

HTAG RESEARCH

The Riskiest Suburbs in Australia 2026

National Property Risk Report · Edition 1

Structural risk across 2,386 credible house markets, scored on oversupply, liquidity, late-cycle position and resilience.

Executive summary

This first edition of the HtAG National Property Risk Report ranks Australian house markets by **structural risk** — the risk that today's prices are exposed to oversupply, weakening demand, a late-cycle position or a thin resilience buffer. It is deliberately a risk lens, not a forecast: a high score flags vulnerability, not a guaranteed fall.

2,386

credible high-confidence
house markets scored
nationally

108

suburbs flagged high
structural risk (score ≥ 70 , top
~4.5%)

54

of those 108 high-risk
markets are in Queensland

86

highest score nationally —
Woodgate, QLD

Three forces dominate the top of the table. First, **rental and stock oversupply** — elevated vacancy and months-of-supply, often in coastal lifestyle markets (the Fraser Coast around Hervey Bay is heavily represented) and outer land-release corridors. Second, a **late-cycle, run-hot price position** — most top-ranked suburbs sit in a "(+) Decreasing" or "(+) Peak" growth-rate-cycle phase after very strong five-year gains, leaving limited headroom. Third, a **thin resilience buffer** — low RCS Lower-Risk scores and, in mining towns such as Dysart, narrow economic diversity. All of this sits against a tightening rate backdrop: the RBA lifted the cash rate to 4.35% on 5 May 2026, its third increase of the year.

How the Structural Risk Score works

Every Australian house market with high data confidence (broadly ≥ 50 sales a year), at least 20 annual sales and 150+ dwellings is scored — 2,386 suburbs in total, using HtAG market data to 31 May 2026. Each suburb is ranked against the national distribution on thirteen risk metrics; each metric's national percentile becomes a 0–100 sub-score, and the sub-scores are combined with fixed published weights into a single 0–100 Structural Risk Score. Higher = more structural risk. The five pillars and their weights are:

- **Oversupply & vacancy (34):** rental vacancy rate (15), short-term vacancy trend (9), inventory / months of supply (10).
- **Liquidity & demand softness (22):** days on market (10), vendor discounting (7), stock-on-market % (5).
- **Late-cycle / running hot (18):** Growth Pattern Deviation, 5-year (10), growth-rate-cycle phase (8).
- **Forward supply pipeline (6):** building-approvals ratio (6).
- **Structural resilience deficit (20):** RCS Lower-Risk inverted (12), hold period inverted (4), economic-diversity index inverted (2), mining/agriculture dominance inverted (2).

What this means in plain English: a suburb scores high when too much stock is coming to market or sitting unrented, homes are taking longer to sell and being discounted, prices have run well ahead of their own history, a building pipeline is still feeding in, and there is little in the fundamentals to cushion a downturn. Scores are relative to other credible Australian house markets, so a 70+ means a suburb sits in the riskiest few per cent nationally.

National ranking — the 25 highest-risk house markets

#	Suburb	St	Typical price	Score	Vac %	Inv mo	DOM	GPD-5	GRC phase	RCS-LR
1	Woodgate	QLD	\$1,002,379	86	1.6	6.6	83	0.60	(+)Decreasing	10
2	Oakville	NSW	\$1,363,563	85	2.8	7.1	62	0.05	(+)Peak	20
3	Craignish	QLD	\$1,086,523	84	10.3	4.9	69	0.50	(+)Peak	38
4	Plainland	QLD	\$1,079,033	84	4.2	4.0	50	1.76	(+)Decreasing	29
5	Nikenbah	QLD	\$1,145,651	84	4.0	6.4	43	0.71	(+)Decreasing	52

#	Suburb	St	Typical price	Score	Vac %	Inv mo	DOM	GPD-5	GRC phase	RCS-LR
6	Lochinvar	NSW	\$988,382	82	6.7	2.5	43	0.57	(+)Decreasing	18
7	Dysart	QLD	\$287,155	82	4.8	4.0	87	0.40	(+)Peak	6
8	Tin Can Bay	QLD	\$935,130	82	1.7	4.6	111	0.80	(+)Decreasing	3
9	Burrum Heads	QLD	\$952,961	81	7.7	5.2	56	0.59	(+)Peak	32
10	Thornhill Park	VIC	\$921,839	81	5.5	4.9	55	0.12	(+)Peak	13
11	Wondunna	QLD	\$1,063,084	80	9.7	3.0	63	0.73	(+)Decreasing	62
12	Yarrabilba	QLD	\$870,037	80	2.1	3.4	35	0.90	(+)Decreasing	3
13	Rockbank	VIC	\$699,393	80	6.4	3.2	56	1.13	(+)Peak	87
14	Bunbury	WA	\$1,229,429	80	1.6	4.0	67	0.73	(+)Decreasing	2
15	Katanning	WA	\$396,207	79	1.6	5.4	90	0.80	(+)Decreasing	19
16	Toogoom	QLD	\$1,002,112	79	3.9	9.8	49	0.48	(+)Decreasing	35
17	Grantville	VIC	\$719,462	79	4.6	8.9	91	-0.24	(+)Peak	51
18	Gables	NSW	\$1,739,808	79	3.8	4.5	44	0.74	(+)Decreasing	12
19	Clifton Beach	QLD	\$1,148,383	78	2.1	3.1	102	0.43	(+)Decreasing	24
20	Two Rocks	WA	\$873,233	78	4.5	4.3	34	1.38	(+)Decreasing	52
21	North Coogee	WA	\$2,326,712	78	2.5	3.9	75	0.94	(+)Decreasing	44
22	Scarness	QLD	\$828,760	78	2.3	3.1	33	0.68	(+)Decreasing	14
23	Yarrawonga	VIC	\$705,645	78	2.7	7.6	72	-0.05	(+)Peak	66
24	Logan Village	QLD	\$1,382,658	77	2.9	3.1	40	0.57	(+)Decreasing	29
25	Tenterfield	NSW	\$665,653	77	1.7	6.0	53	0.75	(+)Decreasing	39

Vac % = rental vacancy rate; Inv mo = inventory (months of supply); DOM = median days on market; GPD-5 = 5-year Growth Pattern Deviation (positive = running hot); GRC phase = growth-rate-cycle position; RCS-LR = RCS Lower-Risk score (lower = riskier). Source: HtAG Analytics, data to 31 May 2026.

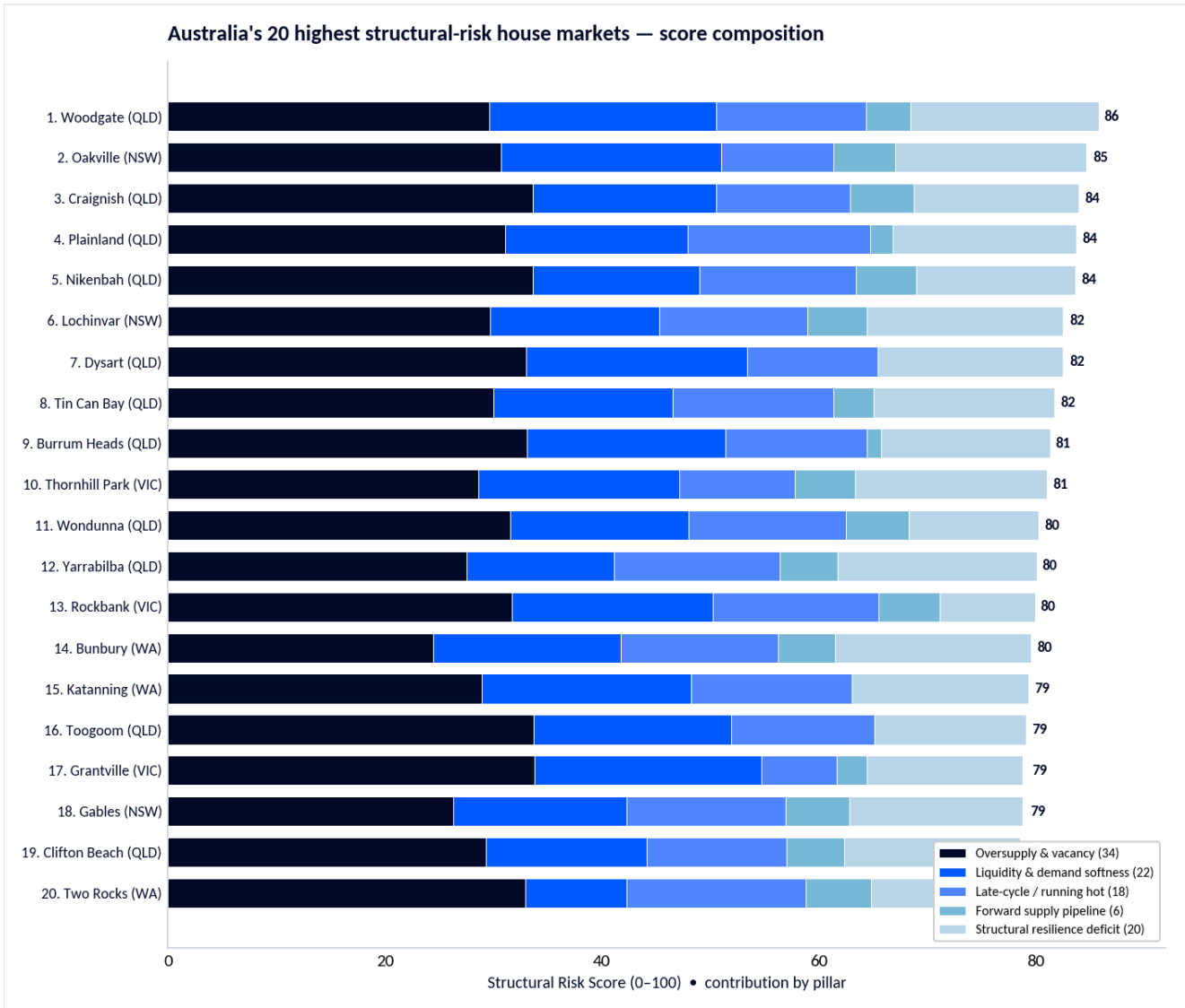


Figure 1. Score composition for the 20 highest-risk markets, broken into the five risk pillars. Source: HtAG Analytics.

Where the risk concentrates — state breakdown

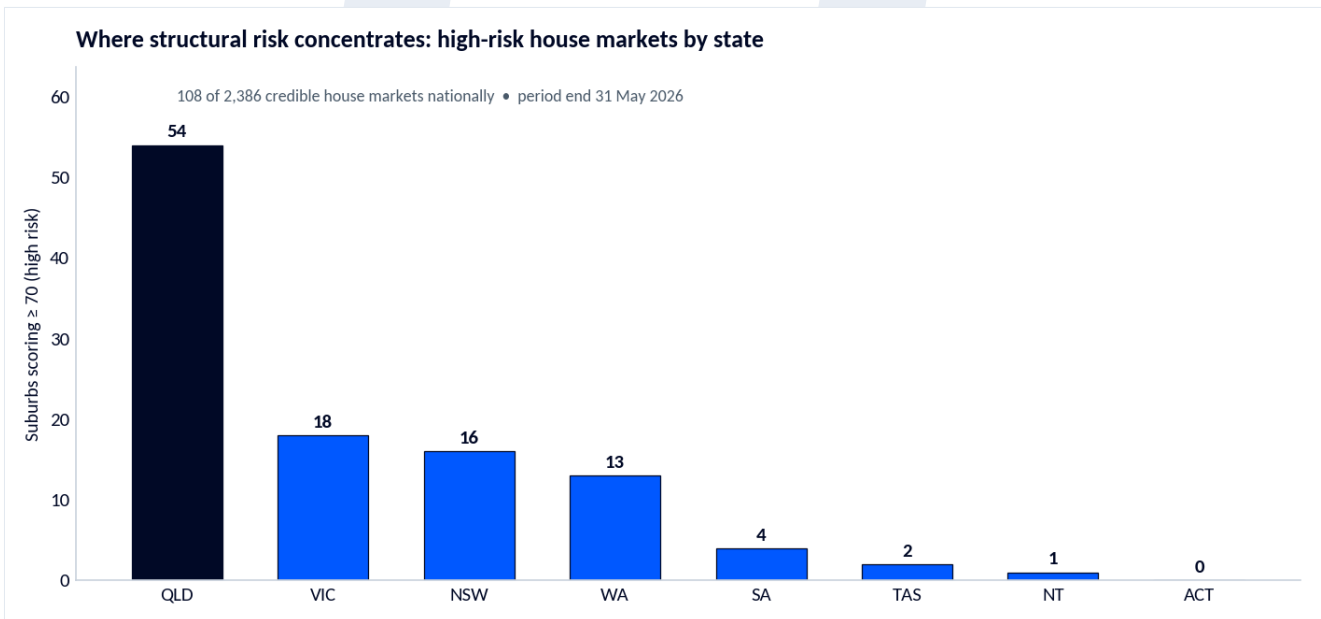


Figure 2. Count of house markets scoring ≥70 (high risk) by state. Source: HtAG Analytics.

State	Markets scored	High-risk (≥70)	Avg score	Max score	Top-risk suburb
QLD	525	54	57.6	85.7	Woodgate
VIC	498	18	47.8	81.0	Thornhill Park
NSW	643	16	49.8	84.7	Oakville
WA	288	13	56.1	79.5	Bunbury
SA	276	4	48.6	71.8	Elizabeth Downs
TAS	70	2	48.7	72.7	St Helens
NT	33	1	52.4	71.9	Sadadeen
ACT	53	0	40.1	70.0	Throsby

Queensland accounts for roughly half of all high-risk markets, concentrated on the Fraser Coast and in south-east growth corridors. Victoria's and New South Wales' exposure is concentrated in outer land-release corridors (Melton; Sydney's North West and the Hunter). Western Australia's risk is split between regional centres and the fast-building northern beaches corridor.

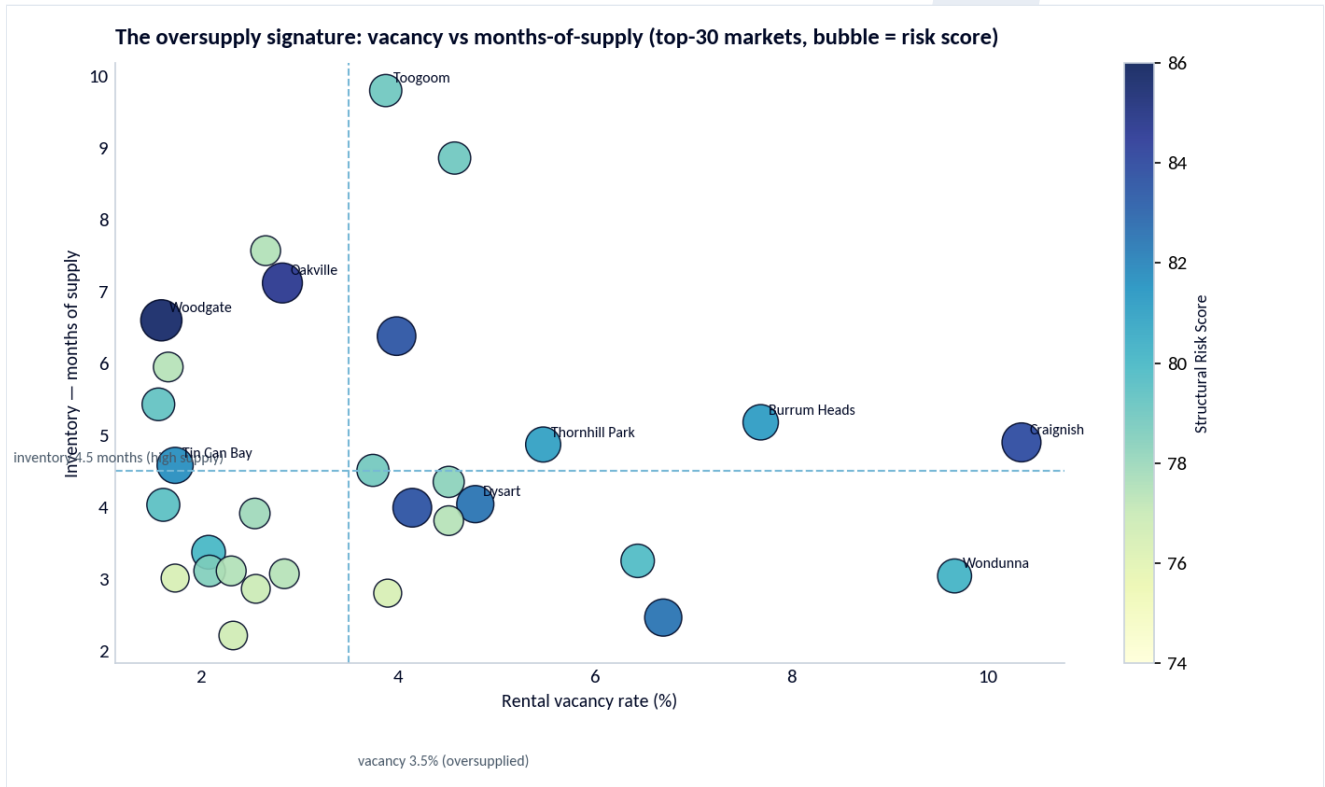


Figure 3. The oversupply signature — rental vacancy against months-of-supply for the top-30 markets; bubble size and colour scale with the risk score. Source: HtAG Analytics.

The ten highest-risk markets — local context & catalysts

#1 Woodgate, QLD

Risk 86

Typical price \$1,002,379 • Vacancy 1.6% • Inventory 6.6 mo • DOM 83d • Discount 5.2% • GRC (+)Decreasing • RCS Lower-Risk 10 • Hold 9.3y

Bundaberg-region coastal lifestyle market. Demand is thin and discretionary; long days-on-market (83), deep vendor discounting (5.2%) and the lowest RCS Lower-Risk score in the top group (10) point to a market exposed to any pull-back in holiday-home buying.

#2 Oakville, NSW

Risk 85

Typical price \$1,363,563 • Vacancy 2.8% • Inventory 7.1 mo • DOM 62d • Discount 4.8% • GRC (+)Peak • RCS Lower-Risk 20 • Hold 2.9y
Inside Sydney's North West Priority Growth Area, where land continues to be rezoned and released (NSW Department of Planning, North West Growth Area, updated Dec 2024; further Sydney rezonings announced 18 Nov 2025). An unusually short 2.9-year hold period and 7.1 months of inventory signal rapid turnover into a thickening pipeline.

#3 Craignish, QLD

Risk 84

Typical price \$1,086,523 • Vacancy 10.3% • Inventory 4.9 mo • DOM 69d • Discount 0.9% • GRC (+)Peak • RCS Lower-Risk 38 • Hold 8.0y

Fraser Coast / Hervey Bay fringe. HtAG records an extreme suburb-level house vacancy of 10.3% (HtAG suburb data, 15 Jun 2026). This sits well above the tight Fraser Coast LGA average (PRD Hervey Bay Market Update, 1 Jun 2026: Hervey Bay 1.6%, Fraser Coast LGA 1.3%, Mar 2026) and reflects a thin suburb-level rental sample plus new-estate rental additions on large lots — a localised pocket signal rather than a region-wide reading.

#4 Plainland, QLD

Risk 84

Typical price \$1,079,033 • Vacancy 4.2% • Inventory 4.0 mo • DOM 50d • Discount 2.6% • GRC (+)Decreasing • RCS Lower-Risk 29 • Hold 7.5y

Lockyer Valley growth hub. The Plainland Crossing master-planned community (~400 families) and the council-approved Plainland Home & Life retail precinct (The Chronicle, 13 Jul 2022) anchor rapid expansion; Lockyer Valley Regional Council's Development Status Report 2025 names Plainland a fastest-growing area. Five-year house growth of +187% leaves little headroom (GPD running hot).

#5 Nikenbah, QLD

Risk 84

Typical price \$1,145,651 • Vacancy 4.0% • Inventory 6.4 mo • DOM 43d • Discount 2.0% • GRC (+)Decreasing • RCS Lower-Risk 52 • Hold 3.8y

Fraser Coast corridor adjoining Hervey Bay. High inventory (6.4 months), elevated vacancy (4.0%), a short 3.8-year hold period and a 2.7% building-approvals ratio combine into a classic late-cycle oversupply profile.

#6 Lochinvar, NSW

Risk 82

Typical price \$988,382 • Vacancy 6.7% • Inventory 2.5 mo • DOM 43d • Discount 1.9% • GRC (+)Decreasing • RCS Lower-Risk 18 • Hold 4.9y

A designated Maitland urban release area. Maitland City Council's Local Housing Strategy 2041 (adopted Jun 2023) plans ~1,260 new dwellings a year with Lochinvar a key front; a further 200+ residential blocks were proposed in Aug 2025 (Maitland Mercury, 20 Aug 2025). Vacancy is 6.7% and rising, against a low RCS Lower-Risk of 18.

#7 Dysart, QLD

Risk 82

Typical price \$287,155 • Vacancy 4.8% • Inventory 4.0 mo • DOM 87d • Discount 4.0% • GRC (+)Peak • RCS Lower-Risk 6 • Hold 10.2y

A Bowen Basin coal town dependent on a single industry (BMA mines including Caval Ridge and Saraji). Its economic-diversity profile is the weakest in the top group (MAD Index 30). Resource-cycle swings have repeatedly whipsawed local housing — the UQ Gas & Energy Transition Research Centre notes prior house oversupply in Moranbah and Dysart, and regional reporting recalls the 2013 mining-downturn housing crash. The risk here is commodity-cycle, not a building pipeline.

#8 Tin Can Bay, QLD

Risk 82

Typical price \$935,130 • Vacancy 1.7% • Inventory 4.6 mo • DOM 111d • Discount 1.7% • GRC (+)Decreasing • RCS Lower-Risk 3 • Hold 10.4y

A Gympie-region coastal village where houses take a median 111 days to sell — a clear demand and affordability constraint (HtAG suburb data, 15 Jun 2026). Lifestyle-led demand and flood/elevation due-diligence considerations add to the caution.

#9 Burrum Heads, QLD

Risk 81

Typical price \$952,961 • Vacancy 7.7% • Inventory 5.2 mo • DOM 56d • Discount 2.8% • GRC (+)Peak • RCS Lower-Risk 32 • Hold 7.1y
Fraser Coast coastal market carrying high vacancy (7.7%) and elevated inventory (5.2 months). Holiday and lifestyle demand make absorption sensitive to sentiment and borrowing costs.

#10 Thornhill Park, VIC

Risk 81

Typical price \$921,839 • Vacancy 5.5% • Inventory 4.9 mo • DOM 55d • Discount 5.6% • GRC (+)Peak • RCS Lower-Risk 13 • Hold 4.7y
A Melton (western Melbourne) growth-corridor estate with a textbook oversupply signature — roughly 112 rentals advertised against 99 homes for sale in a recent month (realestate.com.au), 5.5% vacancy and a low RCS Lower-Risk of 13. A HAPI of 9 shows crowded buyer attention at the top of a land-release wave.

Macro backdrop

Structural risk does not act in isolation. The RBA raised the cash rate to **4.35%** on 5 May 2026 — following moves to 3.85% in early February and 4.10% on 17 March — marking a renewed tightening cycle (Reserve Bank of Australia media releases, 2026). Higher repayments raise holding costs in exactly the discretionary, lifestyle and recently built markets that dominate this ranking. The cushion is that arrears remain contained: the RBA's March 2026 Financial Stability Review reports housing-loan arrears "low and ... continued to decline," even as survey measures of mortgage stress edged higher after the rate rises (Roy Morgan, March 2026). The risk is therefore one of demand and liquidity — slower sales, longer marketing, softer rents — rather than forced selling, for now.

Key takeaways

- 108 of 2,386 credible Australian house markets (~4.5%) carry high structural risk on HtAG's data to 31 May 2026.
- Risk is concentrated in coastal lifestyle markets (especially the Fraser Coast) and outer land-release corridors, plus single-industry mining towns such as Dysart.
- The dominant drivers are oversupply and weak liquidity, amplified by run-hot prices with little cyclical headroom.
- A tightening rate path (cash rate 4.35%) raises the stakes for the discretionary, recently built markets at the top of the table.
- A high score is a flag to do deeper due diligence, not a prediction of price falls.

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Sources. HtAG Analytics market dataset (to 31 May 2026); Reserve Bank of Australia (cash rate decisions and March 2026 Financial Stability Review); NSW Department of Planning (North West Growth Area); Maitland City Council (Local Housing Strategy 2041); Lockyer Valley Regional Council (Development Status Report 2025); Western Australian Planning Commission (Yanchep-Two Rocks District Structure Plan); PRD (Hervey Bay Market Update, 1 Jun 2026); Roy Morgan (mortgage-stress series, 2026); University of Queensland Gas & Energy Transition Research Centre.

