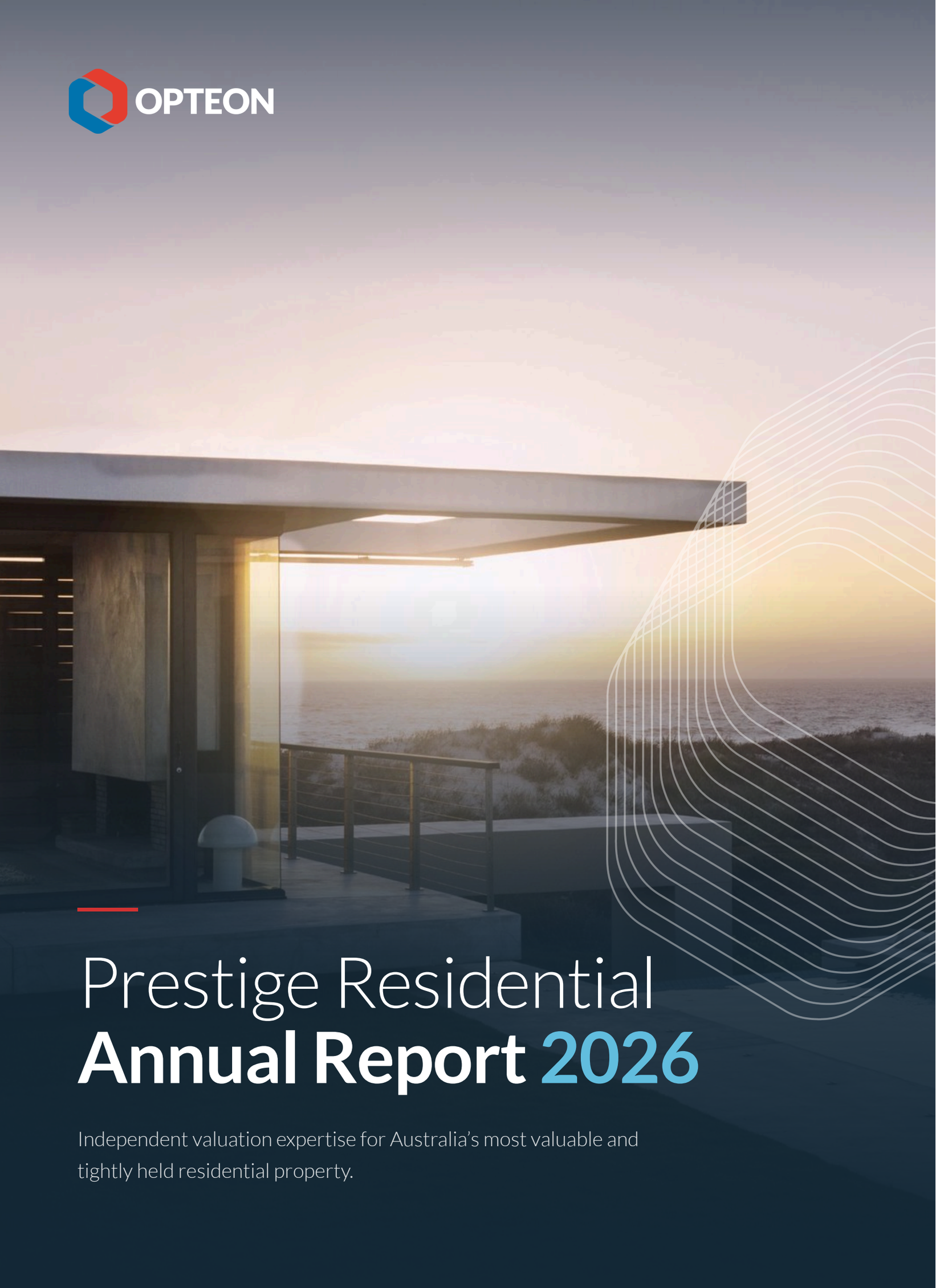
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Prestige Residential **Annual Report 2026**

Independent valuation expertise for Australia's most valuable and tightly held residential property.



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Executive summary



Gabriel Carreno
Director Residential Prestige

Winner – 2026 Opteon Awards
Residential Valuer of the Year

Following a year of significant change across Australia's prestige property sector, Opteon is pleased to present the 2026 Prestige Residential Annual Report.

The Australian prestige residential market has experienced a challenging and volatile 12 months, with softening conditions evident across Sydney and Melbourne and, more recently, in previously high-performing markets such as Perth, Brisbane and the Gold Coast. Demand has weakened, selling periods have extended and pricing pressure has become more evident across many sectors of the market.

Outcomes now vary widely by location and property type, and this report reviews the market data, significant transactions and regional trends behind that divergence.

While current conditions require a more considered approach from market participants, prestige residential property, generally considered within the $10 million-plus price range, remains one of the most nuanced asset classes within the Australian property market.

It is hoped this report provides valuable insights to assist purchasers, vendors and lending professionals in making informed decisions in an increasingly selective and evolving market environment.



Economic **overview**

A SUBDUED AND SELECTIVE MARKET IN 2026

01 MARKET MODERATION

Following five years of exceptional capital growth, the prestige residential market shifted in 2026 to a more subdued and selective environment. Higher interest rates, elevated borrowing costs, geopolitical uncertainty and softer consumer sentiment have contributed to declining demand.

02 PERSISTENT INFLATION

The broader economic outlook remains challenging. Inflation remains elevated and broad-based, driven by persistent domestic cost pressures, higher oil prices and ongoing geopolitical tensions. **Inflation is now forecast to remain above the Reserve Bank of Australia's target range through much of 2027**, delaying the prospect of materially lower interest rates and reinforcing restrictive financial conditions.

03 HOUSEHOLD IMPACT

These conditions have weighed on household confidence and the cost of financing high-value purchases, with the effects most pronounced in discretionary, top-end acquisitions at a national level.

04 OUTLOOK

Looking ahead, constrained supply, significant household wealth and the enduring appeal of Australia's premier harbourfront, coastal and lifestyle markets are expected to underpin prestige values. However, **market performance is likely to remain highly asset-specific**, with elevated inflation, restrictive monetary policy and ongoing economic uncertainty continuing to influence buyer behaviour throughout 2027.



Prestige market **overview**

LOW VOLUMES AND SELECTIVE DEMAND

MARKET CONDITIONS

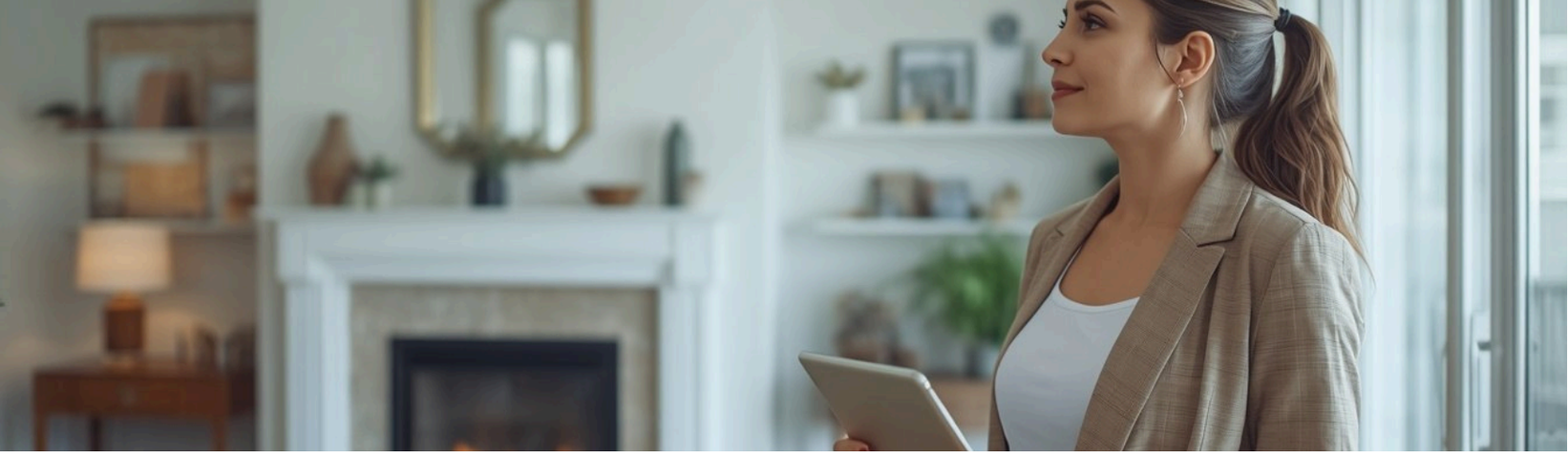
The prestige residential market remains characterised by low transaction volumes and selective buyer demand.

TROPHY ASSETS

While trophy assets and scarce offerings continue to attract strong competition, broader prestige segments are experiencing longer selling periods, increased negotiation and heightened price sensitivity.

BUYER FOCUS

Demand remains focused on premium locations, quality improvements, architectural distinction and turnkey accommodation.



Shifting market **dynamics**

> *'Much like the broader market, the prestige market, particularly in Sydney and Melbourne, is currently in decline'*

MACRO & FINANCING

- Softer Economy
- Persistently High Inflation
- Elevated Interest Rates
- Availability of credit

MARKETS

- Equity market performance
- Geopolitical Uncertainty

CONFIDENCE

- Consumer Sentiment
- Business Confidence

Selective demand **driving market divergence**

> *'Buyer demand remains concentrated in premium assets, while secondary properties face softer demand and greater price sensitivity'*

PREMIUM ASSETS

- Trophy and best-in-class homes
- Turnkey, newly completed homes
- Exceptional views and scarcity
- High-quality finishes

SECONDARY PROPERTIES

- Softer buyer demand
- Extended marketing periods

PRICE OUTCOMES

- Increased price sensitivity
- More negotiation on price



01

Pricing adjustments

Current market conditions have resulted in increased vendor discounting as sellers adjust price expectations to align with a more subdued buyer environment. Softening demand, extended selling periods and heightened purchaser caution are contributing to **downward pressure on achievable sale prices**, with vendors increasingly willing to negotiate in order to secure a transaction.



Images: Domain



189 Riverview Road, Avalon Beach

PRICE ADJUSTMENT

Jamie Durie's designer waterfront

-45%

Initially listed for sale with price expectations of $33m, the property now has a price guide of $18m

> *'The designer waterfront home of celebrity landscaper Jamie Durie on Sydney's northern beaches is heading to auction with an $18 million price guide, a sizeable haircut on expectations more than a year after the home hit the market with a $33 million asking price'.*
>
> **As quoted by The Australian Financial Review**



Images: realestate.com.au



2 Fernleigh Gardens, Rose Bay

PRICE ADJUSTMENT

March 2024 – $40.1m
November 2026 – $34m

-15%

Purchased in March 2024 for $40.1m, this property has been re-listed for sale with price expectations of $34m

> *'Constructed in 2003, this property while significant in terms of its scale, harbourside positioning and available views, requires major internal upgrades in order to remain aligned with buyer expectations'.*



Images: Domain



29 Redan Street, Mosman

PRICE ADJUSTMENT

Former Master Chef selling in Mosman

-21%

Re-listed at $12m after $15.25m purchase

> *'The absence of a significant view detracts from its overall appeal. Buyers at this level are becoming increasingly selective with properties lacking key attributes facing greater scrutiny'.*

Former Master Chef and food entrepreneur Jimmy Seervai has relisted his Mosman Federation mansion. Purchased for $15.25 million in November 2023, the property has been re-listed with an asking price of $12 million, representing a reduction of approximately 21%.

While the property benefits from a high-quality renovation, the absence of a significant view component adversely impacts its relative market appeal. Under current market conditions, **buyer demand is increasingly concentrated towards properties offering a complete suite of prestige attributes**, with properties exhibiting compromises attracting greater purchaser scrutiny and price sensitivity.



Images: realestate.com.au



30 St Georges Road, Toorak

PRICE ADJUSTMENT

European-inspired villa on 1,600sqm

Circa -17%

Discounted from its original $30m–$33m guide, this property in Toorak, Victoria sold in October for $24.8m.

Melbourne's prestige residential market experienced a notable correction throughout 2026, with values at the upper end of the market softening amid ongoing Victorian land tax pressures, elevated interest rates and increased buyer caution. While forecasts earlier in the year pointed to a gradual recovery, weaker market sentiment, prolonged selling periods and increased vendor discounting resulted in negotiating power shifting firmly towards cash-ready purchasers.

Despite the subdued conditions, significant transactions continued to occur. Melbourne's highest reported prestige sale of 2026 was the $41.2 million sale of 6 St Georges Road, Toorak, which transacted in March following an Expression of Interest campaign spanning approximately 215 days.

Vendor discounting was particularly evident across Victoria's prestige holiday-home markets, with Portsea and Flinders recording some of the state's largest average dollar-value reductions. Increased holding costs associated with Victorian land tax settings, combined with elevated listing volumes and a pronounced post-pandemic market correction, have contributed to weakening conditions across these locations.

Both Portsea and Flinders experienced extraordinary price growth during Melbourne's extended lockdown periods when lifestyle-driven demand and remote working trends fuelled unprecedented buyer activity. As market conditions normalised, a more limited pool of discretionary purchasers emerged, with values increasingly benchmarked against long-term fundamentals rather than the peak pricing achieved during 2021 and 2022.

Toorak has likewise experienced greater pricing pressure. Broader market indicators also point to softer conditions, with the suburb recording a material decline in median house values over the year.

A notable example of current market dynamics was the sale of 30 St Georges Road, Toorak. The European-inspired residence, situated on approximately 1,600 square metres of land, sold in October 2026 for $24.8 million after being repriced from its original $30 million to $33 million marketing campaign, highlighting the increasing prevalence of vendor discounting even within Melbourne's most tightly held prestige enclaves.



02

Volatility in regional markets

'Residential prestige regional markets are experiencing greater volatility'

In regional areas, elevated levels of volatility, with significant pricing adjustments, are becoming even more pronounced.



Images: realestate.com.au



6 Bulkara Street, Wagstaffe

PRICE ADJUSTMENT

Wagstaffe waterfront resells below its 2022 price

-33%

Wagstaffe waterfront sold for $16.2m in 2022, resells for $10.88m, $5.32m below its 2022 sale price

> *'Regional Prestige Property in the NSW Central Coast is showing clear signs of significant market volatility'*

This waterfront property in Wagstaffe on the NSW Central Coast sold for $16.2 million in 2022, reselling in July 2026 for $10.88 million, reflecting a material decline of about 33% over the intervening period.



Images: Australian Financial Review (main); realestate.com.au



179 The Scenic Road, Killcare Heights

PRICE ADJUSTMENT

Killcare Heights acreage resells below its 2023 price

-47%

Killcare Heights acreage sold for $15.85m in 2023, resold for $8.35m in April 2026, $7.5m below its 2023 sale price

> *'There tends to be greater volatility in regional markets during periods of market correction'*

Also on the NSW Central Coast, a Killcare Heights property purchased for $15.85 million in 2023 has just resold for $8.35 million in April, representing a significant decline of about $7.5 million from its prior sale price.

While some might consider this sale somewhat of an outlier, it illustrates **the increased volatility within the prestige regional market**, especially during periods of market adjustment.



03

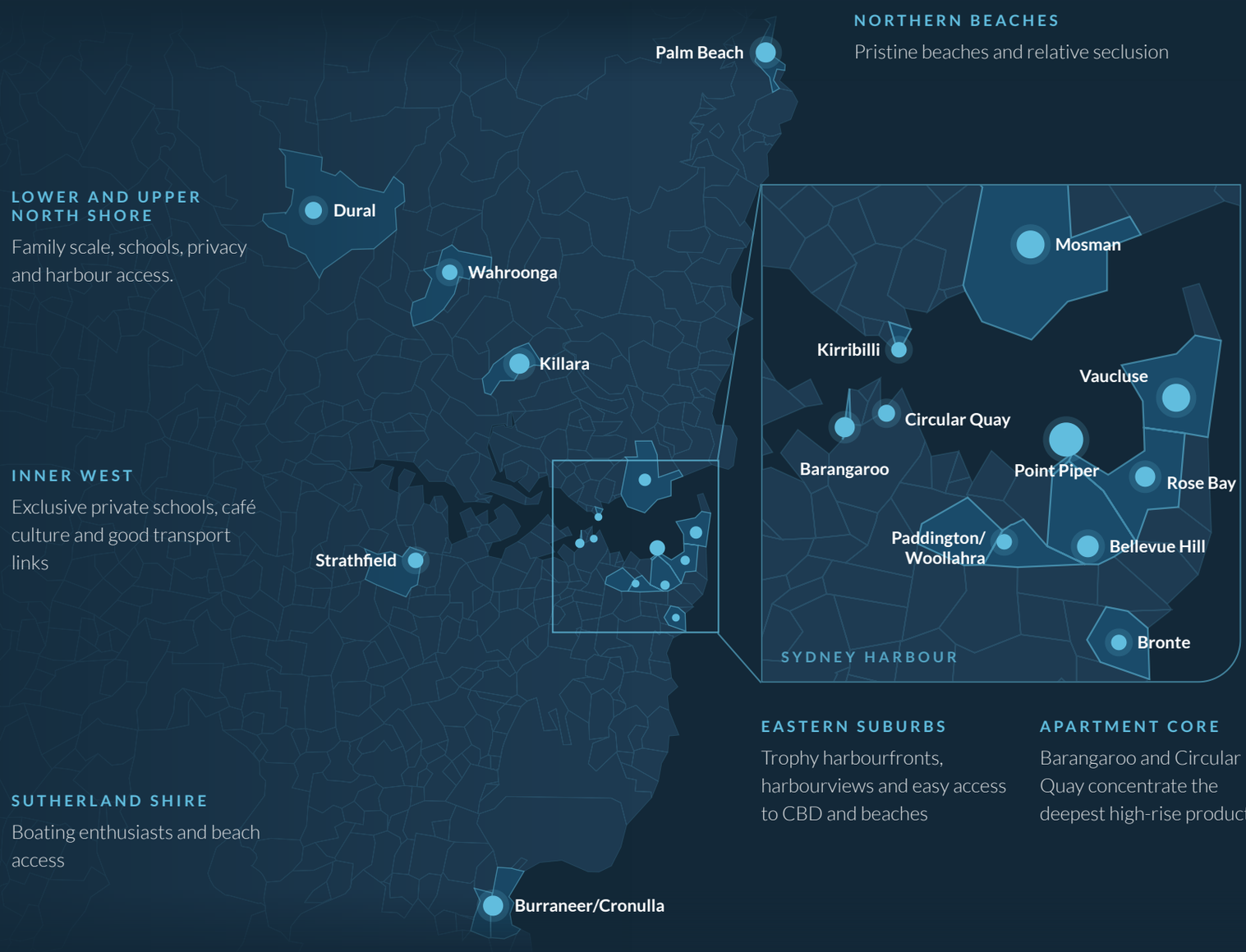
Supply & demand

Notwithstanding recent market volatility, it's not all bad news...

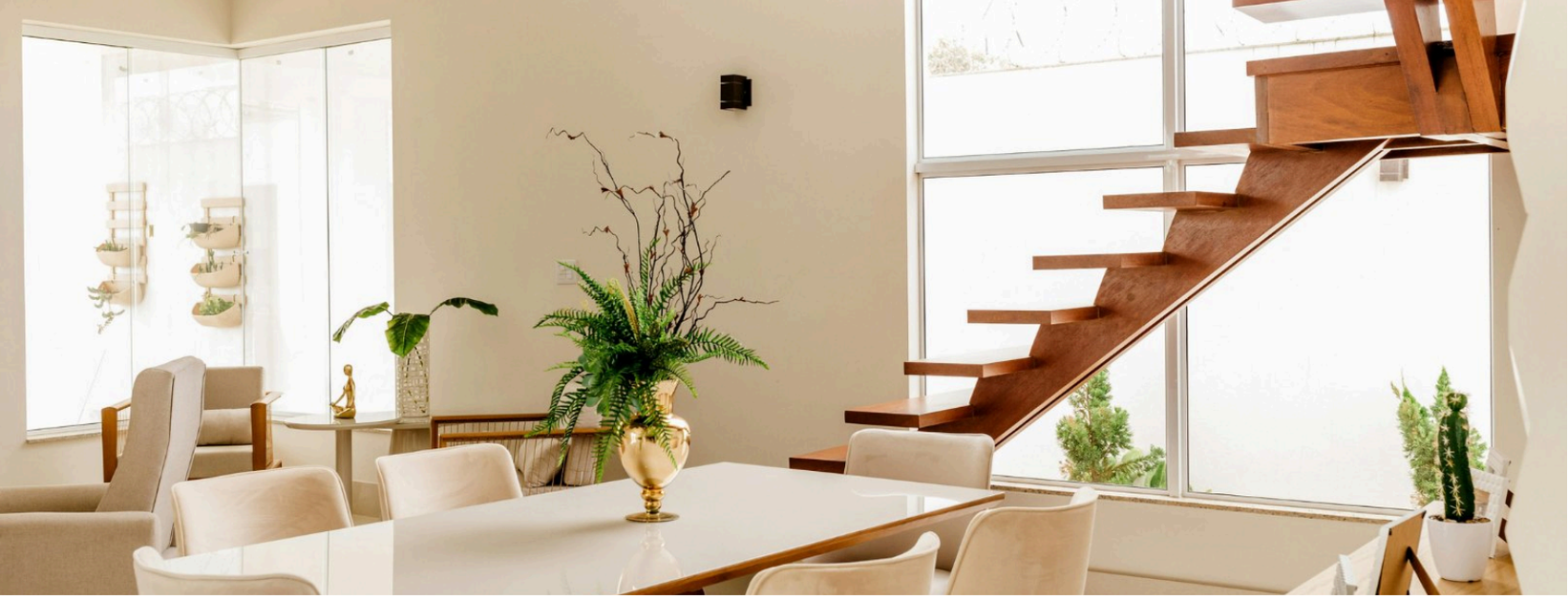
CONCENTRATION OF ACTIVITY

Prestige liquidity follows **multiple** harbour corridors

While Sydney Harbour continues to represent the epicentre of prestige residential market activity, **high-value transactions are becoming increasingly prevalent beyond the city's traditional blue-chip locations**, with the Inner West, Sutherland Shire and parts of the Hills District emerging as notable prestige market precincts.



Map is indicative only. Dot size indicates relative concentration of publicly visible prestige activity, not transaction count.
Indicative geography based on reported prestige activity and named precincts; confidential/off-market deals are under-observed.



SUPPLY & DEMAND

Demand-side **drivers**

01	SCARCITY	Limited supply of trophy waterfront homes
02	HIGH-NET-WORTH	Wealthy buyers seeking premium assets
03	OFFSHORE INTEREST	International buyers drawn to Sydney
04	LIFESTYLE FOCUS	Views, privacy and waterfront living
05	CAPITAL PRESERVATION	Prime property as a store of wealth



04

Benchmark sales



Images: realestate.com.au



6 Wolseley Crescent, Point Piper

$53,840 / sqm improved site area

EXECUTIVE WATERFRONT RESIDENCE

Highest house sale

$75m

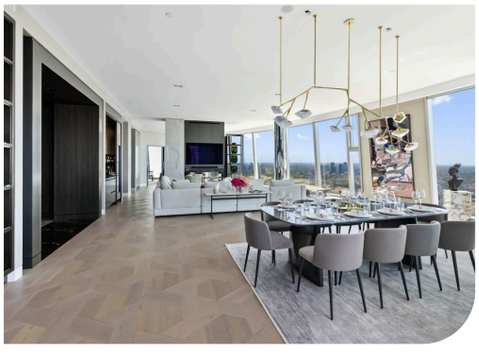
Prime assets continue to outperform in 2026

> *'A prime harbourfront property in Point Piper selling for $75m marks the highest sale price for a house in Australia in 2026'*

This sale illustrates that **prime assets are continuing to outperform, despite declining property values in the broader market**.



Images: realestate.com.au



7801/1A Barangaroo Avenue, Barangaroo

$98,095/sqm of living area

WHOLE-FLOOR CROWN RESIDENCE

Highest apartment sale

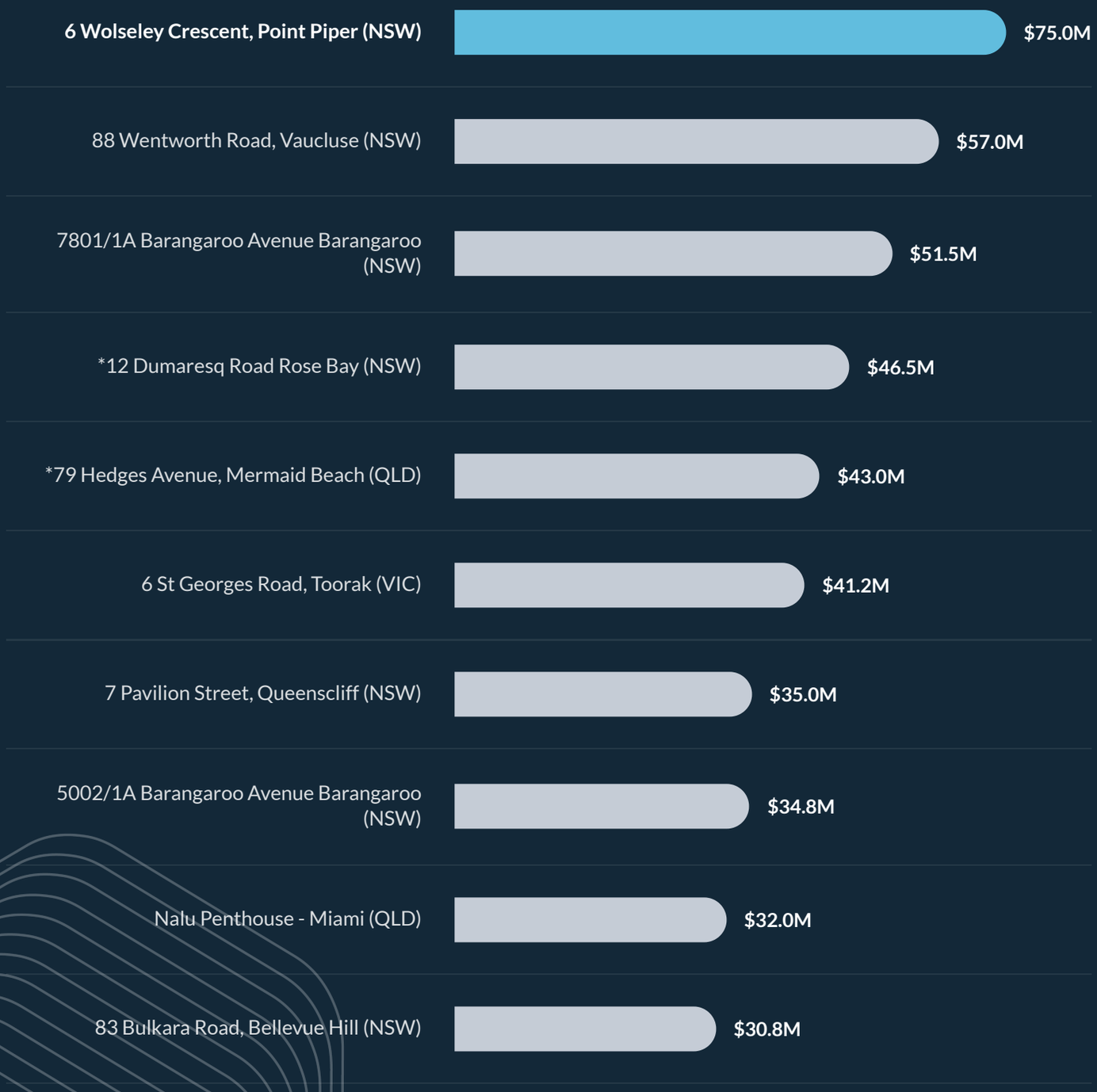
$51.5m

Barangaroo and Circular Quay continue to command some of the highest price points.

> *'This 525sqm whole-floor Crown Residence equates to $98,095 per square metre, reflecting the premium commanded by one of Sydney's most prestigious residential offerings.'*

Premium harbourside apartments within Barangaroo and Circular Quay continue to command some of the highest price points, although resale evidence suggests performance varies significantly according to aspect, level, floor plan and view corridor.

Australia's top 10 highest residential sales



Denotes reported sale price



05

Ultra prime listings



Images: Domain



652 Old Northern Road, Dural

LE-PALAIS – 3,974 SQM MEGA MANSION

One of Australia's largest homes

Circa $45m

> *Sydney property developer Sid Nassif and his family have listed their Dural mega-mansion called "Le Palais"*
>
> **As reported by The Australian Financial Review**

Billed as one of Australia's largest private residences, this 11-bedroom, 20-bathroom estate in Sydney's north-west is expected to more than double the highest recorded residential sale price achieved in the region should it transact at current expectations.



Images: realestate.com.au



2a Bayview Hill Road, Rose Bay

ULTRA-PRIME WATERFRONT RESIDENCE

A new benchmark in waterfront luxury for 2026

$100m+

> *'An ultra prime harbourfront property in Rose Bay has just been offered to market with price expectations exceeding $100 million'*



Images: Domain



9 Wolseley Crescent, Point Piper

ULTRA-PRIME WATERFRONT RESIDENCE

Point Piper waterfront known as ‘The Bang & Olufsen House’

$130m

Constructed in the 1980s, the three-level residence has become one of Point Piper’s most recognisable waterfront landmarks, renowned for its striking contemporary design and prominent harbourfront position.

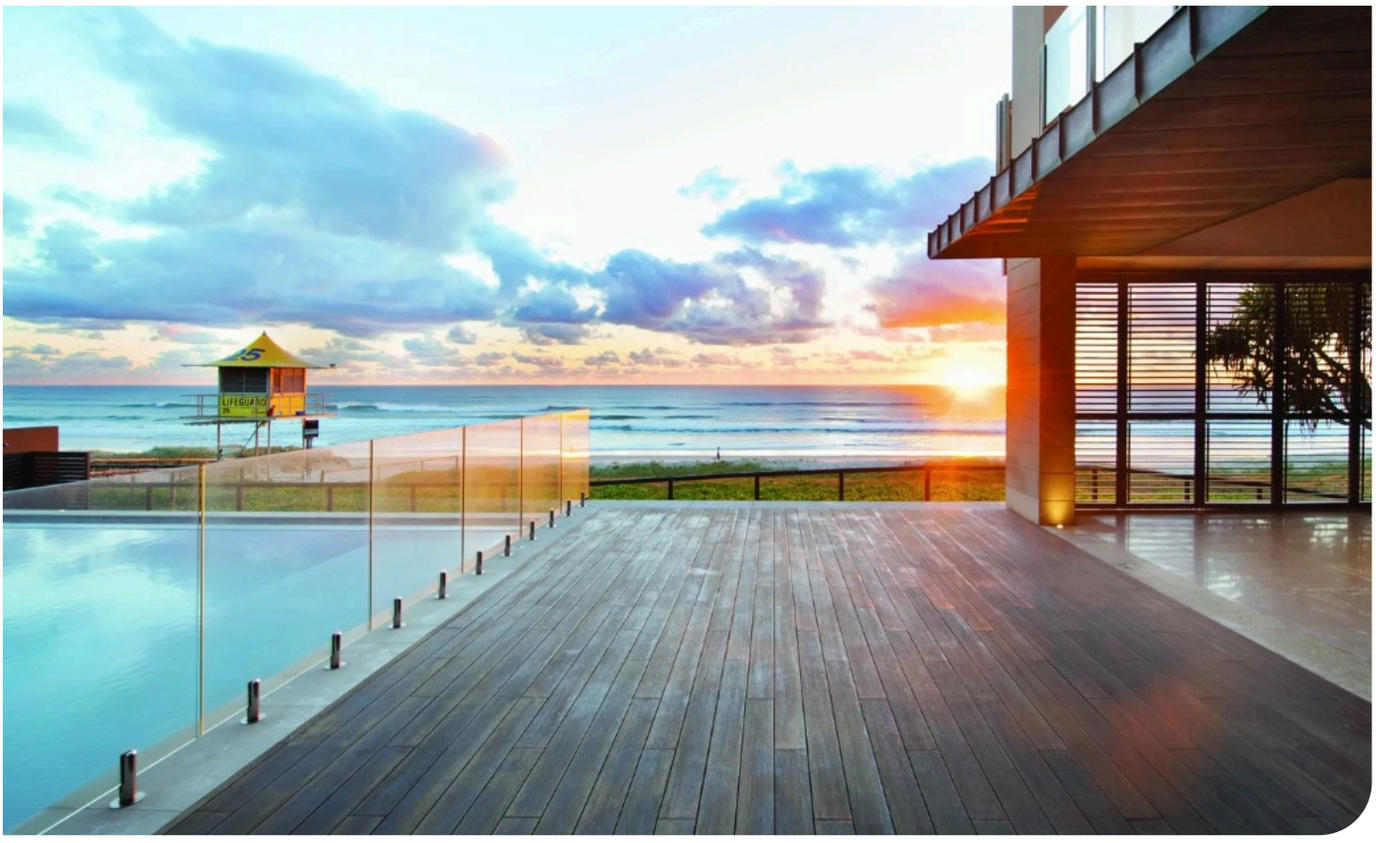
One of Point Piper’s most architecturally significant residences, known as the "Bang & Olufsen House", has been brought to market with price expectations of around $130 million. Should the property achieve its guide, it would rank among the most expensive residential transactions ever recorded in Australia.



06

Divergent trends across Australia

'Market performance is increasingly being driven by localised factors, including supply constraints, purchaser demographics, lifestyle preferences and sources of wealth creation. This has resulted in varying levels of demand, transaction activity and value growth across Australia's key prestige residential markets'.



Images: realestate.com.au



79 Hedges Avenue, Mermaid Beach

QUEENSLAND HOUSE PRICE RECORD

Record-breaking Gold Coast mansion sets new benchmark

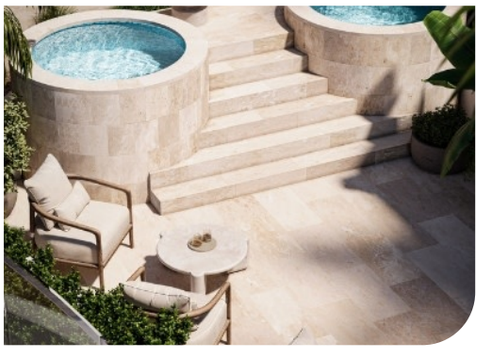
$43m

Occupying a 1,212sqm prime beachfront holding, the four-level residence offers extensive living and entertaining areas with ocean views throughout, encompassing approximately 2,241sqm of internal floor area.

Despite softer market conditions overall, Queensland's prestige residential sector continues to set new benchmarks. This sale represents the latest in a succession of record-breaking Gold Coast sales, with this property in Hedges Avenue, Mermaid Beach **transacting within 48 hours of entering the market**.



Images: The Urban Developer



QUEENSLAND APARTMENT PRICE RECORD

Gold Coast’s $32m deal resets Queensland luxury apartment price

$32m

The 1,466 sqm penthouse spans an entire floor and private rooftop, offering five bedrooms, seven bathrooms, six car spaces, a private cinema, gym, wine cellar and entertaining areas. A private lift connects to the rooftop, featuring a pool, plunge pools and outdoor entertaining facilities.

Just as market observers anticipated a moderation in the Gold Coast's ultra-prestige sector, this record-breaking $32 million penthouse transaction has established a new benchmark for Queensland apartments. The sale was secured within Monaco Property Group's Nalu development at Miami, surpassing the previous $30 million state apartment record set earlier this year at One Burleigh in neighbouring Burleigh Heads.



Images: realestate.com.au



6 St Georges Road, Toorak

A LANDMARK TOORAK ESTATE

Landmark transaction amid Melbourne's market correction

$41.2m

Defined by its scale, architectural grandeur and exceptional landholding, this rare offering presents a once-in-a-generation opportunity within Melbourne's most prestigious boulevard.

Despite the broader downturn in Melbourne's prestige market, irreplaceable assets continue to attract strong demand. This landmark 3,509 sqm estate on Toorak's prestigious St Georges Road exemplifies the resilience of trophy-grade real estate, with its scale, scarcity and blue-chip location continuing to command premium buyer interest. The transaction highlights **the growing divide between best-in-class assets and the broader market**, with exceptional properties continuing to outperform despite softer market conditions.



Images: Cotality



7 Clarendon Street, Cottesloe

COTTESLOE RECORD IN WA

Cottesloe record in WA set with $24.81m sale despite property downturn

$24.81m

An architect-designed Cottesloe home has sold for just under $25 million, clocking up a suburb record, in what is Perth's most expensive sale this year despite broader price declines spreading across other states.

Western Australia's prestige residential market has continued to demonstrate remarkable resilience throughout 2026, underpinned by strong economic fundamentals, sustained population growth and the ongoing wealth generation associated with the state's resources sector. While some eastern seaboard prestige markets have experienced softer conditions and heightened price sensitivity, Perth's premium residential sector has largely remained insulated from broader market weakness, supported by comparatively strong affordability, low housing supply and robust local buyer demand.

The market continues to exhibit a clear preference for quality over quantity, with buyers competing aggressively for tightly held trophy assets in Perth's most exclusive coastal and riverside locations. Suburbs such as Cottesloe, Peppermint Grove, Dalkeith, Mosman Park and City Beach continue to attract significant interest from affluent owner-occupiers, business owners and mining executives seeking blue-chip lifestyle properties with long-term scarcity value.

A defining feature of the current market is the **growing divergence between best-in-class assets and secondary stock**. Properties offering irreplaceable attributes, including absolute waterfront positions, direct beach frontage, substantial landholdings and architectural significance, continue to command significant premiums and attract strong buyer competition despite a more challenging national economic backdrop.

This trend was recently highlighted by the sale of an architect-designed residence in Cottesloe for approximately $25 million, establishing a new suburb record and representing Perth's highest residential sale of 2026. The transaction reinforces the depth of demand that exists for landmark homes within Western Australia's premier residential enclaves and demonstrates that purchasers remain willing to pay record prices for genuinely scarce assets offering exceptional lifestyle appeal and exclusivity.



07

Market outlook

While forecasting future market performance with certainty remains impossible, the prestige residential market is expected to remain relatively subdued as Australia progresses into 2027. Elevated interest rates, ongoing geopolitical uncertainty and a more cautious buyer environment are likely to continue tempering transaction volumes and placing greater emphasis on property quality, location and value recognition.

Notwithstanding the recent market correction, the sector's underlying fundamentals remain sound. A persistent shortage of prestige housing stock, the finite nature of tightly held waterfront and blue-chip landholdings, and the scarcity of truly best-in-class residences are expected to continue supporting values across the upper end of the market. Demand from high-net-worth individuals remains underpinned by a long-term focus on capital preservation, lifestyle acquisition and generational wealth transfer, with many purchasers less reliant on debt financing than the broader market.

As conditions evolve, **further divergence between prime and secondary assets is anticipated**. Trophy properties possessing irreplaceable attributes, including absolute waterfront positions, significant landholdings, architectural pedigree and superior lifestyle amenity, are expected to remain highly sought after. Conversely, properties exhibiting functional, locational or physical compromises may continue to experience softer demand, longer selling periods and heightened price sensitivity.

While near-term market conditions are expected to remain challenging, the prestige sector has historically demonstrated resilience through market cycles. Against a backdrop of constrained supply and concentrated wealth creation, **the long-term outlook for Australia's prestige residential market remains positive**, particularly for assets offering genuine scarcity and enduring appeal.



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