

Which housing markets could get the biggest boost from rate cuts?

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Top SA3 Markets by capital city – highest modelled value change from 1pp reduction in cash rate

HOUSES			
SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25
SYDNEY - HOUSES			
Leichhardt	19.1%	\$ 2,329,376	-6.9%
Sutherland - Menai - Heathcote	19.0%	\$ 1,534,943	-2.9%
Warringah	18.1%	\$ 2,413,671	-9.9%
Hurstville	17.7%	\$ 1,762,818	-2.6%
Hornsby	17.5%	\$ 1,675,264	-3.7%
Eastern Suburbs - South	17.2%	\$ 2,974,725	-8.2%
Parramatta	17.0%	\$ 1,492,890	-4.7%
Sydney Inner City	16.6%	\$ 2,066,296	-6.9%
Botany	16.3%	\$ 1,974,356	-6.2%
Canterbury	16.2%	\$ 1,661,884	-2.3%
MELBOURNE - HOUSES			
Whitehorse - West	18.4%	\$ 1,430,900	-6.0%
Essendon	18.0%	\$ 1,448,499	-14.8%
Manningham - West	17.4%	\$ 1,439,353	-10.8%
Boroondara	17.3%	\$ 2,402,401	-5.3%
Bayside	16.4%	\$ 2,175,573	-12.5%
Yarra	16.3%	\$ 1,446,746	-12.3%
Glen Eira	15.6%	\$ 1,687,231	-11.7%
Whitehorse - East	15.1%	\$ 1,202,455	-9.3%
Monash	12.9%	\$ 1,436,146	-4.1%
Stonnington - East	12.6%	\$ 2,393,479	-11.2%
BRISBANE HOUSES			
Sunnybank	5.2%	\$ 1,104,630	-1.7%
Nathan	5.1%	\$ 1,282,200	<at peak>
Brisbane Inner - North	4.9%	\$ 1,642,661	-1.2%
Mt Gravatt	4.5%	\$ 1,302,984	<at peak>
Brisbane Inner - West	4.4%	\$ 1,750,183	-1.1%
Chermside	4.3%	\$ 1,149,921	<at peak>
Browns Plains	4.3%	\$ 777,924	<at peak>
Brisbane Inner - East	4.3%	\$ 1,590,202	-4.9%
Capalaba	3.6%	\$ 1,046,268	<at peak>
Carindale	3.6%	\$ 1,512,689	<at peak>

UNITS			
SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25
SYDNEY - UNITS			
Dural - Wisemans Ferry	17.7%	\$ 910,933	-3.9%
Chatswood - Lane Cove	16.3%	\$ 1,072,102	-4.1%
Campbelltown (NSW)	16.0%	\$ 585,201	-0.2%
Wollondilly	15.1%	\$ 577,936	0.0%
Rouse Hill - McGraths Hill	13.1%	\$ 755,101	-2.3%
Eastern Suburbs - North	12.7%	\$ 1,571,908	-7.2%
Warringah	12.2%	\$ 1,097,437	-7.0%
Hurstville	12.0%	\$ 740,687	-1.1%
Marrickville - Sydenham - Petersham	11.4%	\$ 895,003	-2.1%
Camden	11.2%	\$ 690,500	0.0%
MELBOURNE - UNITS			
Glen Eira	12.3%	\$ 648,425	-11.8%
Whitehorse - West	10.6%	\$ 738,643	-2.9%
Manningham - East	9.8%	\$ 815,581	-13.2%
Maroondah	9.1%	\$ 649,895	-3.0%
Bayside	8.5%	\$ 981,670	-9.1%
Cardinia	8.4%	\$ 514,406	-3.1%
Casey - North	8.3%	\$ 596,967	-0.7%
Hobsons Bay	8.3%	\$ 674,182	-2.4%
Dandenong	7.8%	\$ 532,065	-2.1%
Kingston	7.4%	\$ 715,954	-2.0%
BRISBANE UNITS			
Capalaba	8.0%	\$ 645,149	<at peak>
Brisbane Inner - West	7.8%	\$ 821,653	<at peak>
Bribie - Beachmere	5.6%	\$ 635,762	<at peak>
North Lakes	5.0%	\$ 608,256	<at peak>
Strathpine	4.5%	\$ 571,676	<at peak>
Mt Gravatt	4.2%	\$ 689,909	-0.8%
Cleveland - Stradbroke	3.4%	\$ 730,518	<at peak>
The Hills District	3.3%	\$ 788,218	-0.2%
Brisbane Inner	3.0%	\$ 738,033	<at peak>
Chermside	2.6%	\$ 663,260	<at peak>

HOUSES			
SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25

ADELAIDE HOUSES

Port Adelaide - West	5.1%	\$ 845,446	<at peak>
Gawler - Two Wells	3.3%	\$ 714,507	<at peak>
Mitcham	3.0%	\$ 1,208,890	<at peak>
Onkaparinga	2.5%	\$ 784,588	<at peak>
Tea Tree Gully	2.5%	\$ 821,359	<at peak>
Charles Sturt	2.1%	\$ 1,016,283	<at peak>
Port Adelaide - East	2.0%	\$ 861,325	<at peak>
Marion	2.0%	\$ 936,434	<at peak>

Holdfast Bay	0.9%	\$ 1,478,544	<at peak>
Norwood - Payneham - St Peters	0.1%	\$ 1,458,972	-0.1%

PERTH HOUSES

Bayswater - Bassendean	3.1%	\$ 893,976	<at peak>
Perth City	1.1%	\$ 1,572,993	<at peak>
Serpentine - Jarrahdale	1.0%	\$ 748,457	<at peak>
Fremantle	0.9%	\$ 1,353,439	-0.4%
Canning	0.9%	\$ 925,825	<at peak>
Cottesloe - Claremont	0.7%	\$ 2,461,208	-1.9%
Cockburn	0.7%	\$ 876,630	-0.7%
Melville	0.0%	\$ 1,322,184	-0.6%
Gosnells	0.0%	\$ 726,822	<at peak>
Mundaring	-0.2%	\$ 852,582	<at peak>

HOBART HOUSES

Hobart Inner	6.6%	\$ 925,990	-16.6%
Hobart - North East	4.8%	\$ 725,091	-14.4%
Brighton	2.6%	\$ 559,554	-3.9%
Hobart - North West	2.4%	\$ 569,216	-10.9%
Hobart - South and West	0.9%	\$ 793,895	-12.1%

CANBERRA HOUSES

Belconnen	2.4%	\$ 881,405	-7.2%
Weston Creek	2.3%	\$ 931,994	-10.2%
Tuggeranong	0.2%	\$ 881,373	-4.0%
Woden Valley	-0.5%	\$ 1,234,091	-12.2%
Molonglo	-0.7%	\$ 1,151,125	<at peak>

UNITS			
SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25

ADELAIDE UNITS

Unley	8.2%	\$ 654,451	-0.3%
Campbelltown (SA)	4.3%	\$ 595,495	<at peak>
Adelaide Hills	2.9%	\$ 575,339	-0.5%
Norwood - Payneham - St Peters	1.9%	\$ 629,908	-0.3%
Prospect - Walkerville	1.8%	\$ 581,073	<at peak>
Playford	1.7%	\$ 447,085	-0.5%
Marion	0.6%	\$ 586,308	-2.7%
Onkaparinga	0.0%	\$ 582,887	<at peak>

Gawler - Two Wells	-1.8%	\$ 450,902	<at peak>
Salisbury	-2.0%	\$ 507,353	<at peak>

PERTH UNITS

Bayswater - Bassendean	5.6%	\$ 530,905	<at peak>
Mundaring	2.9%	\$ 415,450	<at peak>
Mandurah	1.9%	\$ 477,113	-4.1%
Fremantle	1.2%	\$ 762,802	<at peak>
Cottesloe - Claremont	1.2%	\$ 927,804	<at peak>
Perth City	1.2%	\$ 561,183	<at peak>
South Perth	1.1%	\$ 703,159	<at peak>
Stirling	0.0%	\$ 663,075	<at peak>
Gosnells	-0.6%	\$ 490,764	<at peak>
Melville	-1.0%	\$ 735,124	<at peak>

HOBART - UNITS

Hobart - North West	9.0%	\$ 448,909	-11.8%
Hobart - North East	5.2%	\$ 564,811	-5.8%
Hobart Inner	4.8%	\$ 608,754	-19.0%
Brighton	3.0%	\$ 447,369	-7.8%
Hobart - South and West	0.9%	\$ 553,860	-9.9%

CANBERRA - UNITS

Gungahlin	7.0%	\$ 550,893	-8.3%
Tuggeranong	3.4%	\$ 610,830	-8.2%
South Canberra	1.4%	\$ 692,397	-4.9%
North Canberra	0.3%	\$ 568,683	-7.9%
Belconnen	-0.5%	\$ 535,069	-6.2%

Top SA3 markets combined regions – highest modelled value change from 1pp reduction in cash rate

REGIONAL AUSTRALIA - HOUSES				REGIONAL AUSTRALIA - UNITS			
SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25	SA3 Name	Modelled value change from a 1pp reduction in cash rate	Median Value Jan 2025	Decline from market peak to Jan 25
Wollongong	12.0%	\$ 1,193,104	-9.1%	Southern Highlands	10.7%	\$ 827,970	-9.5%
Kempsey - Nambucca	9.8%	\$ 624,079	-3.3%	Maryborough	9.9%	\$ 305,990	<at peak>
Dapto - Port Kembla	9.1%	\$ 850,071	-0.2%	Gippsland - East	9.2%	\$ 367,370	-3.4%
West Pilbara	8.2%	\$ 577,428	-27.7%	Tablelands (East) - Kuranda	8.9%	\$ 325,585	-3.0%
Loddon - Elmore	7.9%	\$ 414,210	-6.6%	Bunbury	8.7%	\$ 471,644	<at peak>
Bowen Basin - North	6.6%	\$ 333,120	-10.0%	Coffs Harbour	8.4%	\$ 574,618	-3.7%
Lithgow - Mudgee	6.5%	\$ 578,249	-2.4%	Shoalhaven	8.1%	\$ 614,144	-11.4%
Gold Coast Hinterland	6.5%	\$ 1,114,105	-1.0%	Limestone Coast	7.9%	\$ 352,205	<at peak>
Newcastle	6.3%	\$ 989,046	<at peak>	Wodonga - Alpine	7.7%	\$ 376,453	-0.8%
South East Coast (Tas)	6.0%	\$ 640,991	-7.6%	Wellington	7.3%	\$ 317,605	-2.0%
Goulburn - Mulwaree	5.7%	\$ 602,527	-5.8%	Mudgeeraba - Tallebudgera	7.3%	\$ 788,248	<at peak>
Broadbeach - Burleigh	5.6%	\$ 1,898,929	<at peak>	Innisfail - Cassowary Coast	6.9%	\$ 301,415	<at peak>
Armidale (NSW)	5.5%	\$ 473,146	-1.8%	Kiama - Shellharbour	5.9%	\$ 758,283	-5.1%
Glenelg - Southern Grampians	5.5%	\$ 391,733	-9.4%	Buderim	5.2%	\$ 691,336	<at peak>
Burnett	5.3%	\$ 436,132	<at peak>	Wollongong	5.2%	\$ 760,350	-1.5%
Shepparton	5.2%	\$ 520,596	-0.9%	Wangaratta - Benalla	4.8%	\$ 338,826	-7.8%
Mudgeeraba - Tallebudgera	5.1%	\$ 1,472,880	-1.0%	Launceston	4.7%	\$ 421,263	-5.1%
Inverell - Tenterfield	4.9%	\$ 357,925	<at peak>	Orange	4.6%	\$ 414,304	-14.1%
Hervey Bay	4.7%	\$ 713,541	<at peak>	Newcastle	4.5%	\$ 734,542	<at peak>
Gold Coast - North	4.6%	\$ 1,242,634	-0.1%	Lake Macquarie - West	4.4%	\$ 632,894	-0.2%

Method

Data shows the modelled change in the CoreLogic Home Value Index (HVI) for SA3 house and unit markets across Australia. Three periods of HVI performance were observed:

- August 2014 – May 2015
- November 2015 – August 2016
- December 2018 – October 2019

These periods were selected based on the ability to understand HVI performance for a similar period under steady cash rate, and reduced cash rate conditions.

The change in the HVI under rate reductions was adjusted by the 'natural' increase or decrease in each market under steady cash rate conditions, and extrapolated for a one percentage point drop in the cash rate through each period.

The final result presented in the tables is an average of the results over the three periods.