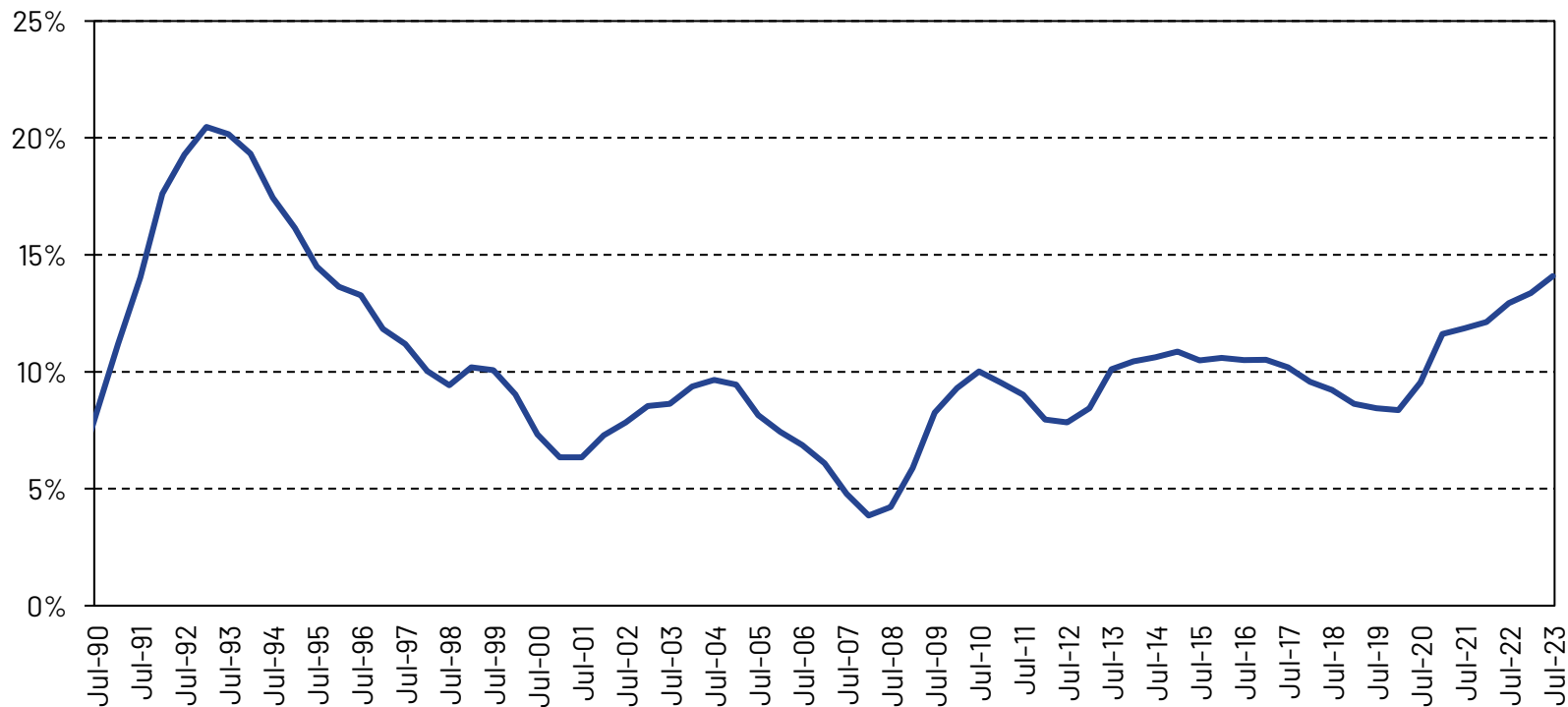


Office Market Report

July 2023

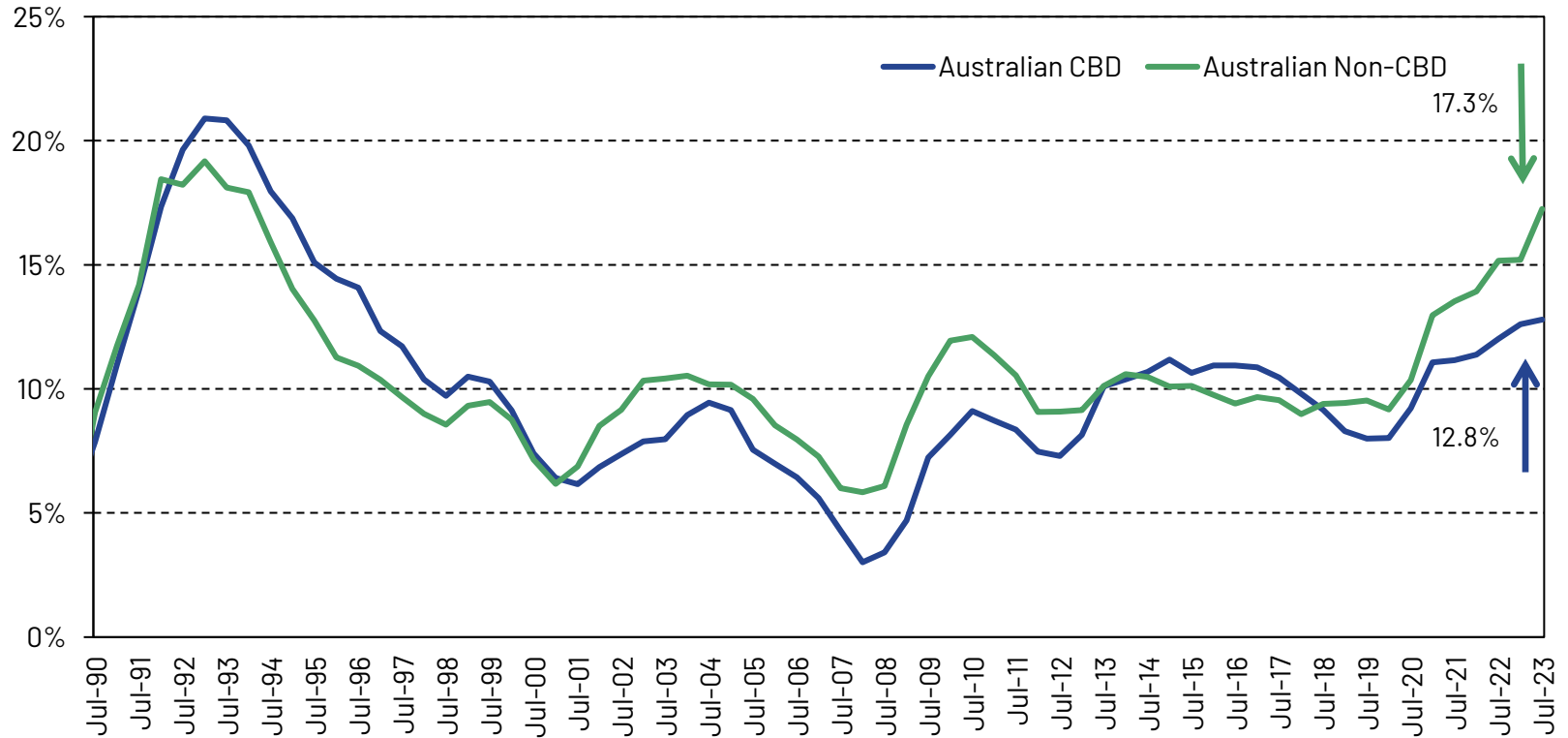


Australian Vacancy: 1990 – 2023



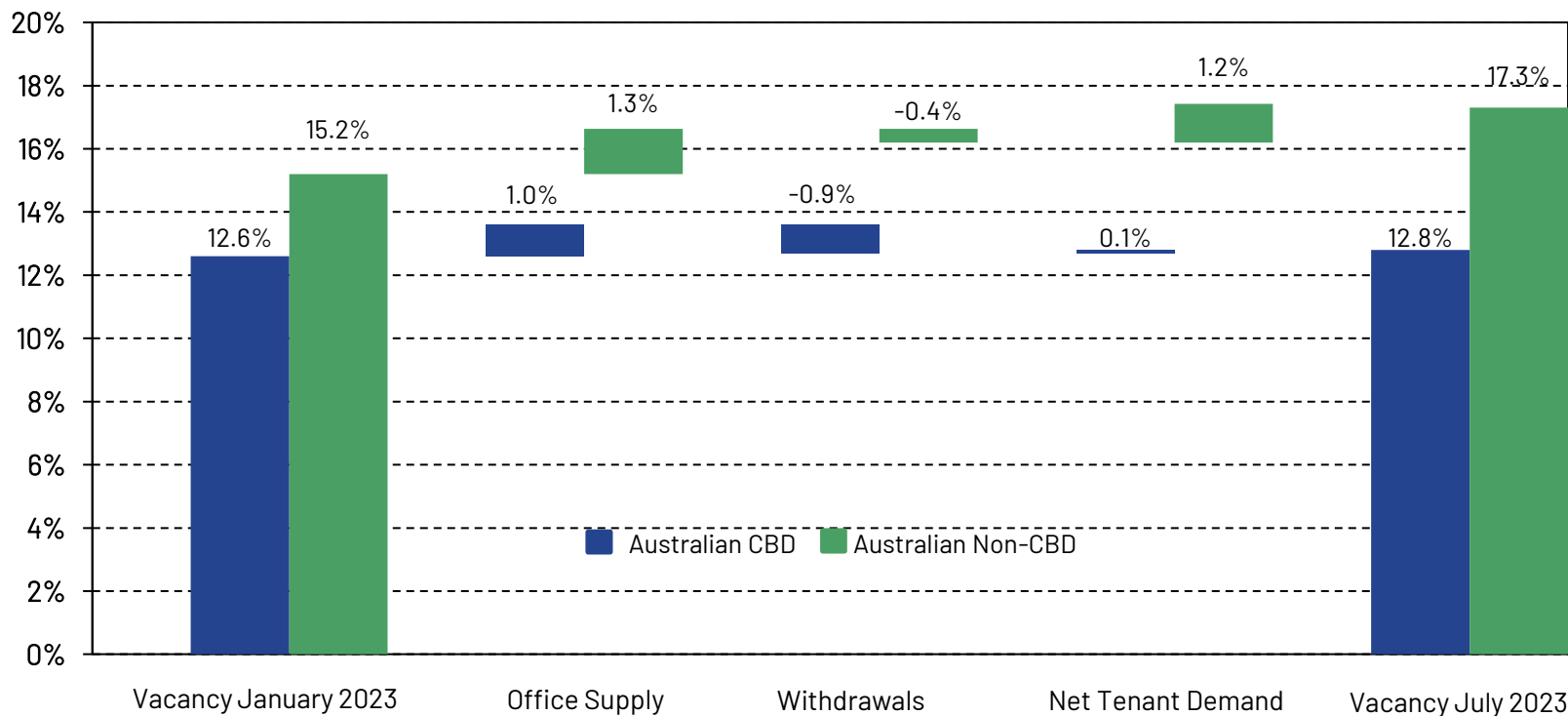
Australian office vacancy increased from 13.4% to 14.1% over the six months to July 2023

Australian CBD v Non-CBD Vacancy: 1990 – 2023



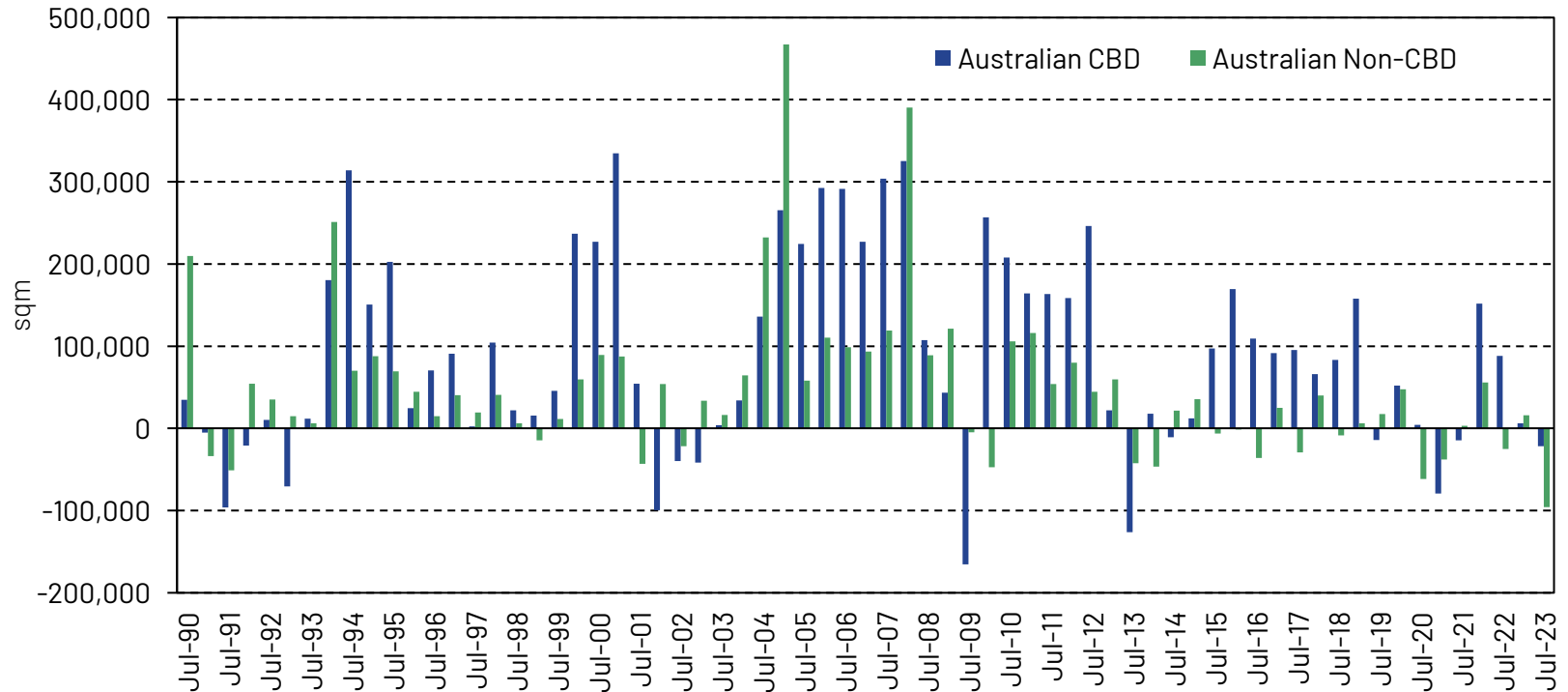
Both Australian CBD and Non-CBD vacancy increased over the six months to July 2023

Net Australian CBD and Non-CBD Vacancy Attribution – Six Months to July 2023



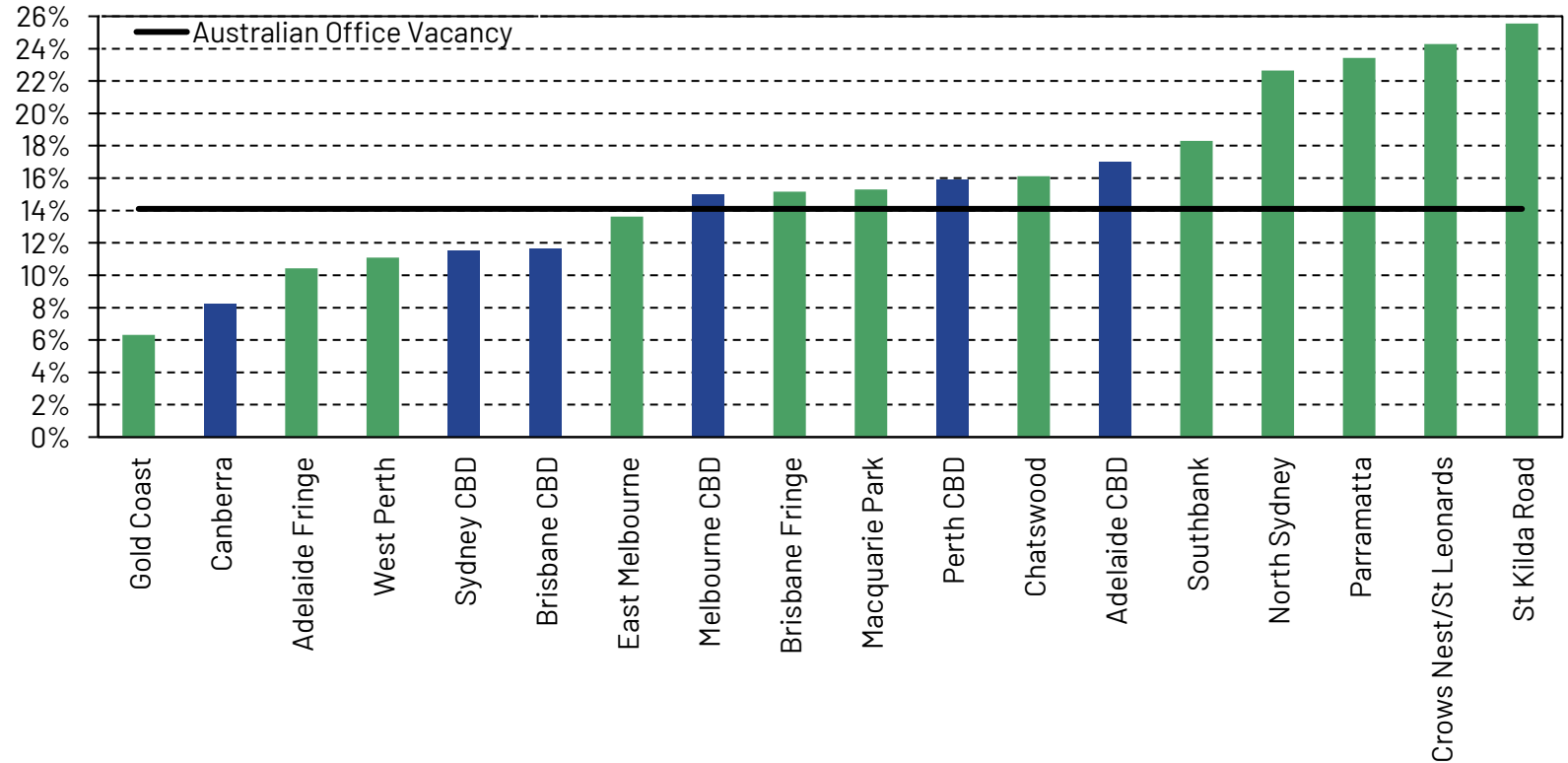
Supply additions and negative demand drove the vacancy increases in both the CBD and Non-CBD office markets

Australian CBD v Non-CBD Six Monthly Net Absorption: 1990-2023



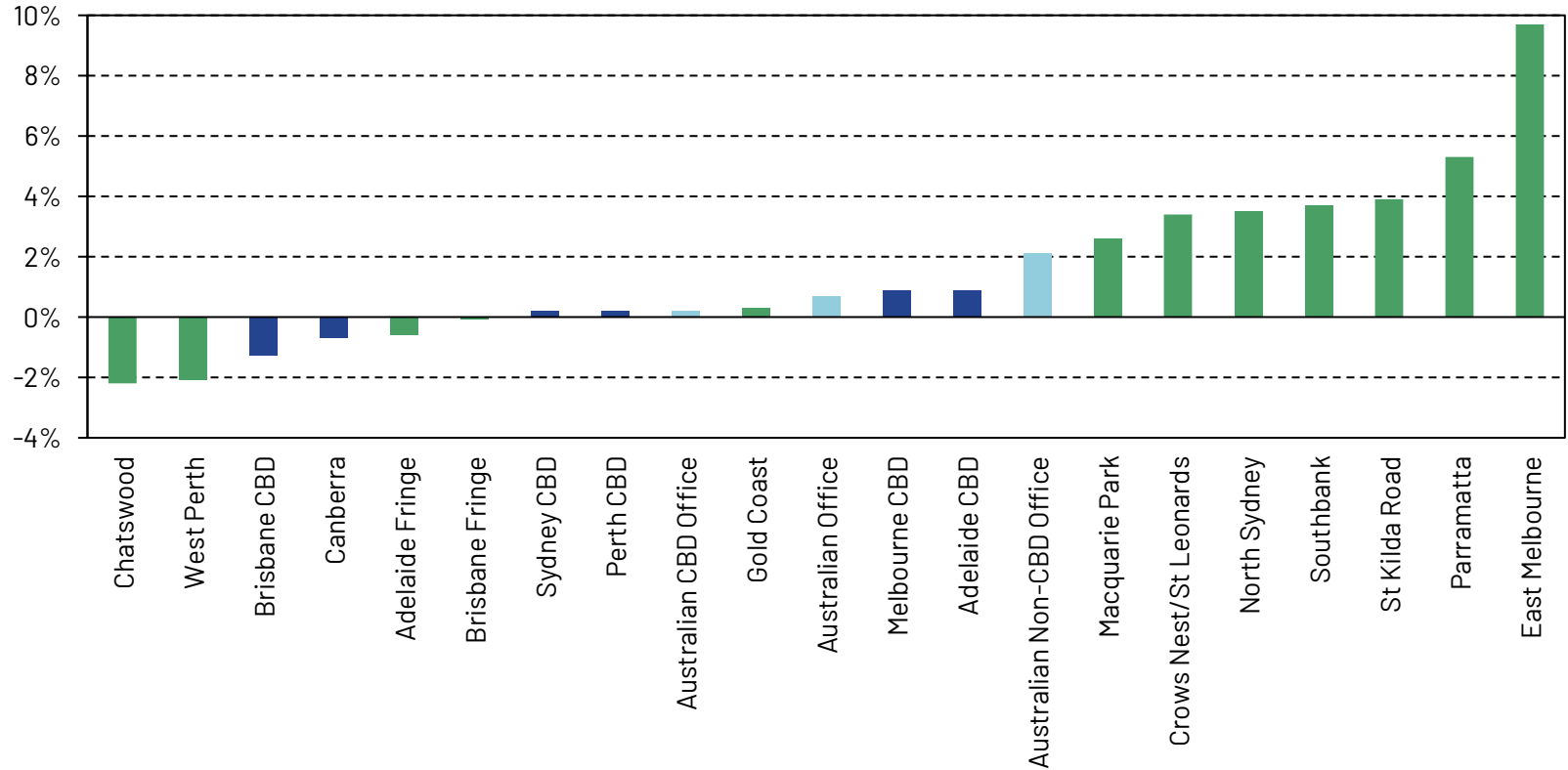
Both the Australian CBD and Non-CBD markets recorded negative demand

CBD & Non-CBD Vacancy Rates – July 2023



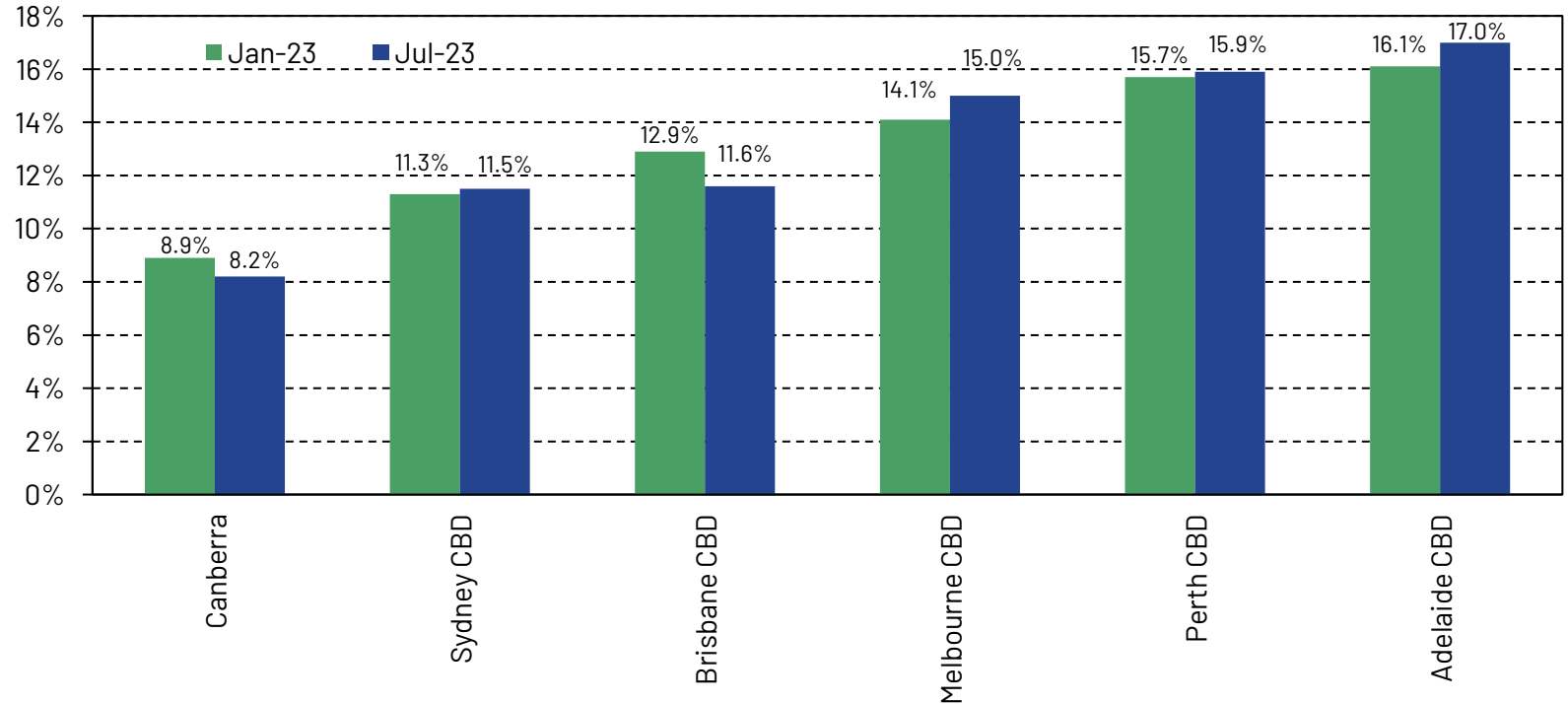
Three of the four markets with the highest vacancy were in NSW

Vacancy Change – Six Months to July 2023



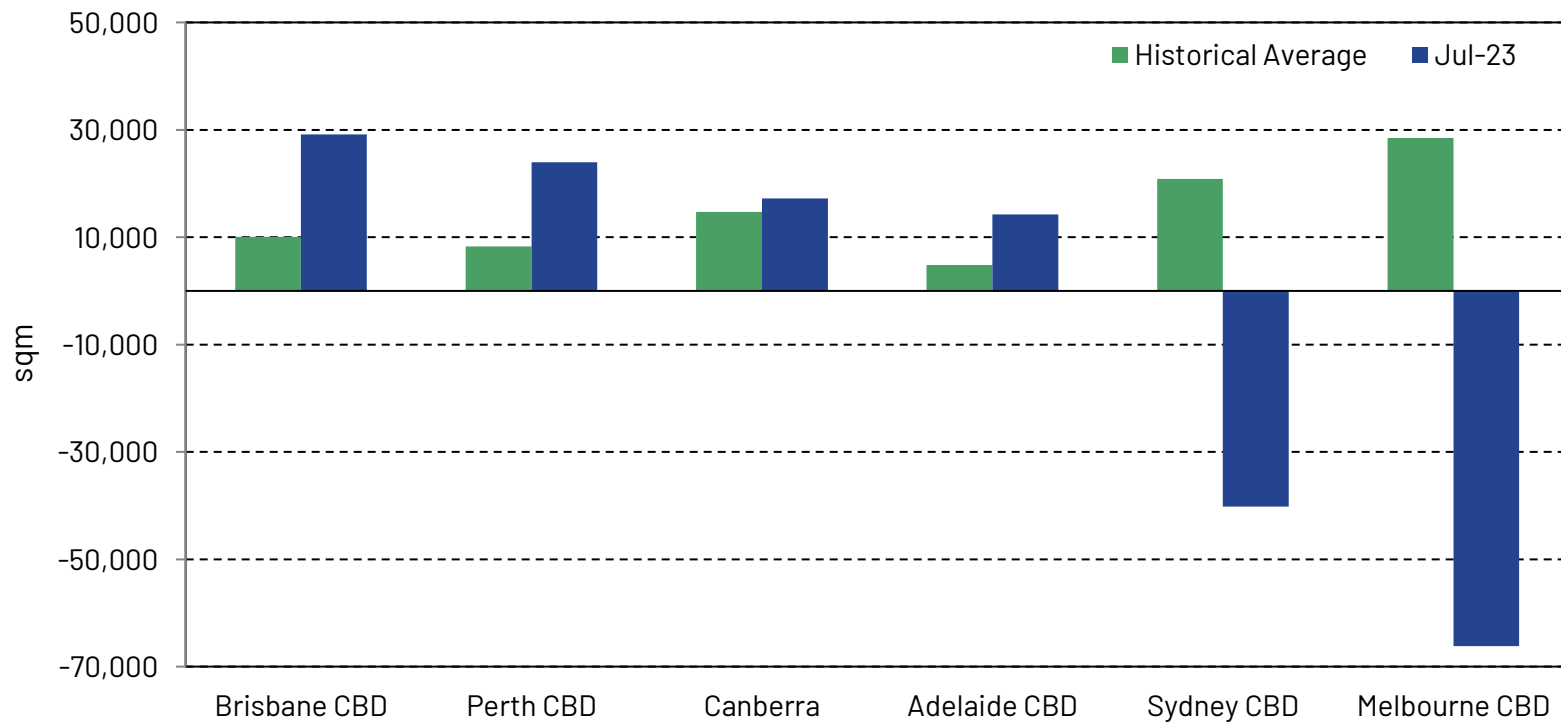
The seven largest vacancy increases were all in Non-CBD markets

CBD Vacancy Change – Six Months to July 2023



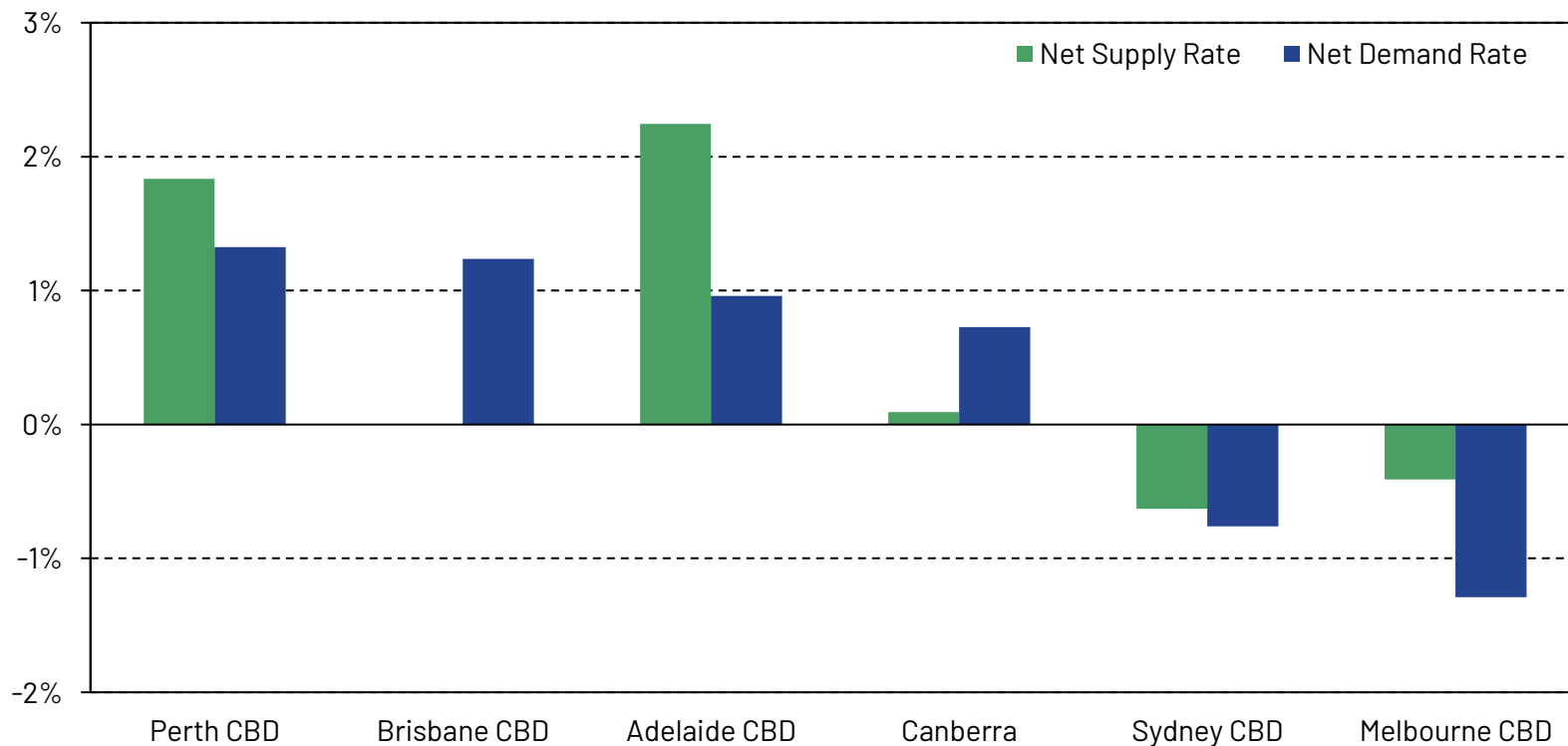
Canberra and Brisbane were the only capital cities to record vacancy decreases

Net CBD Demand – Six Months to July 2023



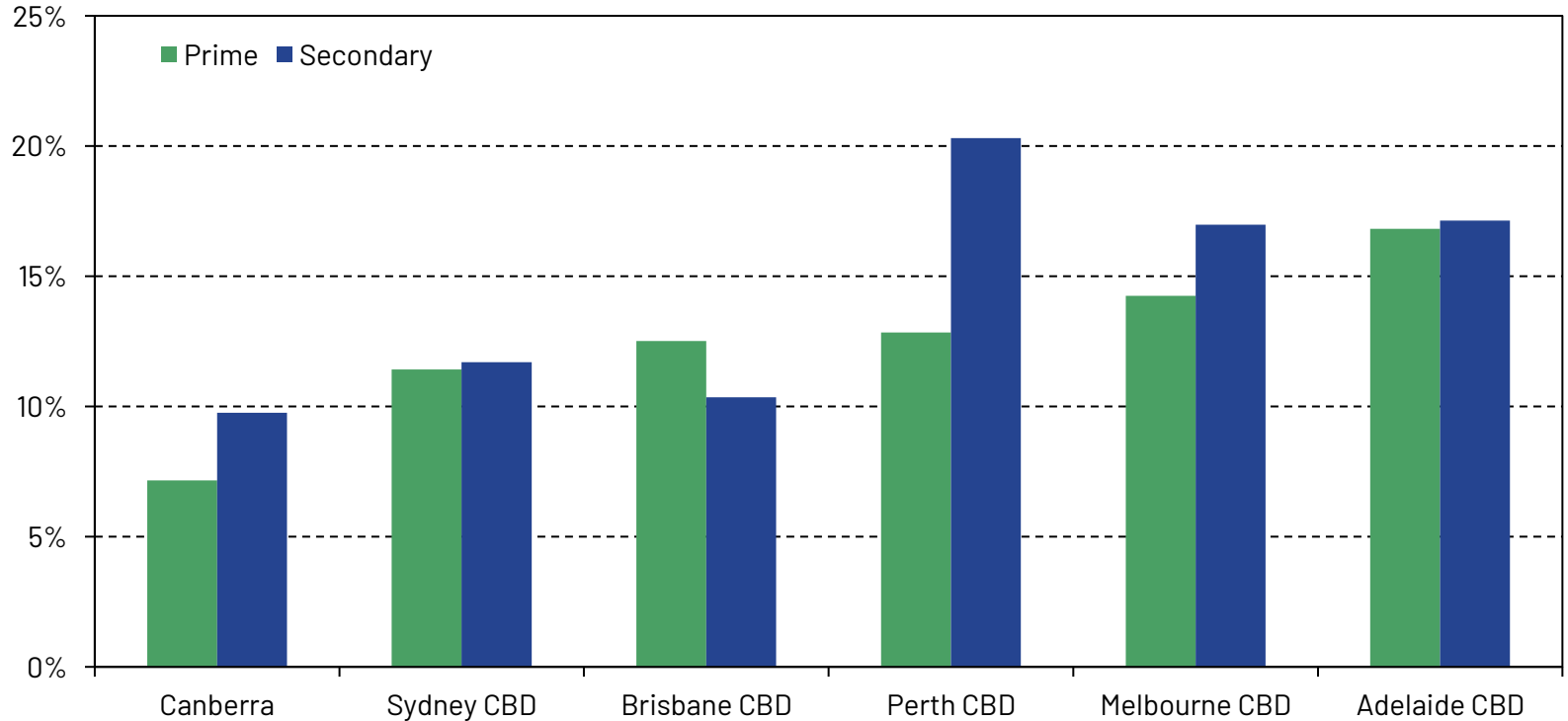
Sydney and Melbourne were the only capital cities to record negative demand

CBD Net Supply & Net Demand (% of stock) – Six Months to July 2023



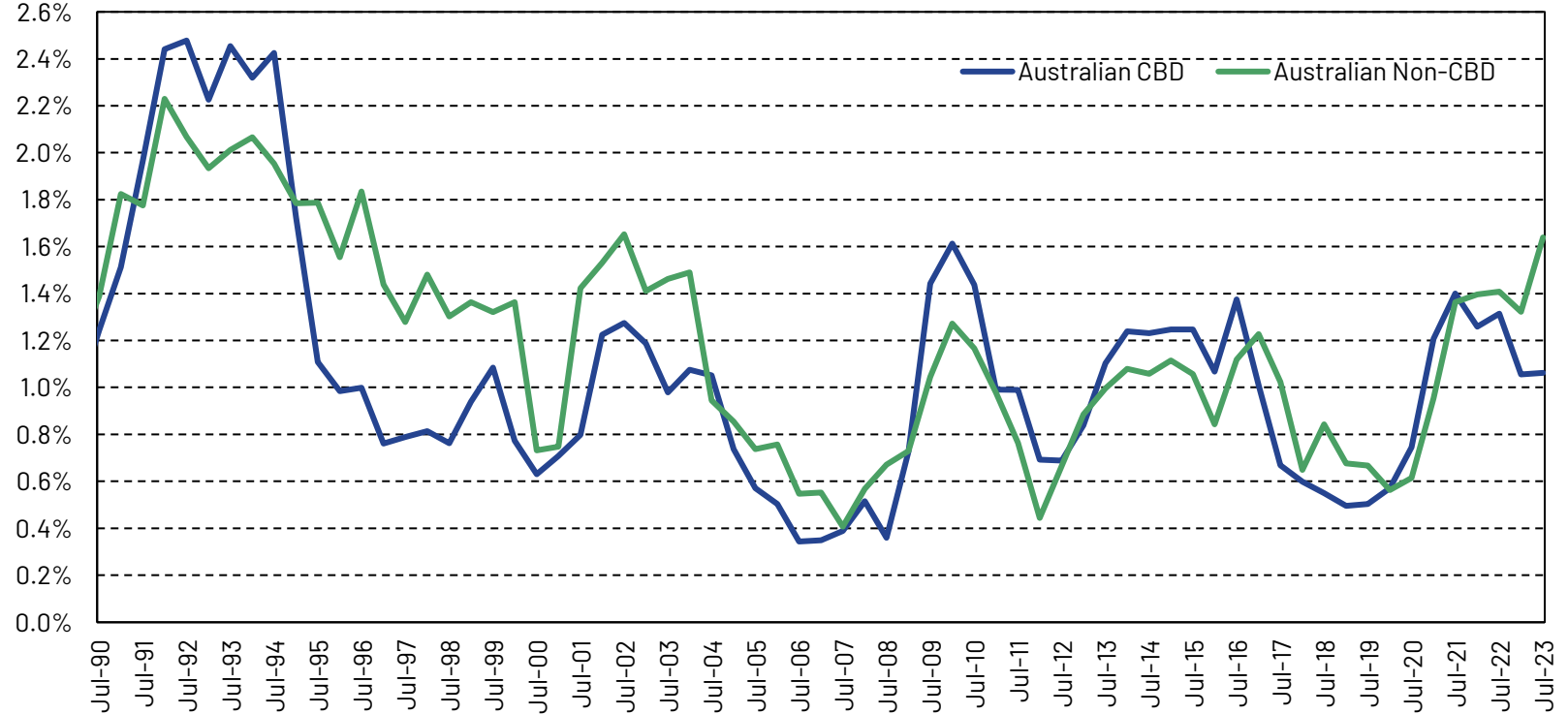
Capital city markets with negative supply also recorded negative demand

CBD Vacancy Rate – Prime vs Secondary – July 2023



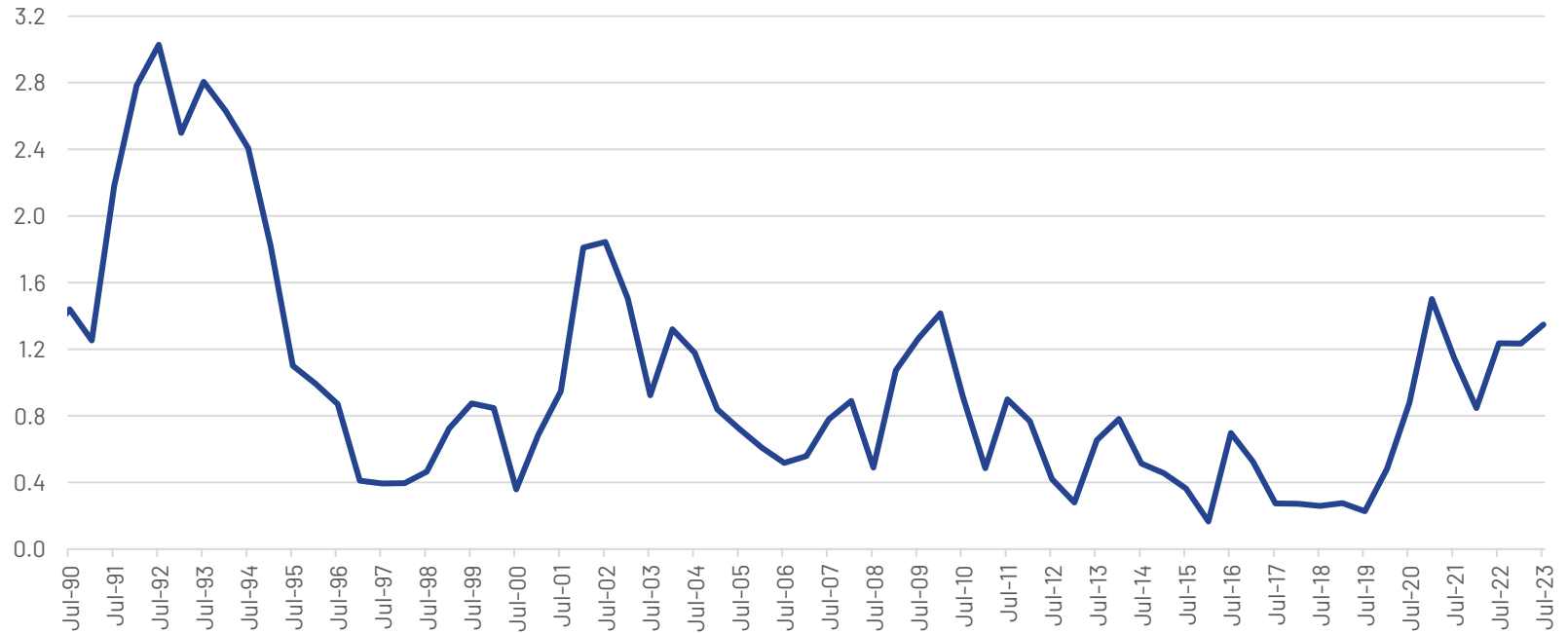
Brisbane CBD was the only capital to record higher prime vacancy than secondary vacancy

Australian CBD v Non-CBD Sublease Vacancy: July 1990 - July 2023



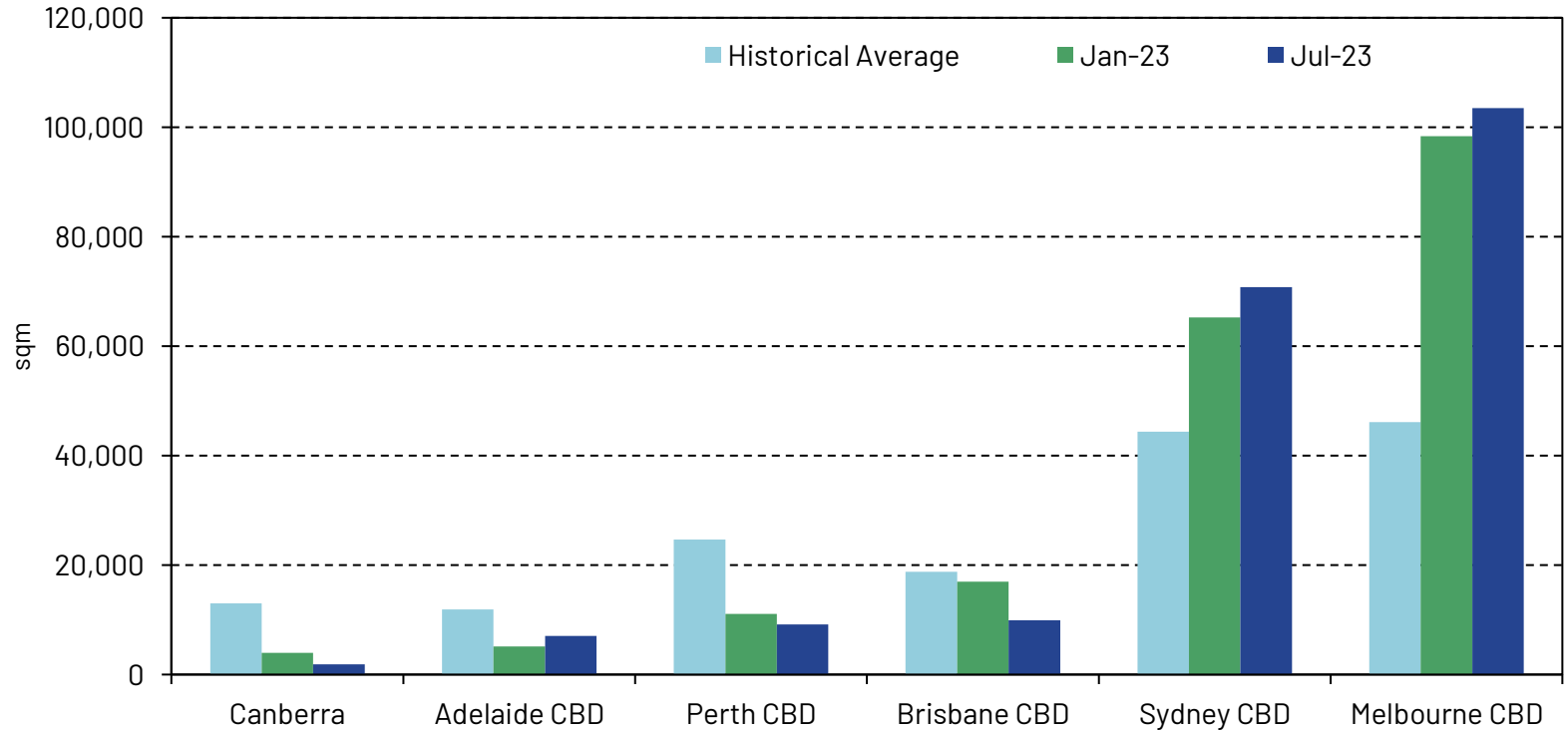
Sublease vacancy increased in the Non-CBD market, but remained steady in the CBD market

Sydney CBD Historical Sublease Vacancy: July 1990 - July 2023



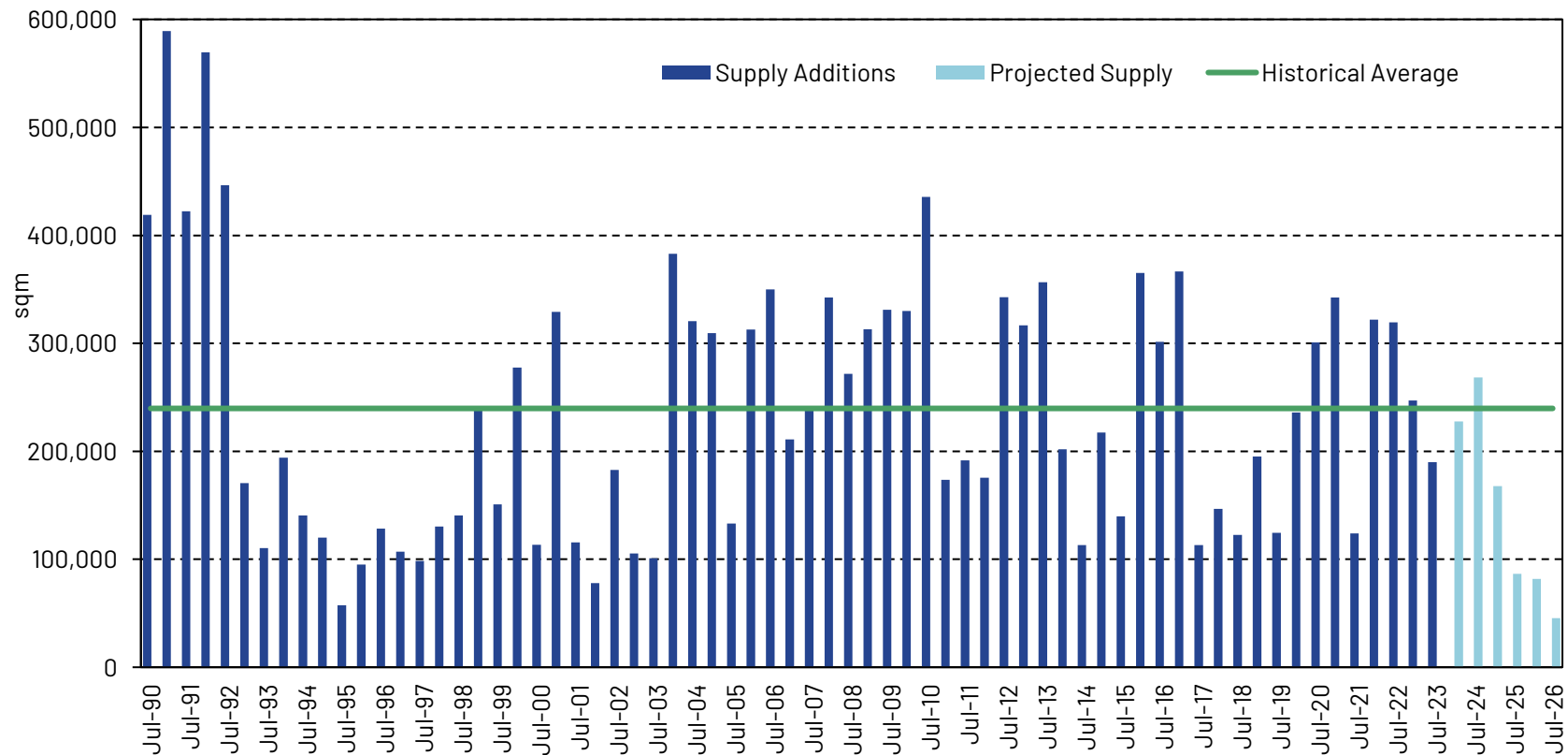
Sydney CBD sublease vacancy rose in the six months to July 2023

CBD Sublease Vacancy – Six Months to July 2023

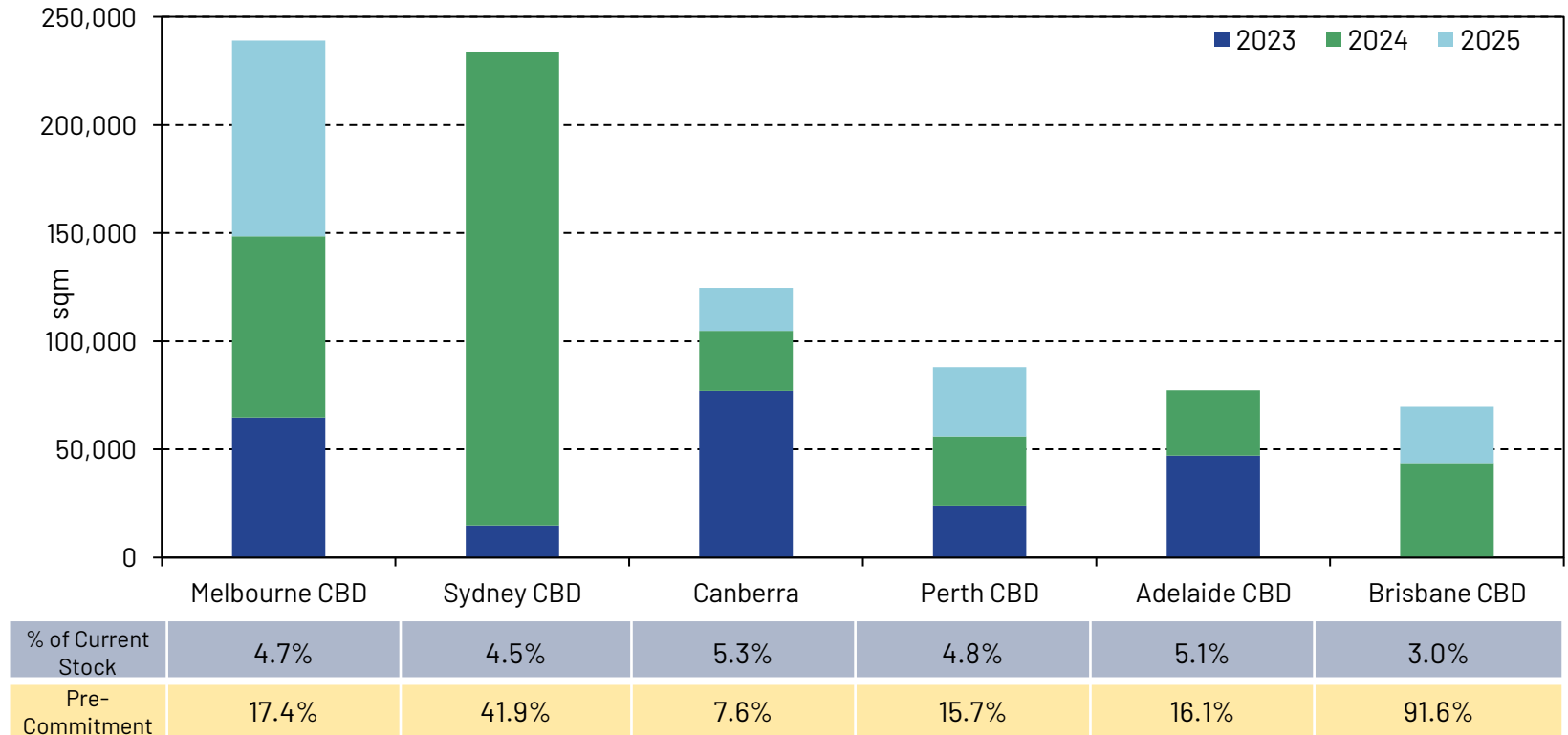


Sydney and Melbourne recorded sublease vacancy above their historical averages

Australian CBD Six Monthly Gross Supply: July 1990 - July 2026

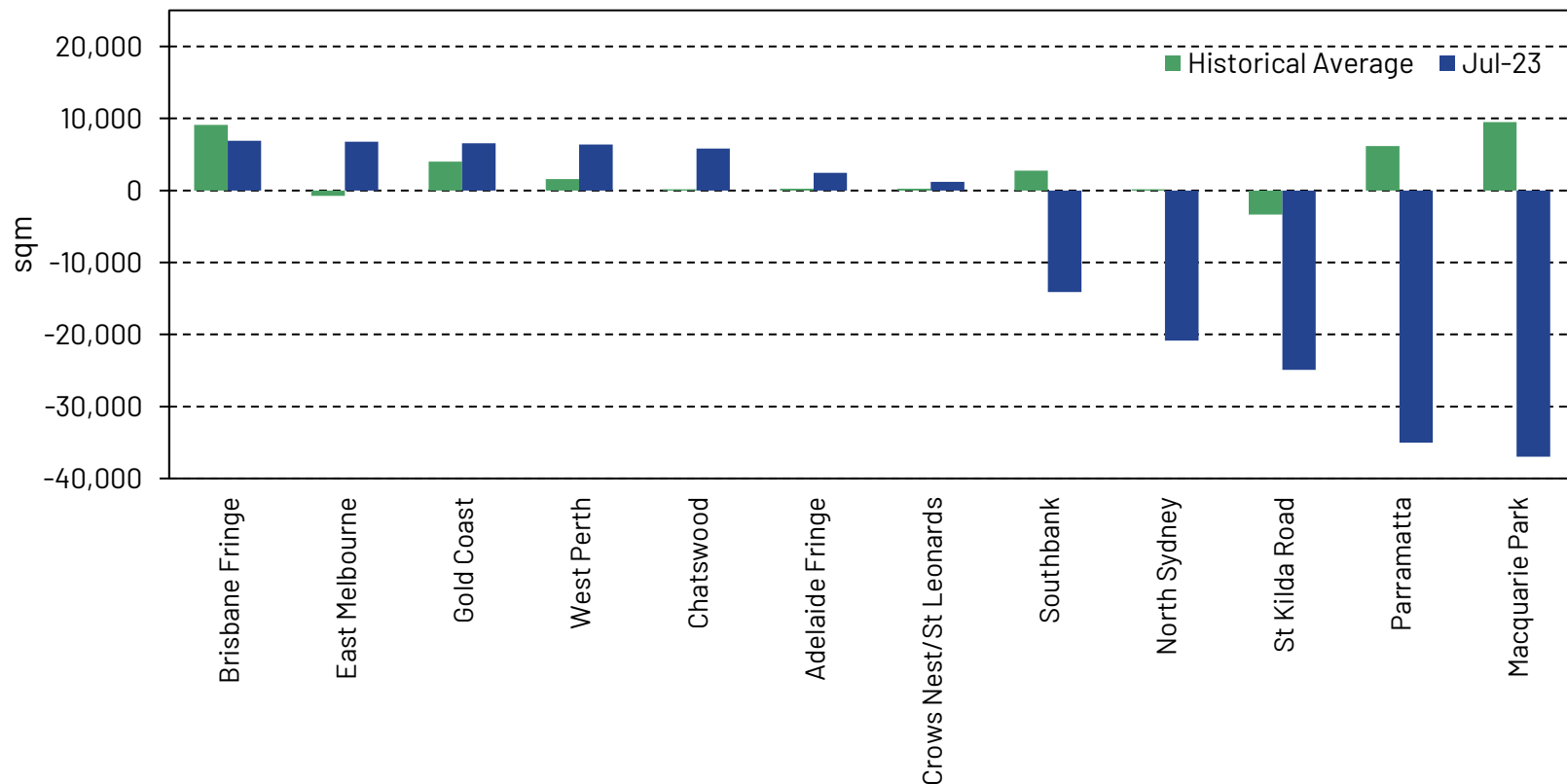


Future Supply of CBD markets (2023-2025)



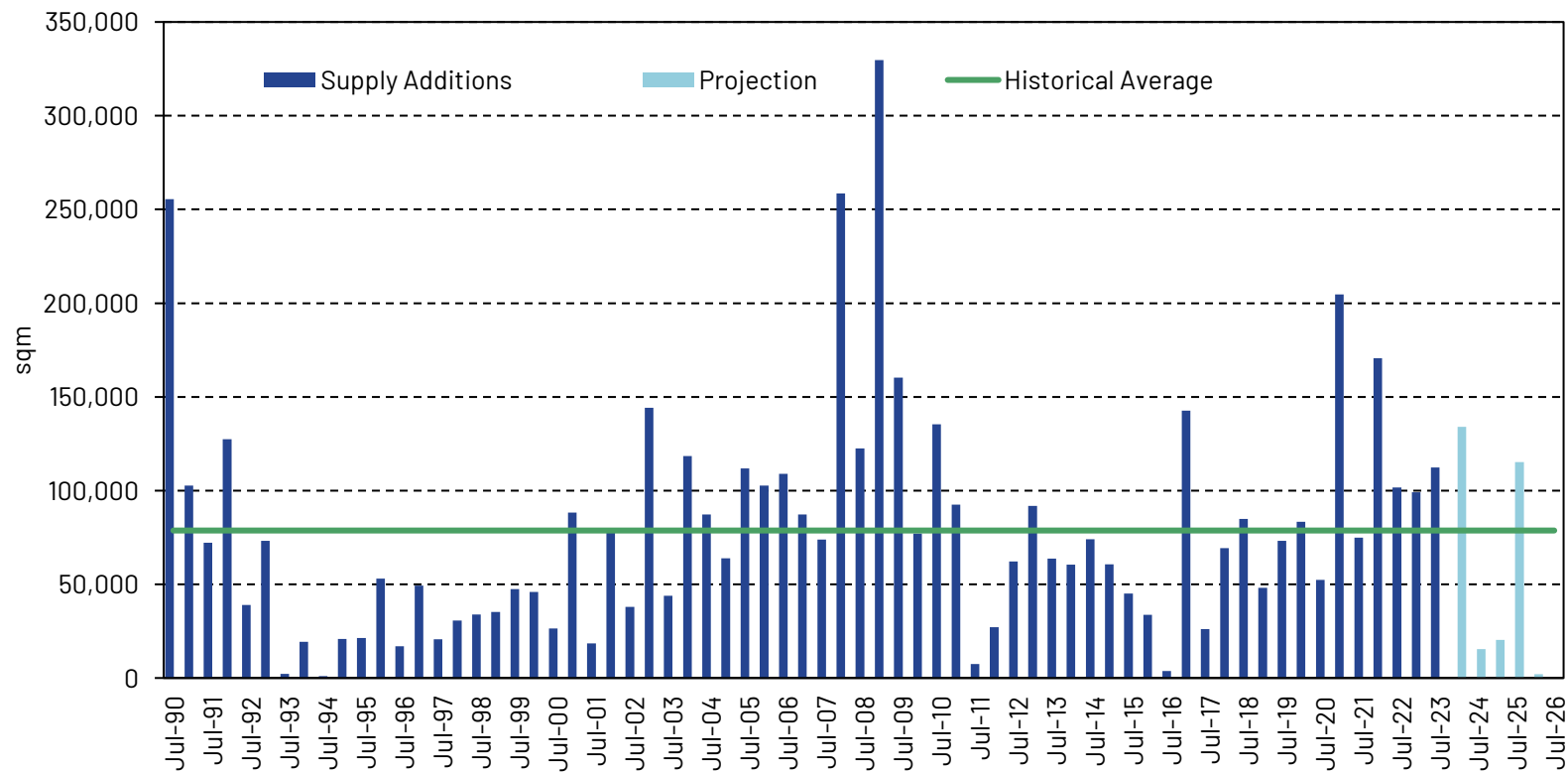
Over 200,000sqm of stock is due to come online in Sydney in 2024

Non-CBD Net Demand – Six Months to July 2023

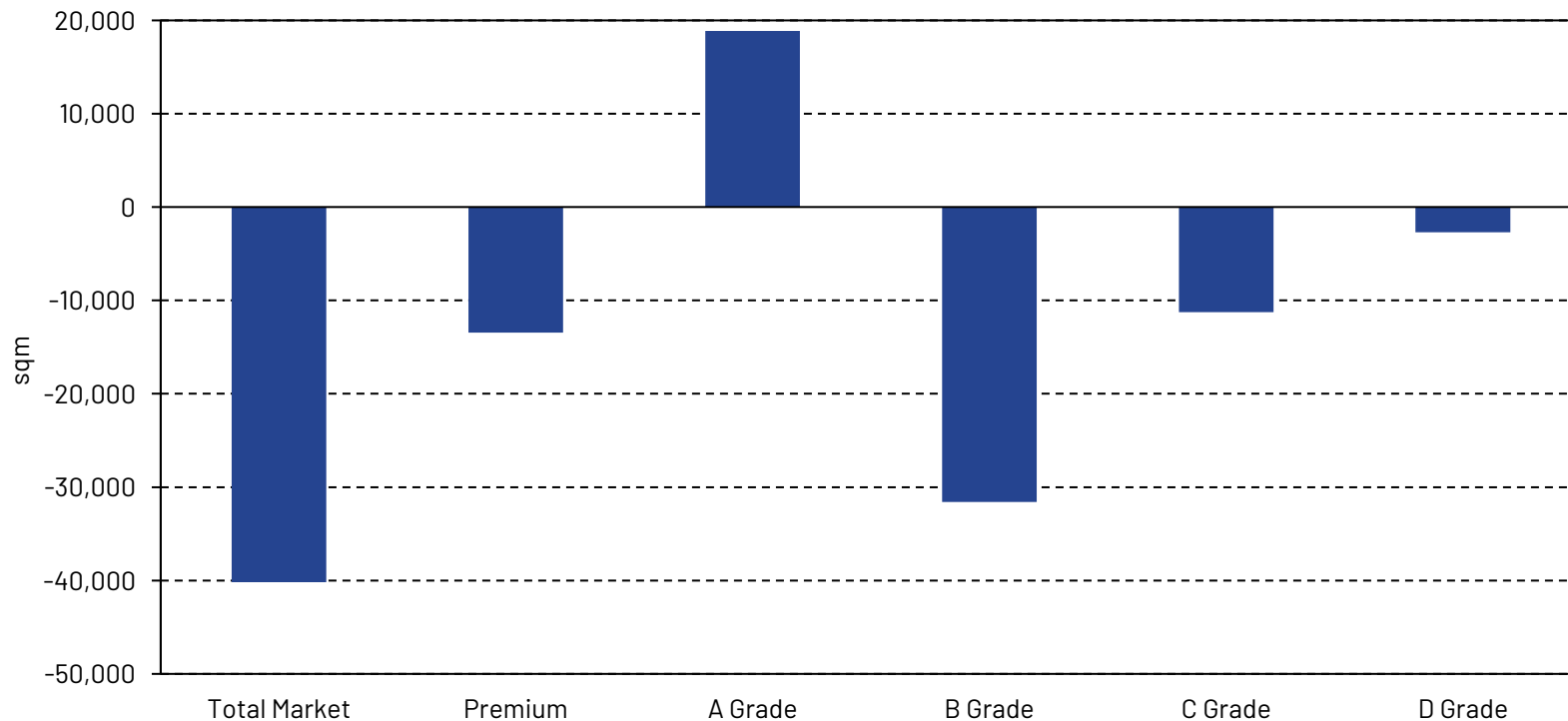


Three out of the four Non-CBD markets with the lowest demand were in NSW

Australian Non-CBD Six Monthly Gross Supply: July 1990 – July 2026

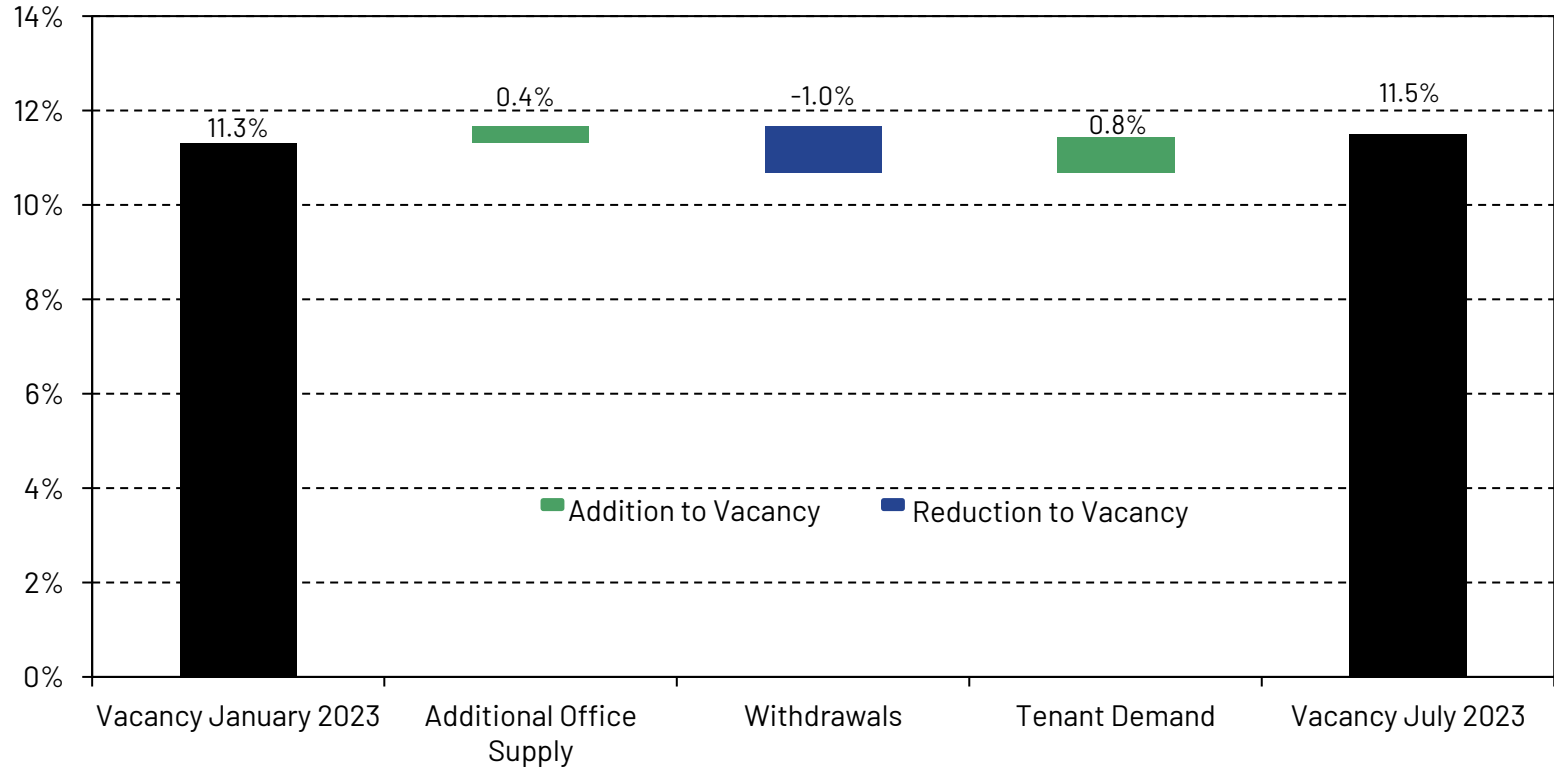


Sydney CBD Six Monthly Net Demand By Grade – July 2023

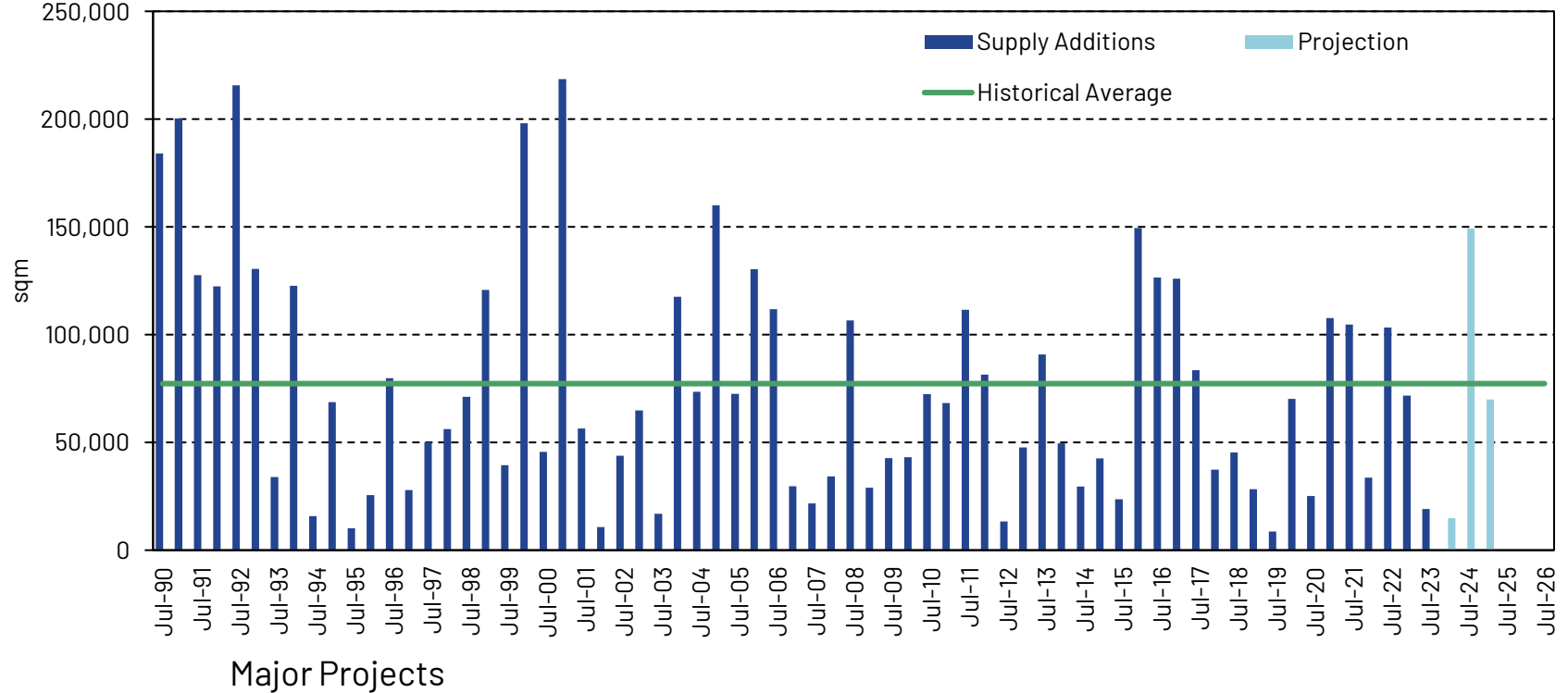


Sydney CBD only recorded positive demand in the A Grade segment

Net Sydney CBD Vacancy Attribution - Six Months to July 2023



Sydney CBD Six Monthly Gross Supply: 1990-2026



2024 Q1 – 1 Elizabeth Street – 62,871 sqm

2024 Q2 – 252 Pitt Street – 48,000 sqm

2024 Q2 – 39 Martin Place – 30,000 sqm

2024 Q4 – 33 Alfred Street – 31,657 sqm

National Research Team

John Nguyen – National Research Manager

Connor Oghlanian – Research Analyst

Scott Christie – Research Officer

Calum Golden – Information Analyst

Michael Marinos – Information Analyst

Jacinta Chen – Information Analyst

Jason Lin – Information Analyst



Disclaimer: While the material contained in this publication is based on information which the Property Council of Australia (including its Directors, officers, employees and agents) understands to be reliable, its accuracy and completeness cannot be guaranteed. This publication is general and does not take into account the particular circumstances or needs of any person who may read it. You should obtain independent advice from suitably qualified consultants and professionals before making any decisions in relation to the contents of this publication.

The Property Council of Australia is not liable and accepts no responsibility for any claim, loss or damage of whatever nature suffered by any person or corporation who relies or seeks to rely on any information, advice or opinion contained in this publication, or otherwise given by the Property Council of Australia. *Copyright:* This publication is copyright. The Property Council of Australia is the copyright owner. Except as permitted under the Copyright Act 1968 (Cth), no part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic or otherwise, without the permission of the copyright owner.



Office Market Report July 2023

**For further information please
contact Property Council Research**

Level 7, 50 Carrington Street, Sydney NSW 2000
Telephone: (02) 9033 1900
Email: research@propertycouncil.com.au

