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Australian Regional Property Markets Show Renewed Strength

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Auction clearance rates across Australia are rising steadily, pointing to a resurgence in buyer confidence and activity within the housing sector. According to the latest data from My Housing Market, property markets in several capital cities and regional areas are entering a new growth phase.

Dr Andrew Wilson, Chief Economist at My Housing Market, noted that Australia's major cities have recorded consistent property price increases throughout 2025. He added that regional markets, while mixed, are also showing signs of resilience and renewed demand.

In New South Wales, regional locations, particularly coastal and lifestyle areas, continue to benefit from population shifts driven by flexible work arrangements and rising metropolitan prices. Demand from both downsizers and young families is supporting market activity in towns such as Albury, Newcastle, and parts of the South Coast.

Meanwhile, in Victoria, premium regional markets are experiencing a slowdown. Market analysts link this to shifting migration trends as some buyers return to Melbourne or reconsider long-distance commuting. However, areas with sustained infrastructure investment and local economic growth are maintaining more stable performance.

Queensland's regional property markets remain notably strong. Cities such as Mackay (28.7% annual growth), Townsville (23.9%), and Rockhampton (20.0%) are emerging as economic growth zones, supported by infrastructure projects, internal migration, and expanding employment opportunities.

Analysts caution that rising property prices in some Queensland towns may be influenced by increased investor demand and activity from property acquisition firms. This trend is raising questions about long-term price sustainability in markets previously dominated by local buyers.

In northern Queensland, insurance costs and climate-related risks are becoming a growing concern. Industry experts have pointed to elevated insurance premiums and potential future coverage limitations in some high-risk zones, which could impact buyer interest and long-term property values.

At the same time, construction costs continue to rise, adding further pressure to housing supply and development timelines across the country. Despite these challenges, the overall sentiment in the market appears to be improving, supported by increasing participation from homebuyers, investors, and developers.

The current data suggests that the national property market is moving into a more stable phase, with regional markets playing a critical role in the broader recovery.