

REAL ESTATE INSTITUTE OF  
AUSTRALIA



# Housing Affordability Report

SEPTEMBER QUARTER  
2025



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# Improvement to housing affordability, while rental affordability remains stable

## STATE OF THE NATION

Housing affordability has improved again over the September quarter 2025. Following the all-time low of the December quarter 2024, this is the third successive quarter over which housing affordability has improved. The average loan repayment now amounts to 47.0% of the median family income, an improvement of 0.5 percentage points over the quarter and 1.6 percentage points over the year.

Besides Queensland, where affordability declined by a marginal 0.1 percentage points, housing affordability improved in all states and territories. Improvements ranged from 0.2 percentage points in South Australia to 1.5 percentage points in the Australian Capital Territory.

Rental affordability remained stable over the quarter at 24.3%. This is an improvement of 0.5 percentage points over the year.

Rental affordability improved in New South Wales, Victoria, South Australia and the Australian Capital Territory, but declined in Queensland, Western Australia, Tasmania and the Northern Territory. Change in rental affordability ranged from a decline of 0.5 percentage points in Queensland, to an improvement of 0.3 percentage points in both Victoria and South Australia.

## LENDING TRENDS

In total, owner occupiers made 84,687 new loan commitments during the September quarter 2025, 0.2% fewer than last quarter, but 1.9% more than during the September quarter of last year.

The total number of loans for owner occupiers increased over the past year in New South Wales, Victoria, South Australia, Tasmania, the Northern Territory and the Australian Capital Territory, remained stable in Queensland, and declined only in Western Australia (by 3.2% over the year). The average loan size increased 2.3% over the September quarter, to \$693,802, an increase of 8.1% over the past 12 months. The average loan size increased in all states and territories over the past year. Increases ranged from 1.8% in the Australian Capital Territory to 13.5% in Western Australia.

## FIRST HOME BUYERS

First home buyers made 29,252 new loan commitments during the September quarter 2025. This was 3.0% fewer than over the June quarter, and 0.9% fewer compared to the September quarter of last year.

The number of first home buyers decreased over the quarter in all states and territories except Tasmania, where there was an increase of 1.7%. Decreases ranged from 0.5% in New South Wales to 11.2% in the Northern Territory. Victoria had the largest number of first home buyers this quarter (9,835) and the Northern Territory the smallest number (229).

The average loan size to first home buyers increased to \$560,249. This was an increase of 1.0% over the quarter and 4.4% over the past 12 months.

The average loan size to first home buyers increased over the quarter in all states and territories except New South Wales and the Northern Territory, where it decreased.

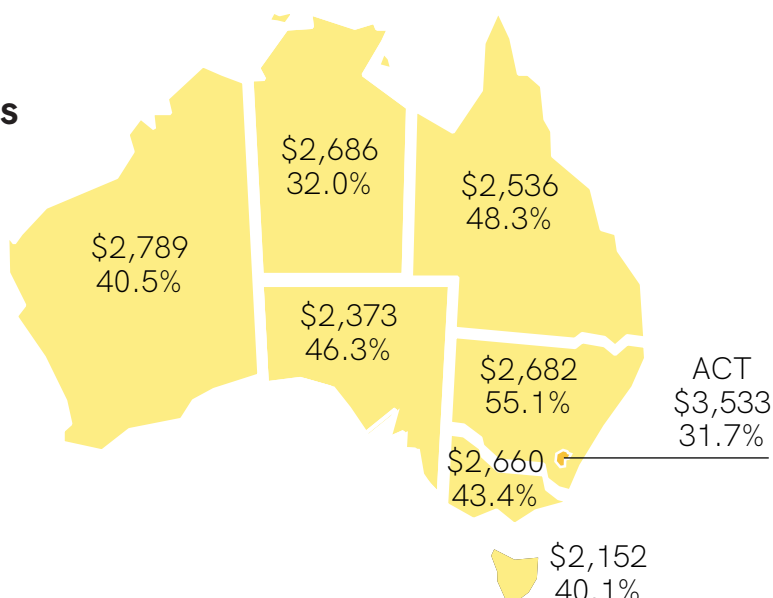
## INTEREST RATES

In August, the Reserve Bank of Australia lowered the official cash rate by 0.25 percentage points to 3.6%, where it remained till the end of the quarter. The quarterly average standard variable interest rate fell 0.3 percentage points to 8.0%. The quarterly average 3 year fixed rate fell 0.4 percentage points to 5.5%.

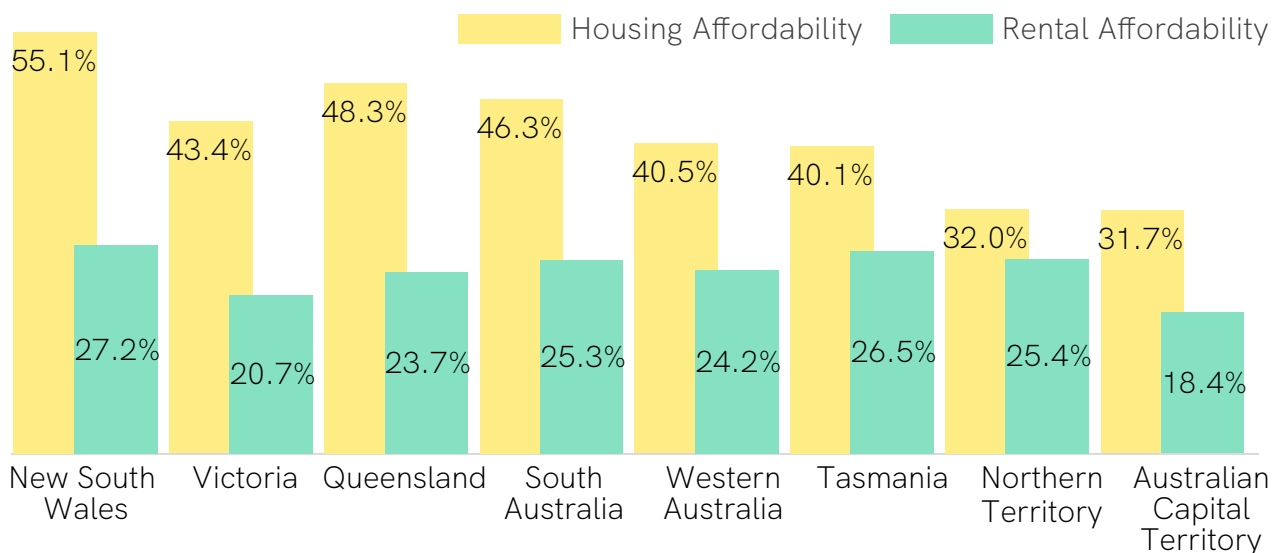


## Family Income and Weekly Repayments

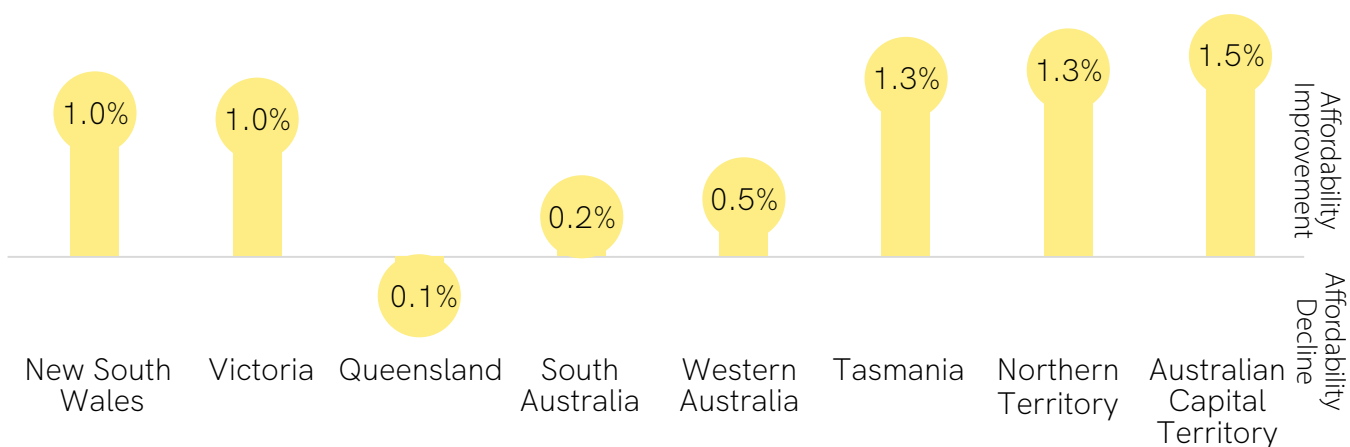
Median weekly family income and proportion required to meet loan repayments



## Housing and Rental Affordability



## Quarterly Change Housing Affordability



## PRESIDENT'S MESSAGE



### REIA HAR President's Report September Quarter 2025

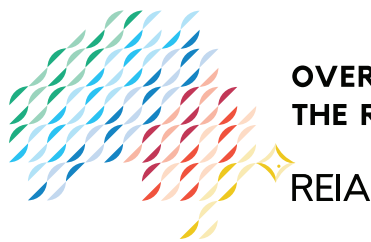
This 2025 Housing Affordability Report marks my first as REIA President. I am pleased to report that, for the third consecutive quarter, housing affordability in Australia has continued on a positive trajectory, while rental affordability has held steady.

These trends provide households across Australia with a welcome measure of stability. At the same time, first home buyer activity has slowed, and inflation has reshaped expectations for interest rates, highlighting future challenges in the housing market.

Over the September quarter 2025, housing affordability has continued to recover from the all-time low recorded in December last year. The proportion of median income needed to service the average home loan has decreased to 47%. This figure represents an improvement of 0.5 percentage points over the quarter and 1.6 percentage points over the year.

This positive trend was observed across nearly all jurisdictions, with the only exception being Queensland, where affordability slipped by a marginal 0.1 percentage points. Improvements ranged from 0.2 percentage points in South Australia to a strong 1.5 percentage points in the Australian Capital Territory.

Rental affordability remained stable this quarter, with the proportion of income required to meet the median rent nationally unchanged at 24.3%. This figure represents a 0.5 percentage point improvement over the year.



This picture across the states and territories was mixed. Rental affordability improved over the quarter in New South Wales, Victoria, South Australia, and the Australian Capital Territory, while declines were recorded in Queensland, Western Australia, Tasmania, and the Northern Territory.

First home buyer activity softened over the September quarter in all states and territories except Tasmania, which recorded an increase of 1.7%. Victoria had the largest number of first home buyers this quarter (9,835) and the Northern Territory the smallest number (229).

With the government's expansion of the 5% deposit scheme coming into effect in October, it is expected that first home buyer activity will receive some welcome demand side support in the months ahead.

The Reserve Bank of Australia's decision in August to lower the official cash rate target to 3.60% helped support further easing in borrowing costs during the September quarter. The quarterly average standard variable interest rate fell 0.3 percentage points to 8.0%, and the quarterly average 3-year fixed rate fell 0.4 percentage points to 5.5%.

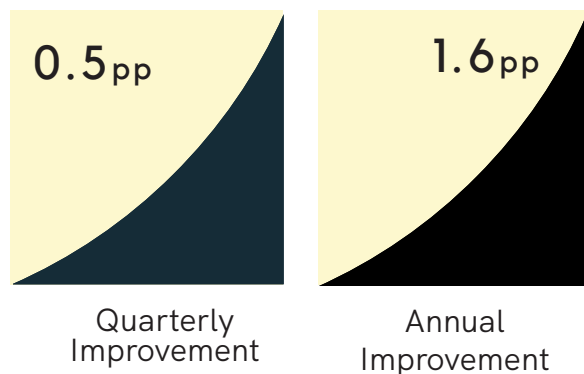
However, higher-than-anticipated inflation towards the end of this year has led to a significant shift in market expectations. The current consensus suggests the RBA will most likely keep the official cash rate on hold throughout 2026, with no further cuts expected.

Closing out the 2025 Housing Affordability Reports, I want to thank our members and subscribers for their commitment to data-driven insights. Your engagement ensures that research continues to inform the industry, support sound decision-making, and drive progress in housing affordability as we move into 2026.

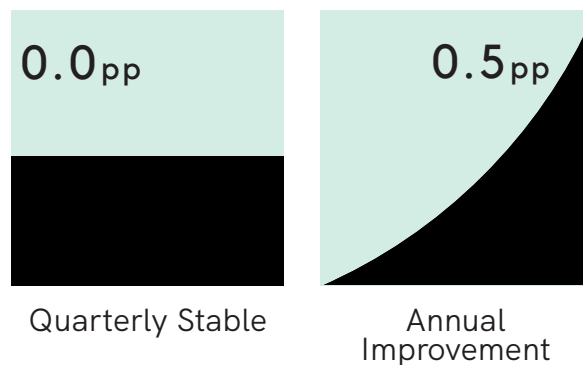
**Jacob Caine**  
President  
Real Estate Institute of Australia



## HOUSING AFFORDABILITY



## RENTAL AFFORDABILITY



## THE NATIONAL SNAPSHOT

### Proportion of family income required to meet loan repayments

Table 1 shows the proportion of median family income needed to meet average loan repayments.

Table 1: Proportion of median family income to meet average loan repayments

	Sep Qtr 2025	Jun Qtr 2025	Sep Qtr 2024
NSW	55.1%	56.1%	57.9%
VIC	43.4%	44.4%	46.4%
QLD	48.3%	48.2%	47.9%
SA	46.3%	46.5%	46.7%
WA	40.5%	41.0%	39.9%
TAS	40.1%	41.4%	42.1%
NT	32.0%	33.3%	32.3%
ACT	31.7%	33.2%	34.8%
AUS	47.0%	47.5%	48.6%

Chart 1 shows movement in the proportion of median family income required to meet average home loan repayments since the March quarter 2003.

Chart 2 shows movement in rental affordability from the March quarter 2003.

Chart 1: Proportion of median family income required to meet average loan repayments

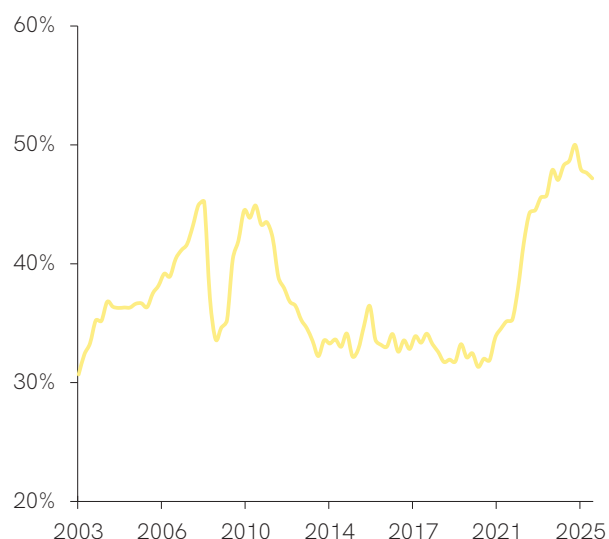
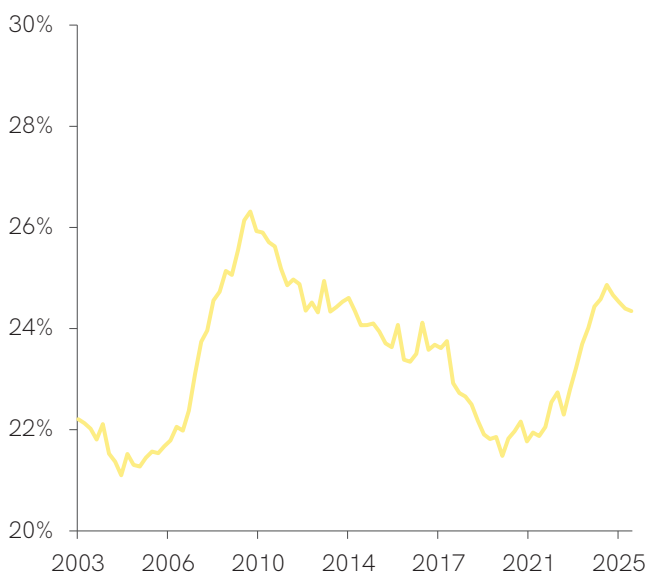


Chart 2: Proportion of median family income required to meet weighted average median rent



## Rental Affordability

The median rent for each state or territory is based on data for three bedroom houses sourced from the REIA Real Estate Market Facts publication. To determine the median rent for Australia, an average is calculated of median rents from each state or territory, weighted according to housing statistics from the Australian Census.

Nationally, there has been no change to rental affordability over the quarter, with the proportion of income required to meet the median rent remaining stable at 24.3%. This represents an improvement of 0.5 percentage points over the past 12 months.

Around the country, rental affordability has declined in Queensland, Western Australia, Tasmania and the Northern Territory, and improved in all other states and territories.

New South Wales, where median rent was 27.2% of the median family income (3.0 percentage points above the national average), remains the least affordable state or territory in which to rent a property. The Australian Capital Territory, where median rent was only 18.4% of the median family income, remains the most affordable.

Table 2 shows rental affordability expressed as the proportion of median weekly family income required to meet the median weekly rent for a three bedroom house.

**Table 2: Proportion of family income required to meet rent payments**

	Sep Qtr 2025	Jun Qtr 2025	Sep Qtr 2024
NSW	27.2%	27.4%	28.6%
VIC	20.7%	21.0%	21.7%
QLD	23.7%	23.2%	22.8%
SA	25.3%	25.6%	25.2%
WA	24.2%	24.0%	23.7%
TAS	26.5%	26.4%	26.6%
NT	25.4%	25.2%	25.2%
ACT	18.4%	18.6%	19.0%
AUS	24.3%	24.3%	24.8%

## Fast Facts

### Proportion of family income to meet

	Sep 2025	Jun 2025	Sep 2024
Home loan repayments	47.0%	47.5%	48.6%
Rent payments	24.3%	24.3%	24.8%

## First Home Buyers

First home buyers made 29,252 new loan commitments during the September quarter 2025, 3.0% fewer than the previous quarter, and 0.9% fewer compared to the September quarter of last year.

First home buyers accounted for 34.5% of all owner occupier dwelling loan commitments made over the September quarter, a decrease of 1.0 percentage points both over the quarter and over the year.

The average loan size to first home buyers increased to \$560,249. This was an increase of 1.0% over the quarter and 4.4% over the past 12 months.

Please note: owner occupier first home buyers includes those purchasing residential land.

Chart 3a shows first home buyers as a share of all owner occupied dwellings financed from the September quarter 2013 to the September quarter 2025.

Chart 3b compares the size of average first home buyer loans, change over buyer loans and all new owner occupier loans.

**Chart 3a: First home buyers' share of all owner occupied dwellings financed**

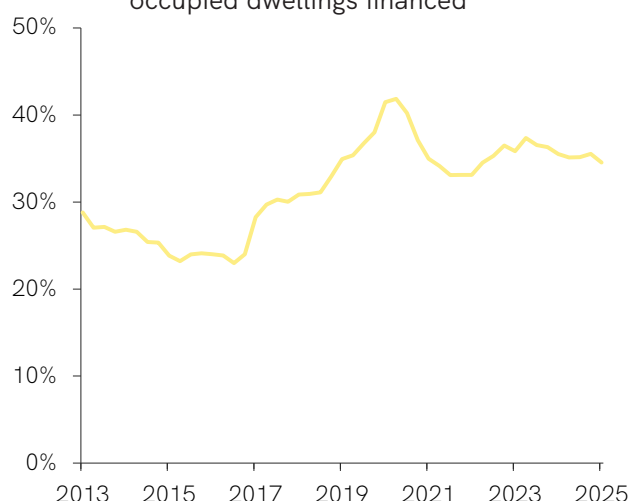
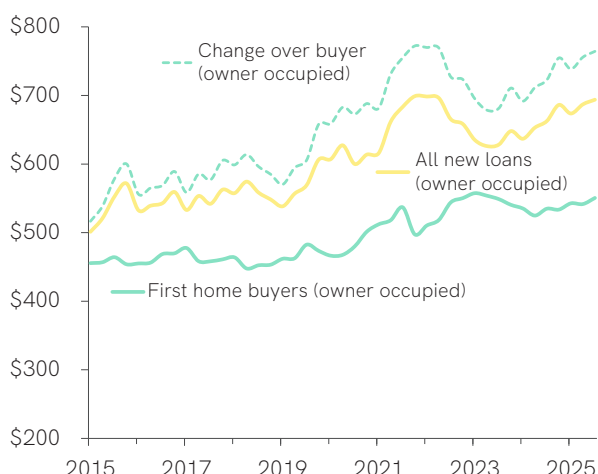


Chart 3b: Average loan size for first home buyers, change over buyers and all owner occupiers (\$'000s)

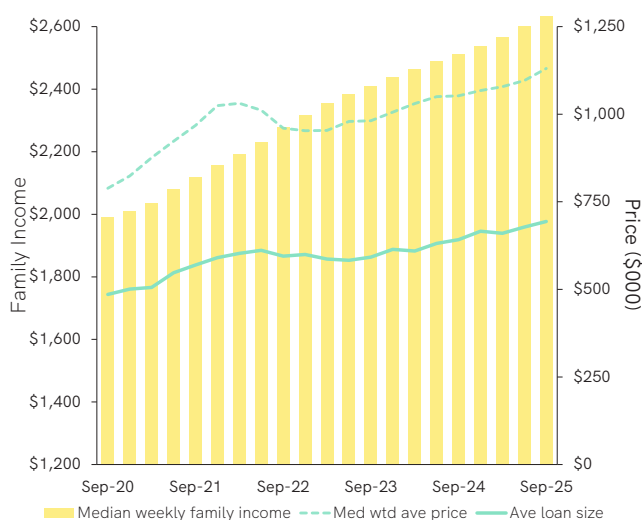


### Factors influencing home loan affordability

- Each loan is determined by the price of the property being purchased, less whatever deposit the borrower is able to furnish.
- Loan repayments are determined by the size of the loan, interest rates, and the period of the loan.
- The borrower's ability to meet repayments depends upon the family income.

Chart 4 shows the relationship between the Australian weighted average median house price, median weekly family income and average loan size.

Chart 4: House price, family income and loan size



### Median house prices

The Australian weighted average median house price increased to \$1,130,518. This was an increase of 3.1% over the June quarter and 7.4% over the past 12 months.

Detailed data on median prices for houses and other dwellings is available in the REIA Real Estate Market Facts publication, which is released on December 18, 2025.

### Median family income and average monthly loan repayments

The national median weekly family income increased to \$2,635 over the September quarter. This was an increase of 1.3% over the quarter and 4.9% over the past 12 months.

The average monthly loan repayment increased to \$5,364. This was an increase of 0.2% over the quarter and 1.5% over the past 12 months.

Despite this increase of the average monthly loan repayment, housing affordability has improved 0.5 percentage points over the quarter due to increasing incomes and decreasing interest rates. Average loan repayments now amount to 47.0% of the median family income.

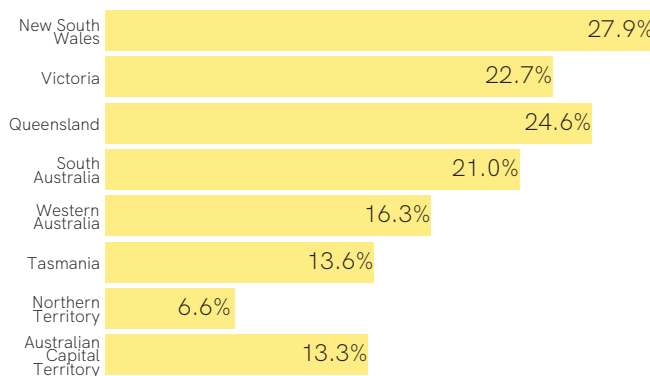
### Loans to owner occupiers (all borrowers)

In total, owner occupiers made 84,687 new loan commitments during the quarter, 0.2% fewer than last quarter, but 1.9% more compared to the September quarter 2024.

The average loan size increased to \$693,802, an increase of 2.3% over the September quarter, and 8.1% over the past 12 months.

### Rent-buy differential

The rent-buy differential shows the difference between rental and housing affordability. That is, how much greater a percentage of the median family income is required to meet average loan repayments compared to median rent payments.



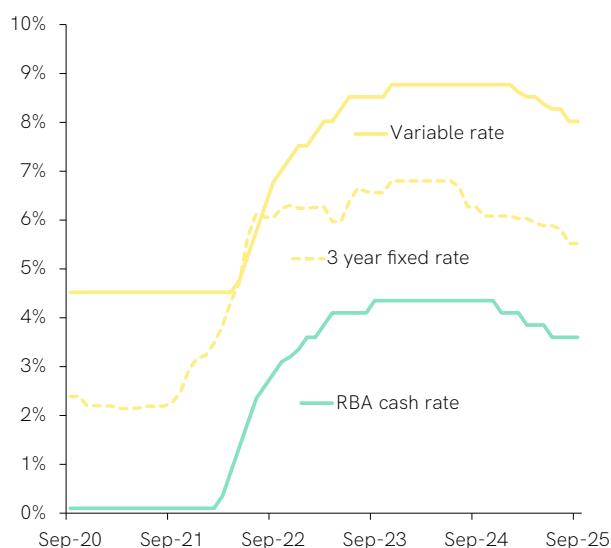
## Interest Rates

In August, the Reserve Bank of Australia lowered the official cash rate by 0.25 percentage points to 3.6%, where it remained till the end of the quarter. The quarterly average standard variable interest rate fell 0.3 percentage points to 8.0%. The quarterly average 3 year fixed rate fell 0.4 percentage points to 5.5%.

The standard variable interest rate was 2.5 percentage points higher than the 3 year fixed rate at the end of the September quarter.

Chart 5 shows the movement of the RBA cash rate, the quarterly average standard variable rate, and the quarterly average 3 year fixed rate over the last five years.

Chart 5 Quarterly interest rates



## Affordability Over Time

Table 3 and Table 4 show the extent of improvement (+) or decline (-) in housing affordability and rental affordability in this quarter compared with the same quarter 5 years ago, 10 years ago and 20 years ago.

Housing affordability Australia-wide has declined by 15.6 percentage points over the past 5 years, 12.2 percentage points over the past 10 years, and 10.3 percentage points over the past 20 years.

Rental affordability Australia-wide has declined by 2.4 percentage points over the past 5 years, 0.5 percentage points over the past 10 years, and 3.0 percentage points over the past 20 years.

Table 3: Housing affordability compared with the current quarter

	5 years	10 years	20 years
NSW	-17.5	-13.5	-10.9
VIC	-11.4	-6.8	-6.8
QLD	-19.7	-17.3	-10.6
SA	-19.2	-16.8	-17.3
WA	-15.9	-12.1	-9.7
TAS	-12.5	-15.3	-9.9
NT	-9.3	-4.2	-2.6
ACT	-8.4	-8.6	-5.2
AUS	-15.6	-12.2	-10.3

Table 4: Rental affordability compared with the current quarter

	5 years	10 years	20 years
NSW	-2.1	-0.6	-4.8
VIC	-0.8	1.2	-1.2
QLD	-3.3	-0.6	-1.6
SA	-4.2	-2.3	-4.1
WA	-6.6	-3.2	-5.2
TAS	1.6	-2.9	-2.9
NT	-3.1	1.9	-2.8
ACT	1.6	-0.5	-0.4
AUS	-2.4	-0.5	-3.0





Chart 6 Housing and rental affordability over time (national)

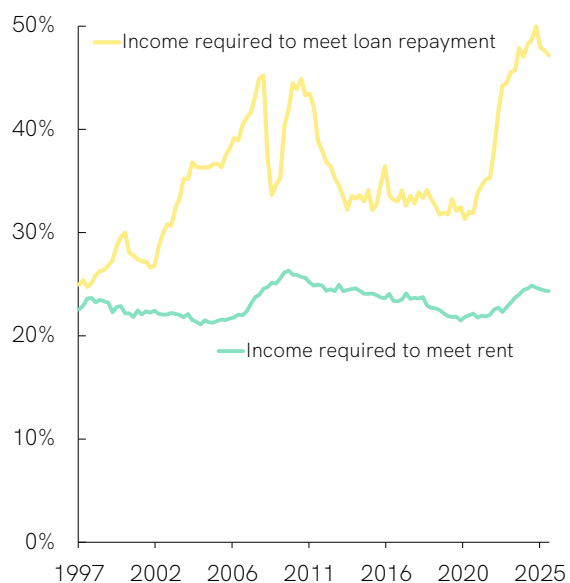


Chart 7 shows a long-term comparison between the movement of the Consumer Price Index (CPI), median family income and the Australian weighted average median rent for a three bedroom house.

Chart 7 Australian rent and CPI

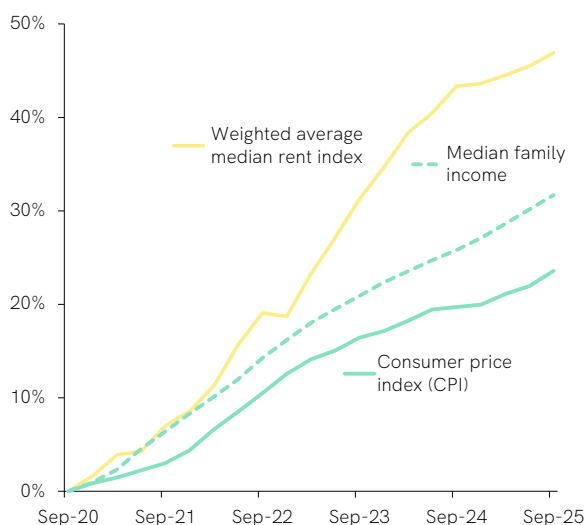


Table 5: Australia

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	47.0%	47.5%	48.6%
Proportion of family income devoted to meeting median rents	24.3%	24.3%	24.8%
Median weekly family income	\$2,635	\$2,601	\$2,512
Average monthly loan repayment	\$5,364	\$5,354	\$5,287
Average loan size	\$693,802	\$677,928	\$641,974
Total number of loans	84,687	84,882	83,115
Number of loans to first home buyers	29,252	30,157	29,515
Average first home buyer loan	\$560,249	\$554,717	\$536,510

#### Banks

Standard variable interest rate	8.0%	8.3%	8.8%
Three year fixed interest rate	5.5%	5.9%	6.3%

Table 6: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-15.6	-12.2	-10.3
Meeting rental payments	-2.4	-0.5	-3.0



## NEW SOUTH WALES

Chart 8 New South Wales affordability

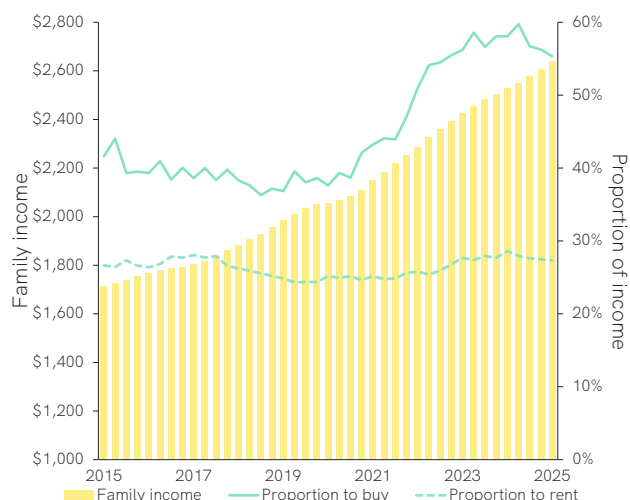
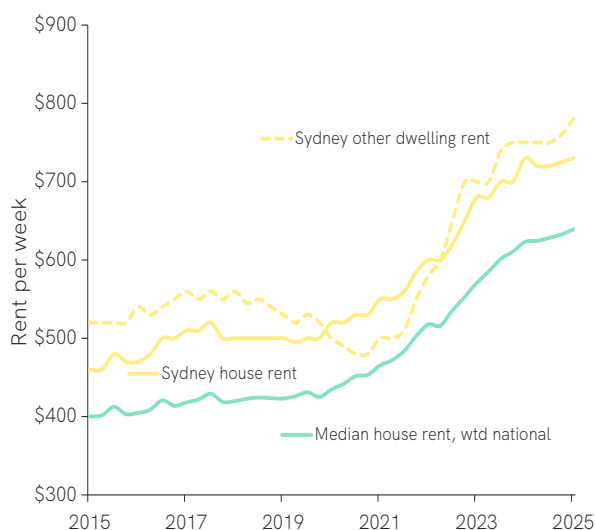


Chart 9 Median rents in Sydney



Housing affordability improved in New South Wales over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 55.1% over the quarter. This was a decrease of 1.0 percentage points over the quarter and 2.8 percentage points over the year.

Rental affordability in New South Wales improved over the quarter and over the year. The proportion of family income required to meet median rent decreased to 27.2%, a decrease of 0.2 percentage points over the quarter and 1.4 percentage points over the year.

New South Wales remains the least affordable state or territory in which to reside, whether meeting average home loan repayments or median weekly rent.

Table 7: New South Wales

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	55.1%	56.1%	57.9%
Proportion of family income devoted to meeting median rents	27.2%	27.4%	28.6%
Median weekly family income	\$2,682	\$2,647	\$2,556
Average monthly loan repayment	\$6,402	\$6,435	\$6,418
Average loan size	\$828,065	\$814,766	\$779,348
Total number of loans	21,789	21,096	21,276
Number of loans to first home buyers	6,957	6,993	7,163
Average first home buyer loan size	\$633,966	\$641,942	\$624,459

Table 8: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-17.5	-13.5	-10.9
Meeting rental payments	-2.1	-0.6	-4.8

The number of loans to first home buyers in New South Wales decreased to 6,957. This was a decrease of 0.5% over the quarter and 2.9% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 23.8% were from New South Wales. First home buyers made up 31.9% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers decreased to \$633,966. This was a decrease of 1.2% over the quarter, but an increase of 1.5% over the past year.

The total number of loans for all owner occupiers increased to 21,789. This was an increase of 3.3% over the quarter and 2.4% over the past year. The average loan size increased to \$828,065. This was an increase of 1.6% over the quarter and 6.3% over the past year.



# VICTORIA

Chart 10 Victoria affordability

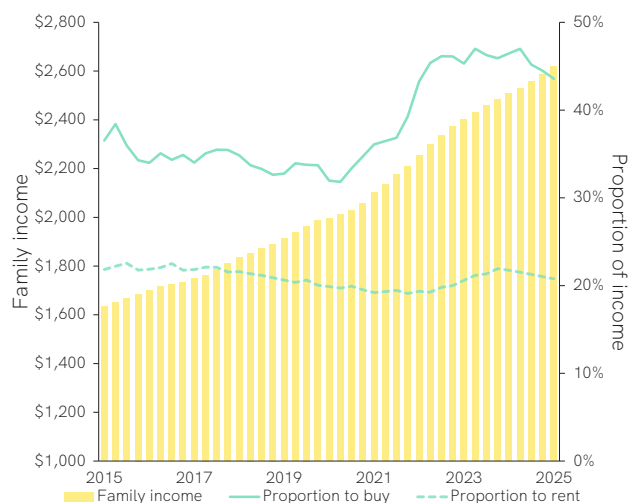
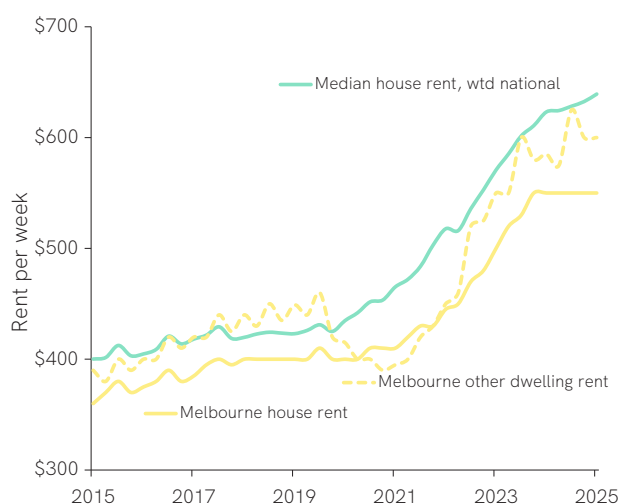


Chart 11 Median rents in Melbourne



Housing affordability improved in Victoria over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 43.4% over the quarter. This was a decrease of 1.0 percentage points over the quarter and 3.0 percentage points over the year.

Rental affordability in Victoria improved over the quarter and over the year. The proportion of family income required to meet median rent decreased to 20.7%, a decrease of 0.3 percentage points over the quarter and 1.0 percentage points over the year.

Table 9: Victoria

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	43.4%	44.4%	46.4%
Proportion of family income devoted to meeting median rents	20.7%	21.0%	21.7%
Median weekly family income	\$2,660	\$2,625	\$2,535
Average monthly loan repayment	\$4,999	\$5,046	\$5,093
Average loan size	\$646,577	\$638,839	\$618,413
Total number of loans	24,858	25,006	24,064
Number of loans to first home buyers	9,835	10,228	9,544
Average first home buyer loan size	\$528,938	\$528,354	\$518,734

Table 10: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-11.4	-6.8	-6.8
Meeting rental payments	-0.8	1.2	-1.2

The number of loans to first home buyers in Victoria decreased to 9,835. This was a decrease of 3.8% over the quarter, but an increase of 3.0% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 33.6% were from Victoria. First home buyers made up 39.6% of the state's owner occupier market. Victoria continues to have the highest number of first home buyers of all states and territories. Over the September quarter 2025, the average loan to first home buyers increased to \$528,938. This was a marginal increase of 0.1% over the quarter and 2.0% over the past year.

The total number of loans for all owner occupiers decreased to 24,858. This was a decrease of 0.6% over the quarter, but an increase of 3.3% over the past year. The average loan size increased to \$646,577. This was an increase of 1.2% over the quarter and 4.6% over the past year.



## QUEENSLAND

Chart 12 Queensland affordability

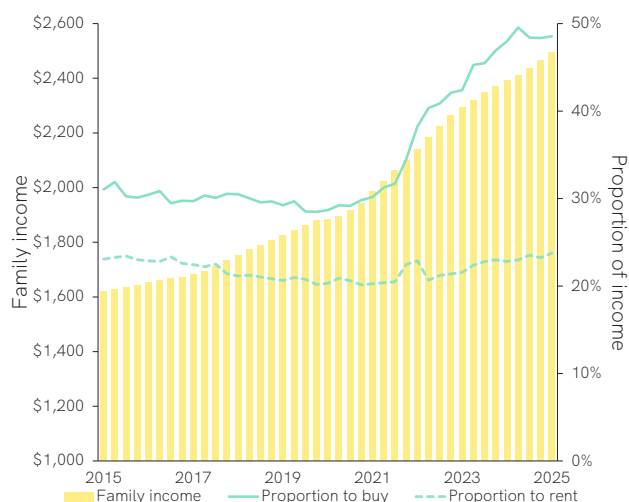
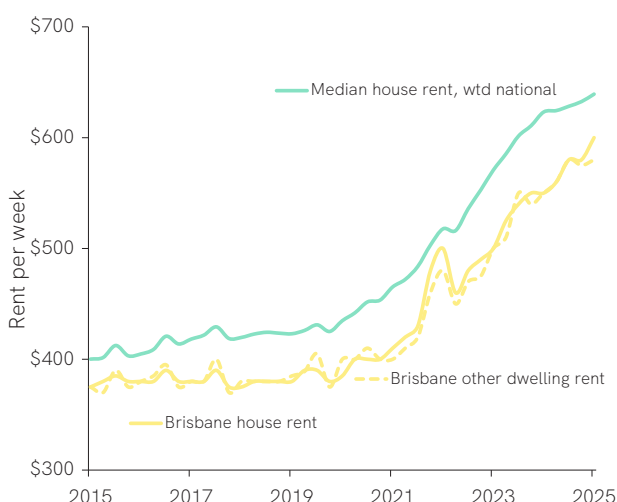


Chart 13 Median rents in Brisbane



Housing affordability declined in Queensland over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments increased to 48.3% over the quarter. This was a marginal increase of 0.1 percentage points over the quarter and 0.4 percentage points over the year. Queensland was the only state or territory where housing affordability declined over the quarter.

Rental affordability in Queensland declined over the quarter and over the year. The proportion of family income required to meet median rent increased to 23.7%, an increase of 0.5 percentage points over the quarter and 0.9 percentage points over the year.

Table 11: Queensland

	Sep 2025	June 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	48.3%	48.2%	47.9%
Proportion of family income devoted to meeting median rents	23.7%	23.2%	22.8%
Median weekly family income	\$2,536	\$2,503	\$2,418
Average monthly loan repayment	\$5,313	\$5,229	\$5,015
Average loan size	\$687,161	\$662,070	\$609,034
Total number of loans	18,529	18,149	18,531
Number of loans to first home buyers	5,626	5,749	5,966
Average first home buyer loan size	\$571,063	\$547,556	\$521,053

Table 12: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-19.7	-17.3	-10.6
Meeting rental payments	-3.3	-0.6	-1.6

The number of loans to first home buyers in Queensland decreased to 5,626. This was a decrease of 2.1% over the quarter and 5.7% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 19.2% were from Queensland. First home buyers made up 30.4% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers increased to \$571,063. This was an increase of 4.3% over the quarter and 9.6% over the past year.

The total number of loans for all owner occupiers increased 2.1% over the quarter to 18,529, remaining stable at this figure over the past year. The average loan size increased to \$687,161. This was an increase of 3.8% over the quarter and 12.8% over the past year.



## SOUTH AUSTRALIA

Chart 14 South Australia affordability

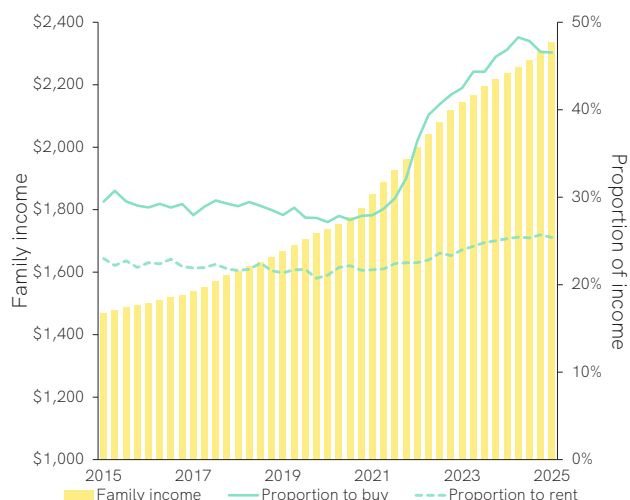
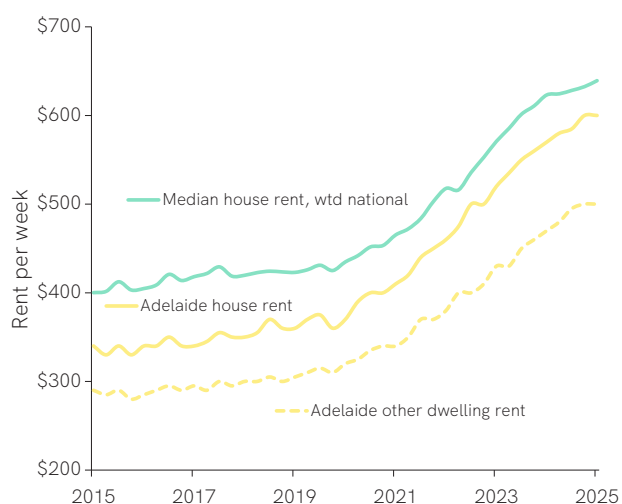


Chart 15 Median rents in Adelaide



Housing affordability improved in South Australia over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 46.3% over the quarter. This was a decrease of 0.2 percentage points over the quarter and 0.4 percentage points over the year.

Rental affordability in South Australia improved over the quarter, but has declined marginally over the year. The proportion of family income required to meet median rent decreased 0.3 percentage over the quarter to 25.3%, increasing a marginal 0.1 percentage points to this figure over the past year.

Table 13: South Australia

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	46.3%	46.5%	46.7%
Proportion of family income devoted to meeting median rents	25.3%	25.6%	25.2%
Median weekly family income	\$2,373	\$2,342	\$2,262
Average monthly loan repayment	\$4,766	\$4,717	\$4,583
Average loan size	\$616,428	\$597,239	\$556,480
Total number of loans	5,369	5,722	5,301
Number of loans to first home buyers	1,725	1,820	1,753
Average first home buyer loan size	\$531,188	\$514,451	\$494,581

Table 14: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-19.2	-16.8	-17.3
Meeting rental payments	-4.2	-2.3	-4.1

The number of loans to first home buyers in South Australia decreased to 1,725. This was a decrease of 5.2% over the quarter and 1.6% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 5.9% were from South Australia. First home buyers made up 32.1% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers increased to \$531,188. This was an increase of 3.3% over the quarter and 7.4% over the past year.

The total number of loans for all owner occupiers decreased to 5,369. This was a decrease of 6.2% over the quarter, but an increase of 1.3% over the past year. The average loan size increased to \$616,428. This was an increase of 3.2% over the quarter and 10.8% over the past year.



# WESTERN AUSTRALIA

Chart 16 Western Australia affordability

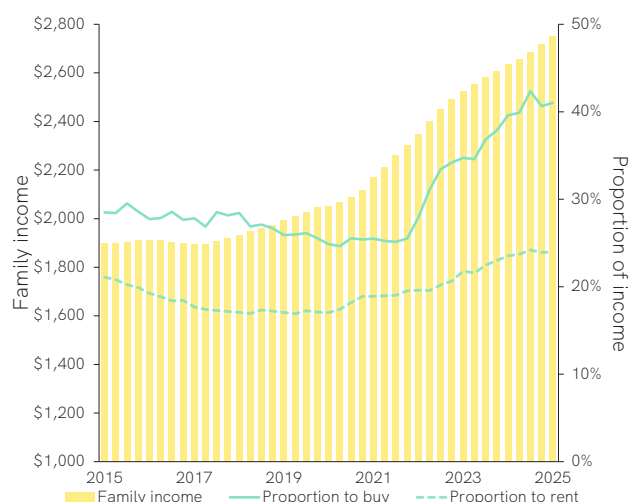
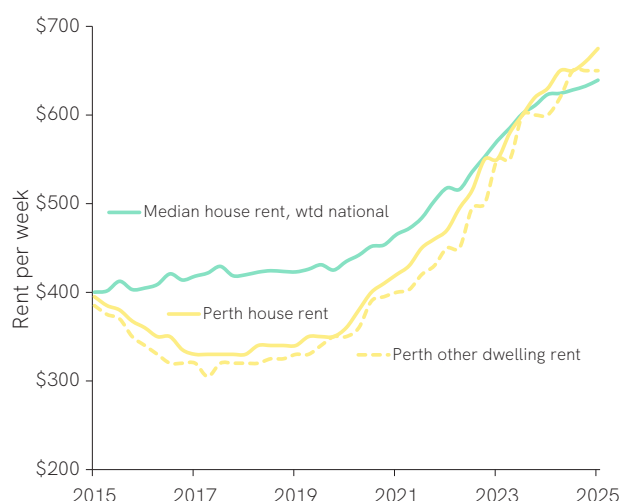


Chart 17 Median rents in Perth



Housing affordability improved in Western Australia over the quarter, but declined over the year. The proportion of family income devoted to meeting average loan repayments decreased to 40.5% over the quarter. This was a decrease of 0.5 percentage points over the quarter, but an increase of 0.6 percentage points over the year.

Rental affordability in Western Australia declined over the quarter and over the year. The proportion of family income required to meet median rent increased to 24.2%, an increase of 0.2 percentage points over the quarter and 0.5 percentage points over the year.

Table 15: Western Australia

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	40.5%	41.0%	39.9%
Proportion of family income devoted to meeting median rents	24.2%	24.0%	23.7%
Median weekly family income	\$2,789	\$2,752	\$2,658
Average monthly loan repayment	\$4,893	\$4,892	\$4,593
Average loan size	\$632,901	\$619,464	\$557,796
Total number of loans	9,796	10,527	10,120
Number of loans to first home buyers	3,436	3,658	3,722
Average first home buyer loan size	\$530,879	\$525,342	\$482,536

Table 16: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-15.9	-12.1	-9.7
Meeting rental payments	-6.8	-3.4	-5.3

The number of loans to first home buyers in Western Australia decreased to 3,436. This was a decrease of 6.1% over the quarter and 7.7% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 11.7% were from Western Australia. First home buyers made up 35.1% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers increased to \$530,879. This was an increase of 1.1% over the quarter and 10.0% over the past year.

The total number of loans for all owner occupiers decreased to 9,796. This was a decrease of 6.9% over the quarter and 3.2% over the past year. The average loan size increased to \$632,901. This was an increase of 2.2% over the quarter and 13.5% over the past year.

Of all the states and territories, average loan sizes increased by the greatest proportion in Western Australia for both first home buyers (10.0%) and all owner occupiers (13.5%).



# TASMANIA

Chart 18 Tasmania affordability

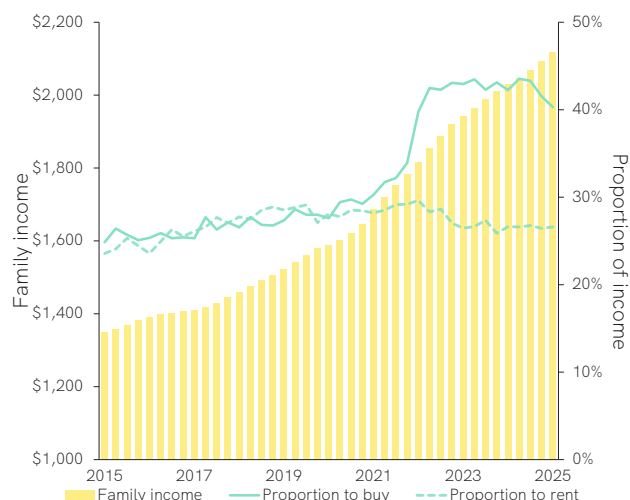
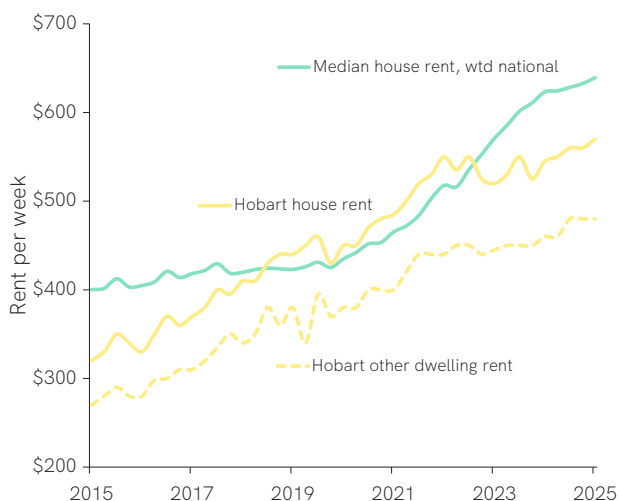


Chart 19 Median rents in Hobart



Housing affordability improved in Tasmania over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 40.1% over the quarter. This was a decrease of 1.3 percentage points over the quarter and 2.0 percentage points over the year.

Rental affordability in Tasmania declined over the quarter, but has improved over the year. The proportion of family income required to meet median rent increased to 26.5%, a marginal increase of 0.1 percentage points over the quarter, but a marginal decrease of 0.1 percentage points over the year.

Table 17: Tasmania

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	40.1%	41.4%	42.1%
Proportion of family income devoted to meeting median rents	26.5%	26.4%	26.6%
Median weekly family income	\$2,152	\$2,124	\$2,051
Average monthly loan repayment	\$3,741	\$3,811	\$3,746
Average loan size	\$483,920	\$482,520	\$454,908
Total number of loans	1,704	1,762	1,579
Number of loans to first home buyers	615	605	522
Average first home buyer loan size	\$440,163	\$427,934	\$419,732

Table 18: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-12.5	-15.3	-9.9
Meeting rental payments	1.6	-2.9	-2.9

The number of loans to first home buyers in Tasmania increased to 615. This was an increase of 1.7% over the quarter and 17.8% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 2.1% were from Tasmania. First home buyers made up 36.1% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers increased to \$440,163. This was an increase of 2.9% over the quarter and 4.9% over the past year. Tasmania was the only state or territory where the number of first home buyers increased over the quarter.

The total number of loans for all owner occupiers decreased to 1,704. This was a decrease of 3.3% over the quarter, but an increase of 7.9% over the past year. The average loan size increased to \$483,920. This was an increase of 0.3% over the quarter and 6.4% over the past year.



# NORTHERN TERRITORY

Chart 20 Northern Territory affordability

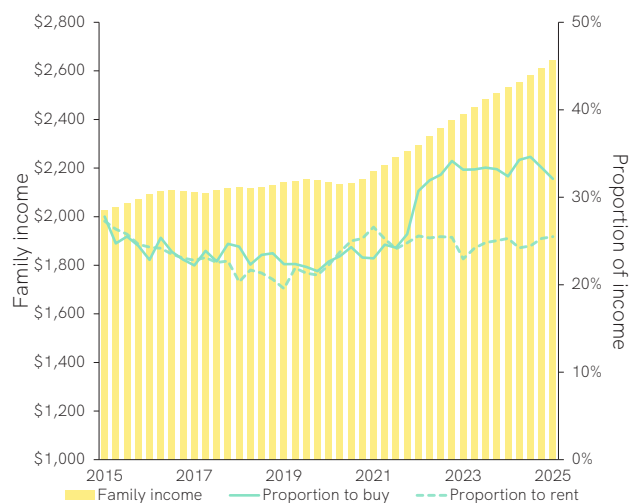
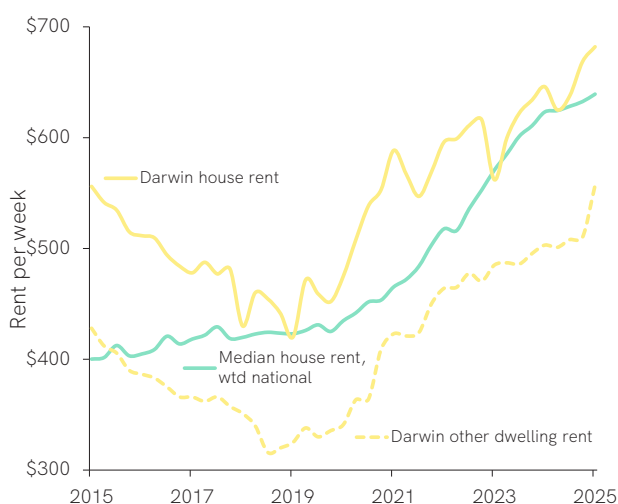


Chart 21 Median rents in Darwin



Housing affordability improved in the Northern Territory over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 32.0% over the quarter. This was a decrease of 1.3 percentage points over the quarter and 0.3 percentage points over the year.

Rental affordability in the Northern Territory declined over the quarter and over the year. The proportion of family income required to meet median rent increased to 25.4%, an increase of 0.2 percentage points both over the quarter and over the year.

Table 19: Northern Territory

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	32.0%	33.3%	32.3%
Proportion of family income devoted to meeting median rents	25.4%	25.2%	25.2%
Median weekly family income	\$2,686	\$2,651	\$2,560
Average monthly loan repayment	\$3,720	\$3,823	\$3,586
Average loan size	\$481,164	\$484,095	\$435,425
Total number of loans	584	591	494
Number of loans to first home buyers	229	258	158
Average first home buyer loan size	\$432,751	\$441,473	\$420,886

Table 20: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-9.3	-4.2	-2.6
Meeting rental payments	-3.1	1.9	-2.8

The number of loans to first home buyers in the Northern Territory decreased to 229. This was a decrease of 11.2% over the quarter, but an increase of 44.9% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 0.8% were from the Northern Territory. First home buyers made up 39.2% of the state's owner occupier market. The average loan to first home buyers decreased 2.0% over the quarter to \$432,751. This was the greatest quarterly decrease from among the states and territories. Over the past year, the average loan to first home buyers increased 2.8%.

The total number of loans for all owner occupiers decreased to 584. This was a decrease of 1.2% over the quarter, but an increase of 18.2% over the past year. The average loan size decreased to \$481,164. This was a decrease of 0.6% over the quarter, but an increase of 10.5% over the past year.





## AUSTRALIAN CAPITAL TERRITORY

Chart 22 Australian Capital Territory affordability

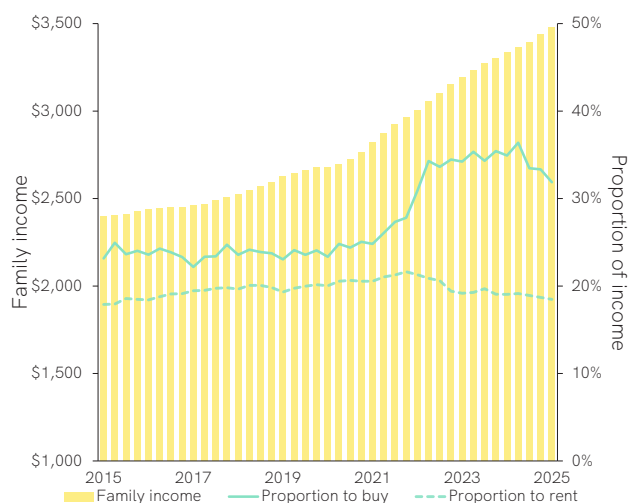
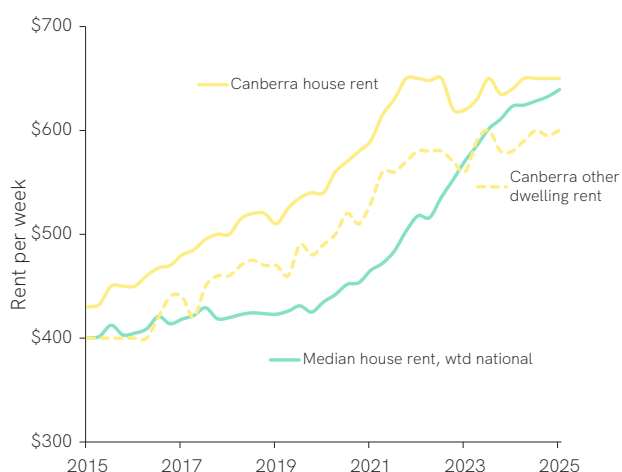


Chart 23 Median rents in Canberra



Housing affordability improved in the Australian Capital Territory over the quarter and over the year. The proportion of family income devoted to meeting average loan repayments decreased to 31.7% over the quarter. This was a decrease of 1.5 percentage points over the quarter and 3.1 percentage points over the year.

Rental affordability in the Australian Capital Territory improved over the quarter and over the year. The proportion of family income required to meet median rent decreased to 18.4%, a decrease of 0.2 percentage points over the quarter and 0.6 percentage points over the year.

Table 21: Australian Capital Territory

	Sep 2025	Jun 2025	Sep 2024
Proportion of family income devoted to meeting average loan repayments	31.7%	33.2%	34.8%
Proportion of family income devoted to meeting median rents	18.4%	18.6%	19.0%
Median weekly family income	\$3,533	\$3,487	\$3,368
Average monthly loan repayment	\$4,858	\$5,022	\$5,085
Average loan size	\$628,377	\$635,880	\$617,486
Total number of loans	2,058	2,029	1,750
Number of loans to first home buyers	829	846	687
Average first home buyer loan size	\$546,080	\$539,953	\$515,429

Table 22: Change in affordability over time

	5 years	10 years	20 years
Home loan affordability	-8.4	-8.6	-5.2
Meeting rental payments	1.6	-0.5	-0.4

The number of loans to first home buyers in the Australian Capital Territory decreased to 829. This was a decrease of 2.0% over the quarter, but an increase of 20.7% over the past year. Of the total number of Australian first home buyers who purchased during the September quarter, 2.8% were from the Australian Capital Territory. First home buyers made up 40.3% of the state's owner occupier market. Over the September quarter 2025, the average loan to first home buyers increased to \$546,080. This was an increase of 1.1% over the quarter and 5.9% over the past year.

The total number of loans for all owner occupiers increased to 2,058. This was an increase of 1.4% over the quarter and 17.6% over the past year. The average loan size decreased to \$628,377. This was a decrease of 1.2% over the quarter - the greatest quarterly decrease from among the states and territories. Over the past year, the average loan size for all owner occupiers increased 1.8%.



## RENT ASSISTANCE AND AFFORDABLE RENT ON CENTRELINK PAYMENTS

Commonwealth Rent Assistance (CRA) is an income supplement provided by the Federal Government to offset the cost of rent for eligible people receiving a Centrelink payment.

According to the most recent release of data, there were 1,398,515 families or individuals receiving CRA in September 2025, 20,860 more than in June 2025.

Over the September quarter 2025, the maximum CRA payment ranged from \$70.67 per week for a single sharer, to \$140.77 per week for a family with 3 or more dependent children.

Table 23 shows affordable rents for various Centrelink payments at 30% and 40% of income plus CRA. Table 24 shows an annual increase in the proportion of median rent covered by CRA for a family with two children on the maximum possible payment. Over the September quarter 2025 CRA covered 19.5% of the weighted national median rent. This was an improvement of 1.8 percentage points compared to the September quarter 2024 (17.7%).

**Table 23: Affordable rent on pensions and benefits**

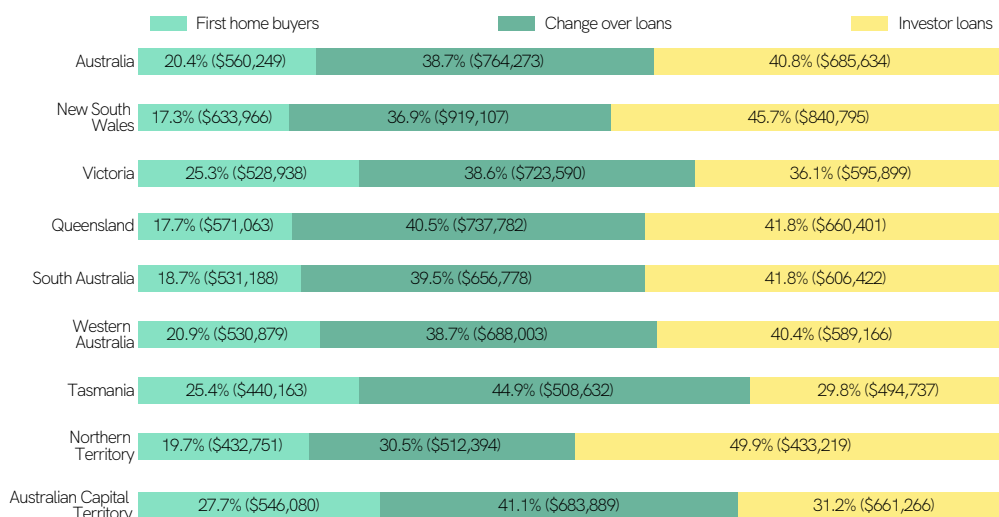
	30% of income + CRA	40% of income + CRA
Single - living alone	\$225	\$265
Single - sharer	\$190	\$230
Couple	\$315	\$390
Single Parent	\$345	\$415
Couple with 2 children	\$450	\$555
Couple with 4 children	\$545	\$675
Single - Age or Disability Pension	\$265	\$320
Couple - Age or Disability Pension	\$340	\$420

**Table 24: Commonwealth rent assistance as a proportion of weekly rent (3 bed house)**

	Sep 25	Sep 24	Sep 05
Sydney	17.1%	15.2%	22.1%
Melbourne	22.7%	20.1%	25.6%
Brisbane	20.8%	20.1%	23.5%
Adelaide	20.8%	19.4%	25.6%
Perth	18.6%	17.6%	26.2%
Canberra	19.2%	17.3%	19.2%
Hobart	21.9%	20.3%	25.0%
Darwin	18.3%	17.1%	20.6%
Cap City	19.5%	17.7%	23.7%

### Chart 24 Lending finance by state or territory

Chart 24 shows the number of first home buyers, change over buyers, and investors as a proportion of the total number of new dwelling loan commitments for each state and territory, and the average loan amount for each purpose.



# Housing Affordability Report

REIA Housing Affordability Report is based on data from all major lending institutions. It is a comprehensive and accurate assessment of the ability of Australians to meet the cost of home purchase. Any differences between information contained in this report and previous editions of the REIA Housing Affordability Report are due to revisions in the database that may be necessary from time to time.

**Loans:** Average home loans to owner occupier and first home buyers are averaged over the quarter, based on all lender data from the Australian Bureau of Statistics (ABS), and is subject to revision.

**Average Monthly Loan Repayment:** Loan repayment figures are calculated from data provided by the ABS and financial institutions across Australia. From the March quarter of 2020, interest rates are calculated using the owner occupier standard variable provided by the RBA.

**Median Weekly Family Income:** In September 2022, REIA undertook a thorough review of our data methodology and have readjusted the income methodology based on previous census results. Incomes are subject to change based on updated data from the Australian Bureau of Statistics.

A family is defined as a couple with or without dependent children. The major part of family income is adult wages and salaries. Income data are sourced from ABS records, and updated on the basis of movements in average weekly earnings.

**Quarterly Median House Prices:** House price and vacancy data are taken from REIA Real Estate Market Facts publication.

**Proportion of Family Income to Meet Rent Payments:** The percentage of Median Weekly Family Income required to meet the median rent for a three bedroom house. Rents are obtained from REIA Real Estate Market Facts publication.

**Lending finance by state or territory:** Numbers of loan commitments and average loan amounts in each state or territory in Chart 24 are sourced from ABS records. Original data is used, rather than seasonally adjusted or trend data.

The Real Estate Institute of Australia is a federation of state and territory Real Estate Institutes. Formed in 1924, it represents the real estate industry in Australia at national and international levels.

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ISSN: 1447 6606

Registered by Australia Post. Publication No. PP 299436/00045



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