

## Melbourne and Regional Suburbs Lead Housing Demand Surge

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— Categories: Real Estate



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Buyer demand is rising across Australian housing markets as both investors and homebuyers pursue affordable opportunities following three interest rate cuts in 2025, which lowered the cash rate to 3.6%. Consumer confidence has also lifted, with the Westpac-Melbourne Institute index increasing 5.7% in August to its highest level since early 2022.

Data from PropTrack shows a sharp increase in serious buyer interest across capital cities and regional suburbs. Nationally, houses listed for sale in the past year attracted an average of 41 enquiries per listing, while units received 40. Enquiry rates were highest in Sydney, followed by Brisbane, Adelaide, and Perth.

REA Group senior economist Eleanor Creagh said the trend signals stronger competition. “An increase in enquiries per listing shows that buyer demand is intensifying relative to the supply of homes available,” she said. “When more buyers compete for each property, it typically places upward pressure on prices.”

Victoria has emerged as a standout, with Melbourne suburbs recording the sharpest lift in demand among major capitals. Buyer enquiries for houses increased in 90% of Melbourne suburbs year-on-year, compared with 39% in Sydney. Overall enquiries per listing in Melbourne rose 22%, with outer suburbs such as Campbellfield and Dallas more than doubling in activity.

Creagh noted affordability is a key driver of Melbourne’s resurgence. “After lagging other capitals over the past five years, Melbourne is now relatively affordable, attracting buyers seeking value and long-term potential,” she said. Interstate investors are also contributing to heightened competition, particularly in outer suburbs.

Regional centres, including Bendigo, Ballarat, Geelong, and Mildura, are seeing rising interest from buyers prioritising affordability and lifestyle. New South Wales hubs such as Albury also reported strong competition, with some properties selling above the asking price.

In Sydney, demand growth is concentrated in western and southwestern suburbs like St John’s Park and Lansvale, while premium markets such as Rose Bay, Bellevue Hill, and Bronte remain strong. Smaller capitals are also recording increased activity, with suburbs in Darwin and Hobart topping local demand charts.

Creagh said the data demonstrates broad momentum across housing markets, as affordability and competition continue to shape buyer behaviour nationwide.