REPORT

PRD.

# Smart Moves: Melbourne 2nd Half, 2026.

Suburbs that deliver ***affordability***, rental ***resilience*** & ***supply*** fundamentals.



PRD. 50 YEARS. of trusted, local guidance for life's biggest moves.



# Introduction.

**Melbourne is entering a different phase of its property cycle, creating a new set of opportunities for first home buyers and investors.**

Prices have softened and competition has eased, yet rental demand remains strong and future housing supply remains constrained. Combined with billions of dollars in planned development, these conditions are bringing suburbs into focus for their affordability, rental performance and longer-term capital growth potential.

## *Who* this report is for.

First Home Buyers: Looking for more affordable entry points close to Melbourne CBD's changing property market.

Investors: Seeking suburbs with solid rental yields, low vacancy rates and growth potential.

**Rightsizers**: Looking for suburbs that not only offer affordability but are better aligned with the lifestyle they want to live; whether that means moving to a smaller or bigger home.

## *What* this report delivers.

**In real estate, knowing there is opportunity is one thing. Knowing where to find it is another.**

By examining prices, rental returns, vacancy rates, market activity, affordability, liveability and future development, this report pinpoints suburbs within 20km to Melbourne's CBD where the numbers and longer-term fundamentals align, giving buyers and investors a clearer picture of where value could be emerging.

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# Market Overview.

## What the ***data*** is telling us.

**In a time of economic uncertainty and higher interest rates,** Melbourne's property market has softened. Prices have declined by 8.9% to $906,067 for houses and 4.8% to $620,996 for units in the past 12 months. **With property prices now more affordable, opportunity is abundant for those seeking to enter the market.**

Stricter borrowing conditions and increasingly cautious buyers have translated into the market, with house sales declining by 28.5% in the past 12 months (to 5,872 sales in Q3 of 2026). Unit sales have also declined by 19.8% (to 8,112 sales in Q3 2026). **Less competition in the market could be an advantage for first home buyers.**

Tight rental conditions persist, with vacancy rates at just 1.9% in September 2026. Rental prices remain high in Melbourne, although are not increasing as fast. **This is an opportunity for renters, as investors recalibrate capital gains tax(CGT) and negative gearing changes.**

## The *supply gap* and the ***opportunity***.

Melbourne's property market is facing a clear and widening supply gap, particularly in the housing sector, **creating strong conditions for future price growth** and **opportunities.** While more than 28,098 houses were sold in in the past 12 months, only 4,605 new ready-to-sell houses are planned for construction in 2026-27.

Approximately 3,510 new residential land lots are planned, however these are not ready for living. Melbourne continues to have a **shortfall that is unable to keep pace with demand.**

New supply is **heavily skewed toward high density** living, with 29,458 units/apartments due for construction in 2026-27. Compared to 36,698 sales in the past 12 months, this will assist with demand and **allows buyers to enter the market at a more affordable price.**

The opportunity is clear**: limited housing supply can stimulate a market recovery in the medium-long term**, while infrastructure and commercial development, **backed by $78.3 billion in new projects planned for 2026-27**, will continue to transform key suburbs.

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# At a Glance.

ANNUAL CHANGE^

| | |
|---|---|
| SALES | ↓ |
| MEDIAN PRICE | ↓ |
| RENTAL PRICE | ↑ |
| SALES | ↓ |
| MEDIAN PRICE | ↓ |
| RENTAL PRICE | ↑ |

| | HOUSES | UNITS |
|---|---|---|
| MEDIAN SALE PRICE | $906K | $620K |
| MEDIAN RENTAL PRICE | $680 | $620 |
| YIELDS | 3.2% | 4.6% |

UNEMPLOYMENT RATE
5.1%

AVERAGE HOME LOAN
$664,146

VACANCY RATE
1.9%

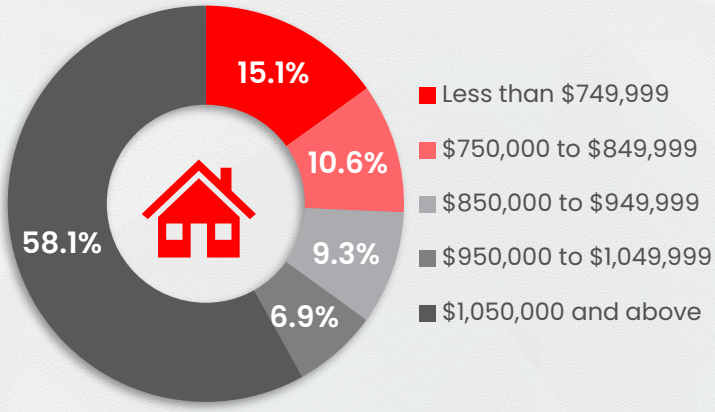


& Melbourne Metro refers to suburbs within a 20km radius of the Melbourne CBD only. ^ The annual change is reflective of the median price change from (01/10/2024 – 30/09/2025) vs (01/10/2025 – 30/09/2026). Figures displayed in infographics are for the period Q3 2026. Source: REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2026.

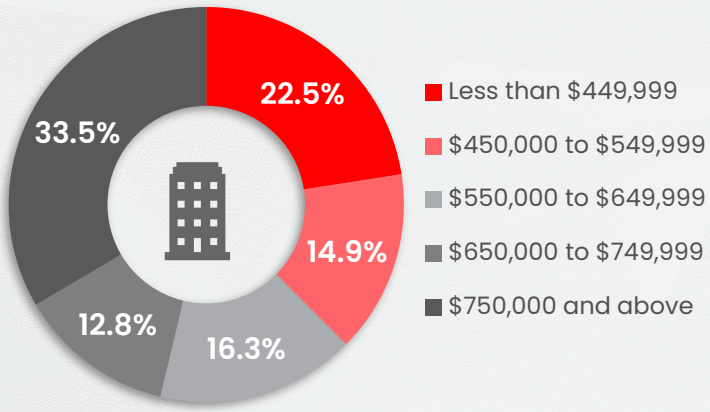
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# What Buyers Are Paying.

## ***House Sales*** by Price Bracket.




## ***Unit Sales*** by Price Bracket.




WITHIN 20KM FROM MELBOURNE CBD.

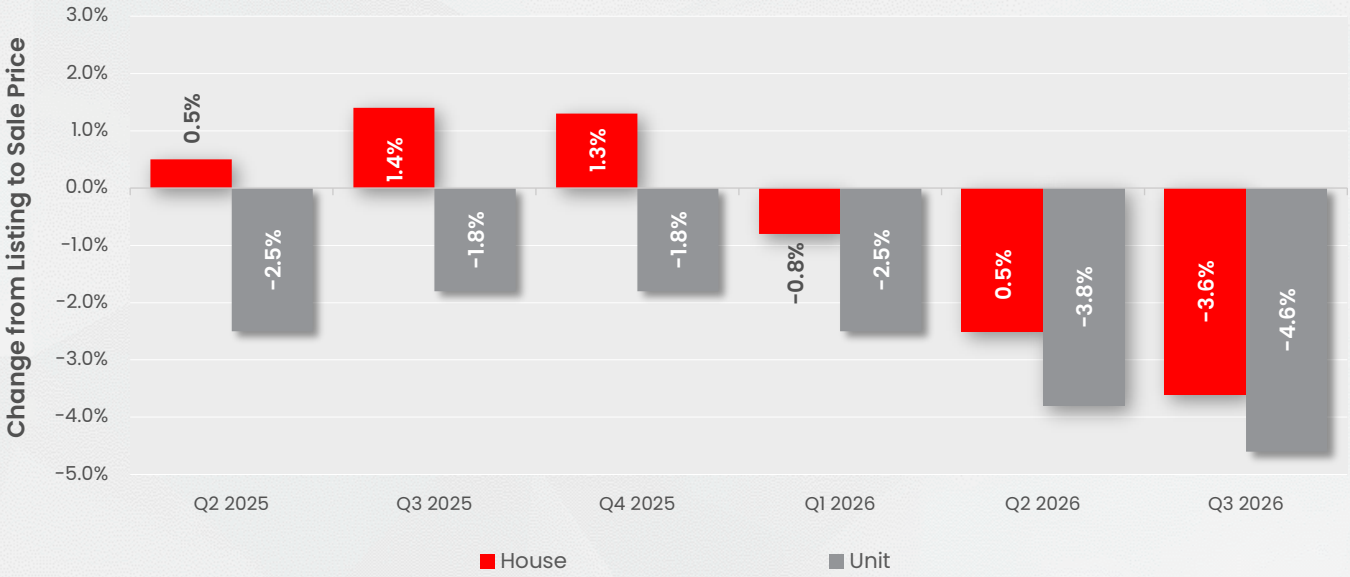
# Top 10 Suburbs for Sale Price Performance.

| Area | Suburb | Type | Median Price 2025 | Median Price 2026* | Price Growth** | Projects 2026*** |
|---|---|---|---|---|---|---|
| Inner | Middle Park | House | $2,550,000 | $3,050,000 | 19.6% | $1.0M |
| | Albert Park | Unit | $962,500 | $1,097,500 | 12.3% | $45.1M |
| North | Hadfield | House | $860,000 | $965,000 | 12.2% | $36.3M |
| | Dallas | Unit | $460,000 | $542,000 | 15.1% | $22.5M |
| South | Sandringham | House | $2,137,500 | $2,350,000 | 9.9% | $119.4M |
| | Caulfield South | Unit | $921,000 | $1,100,000 | 16.3% | $28.5M |
| East | Hughesdale | House | $4,200,000 | $4,817,500 | 14.7% | $8.3M |
| | Blackburn North | Unit | $818,000 | $950,000 | 13.9% | $3.1M |
| West | Avondale Heights | House | $990,000 | $1,113,500 | 12.5% | $7.9M |
| | Albion | Unit | $290,000 | $342,500 | 15.3% | $4.1B |

*The median price quoted captures sale transactions from 1st October 2025 to 30th September 2026. ***Project development is based on the aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence construction in 2026-27, as stated by the relevant data authority. ** The annual change is reflective of the median price change from (01/10/2024 – 30/09/2025) vs (01/10/2025 – 30/09/2026). Figures displayed in infographics are for the period Q3 2026. #2026 encapsulates sales transactions for Q1 - Q3 2026 (01/01/2026 – 30/09/2026) only. © Copyright PRD 2026. Source: REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2026.

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# Average Vendor Discount.




**The average house vendor discount** between Q3 of 2025 and Q3 of 2026 **swung from a premium (of 1.4%) to a discount of -3.6%. Average unit vendor discounts have remained, significantly widening to -4.6%.**

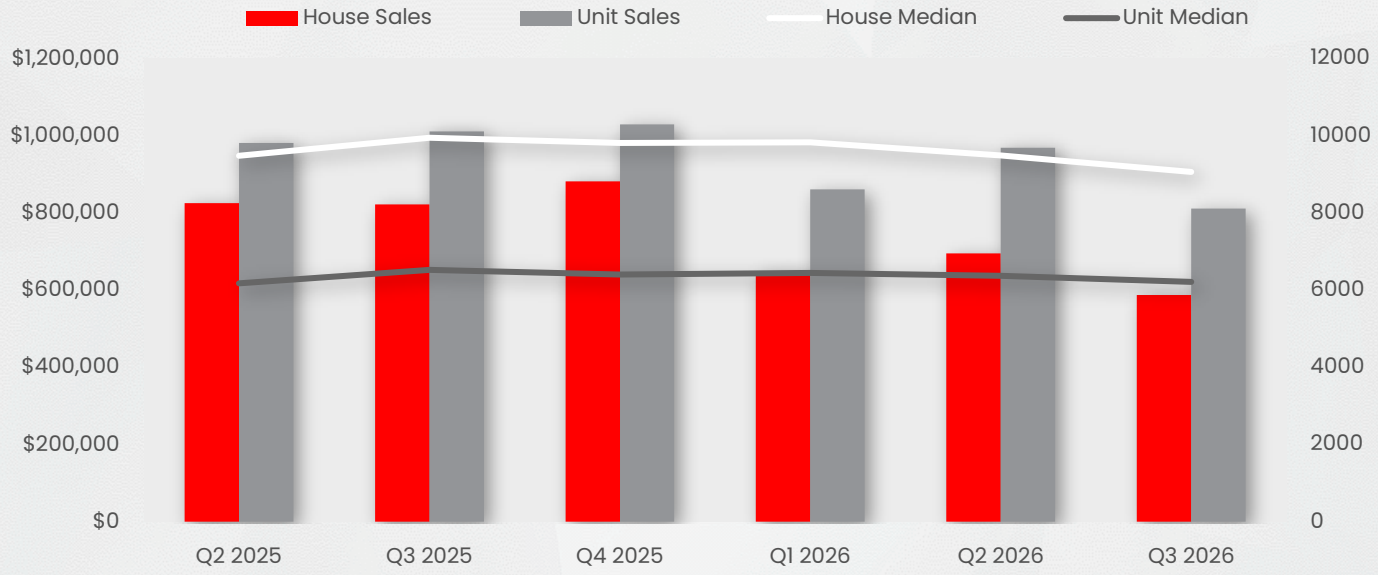
The Melbourne market favours buyers, as owners are still willing to accept below the first listed prices. The market has shifted to a discount since Q1 of 2026, in tandem with the first cash rate hike (February 2026). **Average house and unit vendor discounts in Q3 of 2026 were at a peak.** With limited new supply expected to enter the market, **now is an ideal time for buyers to act.**

Most of the **houses** sold in Melbourne Metro across 2026# were **in the premium price point of $1,400,000 and above (58.1%)**. This benefits owners in terms of confidence, as the market has shifted to a softer position. The most affordable price point is strong, with 15.1% of houses sold below $749,999.

**Similarly, most of the units sold were in the premium price point of above $750,000 (33.5%),** bolstering confidence for many developers building new stock. **A high volume of sales were in the affordable price point, with 22.5% of units sold below $449,999;** which is good news for first home buyers. Melbourne offers opportunities for buyers with any budget.

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# Market Performance.






& Melbourne Metro refers to suburbs within a 20km radius of the Melbourne CBD only. #2026 encapsulates sales transactions for Q1 - Q3 2026 (01/10/2026 – 30/09/2026) only. © Copyright PRD 2026.

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# Rental Growth 2026.

The house rental yield in Melbourne Metro was 3.2% in September 2026, outperforming Sydney Metro (2.9%) and on par with Brisbane Metro (3.3%). This was paired with **a 4.6% increase in median house rental price** in the past 12 months (to Q3 of 2026), **at $680 per week**, and a **16.3% decline in the number of houses rented** (to 6,451 rentals in Q3 of 2026).

The **unit market** is seeing a slightly different pattern. Unit prices are **similarly increasing by 8.8%, to $620 per week,** while the number of units rented **has skyrocketed by 177.6% over the same period, to 12,218 rentals in Q3.**

There is strong rental demand for both houses and units. This **signals an attractive investment opportunity; while the Melbourne Metro market is currently more affordable compared to 2025.** This is also an **opportunity for interstate investors, as Melbourne is more affordable than Sydney.**

**3 bedroom houses and 1 bedroom units** have provided investors with the **highest annual rental growth of 6.7% and 10.6%, at $640 and $520 per week,** respectively. All rental property types have increased in value. **Investors have an abundant amount of investment options.**

In September 2026, **Melbourne Metro** recorded **a vacancy rate of 1.9%,** above Sydney Metro (1.8%) and Brisbane Metro (0.9%). **Vacancy rates have fluctuated in the past 12 months, but have increased in the past 6 months.** This is due to more investors entering the market. That said, Melbourne Metro's vacancy rate remains below the Real Estate Institute of Australia's (REIA's) benchmark of 3.0%.

**This indicates quick occupancy of rental properties in Melbourne Metro. With a softer market in 2026, this presents a more favourable environment for investors.**

| HOUSES | 2 BEDROOMS | 3 BEDROOMS | 4+ BEDROOMS |
|---|---|---|---|
| | +4.8% | +6.7% | +6.1% |
| | $650 | $640 | $780 |

| UNITS | 1 BEDROOM | 2 BEDROOMS | 3+ BEDROOMS |
|---|---|---|---|
| | +10.6% | +9.2% | +6.7% |
| | $520 | $650 | $800 |



*Kerferd Road Pier Melbourne, VIC.*



€ Annual rental growth is a comparison between Q3 2025 – Q3 2026 (01/07/2025 – 30/09/2025 vs 01/07/2026 – 30/09/2026) house median rent figures.

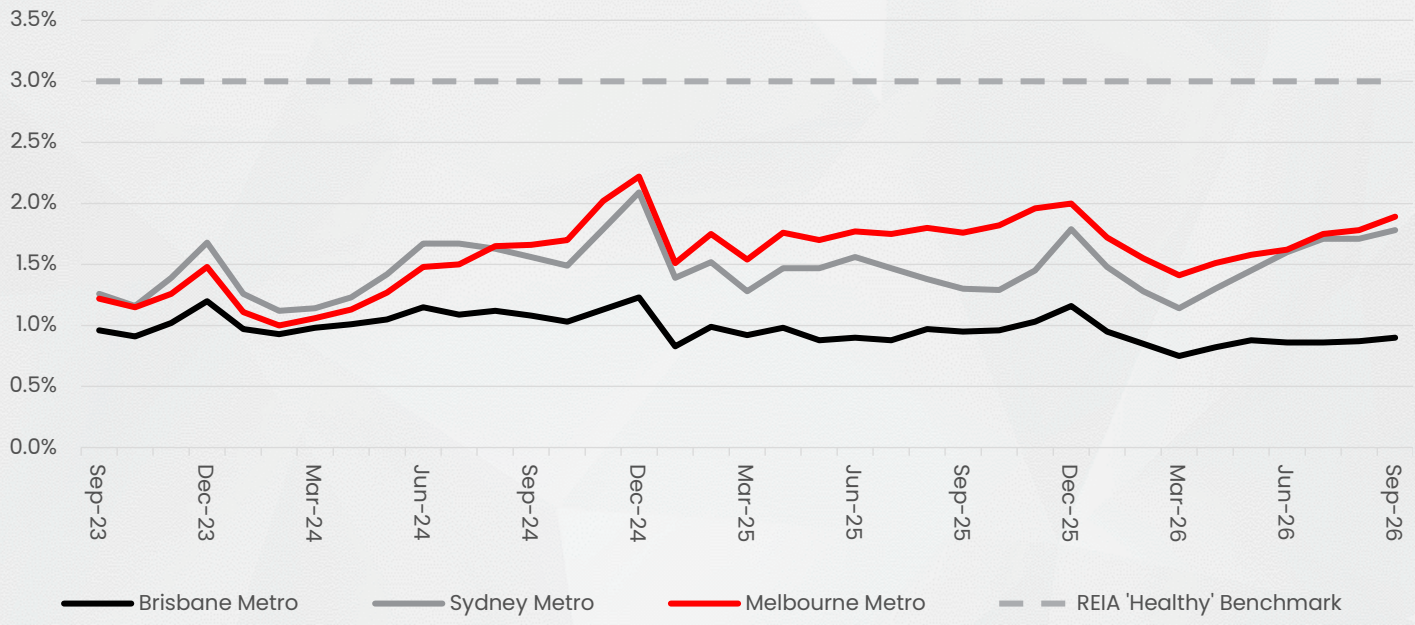



# Rental Yield Comparison: 2026§.

| MELBOURNE METRO | | BRISBANE METRO | | SYDNEY METRO | |
|---|---|---|---|---|---|
| HOUSES | UNITS | HOUSES | UNITS | HOUSES | UNITS |
| 3.2% | 4.6% | 3.3% | 4.1% | 2.9% | 4.4% |

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# Rental Vacancy Rates 2026.

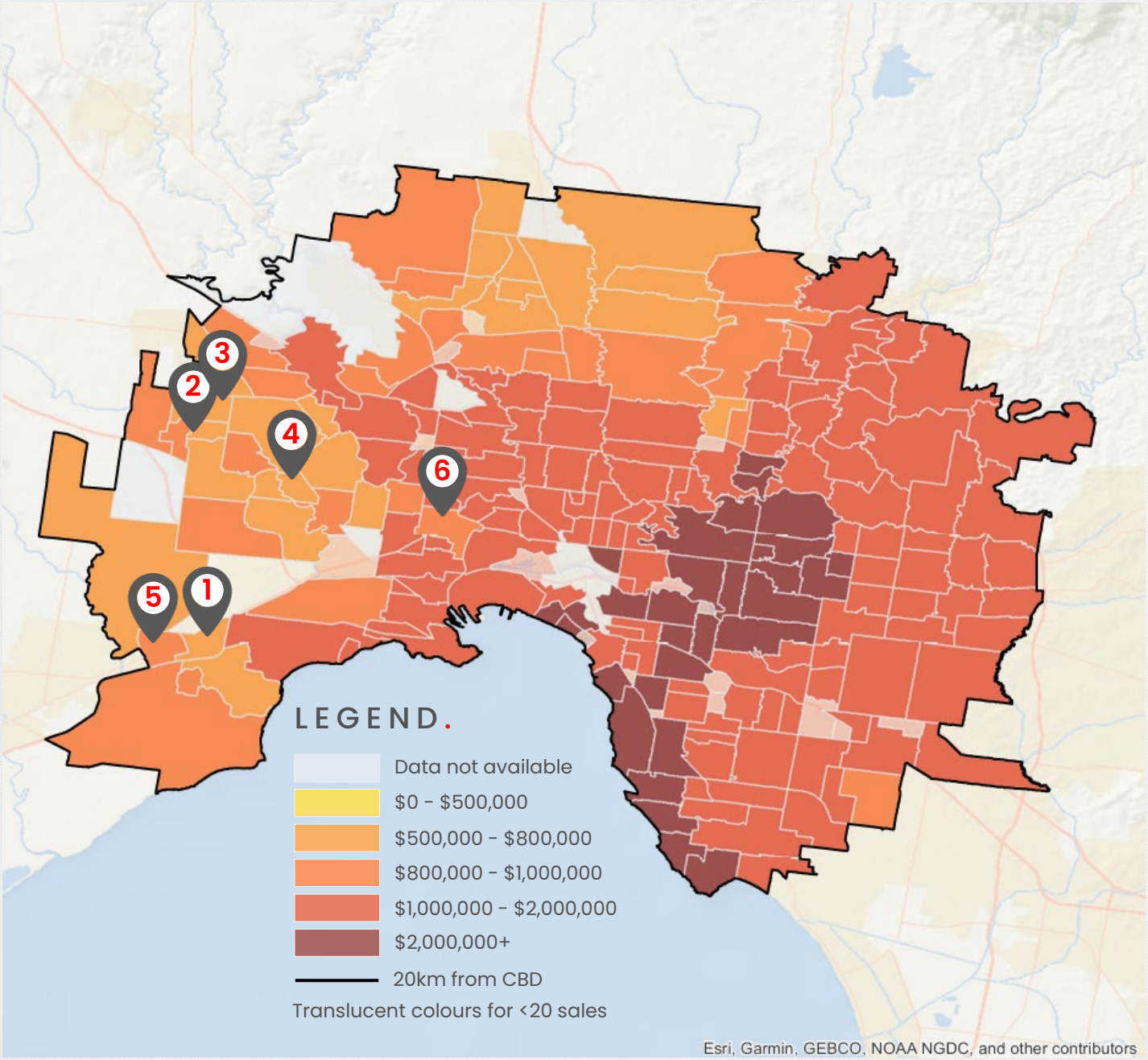





§ Rental yields shown are as reported in March 2026. Source: SQM Research. © Copyright PRD 2026.

# Median House Prices.

**20KM FROM THE MELBOURNE CBD | 2026***




## Melbourne Smart Move Suburbs ***Rental Yield.***

HOUSES

| | Suburb | Rental Yield |
|---|---|---|
| 1 | Laverton | 4.0% |
| 2 | Albanvale | 3.7% |
| 3 | Kings Park | 3.7% |

UNITS

| | Suburb | Rental Yield |
|---|---|---|
| 4 | Albion | 4.5% |
| 5 | Williams Landing | 5.8% |
| 6 | Footscray | 5.5% |



*House median price reflected in the heat-map captures sale transactions from 1st October 2025 to 30th September 2026. Source: ESRI ArcGIS, SQM Research. © PRD 2026.

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# Market Cycle Indicators.

Our easy-to-read clock format indicators show where Melbourne's house and unit markets currently sit in the market cycle, from peak through to recovery. They highlight whether conditions are strengthening or softening, helping buyers and investors understand timing, momentum, and where opportunities may be emerging across the city.

The 4 key market indicators:

## Peak.

When prices are at or near their highest point, demand is strong, and growth starts to stabilise.

## Downswing.

When the market begins to cool, buyer demand eases, and prices may plateau or decline.

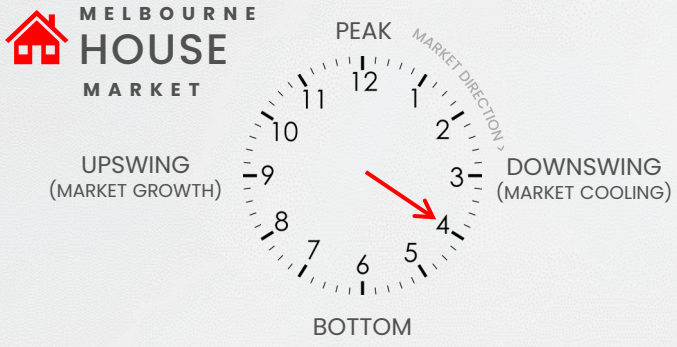
## Bottom.

When the market reaches its lowest point, conditions stabilise, and the groundwork is set for the next period of growth.

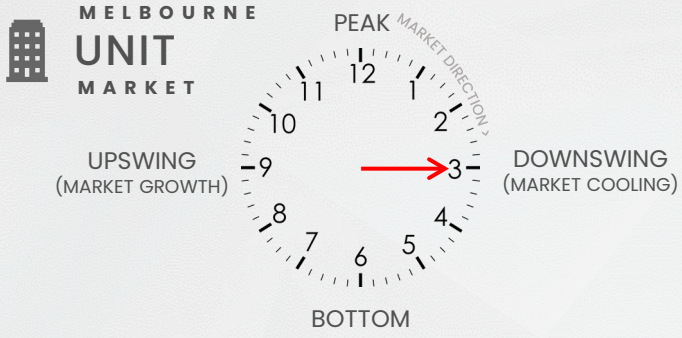
## Upswing.

When the market is gaining momentum, buyer confidence is rising, and property prices are beginning to increase.

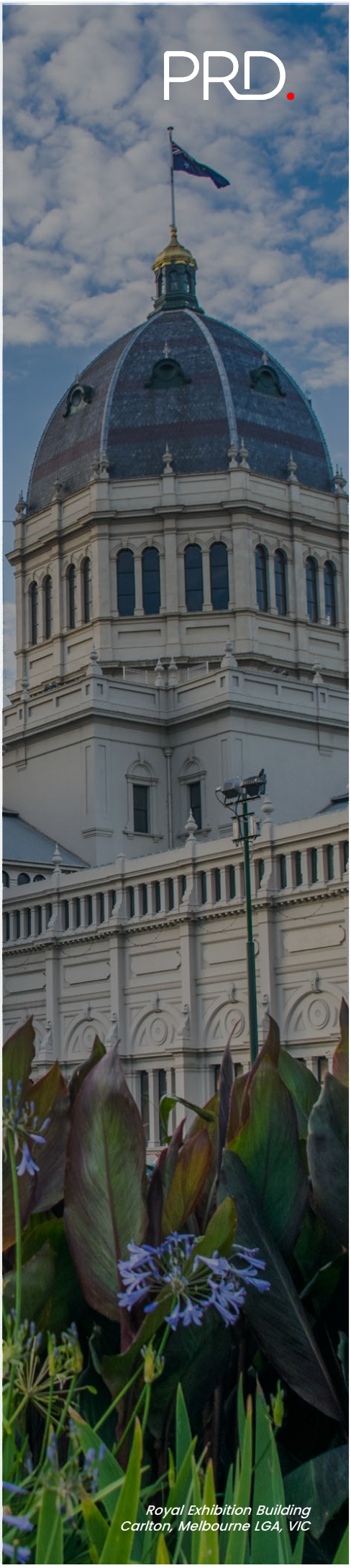
The hands on the clocks indicate the current position of each property type in the market cycle.




The Melbourne house market is just below the downswing meaning that the market is solidly in the cooling phase.




Comparatively, the Melbourne unit market is directly on the downswing, entering a cooling phase that is at a slightly slower pace than the house market.



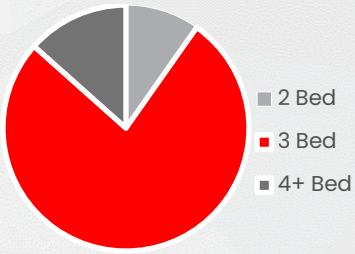

*Royal Exhibition Building*
*Carlton, Melbourne LGA, VIC*

# Smart Suburb Moves Near Melbourne for *Houses*.

## Laverton.

### 3028

### Located 17.8km from the Melbourne CBD.




| | |
|---|---|
| Median House Price | **$640,500** |
| 2 Bed Median Price | **$588,750** |
| 3 Bed Median Price | **$622,500** |
| 4+ Bed Median Price | **$700,000** |

| | |
|---|---|
| **Annual Median Price Growth** | 5.9%** |
| **Vacancy Rate (September 2026)** | 1.5% |
| **Rental Yield (September 2026)** | 4.0% |
| **Key Amenity (5km)** | Laverton Markets and 2 train stations |
| **Total Projects ($)** | $46.2M^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 40 Townhouses<br>9 Dwellings<br>0 Units |
| **Unemployment Rate** | 4.8% |




*Altona Beach*
*Altona, Melbourne LGA, VIC*
*7 km West of Laverton*



^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. ** Median price growth quoted captures sale transactions between 01/10/2024-30/09/2025 vs 01/10/2025-30/09/2026. Source: SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2026.

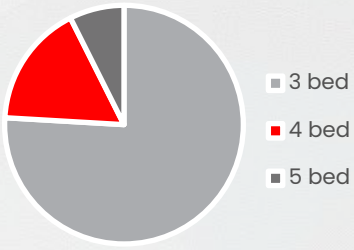


# Albanvale.

## 3021

## Located 18.7km from the Melbourne CBD.

*Lakeside Reserve*
*Caroline Springs, Melbourne LGA, VIC*
*8 km West of Albanvale*




| | |
|---|---|
| Median House Price | **$692,500** |
| 2 Bed Median Price | **$665,000** |
| 3 Bed Median Price | **$747,000** |
| 4+ Bed Median Price | **$860,000** |

| | |
|---|---|
| **Annual Median Price Growth** | 8.2%** |
| **Vacancy Rate (September 2026)** | 1.0% |
| **Rental Yield (September 2026)** | 3.7% |
| **Key Amenity (5KM)** | Brimbank Central Shopping Centre |
| **Total Projects ($)** | $41.1M^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 180 Townhouses<br>0 Dwellings<br>0 Units |
| **Unemployment Rate** | 6.2% |

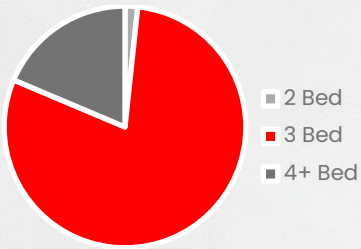


# Kings Park.

## 3021

## Located 19.6km from the Melbourne CBD.

*Brimbank Park*
*Keilor East, Melbourne LGA, VIC*
*13 km east of Kings Park*




| | |
|---|---|
| Median House Price | **$670,000** |
| 2 Bed Median Price | **$570,000** |
| 3 Bed Median Price | **$670,00** |
| 4+ Bed Median Price | **$760,000** |

| | |
|---|---|
| **Annual Median Price Growth** | 7.2%** |
| **Vacancy Rate (September 2026)** | 1.0% |
| **Rental Yield (September 2026)** | 3.7% |
| **Key Amenity (5KM)** | Kings Park Reserve |
| **Total Projects ($)** | $1.4B^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 2389 Townhouses<br>42 Dwellings<br>130 Units |
| **Unemployment Rate** | 10.7% |



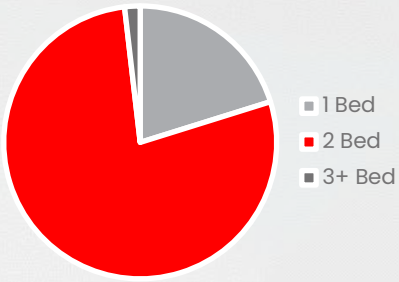
^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. ** Median price growth quoted captures sale transactions between 01/10/2024-30/09/2025 vs 01/10/2025-30/09/2026. Source: SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2026.

# Smart Suburb Moves Near Melbourne for *Units*.

## Albion.

### 3020

### Located 13.8km from the Melbourne CBD.




| | |
|---|---|
| Median Unit Price | **$453,000** |
| 1 Bed Median Price | **$245,000** |
| 2 Bed Median Price | **$353,000** |
| 3+ Bed Median Price | **$697,500** |

| | |
|---|---|
| **Annual Median Price Growth** | 17.3%** |
| **Vacancy Rate (September 2026)** | 1.3% |
| **Rental Yield (September 2026)** | 4.5% |
| **Key Amenity (5km)** | Highpoint Shopping Centre |
| **Total Projects ($)** | $4.1B^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 20 Townhouses<br>26 Dwellings<br>3 Units |
| **Unemployment Rate** | 3.3% |




*West Gate Bridge Memorial Park*
*Sportswood, Melbourne LGA, VIC*
*13 km east of Albion.*



^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. ** Median price growth quoted captures sale transactions between 01/10/2024-30/09/2025 vs 01/10/2025-30/09/2026. Source: SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2026.

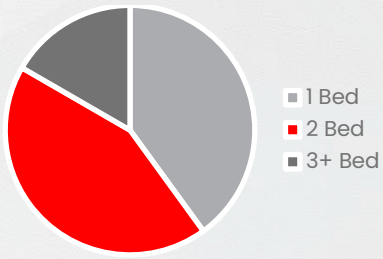


# Williams Landing.

## 3027

## Located 20.0km from the Melbourne CBD.

*Skeleton Waterholes Creek*
*Hoppers Crossing, Melbourne LGA, VIC*
*5 km East of Williams Landing*




| | |
|---|---|
| Median Unit Price | **$420,000** |
| 1 Bed Median Price | **$344,500** |
| 2 Bed Median Price | **$423,000** |
| 3+ Bed Median Price | **$690,000** |

| | |
|---|---|
| **Annual Median Price Growth** | -1.2%** |
| **Vacancy Rate (September 2026)** | 1.5% |
| **Rental Yield (September 2026)** | 5.8% |
| **Key Amenity (5KM)** | HomeCo. Williams Landing Shopping Centre |
| **Total Projects ($)** | $356.2M^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 0 Townhouses<br>0 Dwellings<br>435 Units |
| **Unemployment Rate** | 2.8% |

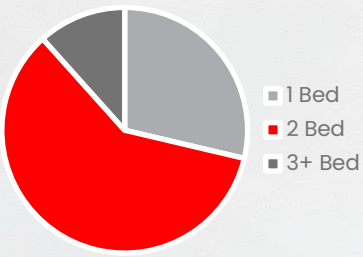


# Footscray.

## 3011

## Located 6.6km from the Melbourne CBD.

*Footscray Park*
*Footscray, Melbourne LGA, VIC*
*1 km north of Footscray*




| | |
|---|---|
| Median Unit Price | **$472,500** |
| 2 Bed Median Price | **$337,700** |
| 3 Bed Median Price | **$490,4080** |
| 4+ Bed Median Price | **$795,000** |

| | |
|---|---|
| **Annual Median Price Growth** | 4.8%** |
| **Vacancy Rate (September 2026)** | 2.1% |
| **Rental Yield (September 2026)** | 5.5% |
| **Key Amenity (5KM)** | Footscray Market |
| **Total Projects ($)** | $331.6M^ |
| **Residential Ready-To-Sell Planned Housing Stock 2026** | 30 Townhouses<br>43 Dwellings<br>716 Units |
| **Unemployment Rate** | 6.1% |



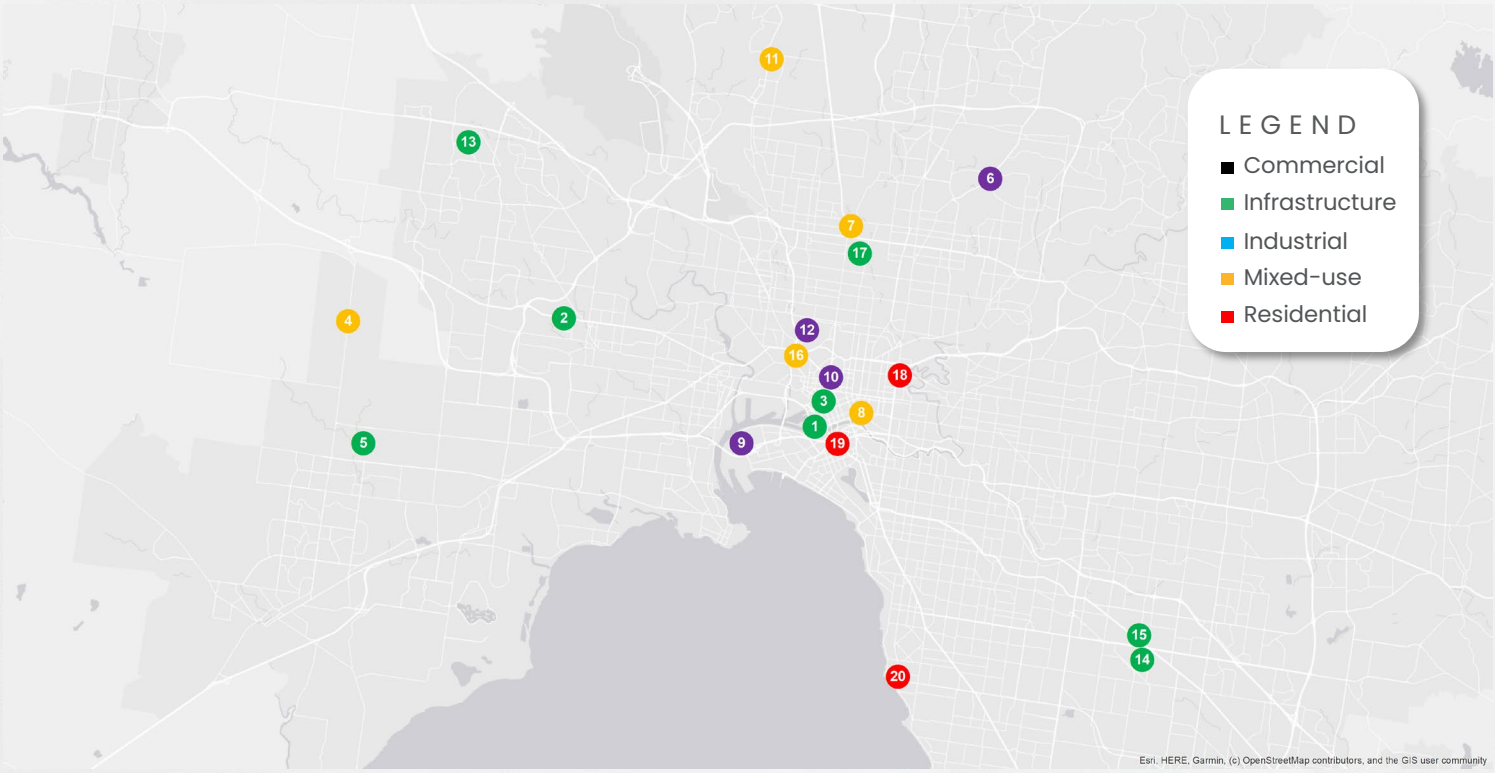
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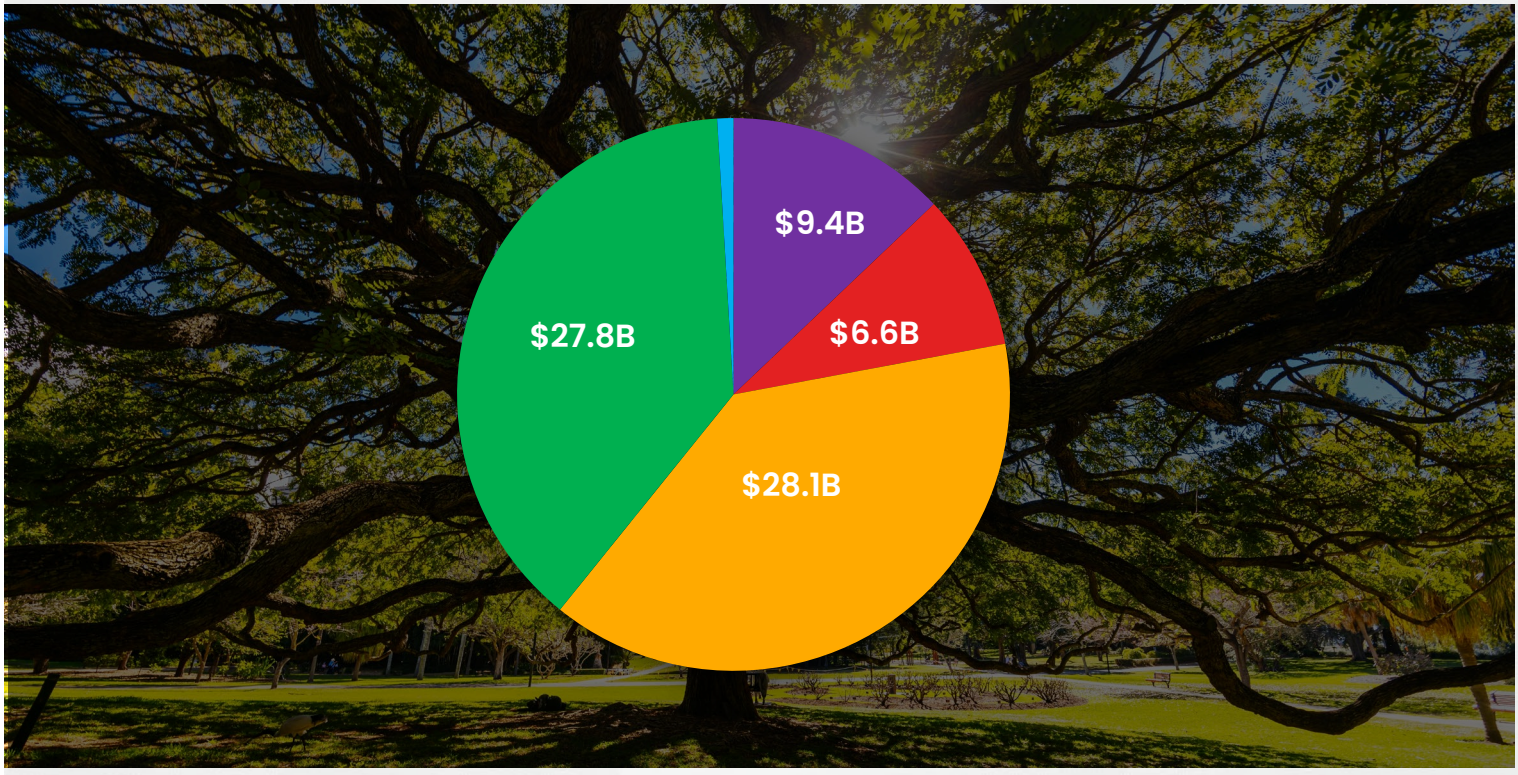
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# Project Development Map 2026-2027*.

Most of the projects planned for construction in 2026-2027* are **State Government funded infrastructure**. Key infrastructure projects consist of majority rail improvements and expansion, such as railway works to the Melbourne Airport Link from the Southern Cross station to and Melbourne to Geelong fast rail. These improvements and expansions **progress connectivity for both travelers and city locals**, improving liveability for residents and attracting more people to live in Melbourne**.**

**Residential projects planned for construction in 2026-2027*** will provide more housing supply for buyers and investors. **Key projects include:** 93-103 Clarendon, Clarke & Whiteman Street in Southbank; which are expected to add 510 dwellings and 47 South Road in Brighton, bringing 84 new townhouses to the area. A **key residential project that will benefit renters** is 276-286 Johnston Street Model on Johnston in Abbotsford, which will add 240 build-to-rent apartments.






*Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

| Map Location | Project£ | Type | Estimated Value£ | Suburb |
|---|---|---|---|---|
| 1 | Melbourne Airport Rail Link - Railway Works - Southern Cross Station To Tullamarine (State Government) | Infrastructure | $10,000,000,000 | Tullamarine |
| 2 | Melbourne Airport Rail Link - Sunshine Station Superhub (State Government) | Infrastructure | $4,100,000,000 | Albion |
| 3 | Melbourne To Geelong Fast Rail Stage 1 (State Government) | Infrastructure | $4,000,000,000 | Melbourne |
| 4 | Melbourne Business Park Future Stages – 3 (Logistics / Business Precinct) | Mixed - Use | $2,000,000,000 | Truganina |
| 5 | Outer Metropolitan Ring - South Rail Connection - Melbourne Intermodal Terminal Package (State Government) | Infrastructure | $1,800,000,000 | Truganina |
| 6 | Latrobe University Bundoora Campus University City Of The Future | Commercial | $1,500,000,000 | Bundoora |
| 7 | Pentridge Coburg - Future Stages (1,500 Apartments / Commercial / Community) | Mixed - Use | $1,000,000,000 | Coburg |
| 8 | Treasury Square Mixed-use Development (Apartments / Offices) | Mixed - Use | $1,000,000,000 | Melbourne |
| 9 | Nextdc Port Melbourne Data Centre M4 | Commercial | $918,000,000 | Port Melbourne |
| 10 | Parkville Biomedical Precinct - Australian Institute Of Infectious Disease (Aiid) | Commercial | $650,000,000 | Parkville |
| 11 | Pentridge Village Mixed Use Precinct (Residential / Retail / Community / Public Realm) | Mixed - Use | $600,000,000 | Coburg |
| 12 | Inclusionary Housing Pilot - 87-103 Manningham Street Parkville | Commercial | $575,000,000 | Parkville |
| 13 | Western Renewables Link (Formerly Western Victoria Transmission Network Project) (State Government) | Infrastructure | $550,000,000 | Sydenham |
| 14 | Monash Medical Centre Tower Expansion (State Government) | Infrastructure | $535,000,000 | Clayton |
| 15 | Monash Medical Centre Building Works Tower Expansion Project (State Government) | Infrastructure | $530,000,000 | Clayton |
| 16 | 59-101 Alfred Street Mixed Use Development (939 Apartments / Supermarkets / Shops / Office / Food & Drink Outlet / Gymnasium) | Mixed - Use | $504,133,020 | North Melbourne |
| 17 | Sydney Road Upgrade Brunswick To Coburg (State Government) | Infrastructure | $500,000,000 | Coburg |
| 18 | 276-286 Johnston Street Model On Johnston Build-to-rent Development (240 Apartments) | Residential | $330,000,000 | Abbotsford |
| 19 | 93-103 Clarendon, Clarke & Whiteman Streets Dwellings (510 Dwellings) | Residential | $160,000,000 | South bank |
| 20 | 47 South Road Townhouses (84 Townhouses) | Residential | $95,000,000 | Brighton |



£ Top Projects are based on suburbs located within a 20km radial distance of the Melbourne CBD. µ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value. Source: Cordell Connect database, ESRI ArcGIS. © PRD 2026.

# Additional Smart Suburb Moves Near Melbourne Metro.

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To give buyers **more choice and uncover additional value opportunities**, the tables below highlight a further seven suburbs that build on the house and unit locations featured earlier in the report.

Using **the same rigorous selection methodology**, the below suburbs have been identified as strong alternatives. This is particularly for **buyers looking to enter the market below Melbourne Metro's median house and/or unit prices**. While they may not meet all the benchmarks required to identify as 'key suburbs' they still present **compelling options for those seeking affordability, growth potential or a strategic entry point** into the market.

## Houses.

| Suburbs | Median House Price 2025/26 | 1yr Price Growth | 10yrs Price Growth | House Sales 2025/26 | 1yr Sales Growth | Price % to Metro | House Rental Yield | Vacancy Rates | Total $$ 2026 Project* | Total Stand-alone New Stock | Total New Land Lots |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Williams Landing | $872,500 | 5.4% | 49.2% | 172 | -22.9% | 1.0% | 3.8% | 1.5% | $356.2M | 435 | - |
| Maidstone | $863,500 | 0.4% | 12.7% | 84 | -31.7% | -0.8% | 3.8% | 1.1% | $62.1M | 171 | - |
| Seabrook | $818,500 | 8.8% | 36.8% | 72 | -17.2% | -5.9% | 4.0% | 1.5% | $284.9M | 573 | - |
| Truganina | $675,000 | 0.7% | 36.6% | 113 | -3.9% | -22.4% | 4.0% | 3.8% | $5.3B | 46 | 739 |
| Mill Park | $840,500 | 2.6% | 31.0% | 288 | -39.5% | -3.5% | 4.0% | 1.6% | $165.4M | 254 | - |
| Kealba | $797,000 | 10.3% | 48.7% | 41 | -35.9% | -17.0% | 3.7% | 1.0% | $156.0M | 197 | - |
| Sunshine North | $770,000 | 3.6% | 21.8% | 158 | -13.2% | -11.8% | 3.6% | 1.3% | $182.2M | 374 | - |

## Units.

| Suburbs | Median Unit Price 2025/26 | 1yr Price Growth | 10yrs Price Growth | Unit Sales 2025/26 | 1yr Sales Growth | Price % to Metro | Unit Rental Yield | Vacancy Rates | Total $$ 2026 Project* | Total Stand-alone New Stock | Total New Land Lots |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Bundoora | $470,000 | -1.6% | 19.1% | 258 | -17.6% | -22.0% | 4.1% | 1.9% | $1.56B | 44 | - |
| Box Hill | $500,800 | -11.8% | -16.8% | 447 | -36.1% | -18.0% | 6.0% | 1.8% | $724.6M | 862 | - |
| Docklands | $580,000 | -5.6% | -3.0% | 611 | -26.7% | -7.2% | 6.7% | 2.8% | $2.20B | 2,905 | - |
| Preston | $606,500 | -2.8% | 30.0% | 486 | -19.5% | -4.8% | 4.9% | 1.3% | $798.0M | 1,649 | 80 |
| Coburg | $646,000 | -8.2% | 23.5% | 256 | -39.2% | -4.0% | 4.5% | 0.8% | $2.28B | 1,742 | - |
| North Melbourne | $540,000 | 9.8% | 6.0% | 437 | 7.9% | -4.2% | 6.0% | 1.9% | $1.35B | 1,857 | - |
| Collingwood | $621,750 | -3.7% | -1.6% | 242 | -25.3% | -26.4% | 6.1% | 0.6% | $743.9M | 1,248 | - |



*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value. It is current as of September 2026. Source: SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business. © PRD 2026.

METHODOLOGY

# How We Selected The Top 10.

**The *Smart Moves: Capital Cities Edition for Melbourne Metro*** report takes a deep dive into every suburb within a 20km radius of the Melbourne CBD, uncovering where opportunities lie for today's buyers. Each suburb was carefully assessed against a robust set of criteria to ensure it offers not just value, but long-term appeal.

## Property performance.

To ensure reliable insights suburbs must demonstrate reliable market activity, with a minimum of 20 sales transactions for statistical accuracy.

They are selected based on positive, or close to stable, price growth over the 12 months to Q1 of 2026, reflecting resilience in changing market conditions and helping buyers target locations with resilience and stability.

## Investment appeal.

For investors looking to maximise returns, shortlisted suburbs (as of March 2026) offer rental yields at or above metro averages, alongside vacancy rates at or below their respective capital city benchmarks, making the suburbs selected an attractive combination for investors seeking steady returns.

## Liveability factors.

Beyond numbers, lifestyle matters. Each suburb offers low crime rates, access to essential amenities within 5km (including schools, transport, green spaces, shopping and healthcare), and unemployment levels at or below the Victorian average.

Together, these factors create vibrant, well-rounded communities that buyers can feel confident calling home.

## Affordability advantage.

Affordability remains front of mind. To ensure real value, selected suburbs have median prices below their capital city averages and within a defined affordability threshold.

This threshold is benchmarked against the average home loan per state[3], ensuring buyers require a smaller premium compared to purchasing in the broader metro area.

In short, these suburbs open the door for first home buyers and budget-conscious movers without compromising on lifestyle.

## Growth and development outlook.

Future growth is a key driver. All selected suburbs are seeing new developments commence in 2026, with strong pipelines of commercial and infrastructure projects supporting local economies.

Importantly, there is also a healthy level of new housing supply planned, giving buyers more choice and confidence in the market.

## The result?

A curated selection of Melbourne suburbs that strike the balance between affordability, growth potential, and everyday liveability, helping buyers make smarter, more confident property decisions.






ABOUT

# PRD's Research Division.

PRD's property research division provides reliable and unbiased data, insights and consultancy to clients in both metropolitan and regional locations across Australia.

Our extensive research capabilities and specialised approach ensure our clients can make the most informed and financially sound decisions about residential and commercial properties.

## Knowledge.

Access to accurate and objective research is the foundation of all good property decisions. PRD shares on-the-ground experience and decades of knowledge to deliver innovative and effective solutions to our clients.

We take a holistic approach and focus on understanding new issues impacting the property industry, such as the environment and sustainability, the economy, demographic and psychographic shifts, and commercial and residential design, and forecast future implications around such issues based on historical data and facts.

## People.

Our in-house research team is skilled in deriving macro and micro quantitative information from multiple credible sources, so we can ensure we provide strategic advice and financially sound direction regarding property and market performance.

## Research Services.

Our research services span over every suburb, local government area, and state within Australia. We have the ability and systems to monitor market movements, demographic changes and property trends.

We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.

## Our services include:

- Advisory & consultancy
- Market analysis including profiling & trends
- Primary qualitative & quantitative research
- Demographic & target market analysis
- Geographic information mapping
- Project analysis including product & pricing recommendations
- Rental & investment return analysis

**Get in touch.**

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