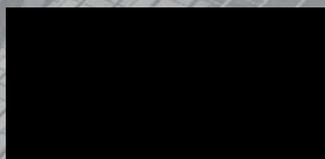


May 2025

PROPERTY MARKET UPDATE



WBP.
GROUP

ABOUT US AND WBP

WBP
GROUP



Established in 1992

Independently Owned

Broad Australian coverage

Servicing 70+ financial institutions

ISO27001 Certified

Customer led, technology driven

WBP
GROUP



CONTENT TODAY

● Victorian Property Markets – WBP Group

- Metro overview

- Northern Metro

- Western Metro

- Eastern Metro

- Southern Metro

- Apartment drivers

Metro Residential Overview



SOURCE – WBP (VIC)

- Stagnant year in 2024 – reduced valuation volumes with platforms introduction of more Digital Valuations within Sector
- Large number of investor grade properties hitting the market – increased VIC land tax and higher cost of borrowing. Increase to ESVF (Emergency Services and Volunteer Fund)
- Clearance rates inconsistent – low 60's. Purchasers using finance and building and pest clauses
- Building costs do not often equate to value in growth corridors. Land and construction costs not being reflected within sale prices of properties – multiple factors

Metro Overview

- Mornington Peninsula heavily saturated with stock due to taxes and holiday homes being a 'luxury'
- Metro Melbourne seeing little to no growth or a decline since 2021 peak
- Opportunity seen with first home buyers entering the market
- Rents have started to stabilise
- Large gap between Apartment/Units and Dwellings/Homes
- Stamp duty concessions for off the plan townhouses/apartments



North Metro Examples

SOURCE – WBP (VIC)

4 Lorne Street, Moonee Ponds– inner North location.

- Sold 10/04/2025 for \$4,185,000.
- 4 bedrooms, 3 bathrooms Californian bungalow brick dwelling. Excellent renovation and features period appeal.
- Sold through local agents.



214 Napier Street, Strathmore– middle band location.

- As new home – rebuilt after a previous sale in 2020
- Very large farmhouse style property – 4 bedrooms and 3 bathrooms with pool and half basketball court.
- Sold through local agent – listed twice after a failed attempt in 2024



Western Metro

SOURCE – WBP (VIC)



37 Newstead Street, Maribyrnong.

- Sold 03/03/2025 for \$7,100,000.
- High spec'd dwelling – considered a large strong result
- Sold through local agents
- Incredible house.

WBP.
GROUP

Eastern Metro

SOURCE – WBP (VIC)

3 Wells Street, Surrey Hills – well regarded inner east location

- Sold 11/09/2024 for \$5,580,000.
- Brand New Home – high quality. Large block large home.
- Sold through local agents
- Land sold in 2022 for \$2,750,000.



7 Ross St, Mitcham – middle band eastern locale

- Sold 14/12/2024 for \$2,460,000.
- Flip property, new build through private builder.
- Sold through local agents
- New house but land purchase in 2023 was too high \$1,255,500 plus stamps



Southern Metro and Peninsula

SOURCE – WBP (VIC)

Peninsula – highly saturated market
 Lowest point of the market has been seen
 Rye/Blairgowrie market has come back 20% to 30% from peak
 Rye listings as at 19/05/2025



4/12 Shelley St, Elwood – sale in May 2025.

Sold in 2019 for \$765,000

Recent sale at \$735,000.

220/211 Bay St, Brighton – sale in May 2025.

Sold in 2014 off the plan for \$451,000

Recent sale at \$380,000.



Inner – Albert Park, Middle Park stagnant. St Kilda apartment market highly saturated.
 Elwood apartment market hit and miss

Middle ring – Beaumaris, Black Rock, Cheltenham, Mentone, Parkdale, Mordialloc
 considered strong up to \$1,800,000. Buyers above this range very picky.

Villas and Homes up to \$800,000 in these locations all the way from Cheltenham to
 Frankston/Carrum Downs considered strong with first home buyers evident.

Southern Metro and Peninsula

112 Beach Road,
Parkdale, Vic 3195

4 3 3 828m² • House

\$3,300,000
Sold on 05 Aug 2022

Property history



112 Beach Road,
Parkdale, Vic 3195

4 3 4 823m² • House

\$2,905,000
Sold on 22 Feb 2025



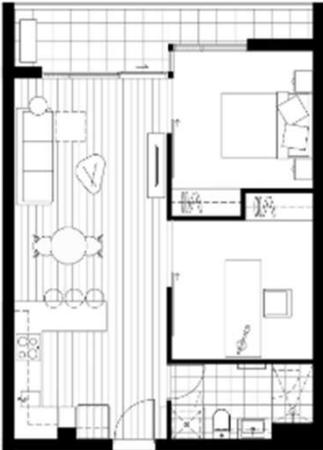
Apartment value drivers and considerations

Prahran vendors lose out selling apartments covered in combustible cladding



The Trilobi building in 2017. Photo: Justin McManus

- Size, fit out, floor plan
- Cladding
- View/Aspect
- External windows to bedrooms
- Density of development
- Reputation of developer/builder
- Surrounding uses
- Internal pillars
- Supply, supply, supply



'Off the Plan' vs Resale Apartment Market

- Greater land tax liability coupled with higher interest rates and more stringent levels of residential tenancy requirements caused a high level of investors to leave the Melbourne CBD and inner Melbourne market (rental property minimum requirements can include fixed heating/cooling, insulation, electrical and gas checks)
- Agents reporting some investor activity within last 3 months however this seems to originate from interstate buyers who now see Melbourne as “good value” compared to other property markets.
- Continued trend for units purchased off the plan to have a reduction in value when re-sold - 1-bedroom apartments and/or anything less than 50 sqm have suffered most.
- Rental market still relatively strong - low vacancy rates but values stabilising.
- Construction has slowed dramatically.
- Developments not feasible unless they can sell for \$13k+ a sqm, still marketing off the plan to investors interstate but mainly overseas.
- Developer incentives still fairly common e.g. cash rebates, furniture packages, rental guarantees.

Conclusion

- Market in Melbourne saw little improvement after 1st rate cut
- 1st home buyers incentivised to enter market
- Cash poor landlords struggling with new taxes and minimum standard selling property
- Market is still patchy – even as valuers, hard to pick what will do well in this market
- Construction has slowed dramatically.
- Prestige market has reduced from peak but lots of transactions over \$5,000,000
- Slightly more educated buyers in market – using finance clauses and building and pest clauses.

THANK YOU



Steve Kakavoules
National Director
0423 201 315



Digital Business Card

DISCLAIMER

© 2025 WBP Group (WBP). No reference to this presentation or any part thereof may be published, stated or circulated in any communication with third parties without prior written approval from WBP. This presentation has been produced only as a general guide and does not constitute advice. While it was produced in good faith and with due care, no representation is made for the accuracy of the whole or part of the document. WBP accepts no liability for damages suffered by any party resulting from their use of information in this presentation.

