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Units Set to Outpace Houses in 2025 as Buyers Pivot to Value and Flexibility

July 18, 2025

— Categories: Real Estate



Western Australia's property market is poised for a notable shift, with units expected to outperform houses in price growth throughout 2025. The Real Estate Institute of Western Australia (REIWA) has flagged the change in its latest quarterly update, citing strong momentum in the unit sector after years of trailing behind detached homes. This trend reflects both market demand and affordability pressures, as buyers increasingly turn to more cost-effective and flexible housing options.

REIWA President Suzanne Brown noted that while the median house sale price continues to push towards 10% annual growth, the unit market which includes apartments, townhouses, villas, and home units is accelerating at an even faster pace. “For some time, unit prices lagged behind houses, but that growth has now caught up and is gaining momentum,” Brown said. This resurgence follows a period of undersupply and relative affordability in the unit segment, making it more attractive for investors, downsizers, and first-time buyers alike.

The resurgence in unit prices speaks volumes about changing buyer preferences and practical constraints in the current economic landscape. With elevated interest rates, construction costs soaring, and land supply tightening, units offer a more attainable entry point for home ownership. In Western Australia, where demand for housing continues to outpace supply, especially in the Perth metro area, the renewed interest in multi-residential dwellings reflects both necessity and market savvy. Unlike policy-driven attempts to “cool” housing demand through red tape or higher taxes, this organic shift signals a smart market response to real economic pressure.



As units begin to lead the way in growth, smart investors are already positioning themselves for the next phase of the cycle. The unit market not only provides a more affordable path to property ownership, but also offers the potential for higher rental yields, particularly in urban centres where population growth and infrastructure spending are concentrated. With Australia’s rental crisis showing no signs of easing and immigration levels holding firm, the demand for quality, well-located units is only expected to climb. In contrast to the reactive, often ineffective policies out of Canberra, the WA market is adapting efficiently and the rewards are going to those who act early.