

Understanding Property Value: the keys to the market

HASS Economics and Business Australian Curriculum v9 Year 10

This two-lesson unit introduces students to how property values are shaped by market forces, economic indicators and government regulation. Using South Australian property data, students analyse the factors that influence value and apply economic reasoning to estimate market value in a structured valuation task.

Acting as property valuers, students analyse property data, weigh key factors and make evidence-based judgements using concepts such as supply and demand, cost-benefit analysis and risk assessment.

Definitions

Cost-benefit thinking means weighing the benefits, costs and risks of a decision to determine whether it is worthwhile.

Economic indicators are measurable conditions that help explain changes in property values, such as interest rates, employment levels and migration.

Market value is the estimated price a property would sell for on a given day in an open and competitive market, where buyers and sellers are informed and not under pressure. This is the core concept valuers use when estimating what a property is worth.

Regulatory and planning factors include zoning, planning rules, land use decisions and approvals that determine what can be built, how land can be used and how areas may change over time.

Supply and demand describe the relationship between the number of properties available and the number of buyers seeking to purchase them. This relationship influences price movement.

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Context of unit This unit explores how property markets operate and how economic decision-making influences the value of homes, land and places.

Across the unit, students will:

- explain how factors such as supply and demand, interest rates, migration and planning regulation influence property values
- interpret suburb-level market data to identify trends and cause-and-effect relationships
- apply economic reasoning to estimate market value and justify a recommendation in a real-world valuation scenario.

Curriculum content and skills covered This unit aligns with the following Australian Curriculum v9 HASS Year 10 Economics and Business content descriptions:

- **How and why economic indicators influence economic decision-making** ([AC9HE10K01](#))
- **Develop and evaluate a response to an economic or business issue, using cost–benefit analysis or criteria to decide on a course of action** ([AC9HE10S04](#))

Success criteria Students demonstrate success when they can:

- explain the main factors that influence property value, including supply and demand, location and access, and planning regulation
- interpret suburb-level data to identify recent trends in value
- explain how economic indicators such as interest rates, migration and employment can affect property prices
- estimate a property's market value using relevant evidence
- justify a valuation by weighing positive value drivers, risks and constraints
- make a clear recommendation supported by economic reasoning.

Unit overview

This two-lesson unit introduces students to property valuation as an applied Economics and Business task.

In Lesson 1, students build understanding of the economic and regulatory factors that influence property value and interpret South Australian property data.

In Lesson 2, students apply this understanding to estimate market value and justify a recommendation using evidence and cost-benefit reasoning.

Teacher notes:

This unit can be taught as a standalone sequence or within a broader unit on markets, housing or government intervention.

Select suburbs that are familiar to students where possible, or use a teacher-nominated suburb to support consistency across the class.

Emphasise quality of reasoning rather than precision of price estimate. The purpose of the task is to apply economic thinking, not replicate professional valuation accuracy.

Teacher preparation

For both lessons:

- student access to the South Australian Valuer-General resources:
 - [Year-in-Review-2024.PDF](#)
 - [Understanding-2025-2026-Property-Values.PDF](#)
 - [FactSheet-Understanding-the-Process.PDF](#)
- student access to public property websites:
 - [Realestate.com.au](#)
 - [Domain.com.au](#)

For Lesson 1

- Activity 1 teacher sheet
- Activity 2 worksheet, printed for pairs

Lesson 2

- Activity 3 teacher instructions
 - Activity 4 worksheet and fact sheets, printed for pairs
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Author and licensing

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Lesson 1 outline

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Lesson 1 builds students' understanding of the main factors that influence property value. Students examine how supply and demand, economic indicators, planning regulation and market conditions affect price, then use South Australian data to identify value drivers and suburb trends.

Students focus on:

- market value and the conditions that support a fair and open market
- supply, demand and competition
- economic indicators such as interest rates, employment and migration
- planning and regulatory factors affecting desirability and development potential
- how market conditions and external factors influence observed prices and market value.

This lesson prepares students to interpret evidence before making a valuation judgement in Lesson 2.

Lesson 2 outline

Valuer for a day – applying economic reasoning

Lesson 2 asks students to apply their understanding of property markets in a structured valuation task. Using the same house scenario, suburb data and identified value drivers, students estimate market value, weigh positive and negative factors and justify a recommendation.

Students present and justify their valuation using evidence, responding to questions and feedback from peers to demonstrate their reasoning.

Students focus on:

- suburb-level property trends
- positive value drivers
- risks and negative factors
- planning and regulatory influences
- evidence-based reasoning and justified recommendation.

This lesson moves from analysis to decision-making and makes students' reasoning visible through written justification, peer review and reflection.

**Assessment
Opportunities**

Observation (ongoing): Teacher observation of student participation in class discussion, use of economic vocabulary, interpretation of data and explanation of value drivers.

Formative assessment: Lesson 1 activities and worksheets provide evidence of students' ability to identify factors affecting property value, interpret suburb-level trends and explain cause-and-effect relationships.

Summative assessment: The *Valuer for a day* task provides evidence of students' ability to estimate market value, weigh positive and negative factors, and justify a recommendation using economic reasoning.

Discussion and reflection: Class discussion, peer review and reflection provide evidence of how students explain their reasoning, respond to feedback and refine their judgement.

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Lesson 1

Total time
50 minutes

Understanding Property Value

This lesson introduces the main economic and planning factors that influence property value. Students examine how market conditions, economic indicators and regulatory settings affect price, then use real South Australian data to identify value drivers and suburb trends.

Purpose

To build understanding of the economic and regulatory factors that influence property value and prepare students to interpret market data using evidence.

Learning intention

Students identify how property values are influenced by market conditions, economic indicators and planning regulation, and interpret data to explain recent trends in value.

Introduction

3 minutes

Teacher script

A property valuer estimates what a property is worth by analysing recent sales, local market conditions and the features of the property. This helps buyers, sellers and banks make informed decisions.

*The key concept for this lesson is **market value**. Market value is the estimated price a property would sell for on a given day between a willing buyer and a willing seller in an open and competitive market, where both parties are informed and not under pressure.*

Market value represents the price considered fair when the market is functioning openly and competitively.

Today, you will look at how market conditions can shift value, then move into real South Australian data to identify what drives prices up or down.

Activity 1

10 minutes

What changed the value? (Whole-class Q&A)

Students identify how changes in market conditions can affect price even when the property itself does not change. The activity introduces key market assumptions and prepares students to recognise value drivers in the data task that follows.

Purpose

To show how changes in market conditions can affect the price observed in the market and make it different from typical market value.

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Task

Using the Activity 1 Teacher Sheet, read each scenario aloud. After each one, ask students to respond in three steps:

- what changed
- whether the price would likely go up or down
- one reason why.

Keep it brisk. This is a warm-up for Activity 2.

Bridge to Activity 2

Teacher script

When market conditions change, the sale price may not reflect typical market value.

That is why valuers do not look at price alone. They ask what was happening in the market at the time, what conditions were influencing demand and whether the sale reflected a fair and open market.

You've seen how market conditions change value. Now, in pairs, you'll use real South Australian data to identify the factors and trends that shape value.

Activity 2

22 minutes

Explore the data (pairs)

Students use South Australian property data to identify the economic, planning and regulatory factors that influence property values. They then examine suburb-level trends to explain why values may be rising, falling or changing unevenly across the market.

Purpose

To identify the main drivers of property value and interpret suburb-level trends using evidence.

Task

In pairs, students use the following SA property resources to complete the Activity 2 – Explore the Data worksheet:

- [Year-in-Review-2024.PDF](#)
- [Understanding-2025-2026-Property-Values.PDF](#)

Teacher script

In this activity, you will work in pairs to analyse real South Australian property data and online suburb information. Your task is to identify the main factors driving property values and describe recent value trends in a selected suburb. Keep an eye on things like:

- *economic indicators such as interest rates, migration and*

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employment

- *planning or zoning decisions that may influence demand or development potential*
- *market conditions affecting supply, access and desirability.*

Work together, look for evidence and be ready to share your findings.

*Remember that **valuers rely on evidence**. The information you identify here will be used in the next lesson when estimating and justifying a market value.*

Teacher prompts during the activity:

- *What does the data suggest is happening to demand in this suburb?*
- *What local factors might make buyers more or less willing to pay?*
- *How could zoning or planning decisions affect future value?*
- *Which trend in the data is most significant, and what might explain it?*

Reflection

10 minutes

Ask each pair to share:

- one key factor affecting property value
- one suburb trend they identified
- one explanation linking the two.

Use the discussion to clarify cause-and-effect relationships and correct misunderstandings. Emphasise that strong responses are based on evidence and reasoning, not a single correct answer.

Transition

7 minutes

Students have now identified factors and trends that influence value. In Lesson 2, they will use this evidence to estimate a property's market value and justify a recommendation, moving from analysing the market to making a valuation judgement.

Teacher script

You've explored the key factors that shape property values. Next lesson, you'll apply this understanding to a real property and make your own valuation using evidence.

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Lesson 2

Valuer for a day

Lesson 2 builds on students' understanding of the factors that influence property value by asking them to apply that knowledge in a structured valuation task. Students use data, identified value drivers and local market conditions to estimate a property's market value and justify a recommendation.

Purpose

To apply students' understanding of property value by using evidence to estimate market value, weigh value drivers and risks, and justify a recommendation.

Learning intention

Students analyse relevant data, estimate a property's market value and justify a recommendation using evidence, identified value drivers and economic reasoning.

Introduction

5 minutes

Recap and lesson focus

Review the key value drivers identified in Lesson 1 and explain that students will now use this evidence to complete a valuation task.

[Teacher script](#)

Recap

Last lesson, you explored how property markets work and what drives changes in value.

You analysed real South Australian data, identified key economic influences such as supply and demand, planning rules and broader economic conditions, and began to see how these factors shape property values.

Lesson focus

Today, you'll step into the role of a property valuer and use that understanding to estimate a property's market value, identify the main benefits and risks, and make a justified recommendation.

Activity 3

5 minutes

Mini-activity – How to determine a valuation (whole class Q&A)

This short activity models how a property's estimated value changes when a single factor changes. It prepares students for the main valuation task by helping them practise identifying whether a factor is likely to increase or decrease value, and why.

Task

Using the Activity 3 Teacher Instructions Sheet, read out the short valuation scenarios for students to call out immediate reactions about how each change would influence price. Keep the activity fast-paced. The purpose is to model how valuers respond to changing conditions.

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Teacher script

I'm going to read some short scenarios that change either the market or the property. After each one, say whether the value would likely go up or down, and give a brief reason why.

Activity 4

20 minutes

Valuer for a day (pairs)

Pairs return to the same property introduced in Activity 2 and use suburb data, market trends and the Property Valuation Factors Fact Sheet to complete a structured valuation task. Students will:

- review the suburb and property evidence
- identify the main positive value drivers
- identify the main risks or negative factors
- estimate a market value using available evidence
- justify whether a buyer should pay that price.

Task

Students complete the Activity 4 worksheet using:

- suburb trends and available market data
- positive and negative value drivers
- planning or regulatory factors
- broader market conditions such as interest rates, migration and demand.

Teacher script

You've just practiced reacting to different scenarios and considering how each change would affect a property's value.

You'll now apply the evidence gathered in Lesson 1 to the same property from Activity 2. Your task is to identify the features that increase and reduce value, estimate a realistic market value and justify whether that price would be reasonable for a buyer.

In this activity, quality of reasoning matters more than price accuracy.

Peer Review

10 minutes

Pairs swap valuations and review each other's work against three questions:

- Is the estimate supported by evidence?
- Are the main positive and negative factors clearly identified?
- Is the recommendation justified?

Ask each pair to provide one strength and one suggested improvement.

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Reflection

12 minutes

Invite pairs to share their estimate and explain the reasoning behind it. Use the discussion to compare how different groups weighed evidence and interpreted risk.

Use prompts such as:

- Which factor made the biggest difference to your estimate?
- Which risk mattered most, and why?
- How did planning regulation, location or broader market conditions affect your recommendation?

Conclude by reinforcing that valuation is based on evidence, judgement and economic reasoning, not a single exact answer.

Highlight how students used data, economic indicators and cost-benefit reasoning to make a justified decision about value.

Teacher note:

Alternatively, the teacher may choose to assign a written reflection instead of the verbal reflection, which could be completed in class or as homework.

Optional extension / homework

Ask students to select a property listing from their local suburb and write a short valuation justification explaining:

- what they think the property is worth
- three factors influencing its value
- at least one planning or regulatory factor that may affect value.

Activity 1 – What changed the value (verbal activity)

Purpose

To show how changes in market conditions can affect price even when the property itself does not change.

How to run

Use the same house for each scenario. Read each aloud and ask students to respond in three steps:

1. what changed
2. whether price would likely go up or down
3. one reason why.

Keep the activity brisk. The purpose is to introduce key market assumptions before students work with real data in Activity 2.

Scenarios

Scenario 1: Seller under pressure

The owner must sell within two weeks due to financial stress.

- **What changed?** The seller is under pressure.
- **Likely effect and why:** Price may be lower because the seller is under pressure and may accept less than they would in an open and unpressured sale.

Scenario 2: High competition at auction

Five buyers attend the auction and all want the property.

- **What changed?** Demand and competition increased.
- **Likely effect and why:** Strong competition increases demand at that moment, which can push the sale price above the expected level. Buyers may bid more aggressively when several people want the same property.

Scenario 3: New infrastructure not yet widely known

A new train station is approved nearby, but most buyers do not know yet.

- **What changed?** Information is incomplete.
- **Likely effect and why:** value may rise over time as better transport access can increase convenience and desirability, which may lift value.

Scenario 4: Private sale to a family member

The house is sold privately to a family member.

- **What changed?** The sale is not open or competitive.
- **Likely effect and why:** the sale price may not reflect market value as the sale is not open to the wider market, so the final price may be influenced by the relationship rather than normal competition. This means the sale price may be higher or lower than typical market value.

Debrief prompts

- Which market condition changed in each scenario?
- Would the sale price still reflect typical market value? Why or why not?
- What wider economic conditions might sit behind the change?

Activity 2 – Explore the data worksheet

Selected suburb	
House Description	<ul style="list-style-type: none"> • Three bedroom detached house • 156m² house • 500m² block of land • Built in 1995 • 10-minute walk to a train station • School within 500m • Next to a busy road
Part 1: Major drivers in South Australia	
From the SA documents, identify three major drivers of property value in South Australia <ul style="list-style-type: none"> • Year-in-Review-2024.PDF • Understanding-2025-2026-Property-Values.PDF • FactSheet-Understanding-the-Process.PDF 	
Driver 1:	
Evidence:	
Driver 2:	
Evidence:	
Driver 3:	
Evidence:	

Part 2: Suburb trend
<p>What is happening in your selected suburb?</p> <p>Recent trend in value:</p> <p>Evidence from realestate.com.au or Domain:</p> <p>What might explain this trend?</p>
Part 3: Planning and regulation
<p>Identify two planning or regulatory factors from the <i>Understanding the Process Fact Sheet</i> that may affect value.</p> <p>Factor 1:</p> <p>Possible impact on value:</p> <p>Factor 2:</p> <p>Possible impact on value:</p>
Part 4: Link to the house
<p>Based on the suburb and the house description, what factors are likely to increase or reduce value?</p> <p>Likely to increase value:</p> <p>Likely to reduce value:</p>

Activity 3 - How to determine a valuation (verbal activity)

Purpose

To model how a property's value changes when a single factor shifts. This quick activity helps students build intuitive economic reasoning before they begin their own valuation in Activity 4.

How to run

Tell students that each scenario starts with the same house and the same base price. Only one factor changes each time.

Ask students to respond in three steps:

- what changed
- whether value would likely go up or down
- one reason why.

Keep the pace fast. This is a warm-up for Activity 4.

Scenarios

- The house is on a busy arterial road
- The house has a new swimming pool
- The property backs onto a park
- An extension was built without council approval
- The kitchen has been fully renovated
- Interest rates rise sharply

Debrief

Ask students:

- Which factor would make the biggest difference to value?
- Which factor would concern a buyer most?
- Which factors relate to the property itself, and which relate to the wider market?

Close

These quick judgements show how different factors can influence value.

In the next task, students apply the same thinking in a fuller valuation exercise using evidence and local data.

Activity 4 - Valuer for a day

Use the same house from Activity 2. Use your suburb research, market data and the Property Valuation Factors Fact Sheet to complete the valuation.

Suggested process

- Review the house description and suburb evidence
- Identify the main factors increasing value
- Identify the main risks or factors reducing value
- Estimate a realistic market value
- Justify whether that price would be reasonable for a buyer

1. Estimated market value

What do you think this property is worth?

2. Main positive value drivers

Which features or market conditions are likely to increase value?

3. Main risks or negative factors

Which features or conditions are likely to reduce value or create risk for a buyer?

4. Recommendation

Based on the evidence, would you recommend paying this price? Explain why or why not.

Activity 4 – How to determine a valuation - Fact Sheet

As a valuer, you need to think about how much each factor might increase or decrease the value of the property.

Use this process to estimate value:

Step 1: Start with the suburb evidence

What do recent trends suggest about prices in this area?

Step 2: Identify value drivers

What features of the property or location are likely to increase value?

Step 3: Identify risks or constraints

What features, conditions or planning issues may reduce value?

Step 4: Make an estimate

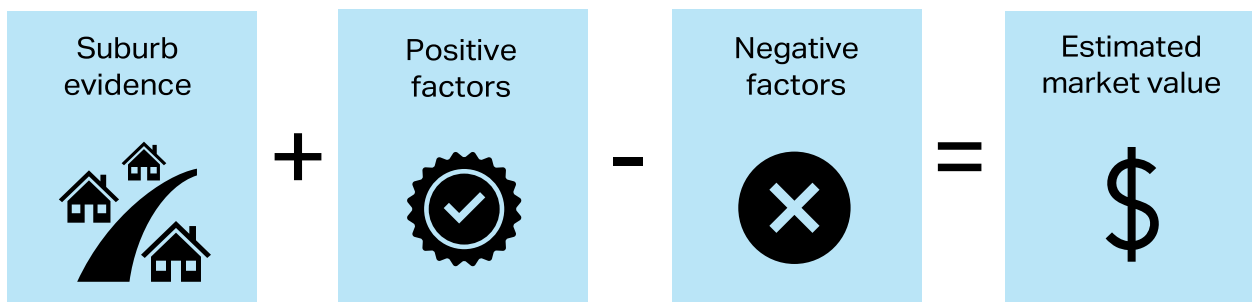
Based on the evidence, what is a realistic market value?

Step 5: Justify your recommendation

Explain why a buyer should or should not pay that price.

A simple way to think about value

Use this as a guide only. Your estimate should be based on evidence and reasoning, not a fixed formula.



Activity 4 – Factors that can influence property value - Fact Sheet

Use this sheet to help identify factors that may increase or reduce value. Select only the factors that are relevant to the property and suburb you are analysing.

Factors that can increase value:	Factors that can decrease value:
Location and access: Where the property is and what surrounds it	
<ul style="list-style-type: none"> • close to public transport • close to schools • close to shops and services • near parks or open space • access to recreation facilities • good walkability • quiet street 	<ul style="list-style-type: none"> • busy or noisy road • far from transport • far from shops or services • poor walkability • few nearby community facilities • flood-prone land • high-crime area
Condition: Physical state of the building and land	
<ul style="list-style-type: none"> • recently renovated • modern kitchen or bathroom • no structural issues • well maintained 	<ul style="list-style-type: none"> • cracks, damp or drainage issues • old wiring or plumbing • poor maintenance • visible damage or wear
Design: How the property is laid out and built	
<ul style="list-style-type: none"> • functional layout • good natural light • well-sized rooms • usable outdoor space • good connection between indoor and outdoor space 	<ul style="list-style-type: none"> • poor layout or awkward room arrangement • dark internal spaces • small or impractical rooms • limited storage • poor connection between indoor and outdoor space
Market factors: What is happening in the wider economy	
<ul style="list-style-type: none"> • high demand and low supply • population growth • strong local employment • improving suburb reputation 	<ul style="list-style-type: none"> • high interest rates • oversupply of similar houses • falling population • declining demand
Legal or planning factors: Rules and regulations affecting the property	
<ul style="list-style-type: none"> • development potential • residential zoning • approved nearby infrastructure improvements 	<ul style="list-style-type: none"> • zoning restrictions • heritage limits on change • unapproved building work • planning uncertainty

Suggested assessment rubric

Criteria (ACARA-aligned)	A – Excellent	B – High	C – Satisfactory	D – Partial	E – Limited
Knowledge and understanding of economic factors influencing property value <i>(supply and demand, indicators, regulation)</i>	Demonstrates comprehensive and accurate understanding of multiple economic factors and clearly explains how they interact to influence property value.	Demonstrates clear understanding of key economic factors and explains how they influence property value.	Demonstrates a sound understanding of basic economic factors affecting property value.	Demonstrates a partial or superficial understanding of economic factors, with limited explanation.	Demonstrates little or no understanding of relevant economic factors.
Use and interpretation of property market data <i>(trends, suburb data, sources)</i>	Independently selects, interprets and synthesises relevant data to identify detailed trends and patterns in property values.	Correctly interprets relevant data to identify trends in property values.	Selects and describes basic trends using provided data.	Limited or inaccurate interpretation of data; trends may be unclear or incorrect.	Does not accurately use or interpret property market data.
Analysis of cause-and-effect relationships <i>(economic indicators and value)</i>	Insightfully analyses cause-and-effect relationships between economic indicators and property value changes using clear reasoning.	Effectively explains cause-and-effect relationships between indicators and property values.	Identifies simple cause-and-effect links between indicators and property value.	Identifies relationships with minimal explanation or misunderstanding.	Does not identify meaningful relationships between indicators and property value.
Application of cost-benefit reasoning to valuation	Applies cost-benefit reasoning logically and in depth to justify a realistic property valuation.	Applies cost-benefit reasoning to justify a property valuation.	Uses basic cost-benefit reasoning to support a valuation.	Uses limited or inconsistent reasoning to justify the valuation.	Provides little or no reasoning to support the valuation.
Justification and recommendation <i>(economic decision-making)</i>	Presents a well-justified and economically sound recommendation, clearly weighing risks and benefits.	Presents a clear and justified recommendation supported by economic reasoning.	Presents a simple recommendation with some supporting reasoning.	Presents a recommendation with limited justification.	Does not provide a clear or justified recommendation.
Communication of economic ideas	Communicates ideas clearly, accurately and using appropriate economic language.	Communicates ideas clearly with mostly accurate economic language.	Communicates ideas in a generally clear manner with basic terminology.	Communicates ideas unclearly or with minimal use of economic terms.	Communication is unclear or incomplete.

Student friendly assessment rubric

What you are assessed on	A Excellent achievement	B Good achievement	C Satisfactory achievement	D Partial achievement	E Minimal achievement
Understanding what affects property value (supply & demand, interest rates, location, rules)	I clearly explain several factors that affect property value and show how they work together.	I explain key factors that affect property value and how they influence prices.	I identify some factors that affect property value.	I identify few factors, with limited explanation.	I show little understanding of what affects property value.
Using property data and trends (suburb data, reports, websites)	I accurately use data to describe trends and support my ideas with strong evidence.	I use data to clearly describe trends in property values.	I use data to describe basic trends.	I use data inaccurately or with limited detail.	I do not use data effectively.
Explaining cause and effect (why prices change)	I clearly explain why economic changes cause property values to rise or fall.	I explain how economic factors affect property values.	I describe simple links between economic factors and property value.	I give limited or unclear explanations.	I do not explain cause and effect.
Estimating a property value (valuation task)	I give a realistic and well-reasoned estimate using several pieces of evidence.	I give a reasonable estimate supported by evidence.	I give an estimate with some reasoning.	My estimate has limited reasoning or accuracy.	I do not provide a clear estimate.
Weighing benefits and risks	I clearly weigh benefits and risks and explain their impact on value.	I explain both benefits and risks affecting the property.	I identify some benefits or risks.	I identify few benefits or risks.	I do not identify benefits or risks.
Making a recommendation (economic decision)	I make a clear, well-justified recommendation using economic reasoning.	I make a clear recommendation with reasoning.	I make a recommendation with some explanation.	I make a recommendation with little explanation.	I do not make a clear recommendation.
Communication and use of economic terms	My work is clear, well-structured, and uses economic terms correctly.	My work is mostly clear and uses economic terms well.	My work is generally clear with basic terms.	My work is unclear or poorly organised.	My work is very unclear or incomplete.

To achieve a higher grade

- A: I clearly use data and economic reasoning to explain *why* the property is valued at that price and make a well-justified recommendation.
- B: I use relevant data and economic ideas to give a reasonable value estimate and explain my recommendation.