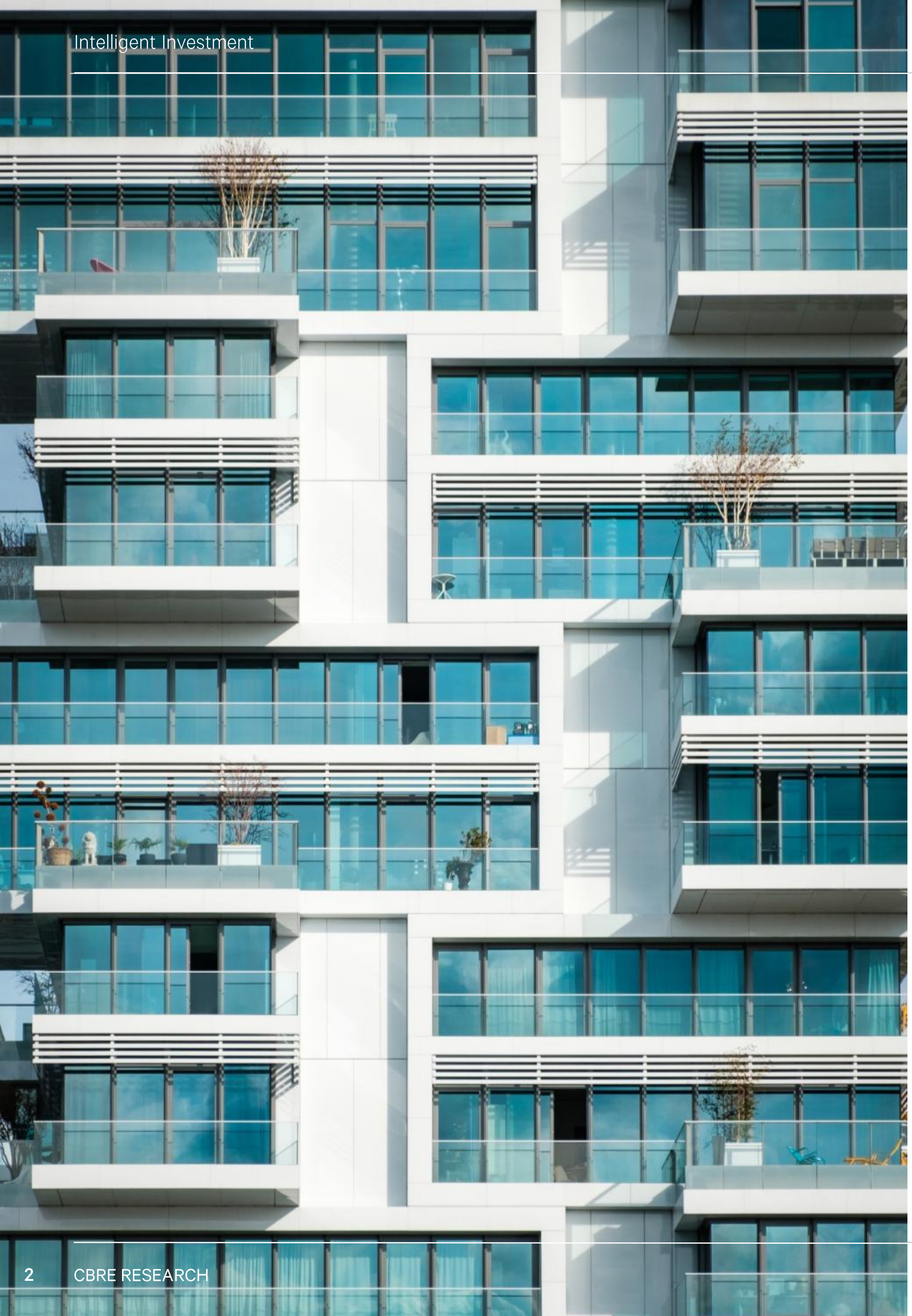
Intelligent Investment

Prestige Residential Valuer Insights Q3 2026

REPORT

CBRE RESEARCH
SEPTEMBER 2026



Key Findings

CBRE's latest release of the Prestige Residential Valuations Property Market survey received 34 responses from our dedicated team of highly experienced Valuers, who specialise in the valuations of high-end residential properties across Australia. With informative insights on local prestige market trends, we gain a deeper understanding of Australia's luxury residential real estate market, as detailed in the following findings:

Market demand has softened across the country

Demand conditions have softened in Australia's prestige market. Half of all Valuers now report 'soft' demand in their local markets, up from 20% in Q1 2026. South Australia and Western Australia were the strongest states.

Local Purchasers/ Upgraders still active

Reflecting previous surveys, the most active buyer types were reported as local purchasers and upgraders, although activity levels from both have eased. Interstate purchasers were less active in Q3 2026.

Strength of demand varies by market

Of Valuers who reported changes in demand in Q3, results continue to highlight mixed demand, with the strength of demand by property type dependent on market.

Future demand still expected to be stable

The highest share of Valuers (53%) still expect demand remain the same in the local prestige market over the next 12 months, although down from 72% at the start of 2026.

House values - next 12 Months

Most Valuers now expect prestige house values in their local markets to fall over the next 12 months (68%), up from just 12% in Q1 2026. Most (47%) expect prices to fall by up to 5%.

Apartment values - next 12 months

Price fall expectations have increased with 59% of Valuers now expecting price falls of up 10%.

Vacant land values - next 12 months

Expectations surrounding vacant land values have softened, with the largest share of Valuers (46%) now identifying price falls of up to 5% over the next 12 months, up from less than 10% of Valuers in Q1 2026.

Future supply (listings)

Supply (listings) expectations have shifted this quarter with 53% of Valuers expecting supply levels in their local prestige markets to increase over the next 12 months. This compares with 44% of Valuers in Q1 2026 and 47% in Q3 2025.

Recent demand

Demand conditions have softened in Australia's prestige market. Half of all Valuers now report 'soft' demand in their local markets, up from 20% in Q1 2026 and just 3% a year ago. A further 38% reported 'moderate' demand, down from 48% in Q1 2026 and 66% a year ago. NSW presented as the weakest market, with 57% of Valuers reporting 'soft' demand and 29% 'very limited' demand. SA and WA were the only two markets where most Valuers reported either 'moderate' or 'strong' demand.

FIGURE 1: Demand in local markets in the last 3 months, Australia wide.

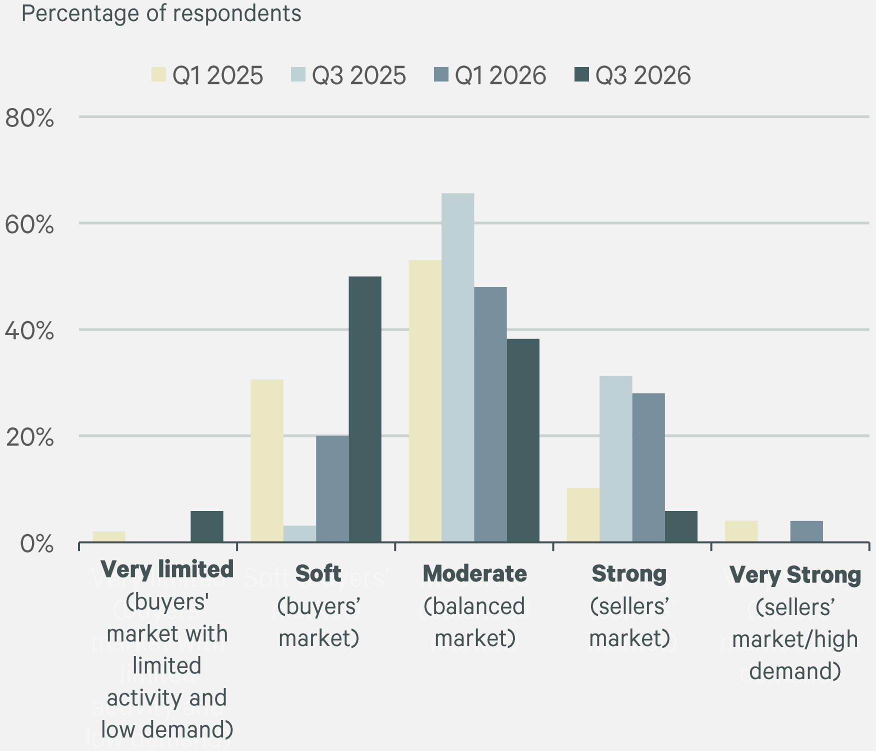
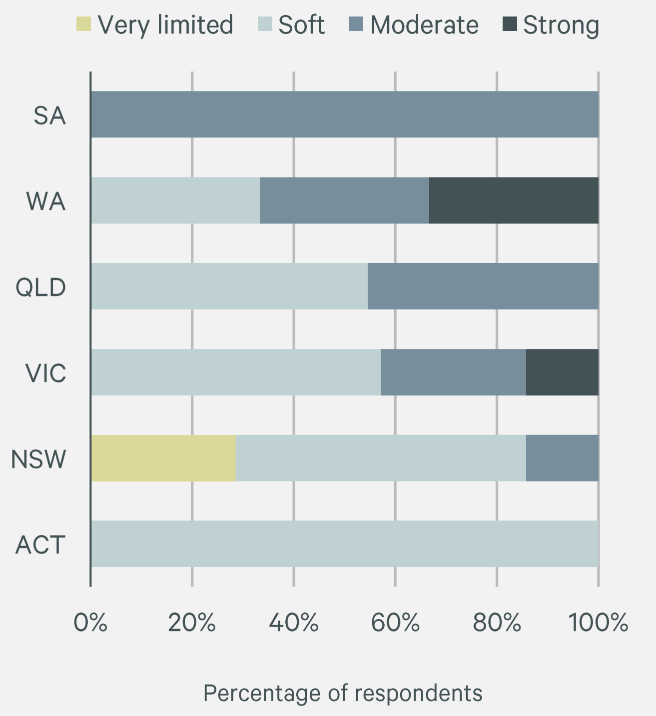


FIGURE 2: A closer look at responses for Q3 2026 in the different markets.



"The local prestige market is currently favouring buyers, with properties continuing to sell but generally at the lower end of the price range and following longer marketing campaigns."

— Inner Melbourne, VIC

"The market was initially impacted by the global economic uncertainty surrounding the ongoing tension between the USA and Iran flowing on to the persistent inflation figures and the potential for RBA rate hikes. Uncertainty has been compounded by the recently passed Federal tax legislation. "

— Sydney Eastern Suburbs, NSW

"Prestige buyers are increasingly focused on quality and scarcity. Downsizers are becoming a major force in the apartment market."

— Sunshine Coast, QLD

"Well located properties are being met with continued demand, although value growth has slowed. "

— Gold Coast, QLD

Active buyers

Since the survey's beginning in Q3 2024, local purchasers have been the most active buyer type in the prestige market, and this was the case again in Q3 2026 with 71% of Valuers reporting this buyer type as active. This has, however, fallen from above 80% recorded in 2025 and earlier in Q1 2026. These purchasers were most prevalent in NSW and QLD.

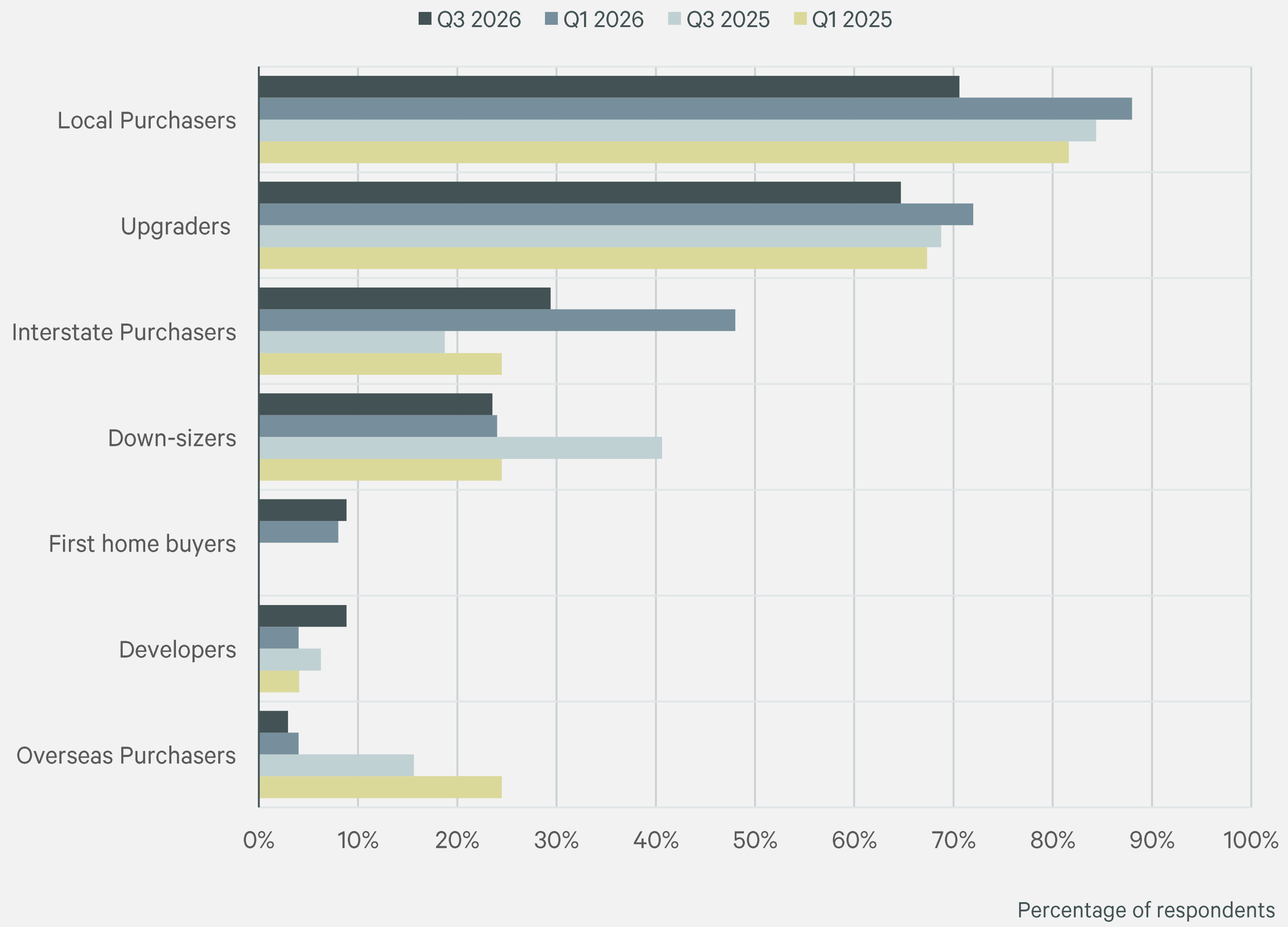
Upgraders were active again this quarter, as reported by 65% of Valuers, and were most active in Vic and NSW.

Valuers reported a noted decline in interstate purchaser activity, falling from being reported by 48% of Valuers in Q1 2026 to 29% of Valuers in Q3 2026. Down-sizers continue to be less active in 2026 compared with 2025.

Overseas purchasers have seen a continued decline in activity and were the least active buyer group in Q3 2026.

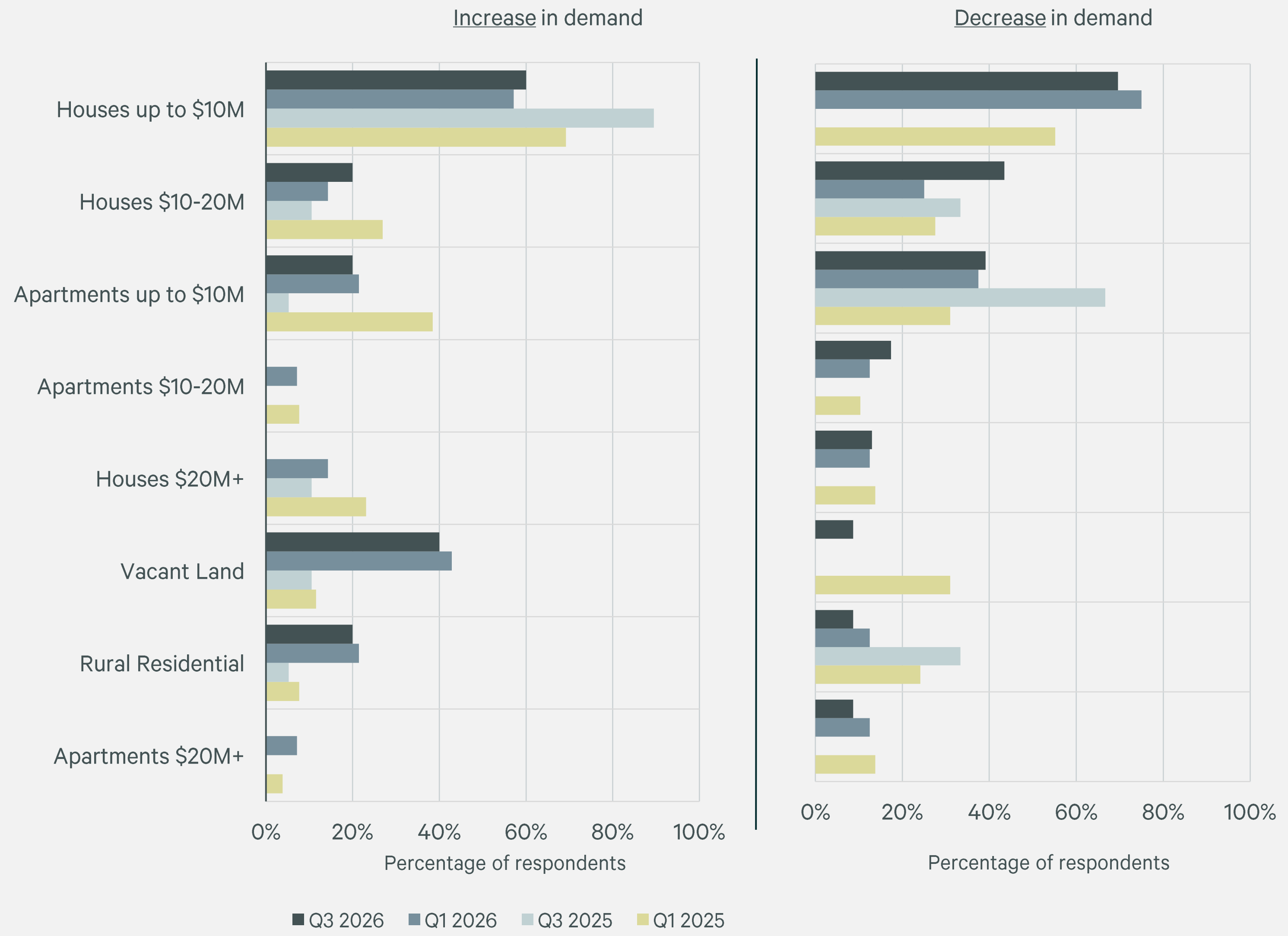
> "Buyers are more cautious and less active in the market." — Inner Perth, WA

FIGURE 3: Most active buyers in the market in the last 3 months.



Note: respondents were able to select multiple options (up to 4)

FIGURE 4: Properties that have experienced the biggest increase/decrease in market demand in the last 3 months.



Note: respondents were able to select multiple options (up to 4)

Change in demand

Of Valuers who reported changes in demand in Q3 2026, results continue to highlight mixed demand for houses valued up to $10 million, with the strength of demand dependent on market. This was also the case in Q1 2026 and in 2025.

For those who reported that demand increased in their local prestige markets, 60% reported a rise in demand for houses valued up to $10 million, similar to the start of the year but a decrease from 89% in Q3 2025.

Amongst Valuers who reported decreased demand in their local prestige market, 70% reported decreased demand for houses valued up to $10 million. Weaker conditions were most evident in NSW, VIC and QLD.

Vacant land continued to attract some interest, with 40% of Valuers who reported increased demand in their local markets identifying increased demand for vacant land. This was similar to Q1 2026 and well ahead of 2025 results.

Apartment demand was again mixed, with similar results in Q3 2026 compared with the start of the year. Of Valuers who reported increased demand in their local markets, 20% identified Increased demand for apartments valued up to $10 million. A higher proportion of Valuers who identified decreased demand in their local prestige markets highlighted decreased demand for apartments up to $10 million (39%).

"Sydney's North Shore prestige market experienced a harsher traditional winter seasonal slowdown amid broader interest rate pressures and wider Sydney price corrections. The local prestige market has softened noticeably into the second half of 2026, following the RBA's decision to lift rates three times this year in response to re-accelerating inflation and global uncertainty."

North Sydney and Hornsby, NSW

"Steady demand remains for well-located properties, particularly those of modern design or recently renovated. However, sales activity is currently limited, largely due to the constrained supply of prestige assets and a widening of the gap between vendor price expectations and purchaser willingness to transact at premium levels."

Gold Coast, QLD

"Selling periods have increased across the board with many sellers removing their properties from the market given limited to no interest at the expected price points. Many sellers have not been willing to decrease their expectations to meet the market."

Sydney Eastern Suburbs, NSW

"Mixed market conditions, with some listings being sold at a discount while others are maintaining good prices. With the upcoming State election, some uncertainty surrounds both buyers and sellers. Some potential sellers are opting to rent their properties rather than maintain a prolonged campaign."

South East Melbourne, VIC

House values

Most Valuers now expect prestige house values in their local markets to fall over the next 12 months (68%), up from just 12% in Q1 2026. This is the first time most Valuers have identified a price fall. Most (47%) expect prices to fall by up to 5%. A further 24% of Valuers were expecting price stability in their local markets. All markets except SA reported negative price expectations, with the predominant sentiment in SA one of stability.

> "The differential between buyer and seller's expectations appears to be widening with potential purchasers having become more selective in their requirements. "
> — Gold Coast, Qld

FIGURE 5: Expectations of house value movement in the next 12 months, Australia wide.

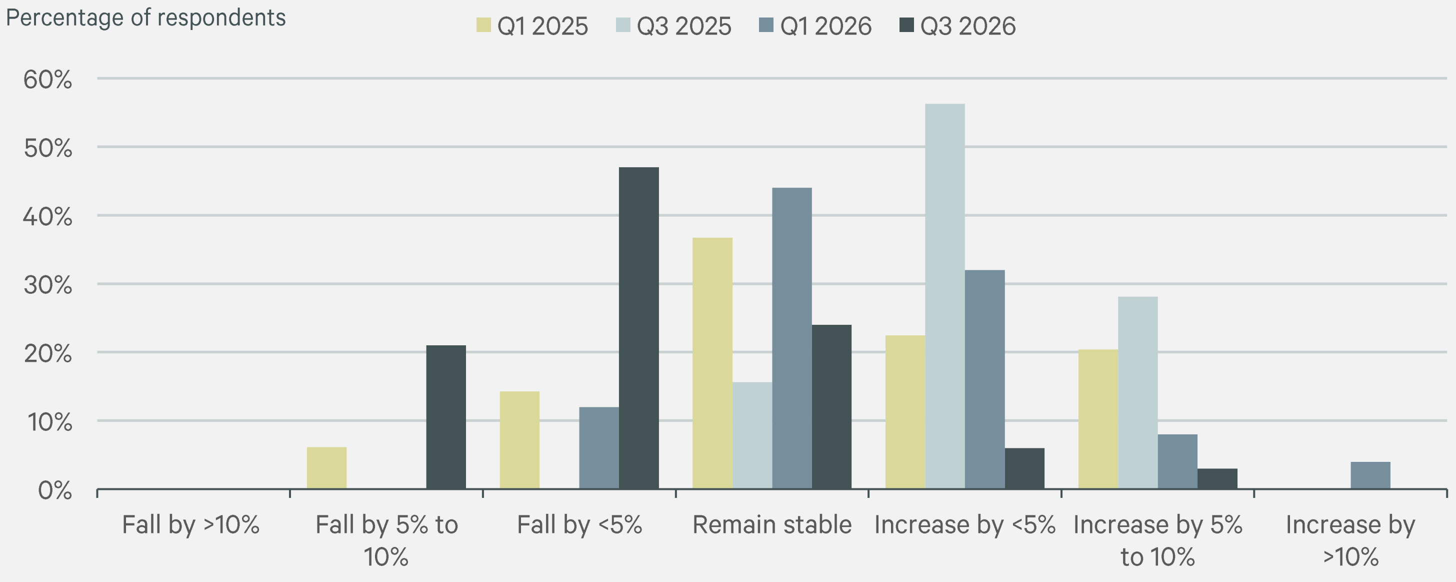
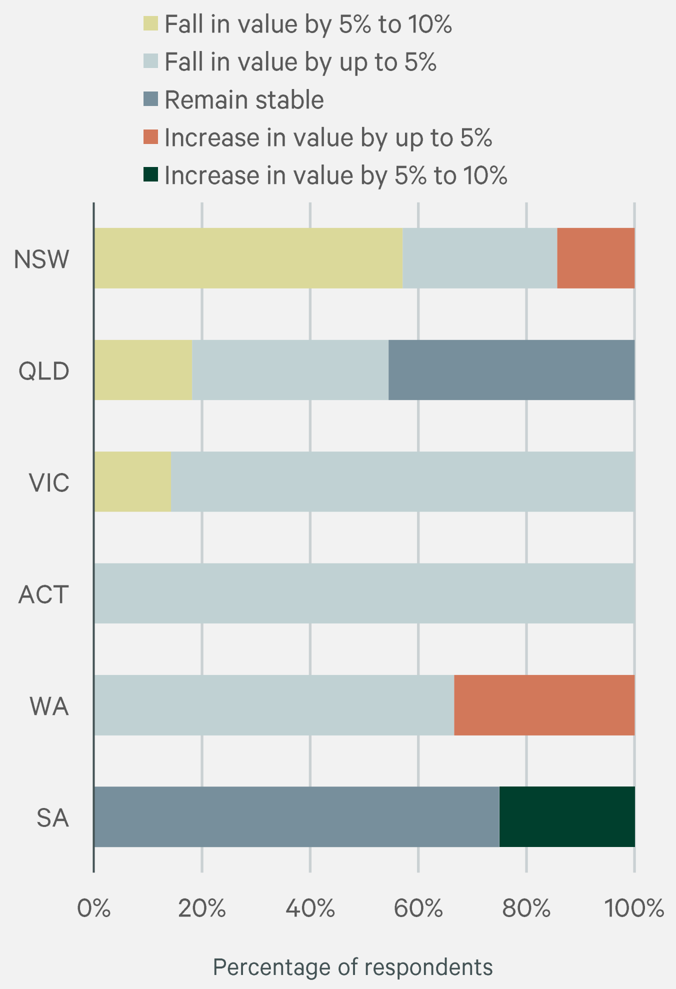


FIGURE 6: A closer look at house price expectations at Q3 2026 in the different markets.



Apartment values

38% of Prestige Valuers expect apartment values will remain stable in the next 12 months, a fall from 48% in Q1 2026, but in line with the Q3 2025 survey. Price fall expectations have increased, however, with 59% of Valuers now expecting price falls of up to 10%. In previous surveys, price fall expectations generally sat below 10% of Valuers. Valuers in all major markets except SA reported negative expectations.

> "The primary challenge facing buyers is borrowing serviceability rather than equity or deposit levels. Higher living costs, increased interest rates, and more stringent lender serviceability assessments are significantly restricting borrowing capacity." — Canberra, ACT

FIGURE 7: Expectations of apartment value movement in the next 12 months, Australia wide.

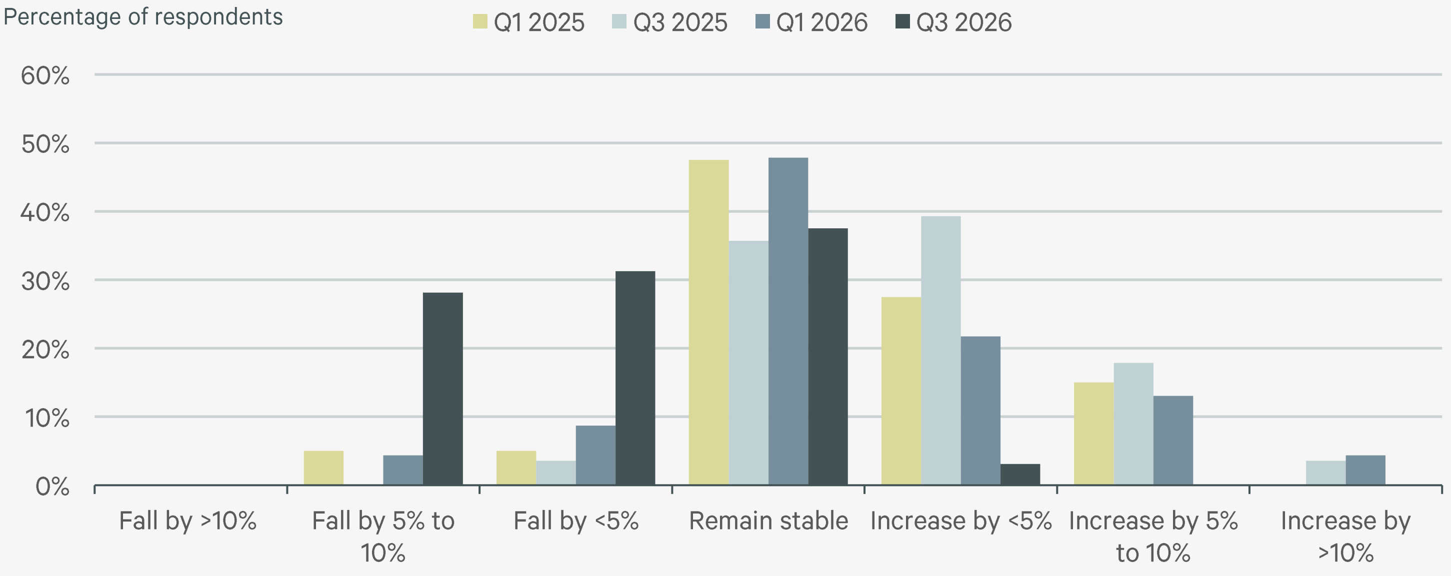
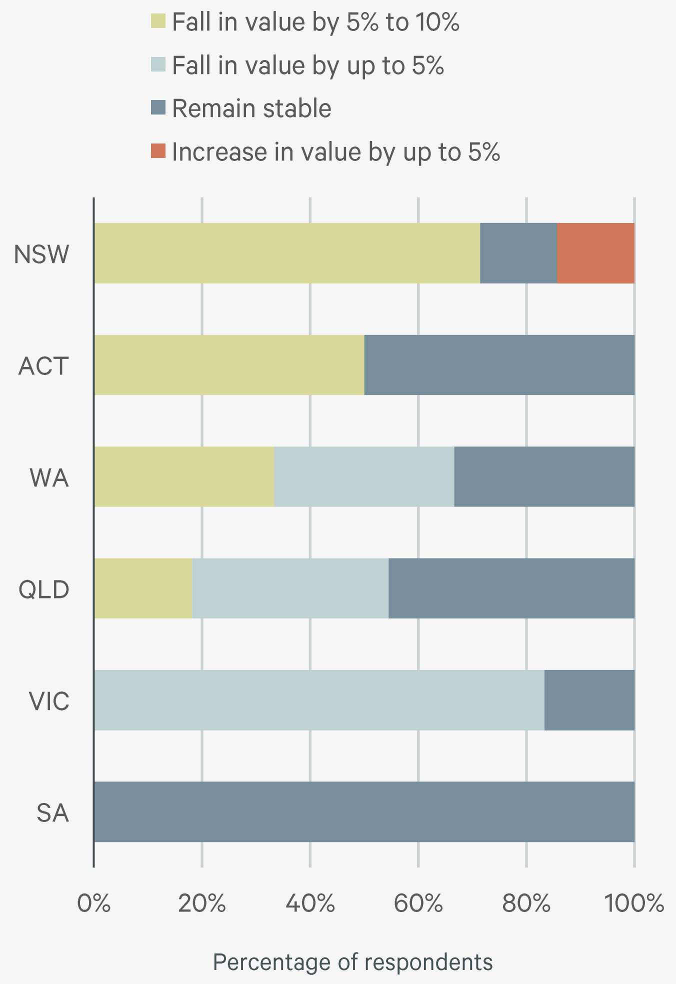


FIGURE 8: A closer look at apartment price expectations at Q3 2026 in the different markets



Vacant land values

Expectations surrounding vacant land values have also softened, with the largest share of Valuers (46%) now identifying price falls of up to 5% over the next 12 months in their local prestige markets, up from less than 10% of Valuers in Q1 2026 and Q3 2025. Price stability is identified by a further 38% of Valuers, with that share slowly declining over the past two surveys. Price growth was anticipated by less than 20% of Valuers, down from around a 50% share recorded in the two previous surveys.

> "There is a general tightening in the market with great unknowns due to government taxation changes and the war in the Middle East."
> — Brisbane South, QLD

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FIGURE 9: Expectations of vacant land value movement in the next 12 months, Australia wide.

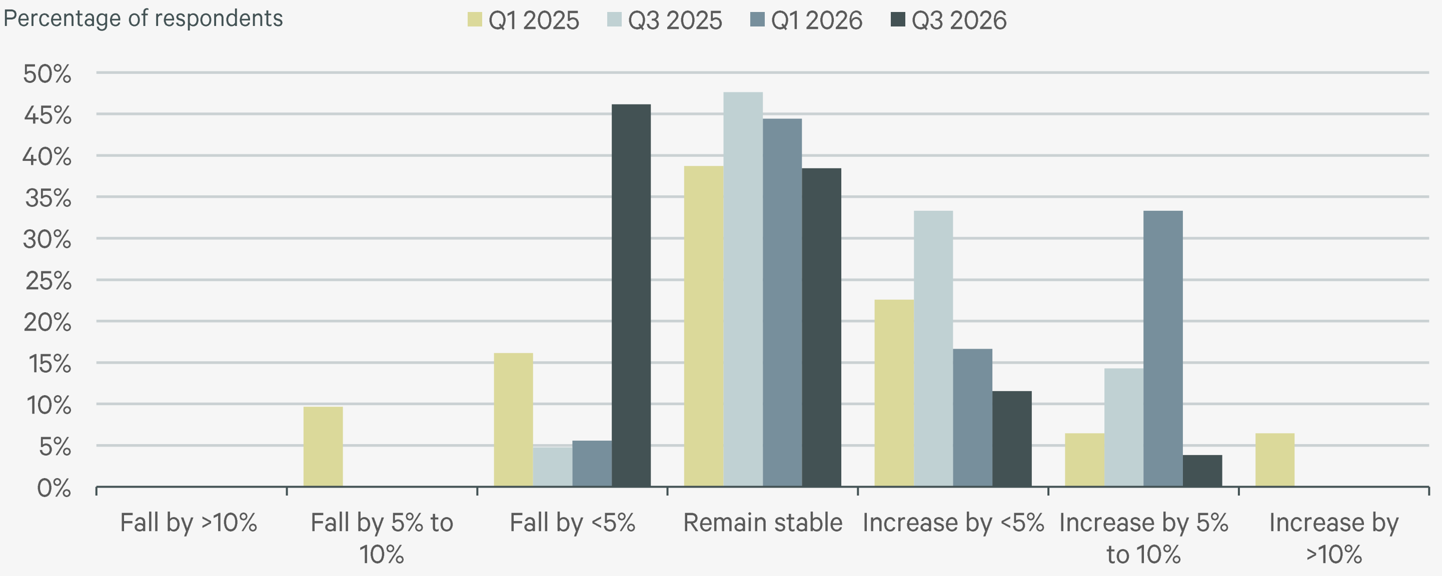
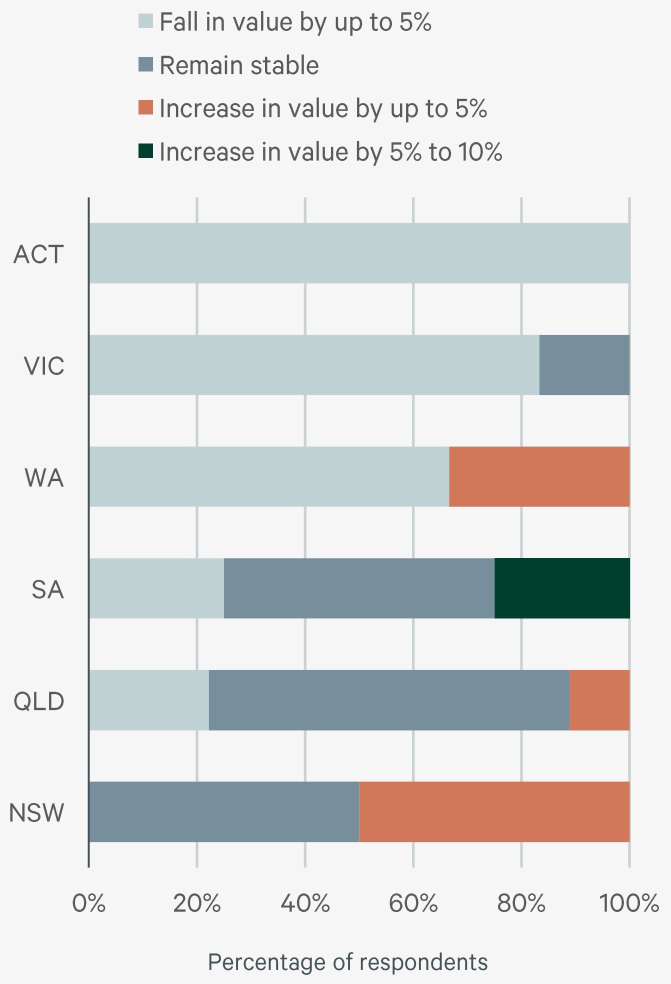


FIGURE 10: A closer look at land price expectations at Q3 2026 in the different markets.



"Character homes or boutique modern builds in desirable blue-chip suburbs are very well regarded by the market. Agent's report short listing times dependent on other properties on the market. If a suburb has five or more comparable style dwellings properties are sitting a little longer unless they have favourable/unique characteristics."

Adelaide-Central-Hills, SA

"Fewer buyers and longer selling periods are the most evident change in the market since late-2025 and early-2026. Feedback is largely homogenous in terms of lower turnouts to open homes and less confident offers with buyers looking to take advantage of the changed conditions."

Brisbane South, QLD

"The market has softened in recent times, with most agents moving towards a private treaty sale scenario in order to facilitate a sale. Off market transactions are still occurring however, longer selling periods have been verbally advised with agents reporting of a lack of buyers willing to commit."

Sydney Eastern Suburbs, NSW

"For houses, even in blue-chip pockets, vendors have had to meet the market to obtain a sale."

Inner Melbourne, VIC

Future demand

In Q3 2026, the highest share of Valuers (53%) still expect demand to remain the same in the local prestige market over the next 12 months, although down from 72% at the start of 2026. The share of Valuers expecting demand to increase slightly has dropped to 12% (from 20% in Q1 2026) and compares with a 56% share a year ago.

The proportion of Valuers expecting demand in their local prestige markets to decrease slightly over the next 12 months has risen to 35%, the highest share in the survey's history.

Stable demand was still the highest expectation in SA, WA, QLD, and NSW. A solid proportion of NSW Valuers (29%) were expecting a slight increase in demand. By contrast, negative sentiment dominated in VIC, with 57% of Valuers expecting a slight decrease in demand.

FIGURE 11: Demand in local markets in the next 12 months, Australia wide.

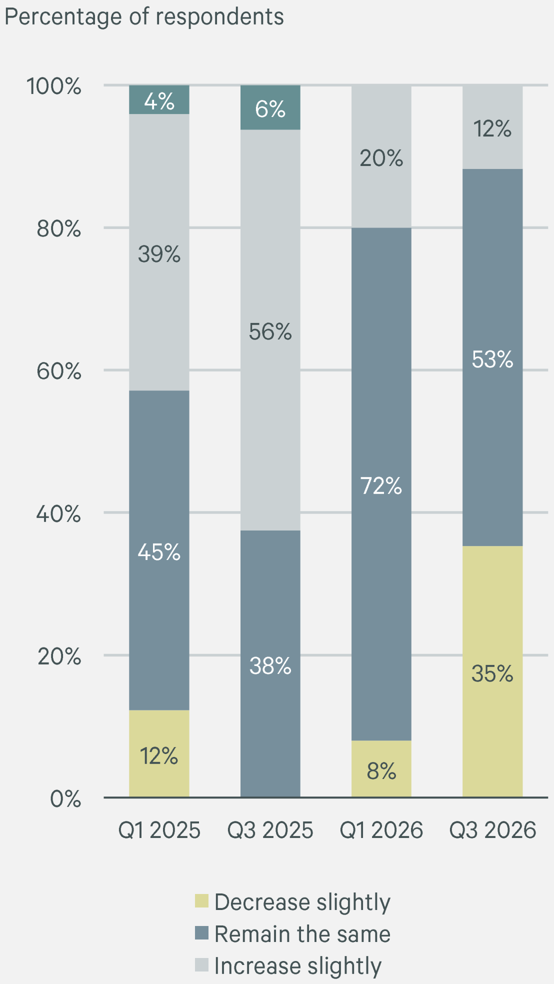
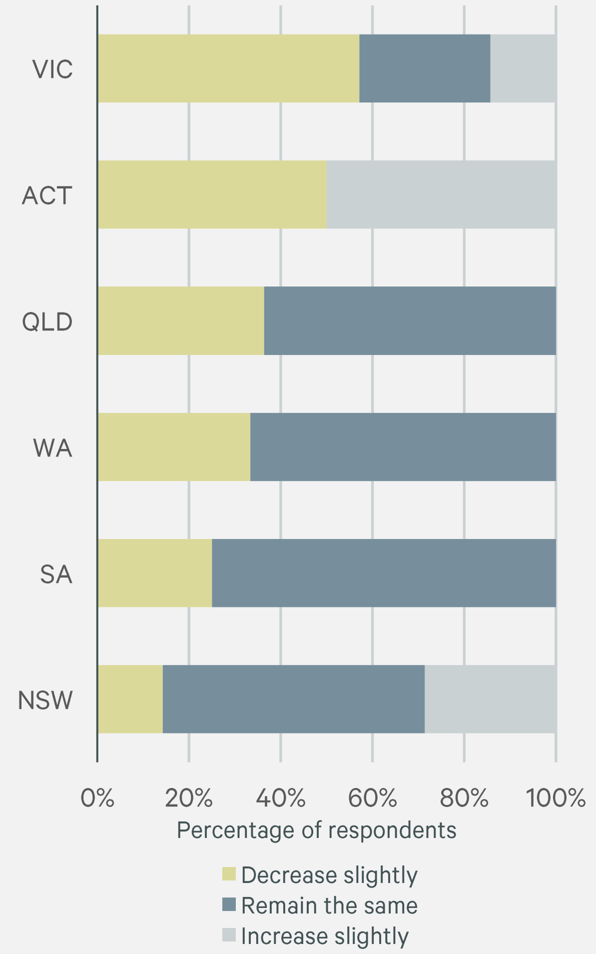


FIGURE 12: A closer look at Q3 2026 expectations for demand in the different markets.



"The prestige market appears to be inline with the wider Canberra market and has softened. Selling periods are extending and asking prices are reducing."

— Canberra, ACT

"The Lower North Shore prestige market continues to be supported by solid underlying demand, although buyers remain price-sensitive and selling periods have generally lengthened where vendor expectations exceed market evidence."

— North Sydney-Hornsby, NSW

"While some uncompromised prestige properties are achieving stable results, others with blemishes or older improvements or buildings without exacting standards are experiencing more price sensitivity from discerning buyers."

— Inner South Melbourne, VIC

Future supply (listings)

Supply (listings) expectations have shifted this quarter, with 53% of Valuers now expecting supply levels in their local prestige markets to increase over the next 12 months. This compares with 44% of Valuers in Q1 2026 and 47% in Q3 2025.

Correspondingly, the share of Valuers expecting supply in the local prestige markets to remain the same has dropped from 44% in Q1 2026 to 29% this quarter.

A further 15% of Valuers expect supply to decrease slightly (up from 12% in Q1 2026).

A slight increase in listings is expected by most Valuers in the ACT, WA, and QLD. Supply expectations were mixed in NSW and VIC while most SA Valuers were expecting stable supply levels.

FIGURE 13: Supply in local markets in the next 12 months, Australia wide.

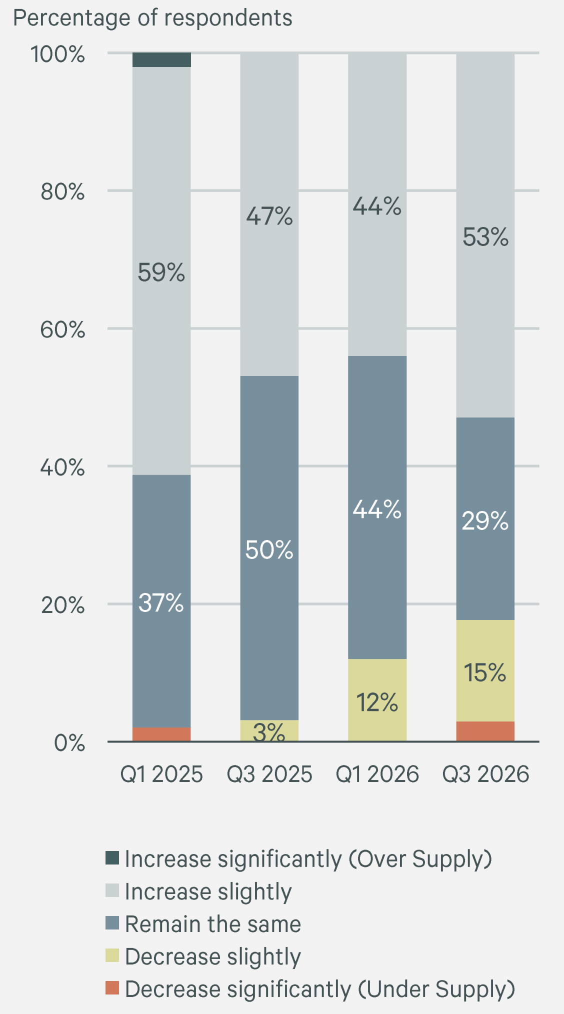
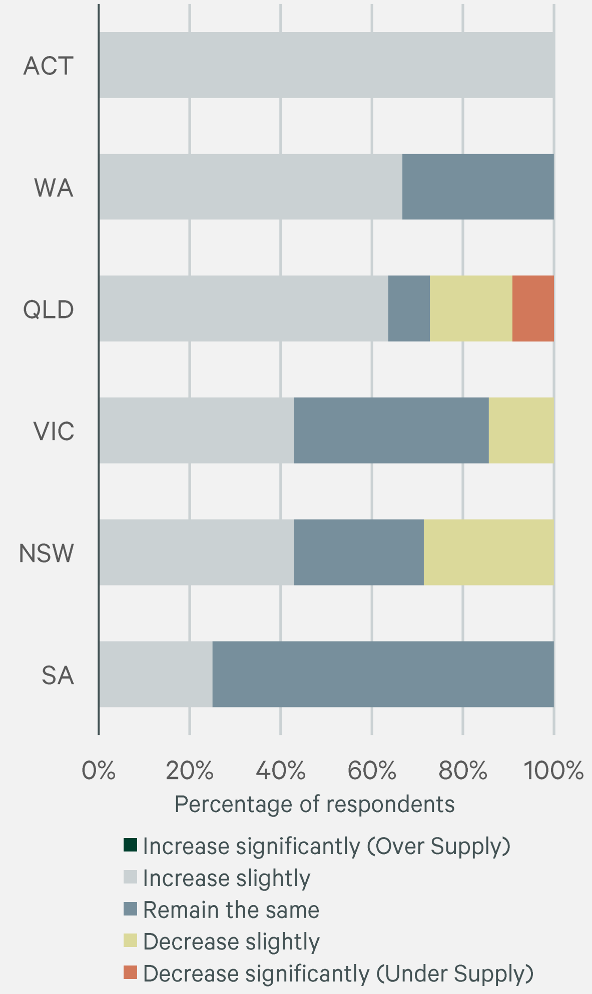


FIGURE 14: A closer look at Q3 2026 expectations for supply in the different markets.



"Continued strong demand for newer properties with a premium being paid for dwellings less than 10 years old. Buyer expectations are that purchase price is close to replacement with build costs and build time-lines continuing to escalate."

— South East Perth, WA

"Strong demand and limited supply continue to support values across Adelaide's western suburbs prestige market, particularly in sought-after coastal locations."

— West Adelaide, SA

"Prestige in the northern and western suburbs so far remains stable although there are signs that supply will increase which will provide the small pool of buyers with more choice and likely impact prices being achieved."

— North West Melbourne, VIC

Survey Profile

The CBRE Research Q3 2026 Residential Valuations Prestige Property Market Survey was conducted in late-August of 2026. A total of 34 responses were received.

Valuer locations:

NSW
- Sydney

VIC
- Melbourne
- Bellarine Peninsula

QLD
- Brisbane
- Gold Coast
- Sunshine Coast

WA
- Perth

SA
- Adelaide

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