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The Great Decoupling: The Impact of US Trade Policy and Australian Strategic Response on the National Property Market

Highlights

- A single policy decision in Washington has quietly reshaped Australia's property cycle. The 'Liberation Day' tariff regime has embedded inflation into global supply chains, keeping the RBA in a hawkish mood and extending elevated borrowing costs.
- Rental markets are splitting along geographic fault lines. In capital cities, tenant affordability has capped growth and compressed yields; in mining corridors, chronic undersupply is driving rents to levels that translate into returns as high as 10.7%.
- The housing shortage is no longer a demand story. Builder insolvencies, contract risk and material price volatility have eroded construction capacity, preventing new supply from coming to market.
- Foreign capital is no longer flowing evenly. Chinese investment has retreated under capital controls and property stress, while US institutional capital is stepping in, targeting build to rent, logistics and strategically aligned infrastructure
- The national housing market is no longer moving as one. Sydney and Melbourne are grinding against historic affordability ceilings, while Western Australia and Queensland accelerate into a resource-fuelled upswing that is increasingly detached from the east-coast cycle.

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Executive Summary

Ronald Reagan, the fortieth president of the United States of America, once said, 'There's a growing realisation that the way to prosperity for all nations is rejecting protectionist legislation and promoting fair and free competition.' However, in the present day's economic and geostrategic landscape, this notion has been irrevocably altered by a paradigm shift in global trade relations, precipitated by the inauguration of the second Trump administration and the subsequent implementation of the 'Liberation Day' tariff regime. For Australia, a mid-sized open economy deeply integrated into global supply chains, the direct effects of the tariffs have been disruptive yet within manageable bounds. It is primarily the underlying and indirect ripples of the trade disruption that impose complex and structurally transformative headwinds for the Australian property market. This comprehensive report analyses the multifaceted impact of the United States' universal baseline tariff, the Australian Federal Government's non-retaliatory "Five-Point Plan," and the consequent ripple effects on the Australian real estate sector.

The analysis indicates that while the direct GDP impact of US tariffs on Australia is estimated to be a modest contraction of 0.1% to 0.2%,¹ as modelled by the Treasury, the secondary and tertiary effects on the property market are profound. This report evaluates this transformation across four key pillars:

- **Macro-Financial Drivers (Sections 1-2):** We examine how the 'Liberation Day' tariffs and the RBA's 'Hawkish Stance' have created a stagflationary environment that dictates borrowing costs.
- **The Supply-Side Crisis (Section 3):** An analysis of the construction sector's insolvency epidemic and its role in restricting housing volume.
- **Market Bifurcation & Yields (Sections 4-5):** A deep dive into the 'Two-Speed' economy, contrasting the affordability ceiling in Sydney/Melbourne against the mining-led decoupling in Western Australia and Queensland.
- **Institutional Reconfiguration (Sections 6-7):** An exploration of how commercial assets and foreign capital flows (The 'Capital Shuffle') are adapting to this new geopolitical reality.

By synthesising these factors, the report concludes that the Australian property market is no longer a monolith, but a fragmented landscape defined by strategic resilience and regional divergence.

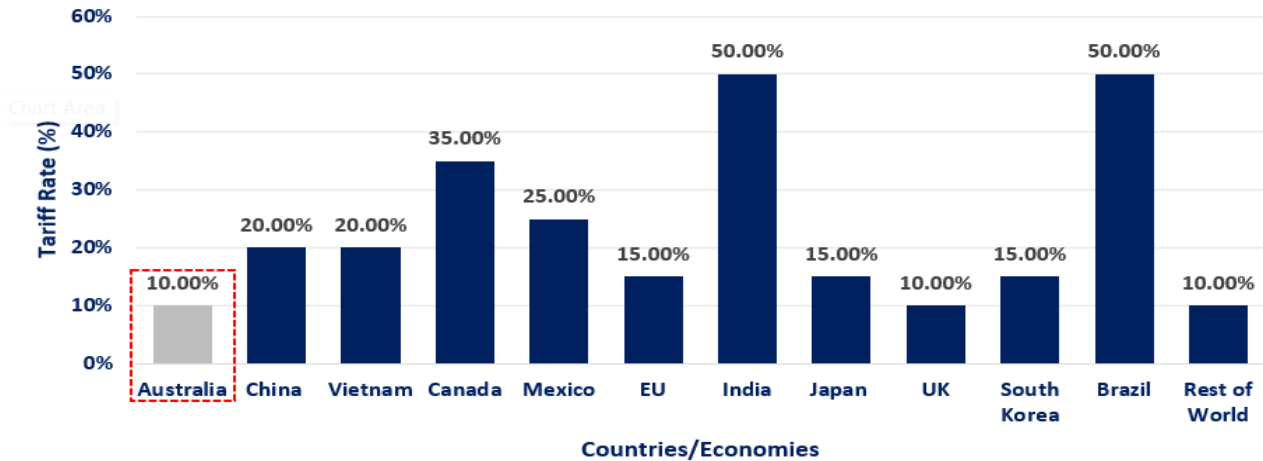
The Geopolitical and Economic Context of 2025

The "Liberation Day" Tariff Regime: Mechanism and Implementation

On 2 April 2025, President Trump invoked the International Emergency Economic Powers Act (IEEPA), to impose a 'reciprocal tariff' regime, colloquially termed as "Liberation Day" by the administration.³ This policy introduced a universal 10% baseline tariff on imports from all countries, including Australia, with significantly higher punitive rates targeting China (ranging from 60% to 145% in various iterations).³ By September 2025, the average applied US tariff rate had risen from 2.5% to an estimated 17.9%, a level of protectionism unseen in over a century.³ As at early February 2026, tariff settings remain elevated and subject to ongoing volatility amid heightened geopolitical and trade tensions, including the continuing war in Ukraine, instability in energy and commodity markets, and broader disputes between the United States and the European Union—particularly those linked to the securitisation of Greenland. During this period, the U.S. has also signalled the possibility of additional tariffs—reported as a further 10% from 1 February 2026 and a further 15% from 1 June 2026—targeting the UK and certain European countries (including Denmark, Norway, Sweden, France, Germany, the Netherlands and Finland) as leverage in broader negotiations; however, the timing and implementation of any such measures has remained contingent on diplomatic and strategic developments.⁴⁶

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While Australia avoided the most severe punitive measures applied to nations with large trade surpluses with the US (such as Vietnam and China), the 10% levy represents one of the most significant trade barriers between the two nations since the pre-Free Trade Agreement era.⁴ The administration’s rationale (framing trade deficits as national security threats) has fundamentally upended the rules-based order upon which Australian exporters rely on. Although a 90-day pause was initially announced to allow for negotiations, the baseline tariffs eventually took effect, creating a prolonged period of uncertainty that chilled investment decisions across the Pacific.²⁶

Table 1. Timeline of Tariff Escalation in 2025. Source: Edelman²

Date	Event	Policy Detail	Impact on Australia
20 Jan 2025	Inauguration	“America First” Trade Policy Memorandum issued.	Immediate market volatility; AUD depreciation.
2 April 2025	“Liberation Day”	Announcement of universal 10% tariff under IEEPA.	Announcement shock; ASX 200 volatility.
5 April 2025	Implementation	10% baseline tariff is effective for most partners.	Direct cost increase for Australian exporters.
7 Aug 2025	Reciprocal Tariffs	Additional country-specific reciprocal tariffs implemented.	Heightened uncertainty for global supply chains.
20 Oct 2025	US-AU Framework	Signing of Critical Minerals Framework.	Strategic pivot; US capital flows into WA/QLD.

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The Indirect Economic Shock: Trade Diversion

The direct cost of the 10% tariff is manageable for the Australian economy, affecting approximately \$20 billion of annual exports to the US (0.8% of GDP).¹ However, the indirect consequences of “trade diversion” are far more damaging. As Chinese and European goods are blocked from the US market, they are redirected to third markets, creating a glut of supply in some sectors (e.g., steel, aluminium, EVs) and a scarcity in others where supply chains are severed.¹

For the Australian property sector, this manifests as extreme volatility in input costs. The global disruption has forced supply chains to rapidly adjust, leading to heightened volatility in the availability of shipping and logistics. A survey by the Australian Industry Group revealed that by August 2025, 53% of industrial businesses were experiencing import disruptions linked to the US trade shock.¹ This disruption is not merely a matter of price; it is a matter of availability, which is critical for construction project timelines.

The Australian Strategic Response: The Economics of Non-Retaliation

Whilst other nations imposed immediate reciprocal tariffs, the Australian Government adopted a policy of “Reform not Retaliation”.⁵ This approach was heavily influenced by modelling from the Productivity Commission, which demonstrated that engaging in a tit-for-tat trade war would result in a GDP loss of 0.14%, whereas unilaterally removing remaining “nuisance tariffs” could actually boost Australian GDP by 0.35% amidst global protectionism.⁶

Whilst the sophisticated response demonstrated that Australia could not win a tariff war against the US, the government sought to position Australia as a stable, reliable partner that could be seen as a “safe harbour” during turbulent times and ultimately attract capital fleeing from trade conflict zones.

The Five-Point Plan: Details and Sectoral Implications

In honouring this new strategic outlook, on 3 April 2025, the “Five-Point Plan” was announced to cushion the blow for affected industries while building long-term resilience.⁶

Table 2. Australia’s Five-Point Plan Response. Source: ABC⁴⁴

Pillar	Mechanism	Objective	Implications for Property/Construction
1. Financial Relief	AUD 50M immediate support	Liquidity for impacted exporters (beef, steel) to pivot markets.	Prevented immediate insolvency of domestic steel producers, securing local supply of rebar/structural steel.
2. Establish \$1 billion economic resilience plan	Provide \$1 billion in zero-interest loans, administered by the National Reconstruction Fund Corporation	Help businesses invest in new tech and R&D, making them more competitive and less reliant on a single market	Long-term economic stability for export-reliant regions (e.g., Hunter Valley), reducing risk of insolvency.
3. Supply Chain	Establishment of a Critical Minerals Strategic Reserve	Reduce volatility for producers and secure US/allied supply chains.	Underpins the “Critical Minerals Boom” in WA/QLD; drives regional housing demand.

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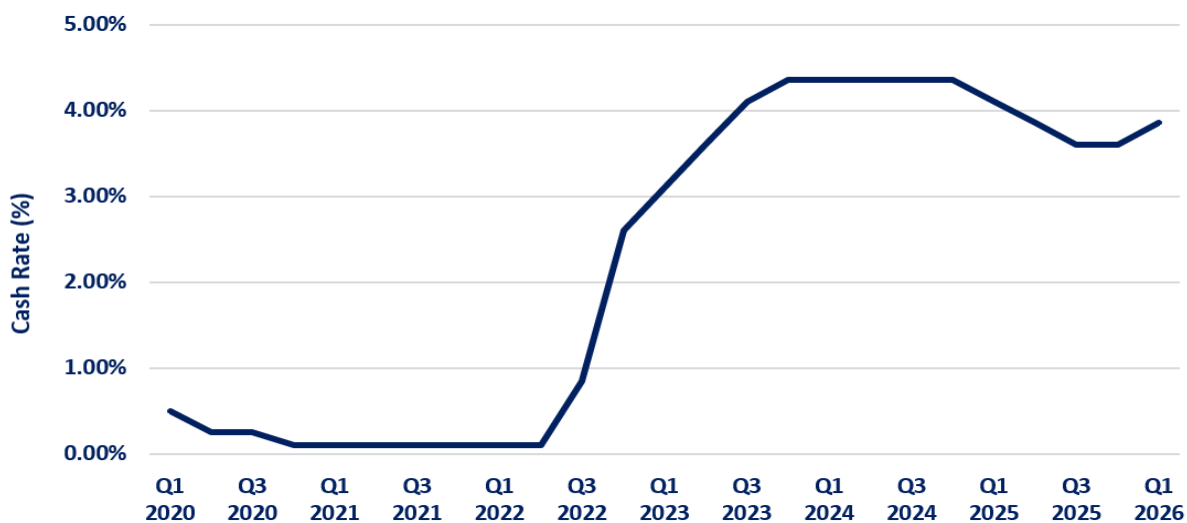
Pillar	Mechanism	Objective	Implications for Property/Construction
4. Procurement	Prioritisation of Australian-made products	Strengthen domestic demand for steel, aluminium, and manufacturing.	Inflationary: Sets a floor under domestic material prices, preventing construction costs from falling.
5. Anti-Dumping	Enhanced anti-dumping laws	Protect local industry from global goods diverted from the US market.	Prevents cheap Chinese steel from flooding the market, keeping construction input costs elevated.

The decision to prioritise Australian-made products in government procurement (Pillar 4) and enhance anti-dumping laws (Pillar 5) has had a specific, unintended consequence for the property sector: it has maintained a high floor for material costs. While beneficial for domestic manufacturers, as it prevents them from having to compete with cheaper foreign mill prices, it means that property developers cannot access the cheaper “diverted” steel and aluminium that is keeping the cost of construction high in Australia relative to other non-US economies.⁷

The Monetary Transmission Mechanism: The RBA’s Stagflation Dilemma

The interplay between Trump’s inflationary tariffs and Australia’s domestic economy created a complex “stagflation” dilemma for the Reserve Bank of Australia (RBA) throughout 2025. For property investors the central narrative of the year shifted from “when will rates be cut?” to “how long must they stay restrictive?”

Figure 2. RBA Cash Rate from 2020 to 2025. Source: Reserve Bank of Australia²⁸



The Inflationary Impact of Tariffs and Exchange Rates

Tariffs act as a tax on consumption and disrupt supply chain efficiency, which is inherently inflationary. For Australia, the RBA noted in its December 2025 minutes that while global growth was slowing (disinflationary), the domestic labour market remained tight and service inflation sticky.⁹ The “Five-Point Plan,” with its fiscal injections (loans and subsidies), also added a pulse of demand to the economy that

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countered the RBA’s contractionary monetary policy.

The RBA’s Hawkish Pivot

Anticipating a trade-war-induced recession,¹⁰ the resilience of the domestic economy and the persistence of inflation forced a recalibration for the RBA. By December 2025, the RBA Board decided to leave the cash rate unchanged at 3.60%, adopting a decisively “hawkish” tone.¹¹ Governor Michele Bullock’s commentary warned that cuts were not in the “foreseeable future” and that the Board remained willing to hike if inflation did not return to the target band.¹² That conditional warning crystallised into action in February 2026, when the RBA increased the cash rate, confirming that the “higher for longer” narrative had shifted from guidance to implementation. The decision was underpinned by data showing underlying inflation remaining uncomfortably elevated, driven largely by domestic cost pressures—notably new dwelling construction costs and sticky market-services inflation—rather than imported price shocks.

The sharp turn in interest rate expectations has shattered investor confidence in early 2026. The Westpac-Melbourne Institute Consumer Sentiment Index fell 9% in December to 94.5 and a further 1.7% lower to 92.9 in January 2026, dropping back into “cautiously pessimistic” territory.¹³ The “Time to Buy a Dwelling” index slipped 10.6% to 86.2, reflecting the realisation among buyers that mortgage relief was not imminent.¹⁴ This sudden evaporation of sentiment acted as a brake on the residential property market, particularly in the rate-sensitive capitals of Sydney and Melbourne, where higher debt levels amplify the impact of monetary policy.²⁹

The Construction Sector Crisis: A Supply-Side Emergency

The most immediate and tangible impact of the tariff regime on the real estate market has been the destabilisation of the construction sector. Already fragile from the post-pandemic inflation spike, the industry has faced a “double shock” in 2025: the direct cost of US tariffs on Australian steel/aluminium exports (creating domestic volatility) and the indirect cost of imported materials rising due to global supply chain re-routing.

The Insolvency Epidemic

The inability to fix price contracts in a volatile tariff environment has accelerated insolvencies to record levels. In the first seven months of the 2024-25 financial year, 1,999 construction firms entered insolvency, a staggering 26% increase on the previous year and 69% higher than 2022-23.⁷

Table 3. Australia’s Insolvency Issues. Source: Australian Property Investor³²

Period	Insolvency Count	% Year-on-Year Change	Driver
2022-23	1,182	-	Post-COVID fixed contracts
2023-24	1,583	+34%	Labor shortages, rate hikes
2024-25	1,999	+26%	ATO credit crunch

This attrition is not merely a cyclical correction; it represents a structural reduction in the industry’s capacity. As mid-tier builders collapse and tariffs increase the volatility of construction costs, the remaining Tier 1 firms are risk-averse, refusing to take on fixed-price residential contracts. This has led to a collapse in housing commencements even as approvals show sporadic signs of life. The “gap” between approval and commencement is at a multi-decade high, signalling that approved supply is not converting into actual dwellings.¹⁵

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Material Cost Volatility

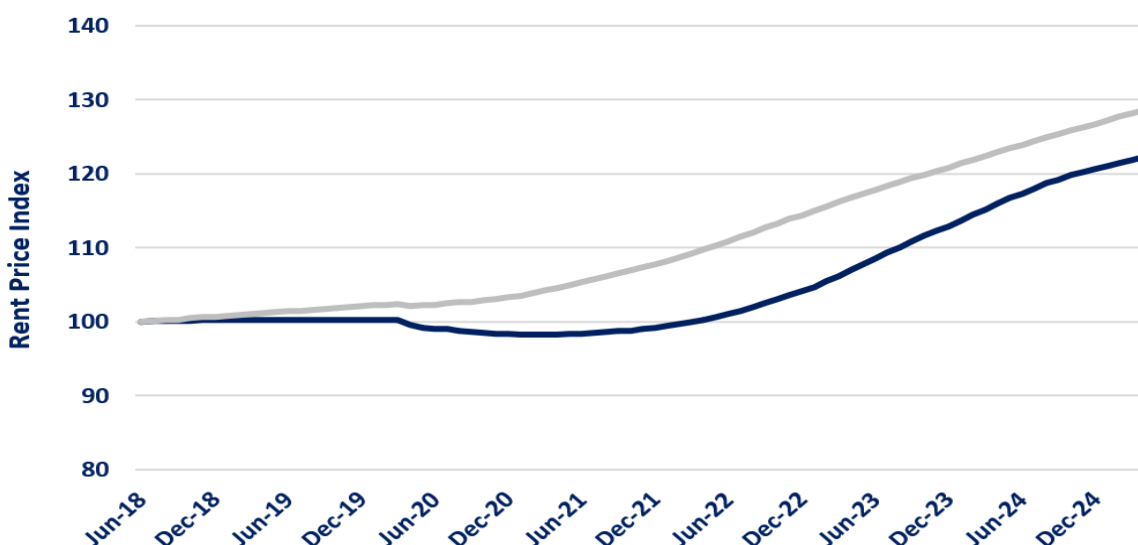
While some analysts initially argued that Chinese steel displaced from the US market would flood global supply chains and drive prices lower, the Australian experience has proven far more nuanced. Domestic policy settings, trade protections, and structural supply constraints have largely insulated local construction inputs from global price relief, while energy costs and logistics disruptions continue to exert upward pressure. The result has been persistent volatility across key building materials, with limited cost relief for Australian builders and developers.

- **Steel & Aluminium:** Prices have remained volatile. Whilst Chinese steel shut out of the US market floods global markets and theoretically lowers prices, domestic anti-dumping policies (Point 5 of the Plan) have kept local steel prices high, preventing the cost relief builders desperately needed.¹
- **Iron:** While prices have been steadily rising over the past few months, the Australian Treasury forecasts Australian iron ore spot prices to fall to \$60/tonne by the end of 2026, driven by the structural decline in China’s residential construction sector.⁴²
- **Concrete & Cement:** Prices remain high, rising 2.71% year-on-year, driven by energy costs, which are indirectly linked to the global energy transition and trade friction affecting fuel and transport costs.⁷
- **Timber:** Structural timber prices, which softened in 2024, began edging higher again in late 2025 due to mill closures and supply constraints.¹⁵
- **Construction Cost Index:** In Sydney, average construction costs now range between \$2,500 and \$4,300 per square meter, making many medium-density projects financially unfeasible. At these levels, many medium-density and build-to-rent developments struggle to clear viability thresholds, particularly when combined with higher financing costs¹⁶

Residential Market Bifurcation: The “Two-Speed” Economy

The uniform property cycles of the past have been replaced by a fragmented market, heavily influenced by local exposure to the trade war’s winners and losers. Traditional growth engines like Sydney and Melbourne are being eclipsed by the resource-rich states, where strategic mineral investment is driving a new high-conviction cycle in the west and north.

Figure 3. Rental Price Index in Capital Cities vs Urban Areas. Source: Reserve Bank of Australia³⁹



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Sydney and Melbourne: The Affordability Ceiling

The major east coast capitals, Sydney and Melbourne, are most exposed to the negative “wealth effects” of the trade war and the RBA’s restrictive monetary policy. Characterised by a high sensitivity to interest rates due to high average loan sizes, the RBA’s rate rise in February 2026 will act as a wet blanket on price growth within these markets. Sydney prices, having risen approximately 7% annually in previous years, slowed to a crawl, with forecasts suggesting a lower 5%-7% growth for 2026.³⁰ Similarly, while rents remain historically high, the rate of growth has slowed significantly as Sydney and Melbourne annual growth rates eased to 3% and 4.1% in 2025 respectively, from 9.9% and 11% in 2023, because tenants have hit an affordability ceiling. Renters are now spending 33% of their income on rent, the highest level since 2006, forcing household consolidation (share housing) rather than new lease formation.¹⁸

Furthermore, investor sentiment has been held at tensions between “flight to quality” and “yield compression” where the attractiveness of the safety and tenant demand of premium buildings has also induced investment yields on these properties to fall. While some investors view property as a safe haven from stock market volatility¹⁷, low and stable rental yields (approx. 4.8% for all unit types) and high holding costs are deterring leveraged investors.

The “Critical Minerals” Boom: WA and Queensland

The signing of the United States–Australia Framework for Securing Supply in the Mining and Processing of Critical Minerals and Rare Earths on 20 October 2025, represents a seminal moment for the Australian property market, specifically in resource-rich corridors.²

The agreement is not merely a diplomatic memorandum; it is a financing pipeline. It commits both governments to provide at least USD 1 billion in financing within six months for projects in both countries.¹⁹ In this agreement, the key provisions include:

- **EXIM Bank Financing:** Letters of interest exceeding USD 2.2 billion for Australian projects.²⁰
- **Offtake Agreements:** US commitment to purchase Australian rare earths, providing revenue certainty that bankrolls project development.¹⁹
- **Infrastructure Support:** Investment in “mid-stream” processing facilities (refineries), moving Australia up the value chain.²
- **Pricing Mechanisms:** Given that a key obstacle to mineral security is China’s deliberate manipulation of global markets (flooding them with excess supply to push prices so low that mines in countries like the US and Australia become unviable), the deal aims to implement stable pricing frameworks like price floors to counter this.⁴³

This framework effectively underwrites the property development pipeline of Western Australia and Queensland for the next decade in 3 notable ways. Firstly, for the Industrial asset class, demand for industrial land near ports (Port Hedland, Gladstone, Bunbury) and processing hubs are surging as the US and Australian firms require large-scale facilities for separation and processing plants, ultimately driving up industrial land values.²² In lieu of the projected supply pipeline, the framework’s emphasis on logistics security is also accelerating infrastructure upgrades (roads, rail, power), which invariably uplifts adjacent residential property values.²¹ Finally, the framework potentially induces a multiplier effect whereby for every job created in mining/processing, it catalyses a ripple effect across local services. Specifically, the influx of skilled professionals such as engineers or geologists (often US-based or allied-nation expatriates) is creating a micro-boom in premium rental accommodation in Perth and Brisbane.²²

The Rental Market: Structural Shortages and Yield Dynamics

Nationally, the rental crisis has evolved from a cyclical tightness to a structural emergency. While the rate of rental growth slowed in late 2025 (to 4.8% annually, down from 8.1% in 2023), vacancy rates remain critically low at 1.3% nationally.^{18, 31}

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Figure 4. Australian Capital Cities Median Rent Per Week. Source: Australian Bureau of Statistics³⁹

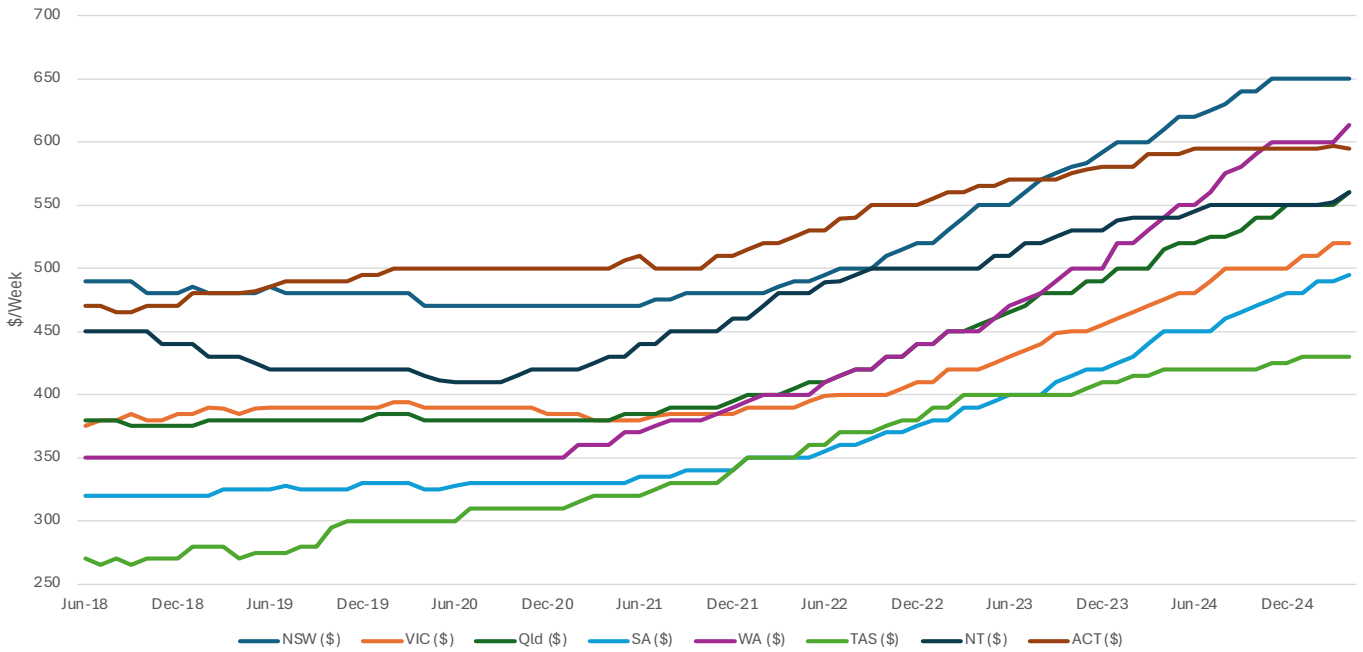
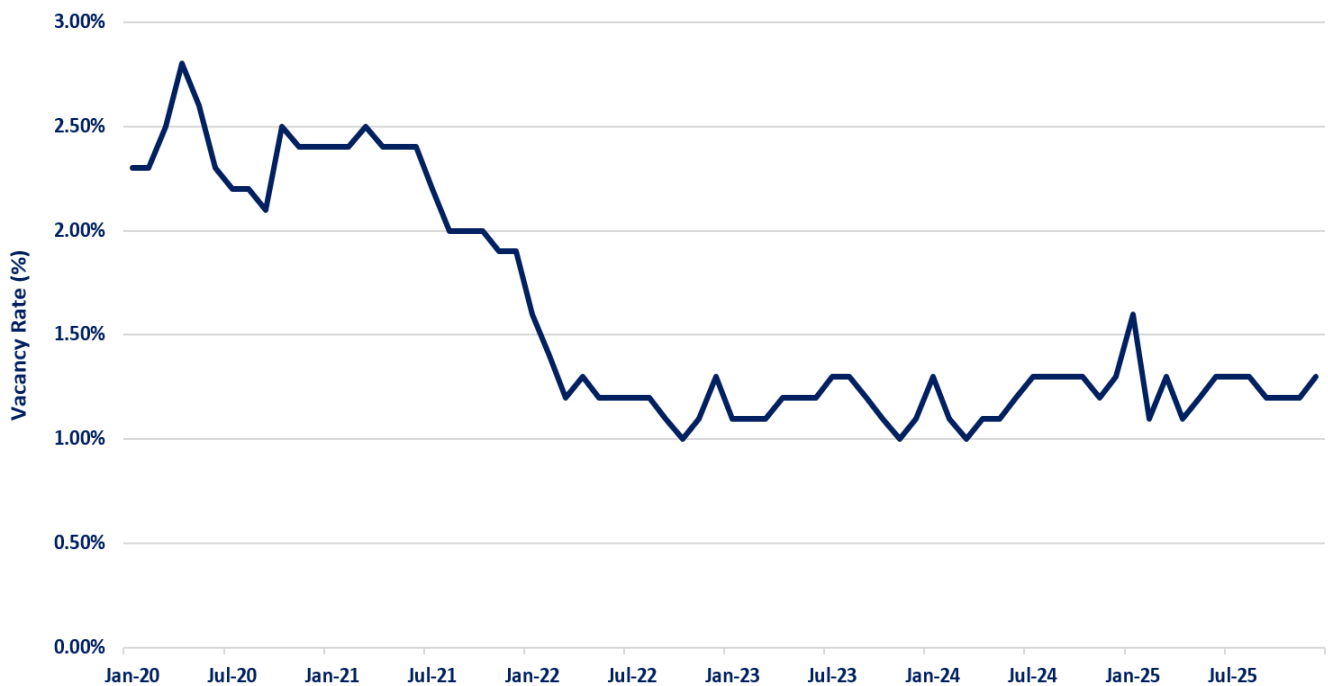


Figure 5. Australian National Vacancy Rate. Source: SQM Research³⁸



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The “Build-to-Rent” (BTR) Viability Crisis

The BTR sector was touted as the solution to Australia’s housing shortage, but the tariff-induced construction cost environment has stalled its momentum. Currently, a feasibility gap exists where high construction costs (steel, concrete & labour), restrictive planning controls and unfavourable taxation treatment means that BTR projects now require significantly higher rents to achieve the required internal rate of return (IRR). However, tenants have hit an affordability wall, which is further straining attractive yields as rental growth has slowed.¹⁸ In lieu of this trend, there has also been a capital shift where institutional capital that might have flowed into BTR residentials are being diverted to higher-yield alternative assets like data centres (see Section 6.3). For a deeper exploration of the BTR asset class please delve into our comprehensive research paper, [“Is Australia Ready to Rent and Roll.”](#)

Yield Divergence

There is a diverging trend in rental yields between major capital cities and regional mining areas. The average gross rental yield for all apartment types across Australian capital cities by the end of 2025 has been held at a steady 4.8% due to affordability walls. However, amidst the Critical Minerals agreement, key regions and areas near mining towns such as Kalgoorlie, Karratha and Port Hedland are decoupling from the national average as they face rental yields between 8.5% - 10.7% and is predominantly due to increasing rents, where in the past 5 years these regions have faced significant rental growth between 75% - 110%.³²

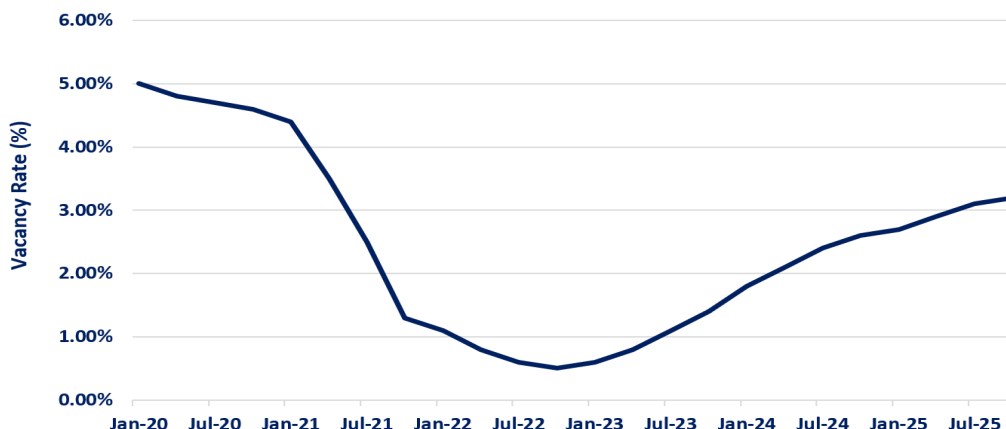
Commercial Real Estate: Reconfiguring for Resilience

The commercial sector is at the forefront of the physical adjustments required by the new trade regime. The disruption of “Just-in-Time” supply chains has forced a reversion to “Just-in-Case” inventory management, fundamentally altering demand for industrial space.

Industrial and Logistics: The Strategic Reserve

Industrial properties remain the strongest performing commercial asset class, driven by the need for supply chain resilience and an uptake in the e-commerce boom. Due to the uncertainty of tariff schedules and shipping lane availability, it has forced Australian businesses to hold higher inventory levels, thus, requiring more physical warehousing footprint.²³ Supporting this demand, the “Future Made in Australia” policy has created government backed incentives for greater demand in specialised industrial facilities in order to build large-scale, purpose-built and advanced industrial infrastructure for critical energy supply chains.³³ However, the cost to build and upgrade to new large-span warehouses has risen due to steel prices and labour costs, limiting new supply and keeping vacancy rates near historical lows and ensuring continued rental growth.²⁴

Figure 6. Australia Logistics and Industrial Vacancy Rate (2020-2025). Source: Cushman & Wakefield⁴⁰



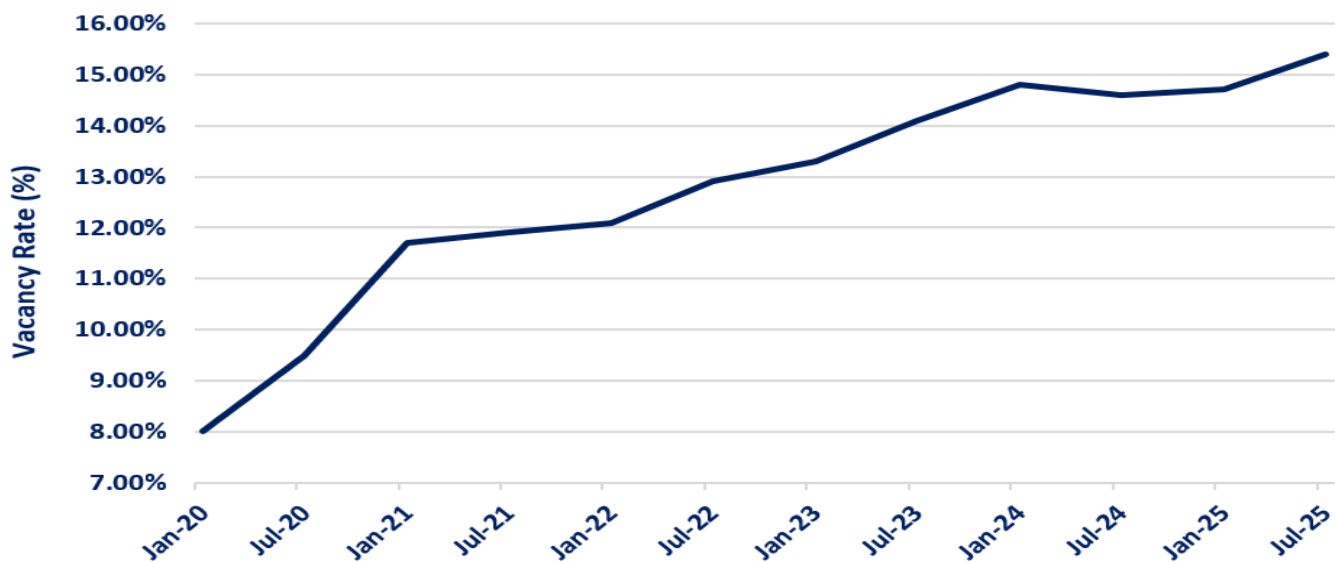
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Office Markets: The Flight to Quality

The office market is bifurcated between premium assets and lower grade assets. At the national level, premium/prime office spaces are facing a “flight to quality” trend that is driven by the need to attract and retain talent in a hybrid work world, through offering superior amenities as well as meeting ESG goals.³⁴ Howbeit, in WA, the growth in demand for premium office spaces shows to be linear with the mining sector³⁵. A Colliers report finds that Perth is experiencing its longest office supply shortfall in more than 30 years, driven by a prolonged period of limited new office development. At the same time, white-collar employment is projected to grow by 21%, largely underpinned by increased activity in the mining sector following the Critical Minerals Agreement. Outside WA, lower grade office assets face significant devaluation risks due to the reduction of white collar employment growth that follows from trade disruptions in non-resource sectors, leading to consolidation and “right-sizing” of office footprints.³⁶

Figure 7. Australia Office Vacancy Rate (2020-2025). Source: Property Council of Australia⁴¹



Alternative Assets: The Data Centre Boom

A notable shift in 2025 has been the surge in “Alternative” real estate investment, particularly Data Centres. This highly sought investment class is primarily driven by the AI boom and the need for “sovereign cloud” capabilities (part of the US-Australia security alliance) are driving billions into this sector.⁴⁷ Data centres are a critical infrastructure that is used as a power source for the rollout of Artificial Intelligence and require huge amounts of space, water and energy to operate.⁴⁷ This makes Australia an ideal location for the development of such infrastructure and has resulted in over AUD 2.8 billion in investment activity. For a deeper analysis and a boarder global perspective read our research, [“Behind the Server: A Contrarian View on Data Centre Investment.”](#)

In light of recent proceedings of escalating tariff tensions between the EU and US over the Greenland securitisation, Australia’s data centre boom may face a dual dynamic that is buoyed by an increased demand for geopolitical neutrality but constrained by the rising costs and supply-chain uncertainty. In this uncertain ‘tug-of-war’, the retaliatory tariffs have led to many US companies experiencing logistics cost increases of 10%-15% as well as increases in hardware costs and supply-chain friction, which in turn has slowed down data centre investment plans.⁴⁸ On the other hand, as technology companies aim to diversify away from tariff-strained supply chains, geopolitical neutrality and Australia’s mature infrastructure could enhance its appeal as a safe regional hub for data centres, thereby supporting demand for data centre capacity despite elevated construction and equipment costs.

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Foreign Investment: The Capital Shuffle

The trade war has fundamentally altered the source and nature of foreign capital flowing into Australian real estate.

The Chinese Retreat

China's economy, battered by punitive US tariffs (up to 60%-145%) and its own domestic property crisis, has seen a structural decline in outbound investment to Australia. In 2022-23, there were 2,601 approved proposals from Chinese investors, totalling to AUD 3.4 billion²⁵ but has now plunged to a mere AUD 0.4 billion.³⁷ On par with a slowing economy, stricter capital controls within China and greater restrictions by the Foreign Investment Review Board, Chinese investment to Australia has decreased drastically. This reduction in Chinese off-the-plan purchasing is also a blow to high-density apartment supply in Sydney and Melbourne, as these projects often rely on foreign pre-sales to secure construction financing.

The US Institutional Influx

Conversely, the geopolitical alignment (AUKUS + Critical Minerals) is driving a wave of US institutional capital into Australia. Initiated by the AUKUS Critical Minerals agreement, US private equity and pension funds are increasingly becoming active in the Build-to-Rent and logistics sectors within Australian mining regions as Australia is viewed as a safe and strategically aligned jurisdiction, offering legal transparency, resource security and long-dated investment certainty. As critical minerals and associated processing infrastructure attract large workforces into outer-suburban and regional locations, institutional investors are allocating capital into BTR and logistics assets to support workforce accommodation and supply-chain needs, leveraging the "green lane" for US investment created under the Critical Minerals Framework.¹⁹

Conclusion

The impact of Trump's tariffs on Australian real estate is not a singular event but a complex decoupling. The residential sector is trapped in a supply-side vice: tariffs have made buildings too expensive to develop and risky to yield attractive returns, creating a permanent shortage that supports asset prices despite deteriorating affordability. Meanwhile, the regional dynamic has shifted decisively West and North. The US-Australia Critical Minerals Framework is not just a trade deal; it is a foundational piece of property market infrastructure that underpins the next decade of growth for mining regional hubs in Western Australia and Queensland.

Investors and policymakers must recognise that the "Sydney-centric" view of the Australian property market is obsolete in this new geopolitical era. The value is flowing to where the strategic resources are, while the service-based capitals face a prolonged period of adjustment to higher costs, stickier inflation, and a fractured global trade order. The "Great Decoupling" of 2025 has ended the era of synchronised national growth, replacing it with a market defined by strategic exposure to the new "America First" global economy.

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