

# National Property Market Update

## Month in Review

### December 2023



## National Review 🏠

The annual change in house and unit values for the month of December

### Dwelling sale

**552,594**

Annual Dwelling sales

**9.4%**

Higher than one year

**4.3% higher**

The five-year average for the region

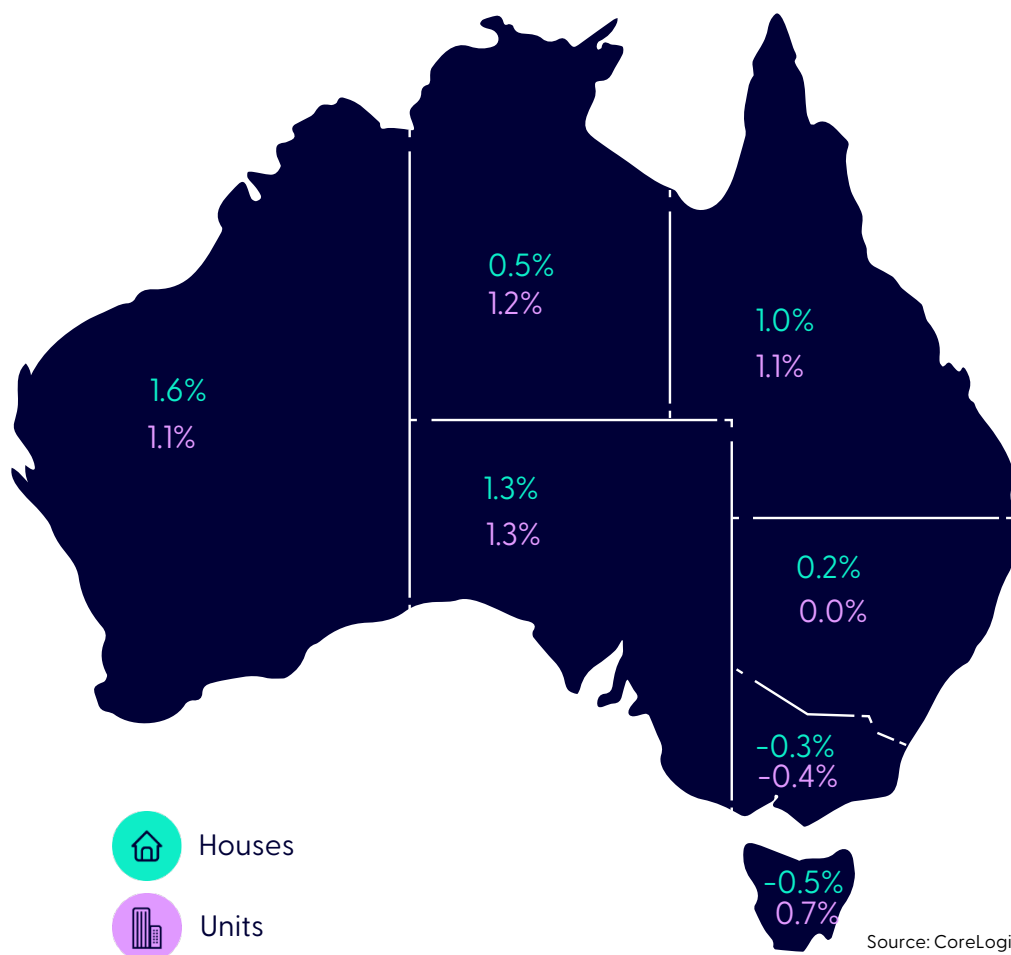
**9.6%**

House sales

**8.6%**

Unit sales

Source: CoreLogic



On a national basis 2023 saw dwelling values increase 8.1% with the Perth market as the standout reaching new record high gains closely followed by Brisbane and Sydney respectively. Behind the strong annual gains, conditions have become more diverse and generally slowed through the final months of the year ending in December.

One of the main trends through the year has been the widening disparity in the rate of home value growth across the capital cities.

Dwelling values have been rising at more than 1% each month on average across Perth, Adelaide and Brisbane since May, while in Melbourne and Sydney the pace of growth has moderated since the June rate hike.

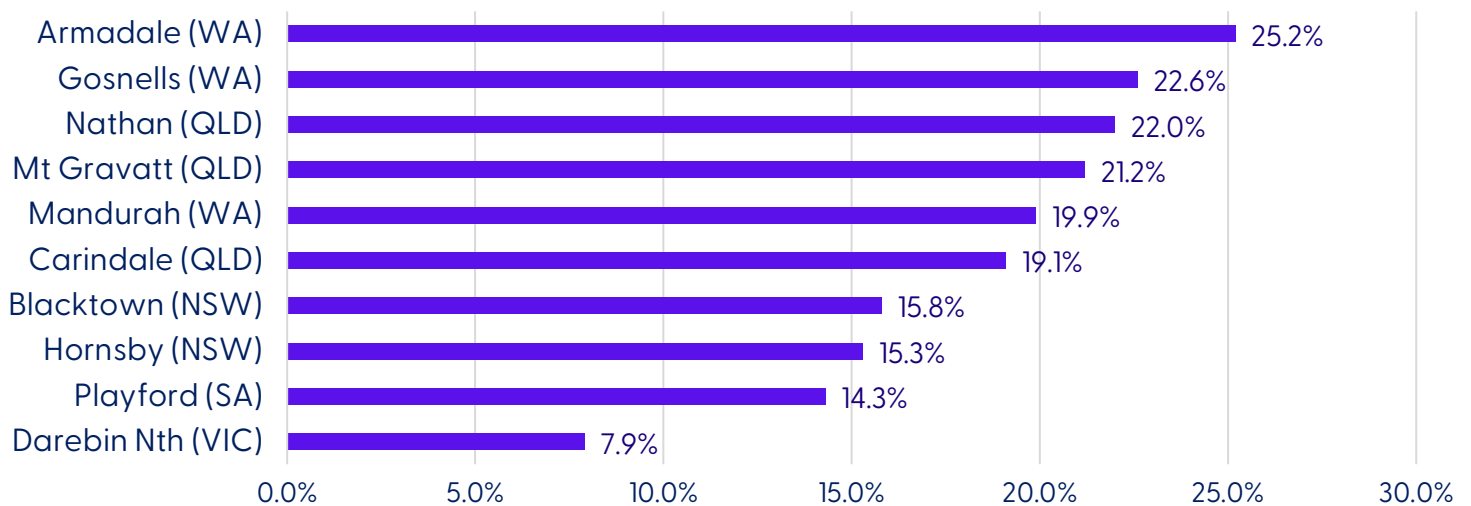
National dwelling values are now 31.3% higher than at the onset of Covid, reaching a new high in December.

## Market Outlook 🧐

|                 | 🏠 HOUSES  | 🏢 UNITS   |
|-----------------|-----------|-----------|
| Listings        | ↑ 7.0%    | ↑ 5.3%    |
| Days on market  | 31        | 30        |
| Vendor discount | -4.1%     | -3.3%     |
| Median value    | \$816,599 | \$628,881 |

Source: CoreLogic

## What's Hot – Top 10 National Suburb Annual Change 🔥



Source: CoreLogic

## Final Outlook 🤔

The trends from late 2023 are pointing towards a milder outcome for housing values in early 2024, with the potential for a year of two halves. In the first half of 2024, dwelling value growth will be tested by continued high interest rates and weaker economic conditions, both of which are likely to weigh on housing activity.

The trajectory of interest rates through 2024 will be a key factor influencing housing trends. The trend towards lower inflation, weakening economic conditions amid low consumption and a loosening labour market, suggests we are at peak rates. A reduction in the cash rate target through 2024 could help to re-stoke demand later in the year.

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