in Sydney's Lower and Upper North Shore remains strong, with steady demand, resilient values, and ongoing buyer interest.

- North Sydney, NSW

“

The market in the Mornington Peninsula is struggling due to new land tax laws in Victoria.

- Mornington Peninsula, VIC.

“

Time on the market remains elevated, with limited transaction of properties with market values greater than \$5 million.

- South West Perth, WA

“

Newly completed properties with premium finishes are still considered a sought-after commodity, with agents reporting strong interest.

- Eastern Suburbs, NSW

”

Active buyers

In the last 3 months, local purchasers were once again the most active buyer type in the prestige market. Local purchasers were most prevalent in SA and WA, with 100% of Valuers in these states reporting this buyer type as active.

Upgraders and overseas purchasers were also active. Upgraders were most active in VIC and ACT while overseas purchasers were most active in SA and VIC.

Down-sizers were less active in Q1 2025, with 24% of Valuers reporting them as active, down from 40% in Q3 2024.

Developers were the least active buyer type again this quarter and were only reported as active in NSW. Local purchasers were most active in NSW, followed by upgraders.

“

Down-sizers (both empty nesters and retirees) have been selling their large family homes for a premium price and are purchasing new apartments with ocean views, in close proximity to amenities.

- Eastern Suburbs, NSW

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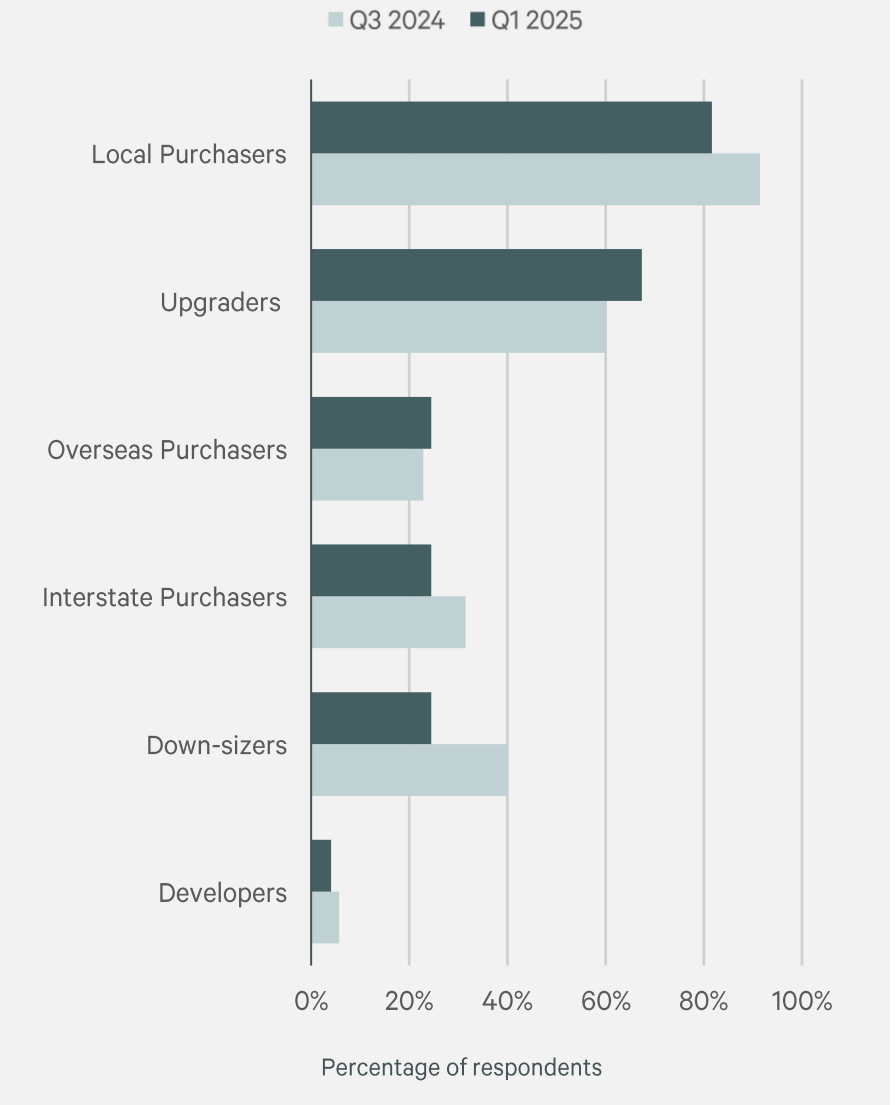
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Non-local wealthy buyers with inheritance money look for a trophy property to retire in or invest in, with borrowing a nominal factor.

- Sunshine Coast, QLD

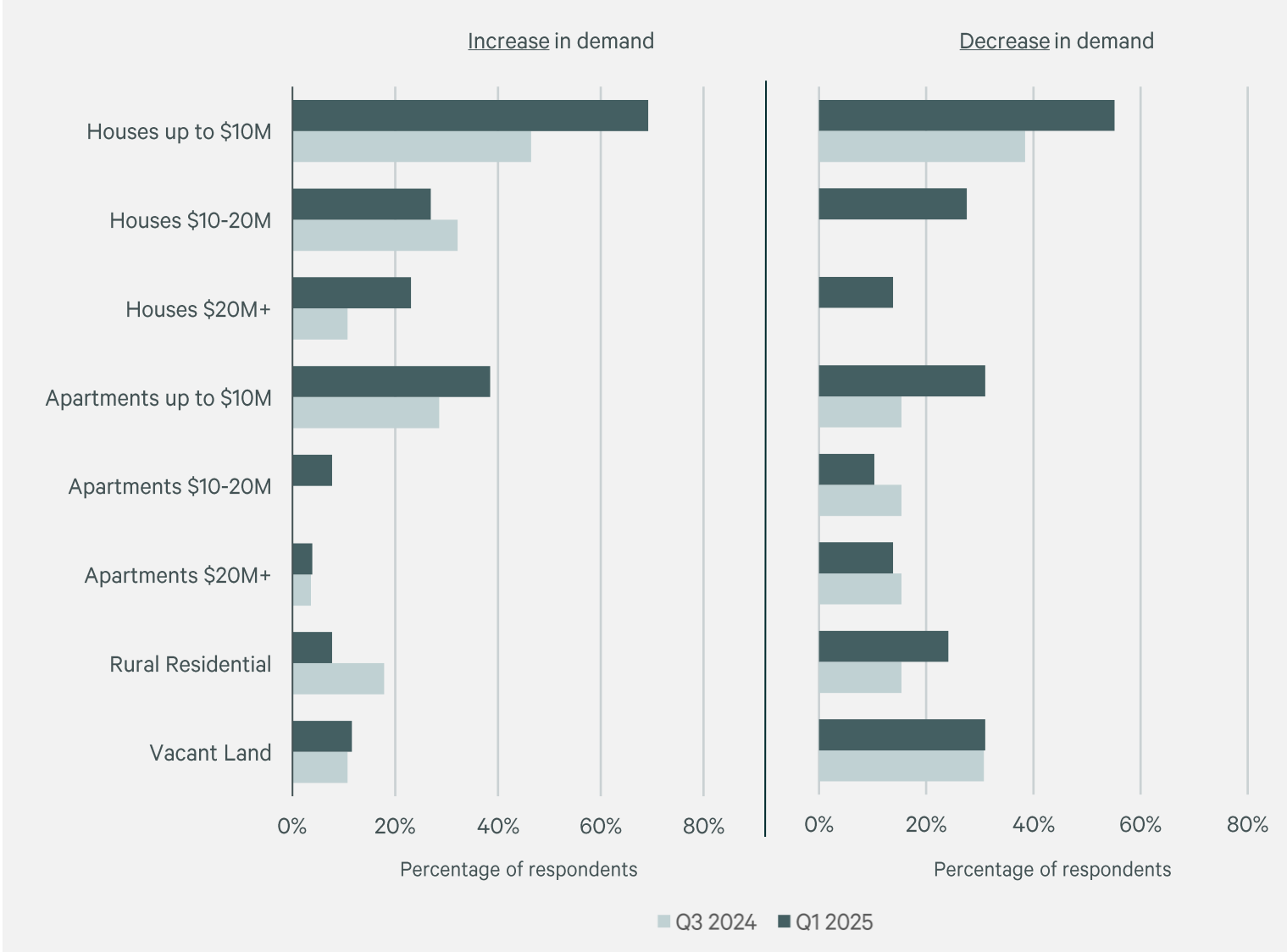
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FIGURE 3: Most active buyers in the market in the last 3 months.



Note: respondents were able to select multiple options (up to 4)

FIGURE 4: Properties that have experienced the biggest increase/decrease in market demand in the last 3 months.



Note: respondents were able to select multiple options (up to 4)

Change in demand

The survey results have identified mixed demand for houses valued up to \$10 million, with the strength of demand dependent on market.

Of the Valuers who reported that demand increased in their local prestige markets, 69% reported a rise in demand for houses valued up to \$10 million, an increase from 46% in Q3 2024. Demand for this property type was strongest in SA, WA, and NSW. Of the Valuers who reported that demand decreased in their local prestige market, 55% reported decreased demand for houses valued up to \$10 million, up from 38% in Q3 2024. Demand was more restrained in QLD and ACT.

Similarly, mixed demand was reported for apartments valued up to \$10 million. More Valuers reported increased demand in their local prestige markets in Q1 2025 (38%) compared to Q3 2024 (29%). Simultaneously, more Valuers reported decreased demand in their local prestige markets in Q1 2025 (38%) compared to Q3 2024 (29%). Demand for this property type was strongest in QLD and NSW and more restrained in SA and VIC.

Increased demand was also reported for houses valued between \$10-\$20 million (27%), and houses valued at over \$20 million (23%). Decreased demand was reported for vacant land (31%) and rural residential properties (24%).



“

There is not a lot of prestige rural lifestyle stock on the market, and it doesn't seem to sell as quickly as it did a year ago.

- Central/Hills Adelaide, SA

”



“

Renovated dwellings are still selling well and attracting a high amount of interest. The new residential unit market is performing reasonably well with location, views, and size being the key drivers.

- Sutherland, NSW

”



“

New property is well sought after, particularly given building prices and construction time.

- Sunshine Coast, QLD

”



“

Turnkey properties are still in demand and are selling within three to four weeks if priced well.

- Inner Melbourne, VIC.

”



“

Prestige coastal and beach front, as well as canal and river front properties remain thinly traded due to limited supply.

- Gold Coast, QLD

”



“

The rural residential prestige market has faced some challenges in 2025 which have carried from late 2024.

- Queanbeyan, NSW

”

House values

43% of Valuers expect prestige house values to grow in the next 12 months, down slightly from 54% in Q3 2024. 20% anticipate price growth of 5% or more (17% in Q3 2024). 37% of Valuers expect house prices to remain stable, while 20% expect values to decline. The strongest growth is expected in SA and NSW. Growth expectations are lower in WA and ACT.

“ The prestige housing market is in a period of malaise. There are limited prospective purchasers who remain cautious, due to the relatively high interest rate environment. ”
 - Northern Beaches, NSW

FIGURE 5: Expectations of house value movement in the next 12 months, Australia wide.

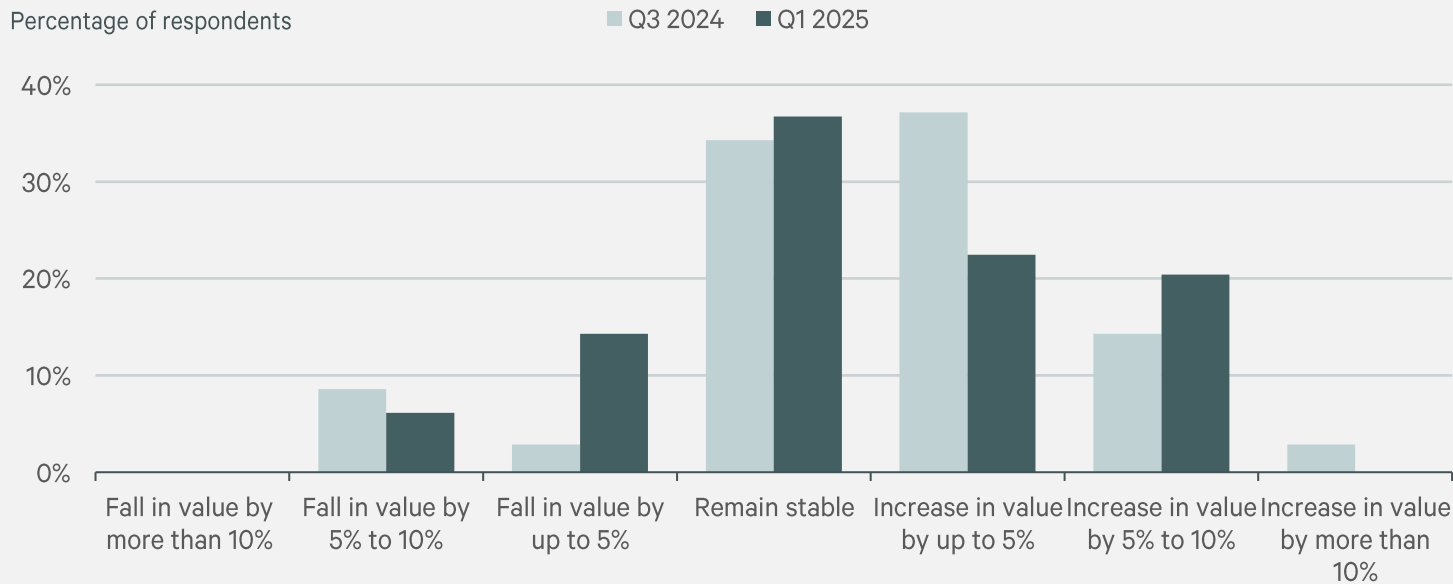
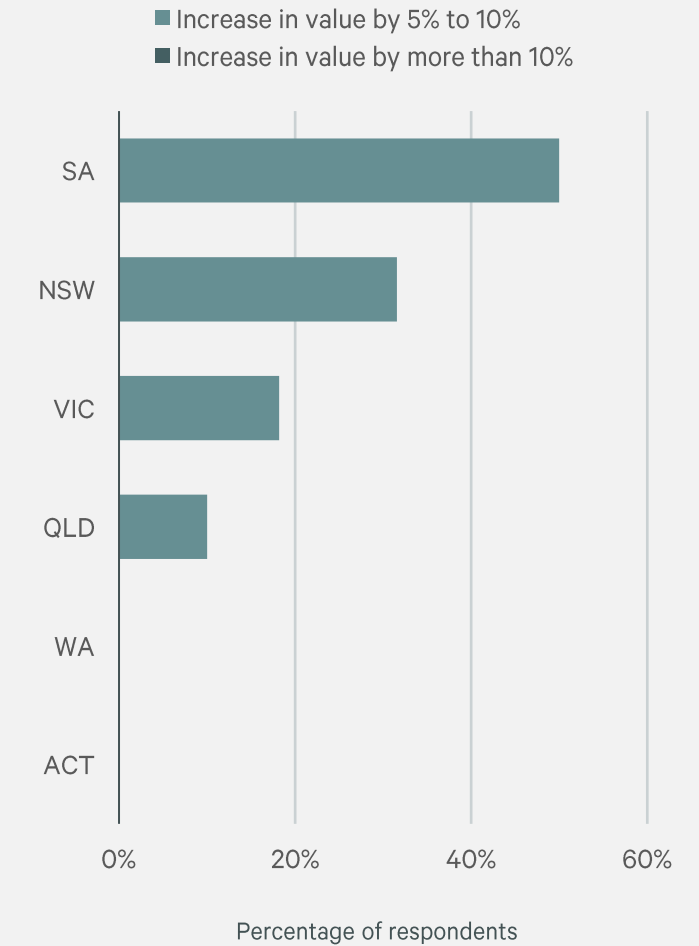


FIGURE 6: A closer look at responses for Q1 2025 indicating that house values are expected to increase by 5% or more in the next 12 months.



Apartment values

Prestige apartment value expectations have remained similar to the previous survey. 43% of Prestige Valuers predict an increase in apartment values in the next 12 months, a slight increase from 41% in Q3 2024. 48% of Valuers anticipate apartment prices will remain stable and 10% expect a decrease in values. Most growth is expected in WA, QLD, and NSW. The least growth is anticipated in ACT, VIC, and SA.

“ The prestige unit/townhouse market has continued to reflect the most significant growth, with demand from downsizers and younger families priced out of the detached housing market. ”
 - Inner Melbourne, VIC

FIGURE 7: Expectations of apartment value movement in the next 12 months, Australia wide.

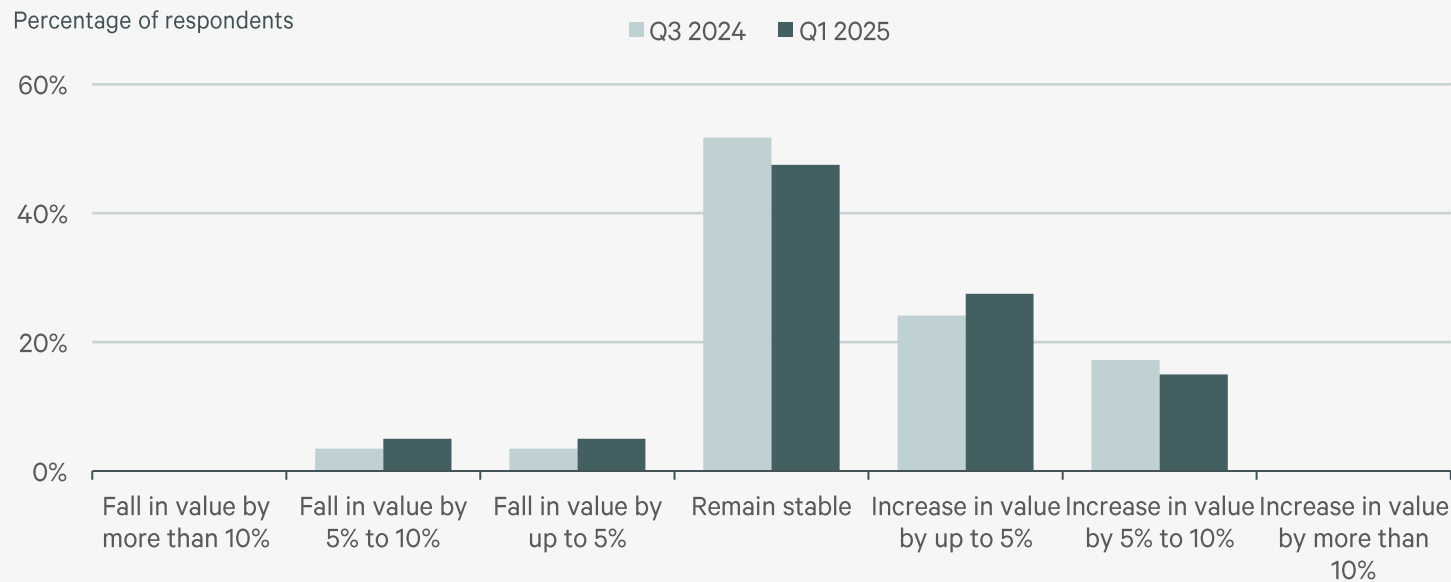
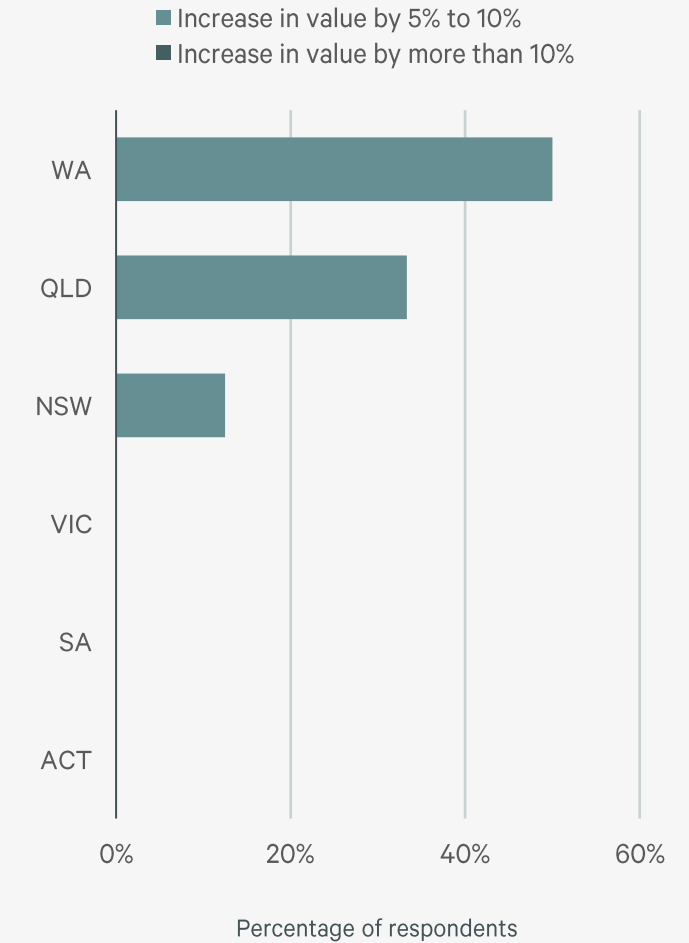


FIGURE 8: A closer look at responses for Q1 2025 indicating that apartment values are expected to increase by 5% or more in the next 12 months.



Vacant land values

39% of Valuers expect vacant land values to remain stable over the next 12 months in their local prestige markets, compared to 52% in Q3 2024. 35% of Valuers anticipate an increase, with most expecting an increase of up to 5%. More Valuers expect vacant land values to decrease at 26%, up from 11% in Q3 2024. Like in the previous survey, the greatest growth is expected in SA, WA, and NSW.

“ A record price for land was achieved in Walkerville. The agent reported that buyer enquiry was strong due to a lack of vacant lots for purchase. ”
 - Adelaide Central, SA

FIGURE 9: Expectations of vacant land value movement in the next 12 months, Australia wide.

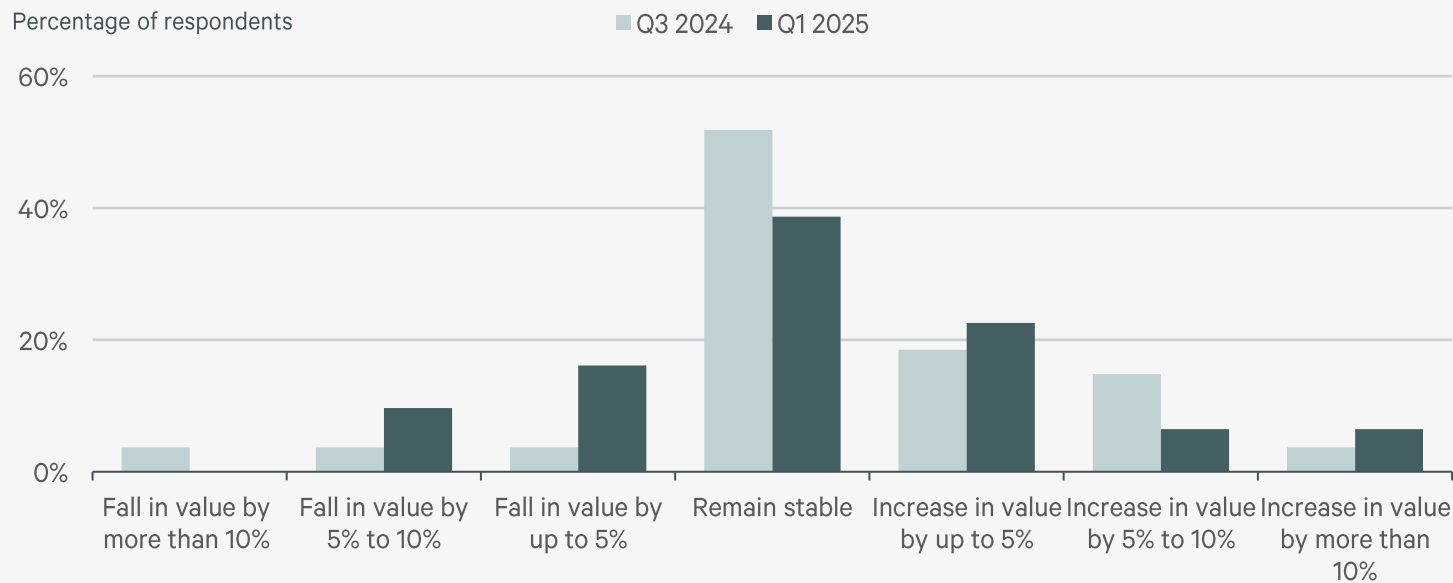
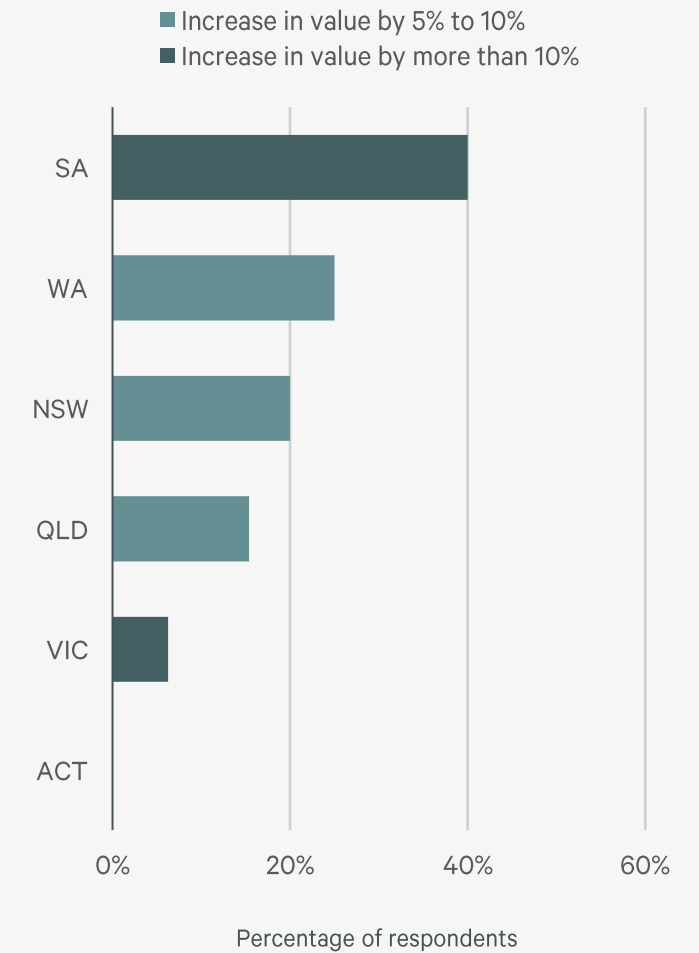


FIGURE 10: A closer look at responses for Q1 2025 indicating that vacant land values are expected to increase by 5% or more in the next 12 months.



Future demand

In Q1 2025, more Valuers expect demand to increase in their local prestige markets in the next 12 months compared to the previous survey. 43% of Valuers expect demand to increase, a jump from 31% in Q3 2024. However, 45% of Prestige Valuers expect demand to remain the same. 12% of Valuers predict demand will decrease 'slightly' with no Valuers in this survey expecting demand to decrease 'significantly'.

NSW and VIC are expected to see the largest demand increase, with 68% of NSW and 64% of VIC Valuers anticipating a rise in demand over the next year. Softer demand conditions are anticipated in QLD, as in the previous survey. Demand in WA and SA is expected to remain relatively stable.

FIGURE 11: Demand in local markets in the next 12 months, Australia wide.

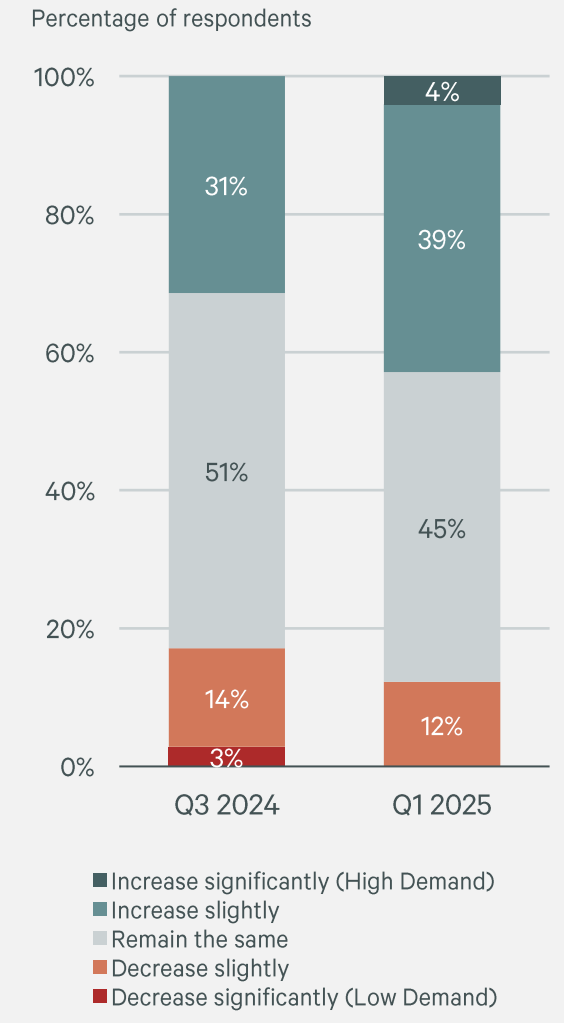
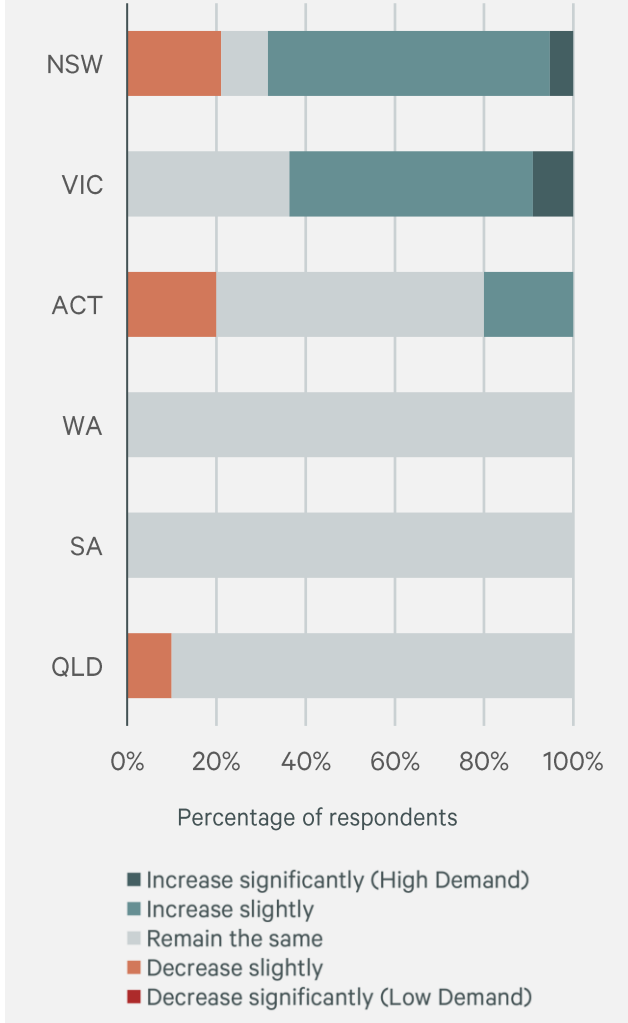


FIGURE 12: A closer look at Q1 2025 expectations for demand in the different markets.



Note: Survey was conducted prior to the RBA's interest rate decision on 18th February 2025.

“ There is a significant under supply of prestige properties, driving up both demand and prices. This does not show signs of easing in the short term.

- North Sydney, NSW

“ Previous election years have been quiet and inconsistent prior to the election. I anticipate this to be the same for the first half of 2025.

- Eastern Suburbs, NSW

“ Interest rate reductions may increase the number of buyers willing to commit.

- East Brisbane, QLD

Future supply (listings)

In Q1 2025, supply (listings) expectations have remained unchanged from the previous survey. 61% of Prestige Valuers expect supply to increase in the next 12 months, in line with 63% in Q3 2024. 37% of Valuers anticipate listing levels will remain the same, while only 2% expect listings to decline ‘significantly’.

An increase in listings is expected by 100% of ACT Valuers, by 73% of VIC Valuers, and 63% of NSW Valuers. On the contrast, 100% of SA Valuers expect listings to remain the same over the next year.

FIGURE 13: Supply in local markets in the next 12 months, Australia wide.

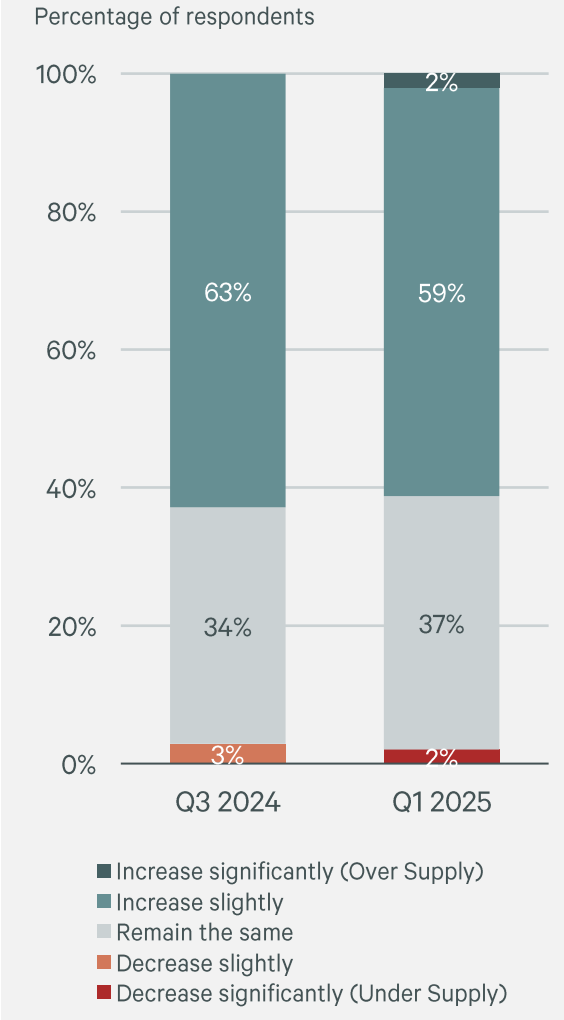


FIGURE 14: A closer look at Q1 2025 expectations for supply in the different markets.



“The number of properties on the market has increased slightly giving prospective purchasers more choice, resulting in market values softening slightly.

- Eastern Suburbs, NSW

“Listings valued at over \$6 million in the northern Sunshine Coast and Noosa regions appear to be increasing, with a number of listings above \$15 million currently on the market.

- Sunshine Coast, QLD

“An influx of prestige housing was offered to the market in late 2024/early-2025. An expectation of increased housing stock in this segment is expected throughout 2025.

- Canberra, ACT

Survey Profile

The CBRE Research Q1 2025 Residential Valuations Prestige Property Market Survey was conducted in early-February of 2025. A total of 49 responses were received.

Valuer locations:

NSW

- Sydney
- Hawkesbury
- Newcastle
- Central Coast
- Southern Highlands

VIC

- Melbourne
- Mornington Peninsula
- Bellarine Peninsula

QLD

- Brisbane
- Gold Coast
- Sunshine Coast

WA

- Perth

SA

- Adelaide

ACT

- Canberra
- Queanbeyan NSW



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