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Brisbane Housing Growth Set to Stall by 2026

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Brisbane's property boom may soon lose steam, according to a fresh forecast by KPMG, which projects a sharp slowdown in both house and unit price growth starting as early as Christmas.

The KPMG Residential Property Outlook, released this month, warns that the Queensland capital's market has likely peaked following years of rapid gains. Unit prices, which have led much of Brisbane's recent growth, are expected to drop from 7.1 per cent growth this December to just 1.5 per cent by the end of 2026, placing Brisbane at the bottom of Australia's capital city markets.

House prices are also expected to ease significantly, with growth falling from 4 per cent this Christmas to 3.1 by December 2026.

KPMG chief economist Dr Brendan Rynne said the slowdown reflects a market that has “outpaced demand and supply,” and noted that Brisbane can no longer be considered a cheaper alternative to Sydney.

“Brisbane’s property market is close to reaching its peak,” Dr Rynne said. “Only modest growth is expected in the year ahead.”

The forecast marks a turning point for a city that saw house prices climb 117 per cent and unit prices jump 93 per cent over the last decade, according to PropTrack data. Year-on-year figures show unit prices in Brisbane were up 13 per cent in July, while house prices rose 7.77 per cent.

While KPMG’s outlook signals cooling, industry leaders say the fundamentals remain strong. Real Estate Institute of Queensland (REIQ) CEO Antonia Mercorella acknowledged that some moderation is expected, but stressed that Brisbane still has long-term potential.

“It’s not surprising to see predictions of a moderating growth rate, simply because it would be hard to sustain the steep growth trajectory we’ve seen,” Mercorella said. “At some point, our rate of growth will have outpaced the market as we all face affordability pressures.”

Mercorella also pointed to upcoming infrastructure and long-term demand drivers, including the 2032 Olympic Games, as reasons to remain optimistic.

“Brisbane’s property fundamentals are still strong,” she added. “It’s hard to see how prices wouldn’t continue to rise, even if more gradually.”

Nationally, KPMG revised its housing price forecast upward, with Dr Rynne expecting 4.9 per cent growth in 2025, an improvement from the previous 3.3 per cent estimate.

“You can feel a renewed confidence in the market,” he said, citing a quarterly growth rate that recently reached its highest level since mid-2024.