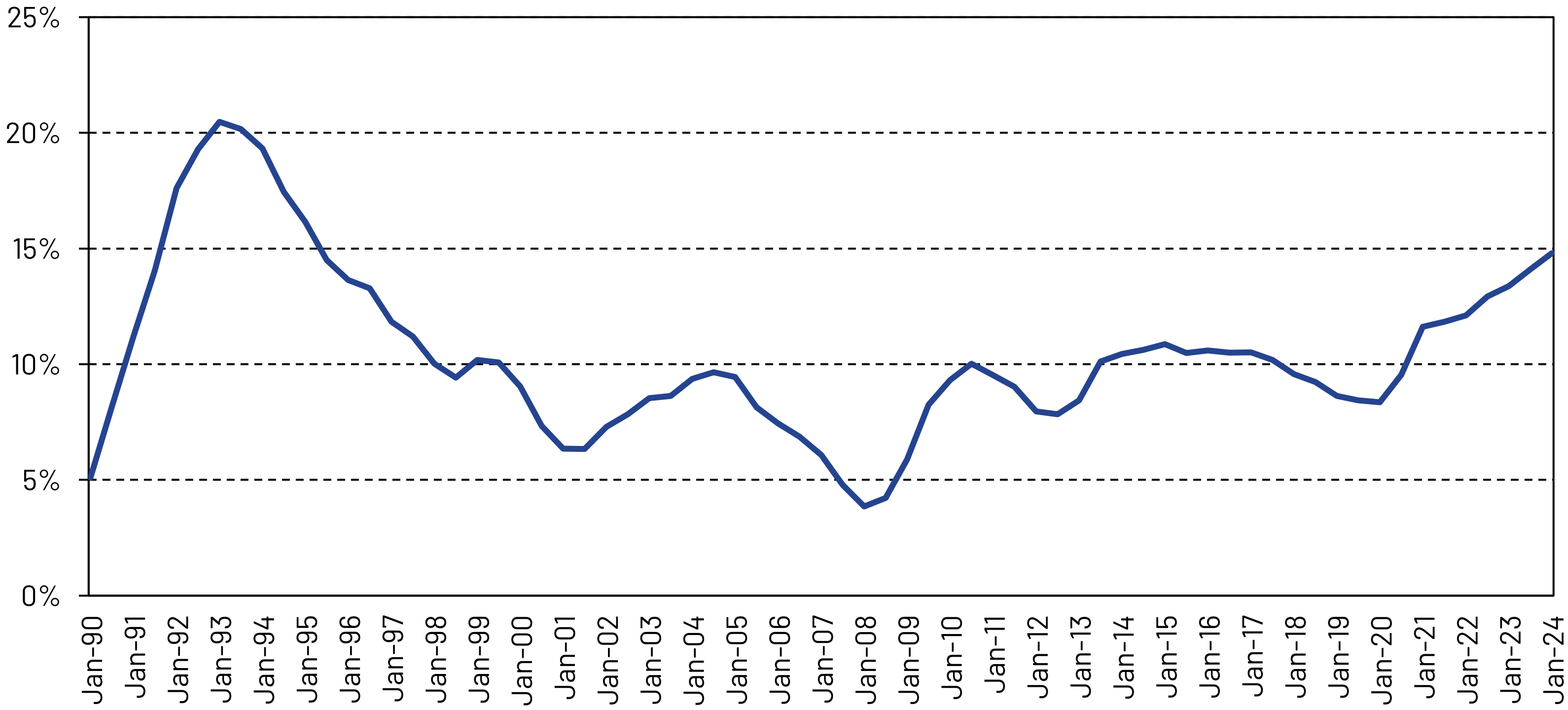
Office Market Report

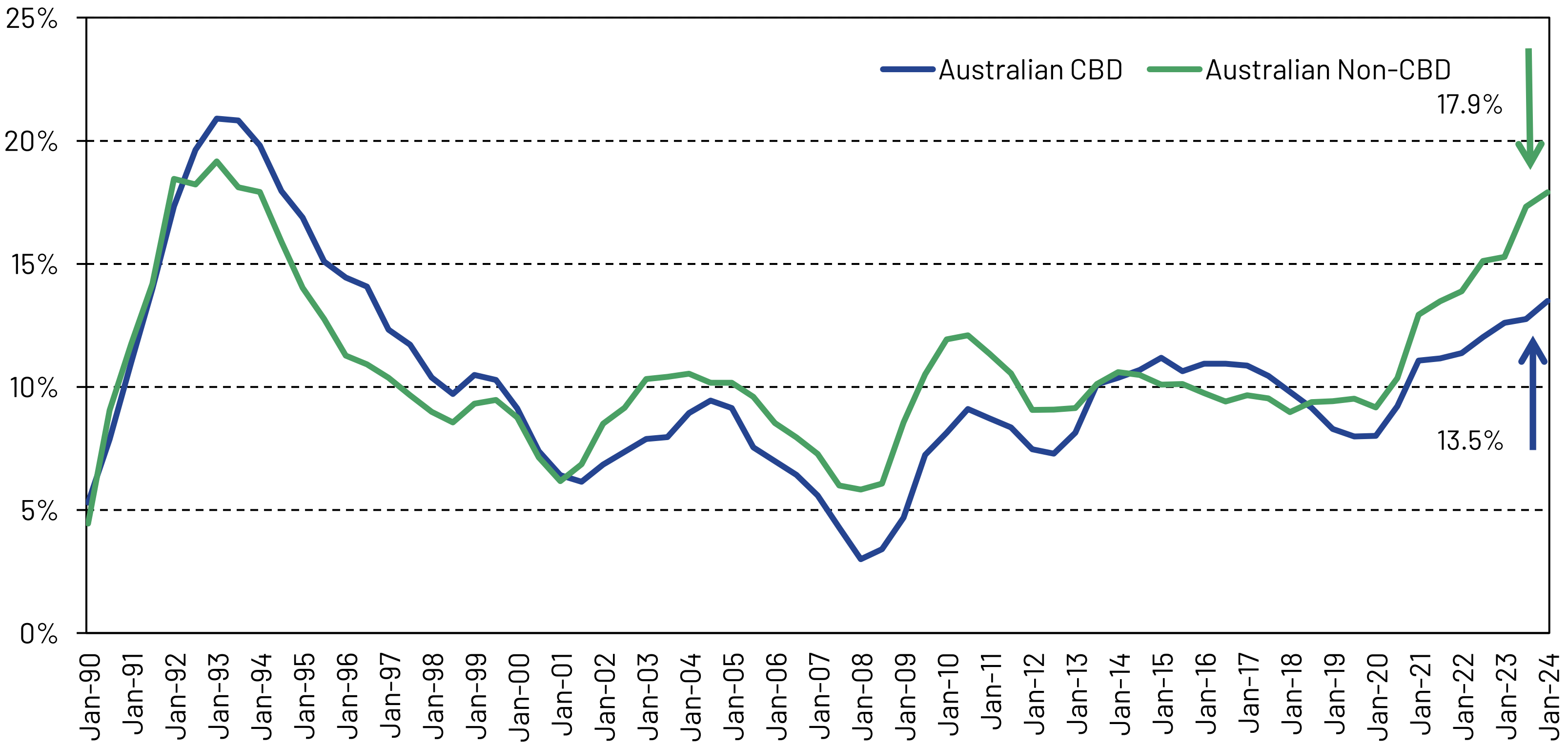
January 2024

Australian Vacancy: 1990 – 2024



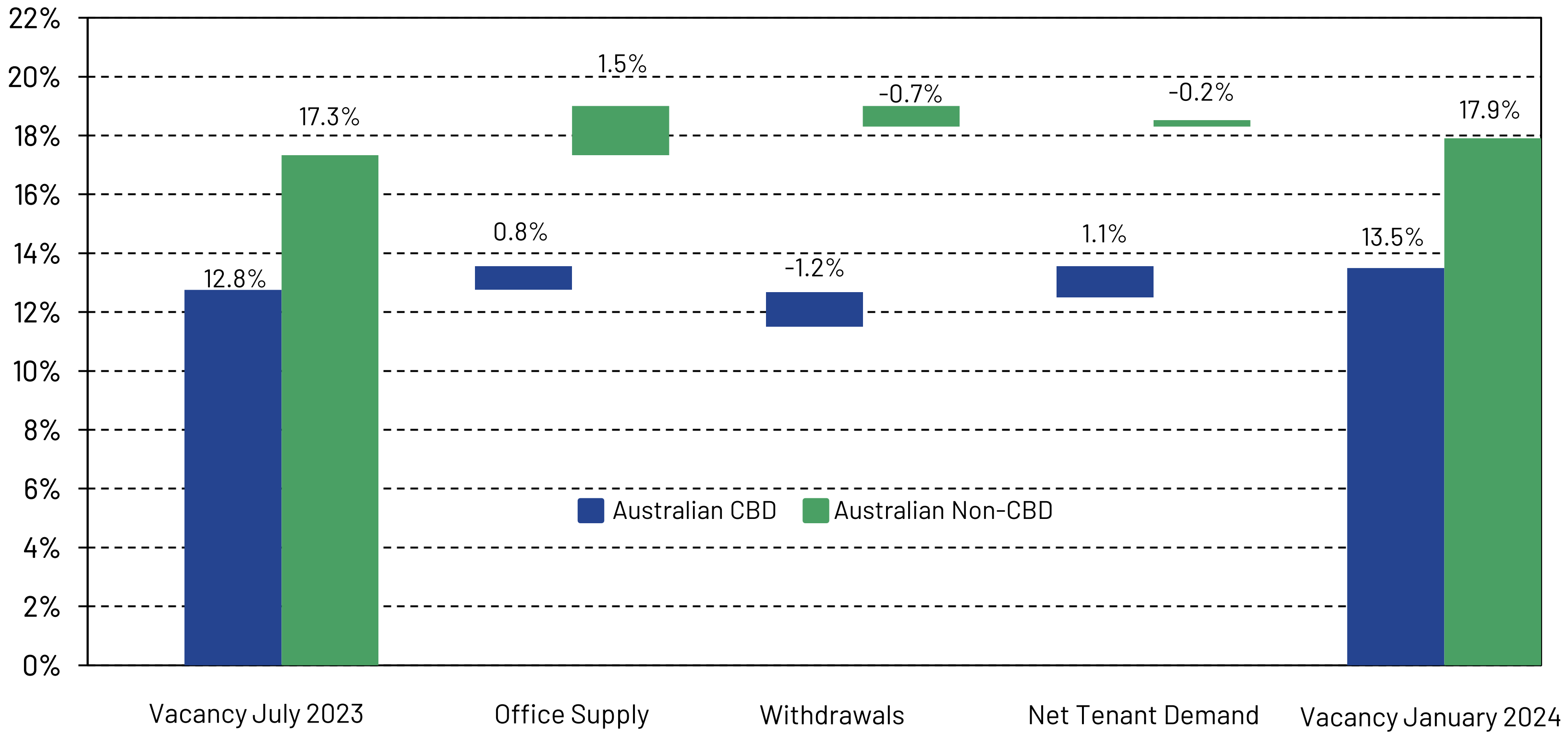
Australian office vacancy increased from 14.1 to 14.8 per cent over the six months to January 2024

Australian CBD v Non-CBD Vacancy: 1990 – 2024



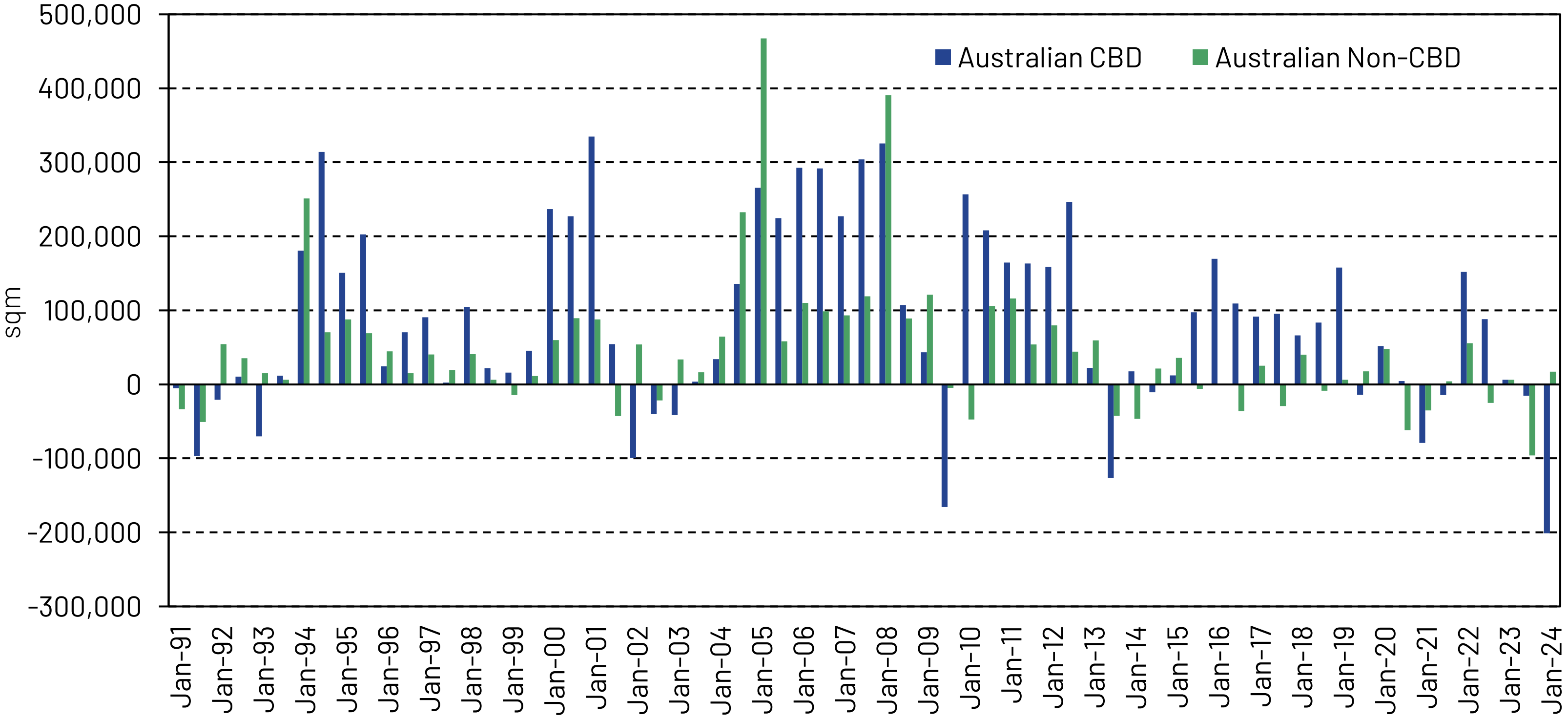
Both the Australian CBD and Non-CBD vacancy rates increased over the six months to January 2024

Net Australian CBD and Non-CBD Vacancy Attribution – Six Months to January 2024



Negative demand drove the vacancy increase in the CBD market, while supply additions drove the increase in the Non-CBD market

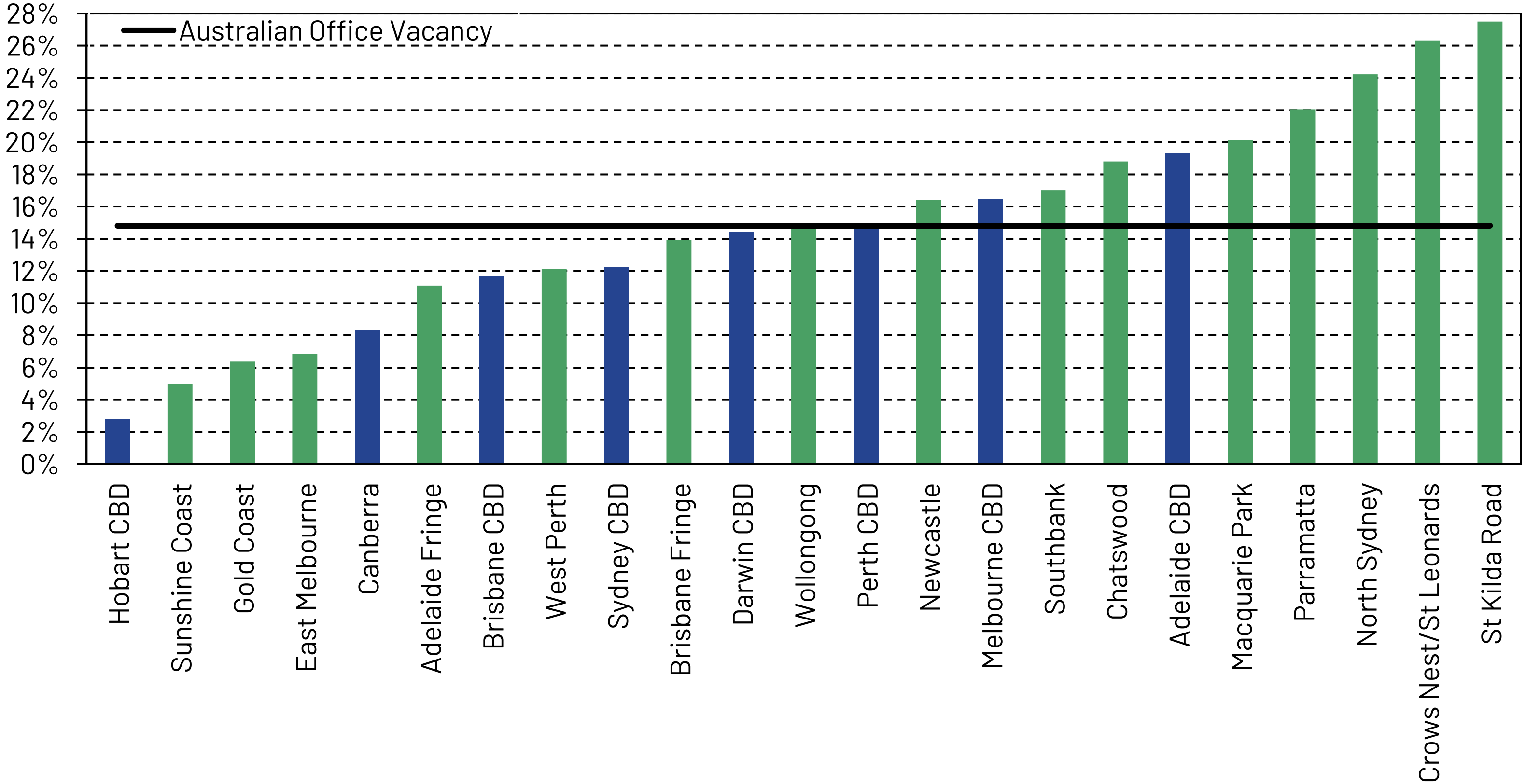
Australian CBD v Non-CBD Six Monthly Net Absorption: 1991-2024



Australian CBD recorded negative demand, while Non-CBD recorded positive demand

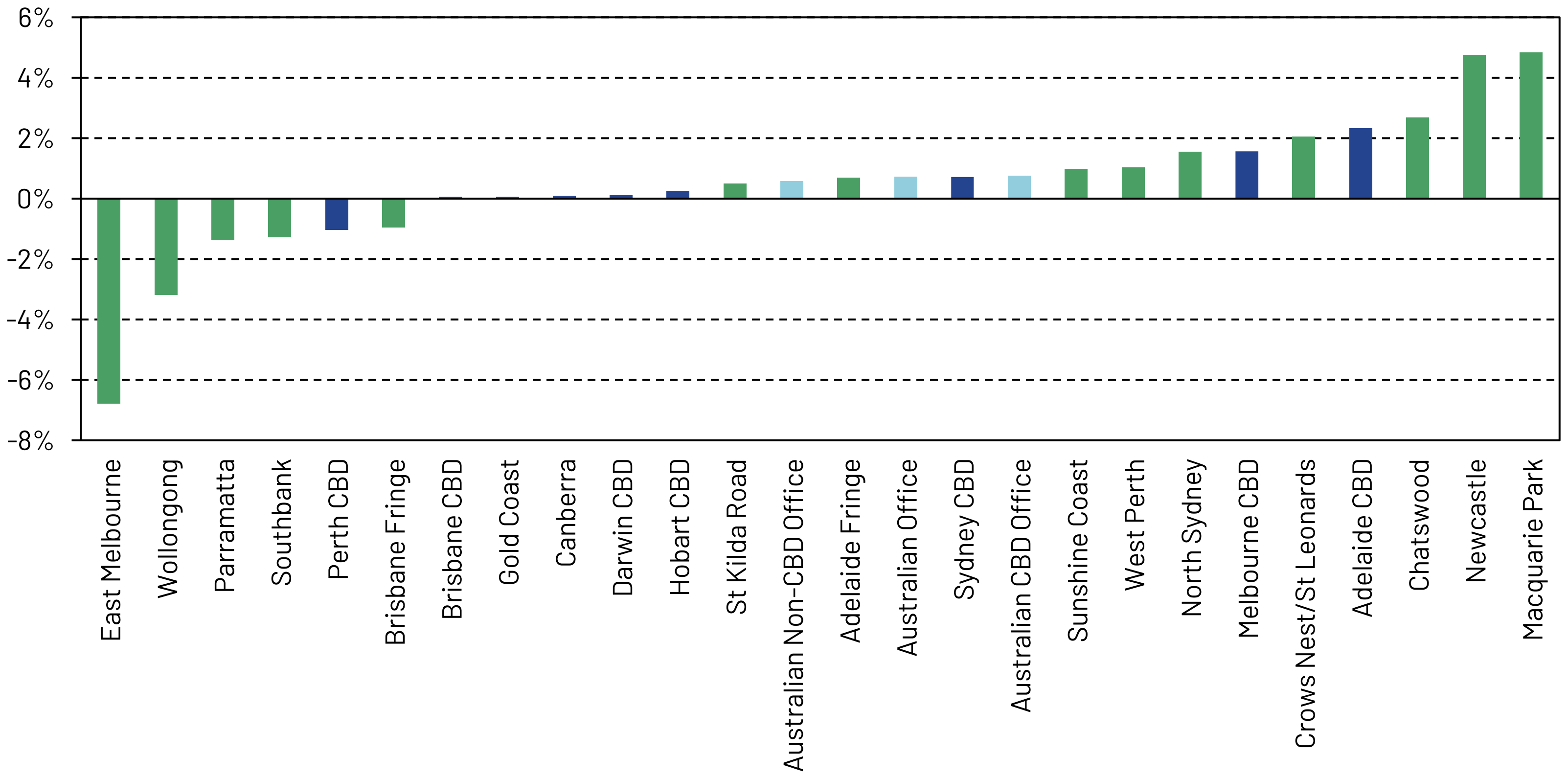
Note - January 2024 OMR includes updated boundary definitions for Perth CBD whose eastern border now runs along Hill Street

CBD & Non-CBD Vacancy Rates – January 2024



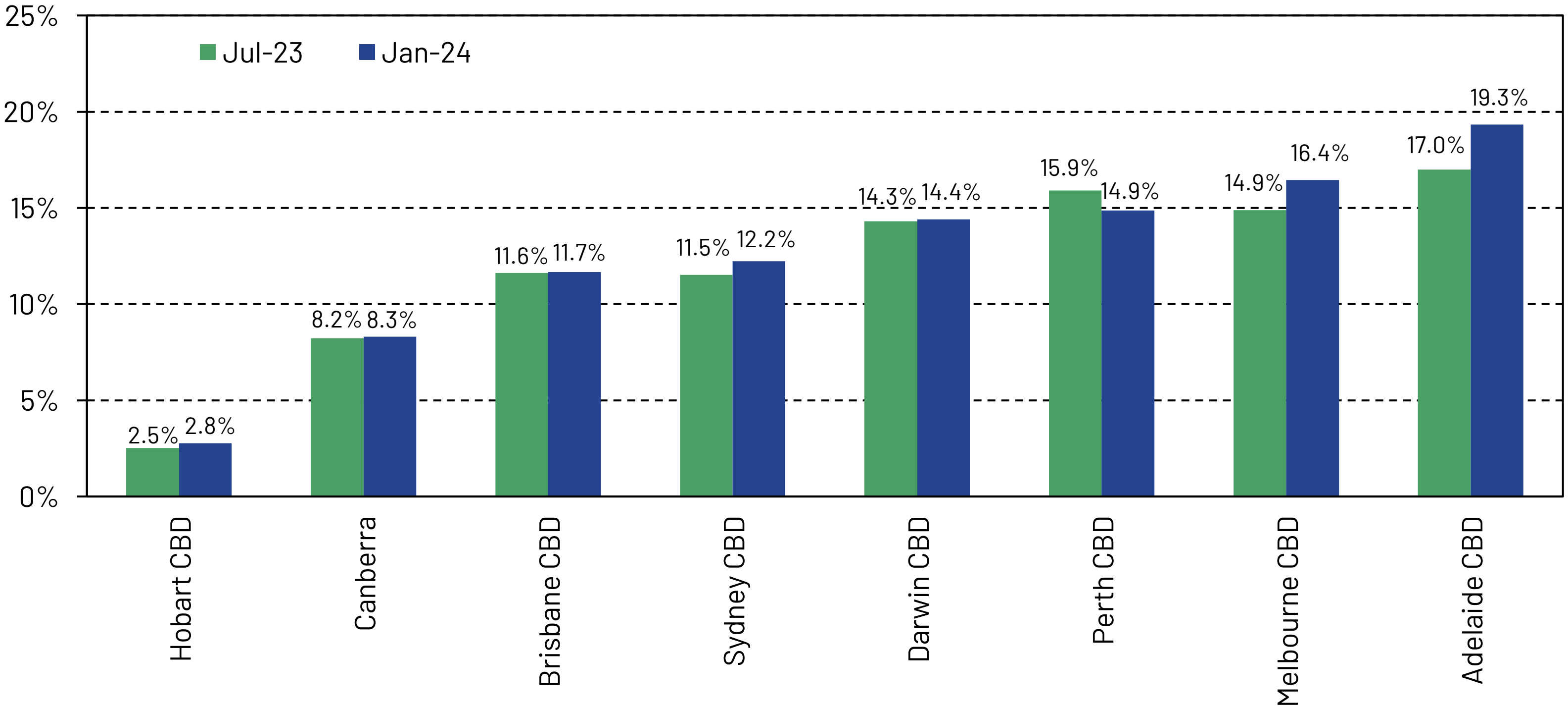
Five of the CBD markets recorded vacancy below the Australian Office vacancy rate

Vacancy Change – Six Months to January 2024



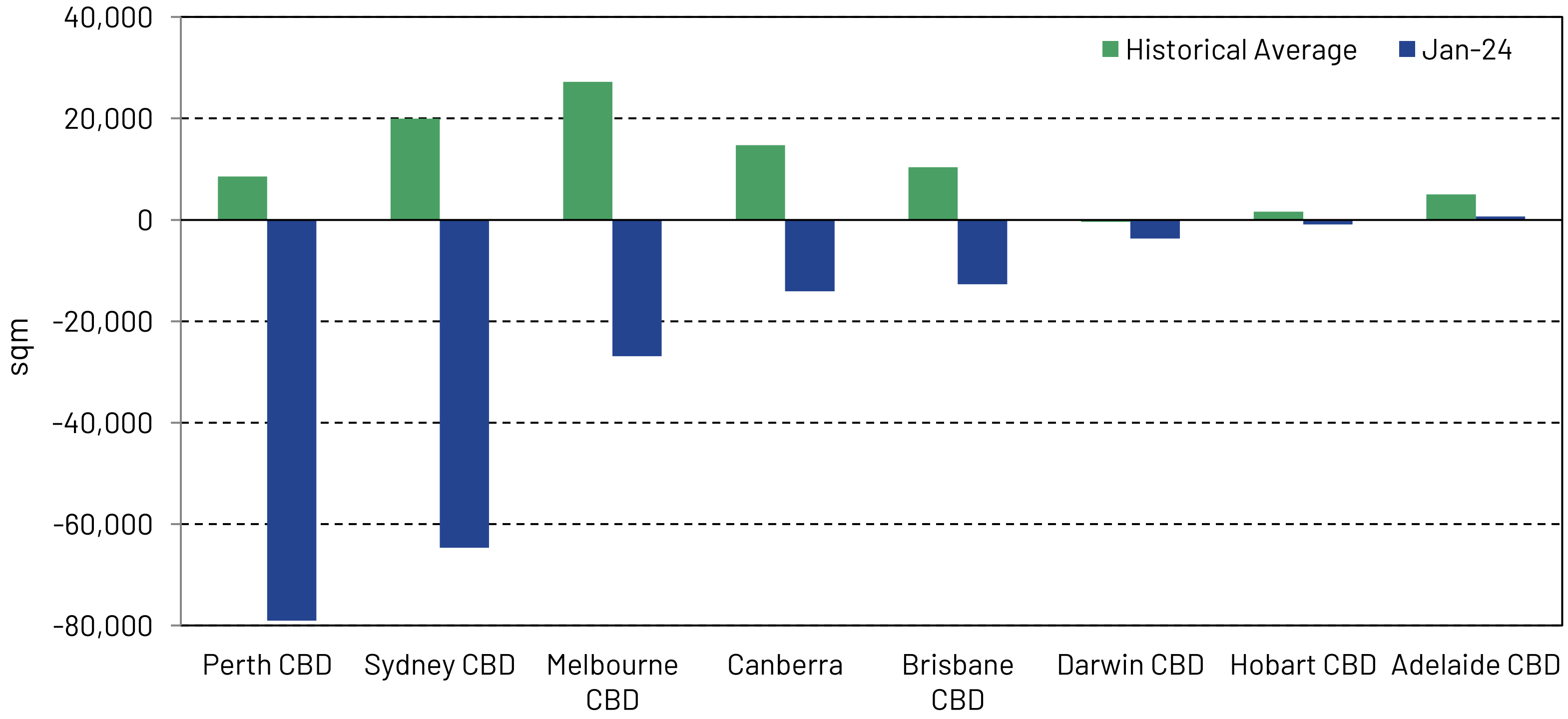
The four largest vacancy decreases were all in Non-CBD markets

CBD Vacancy Change – Six Months to January 2024



Hobart and Canberra were the only capitals to record single digit vacancy

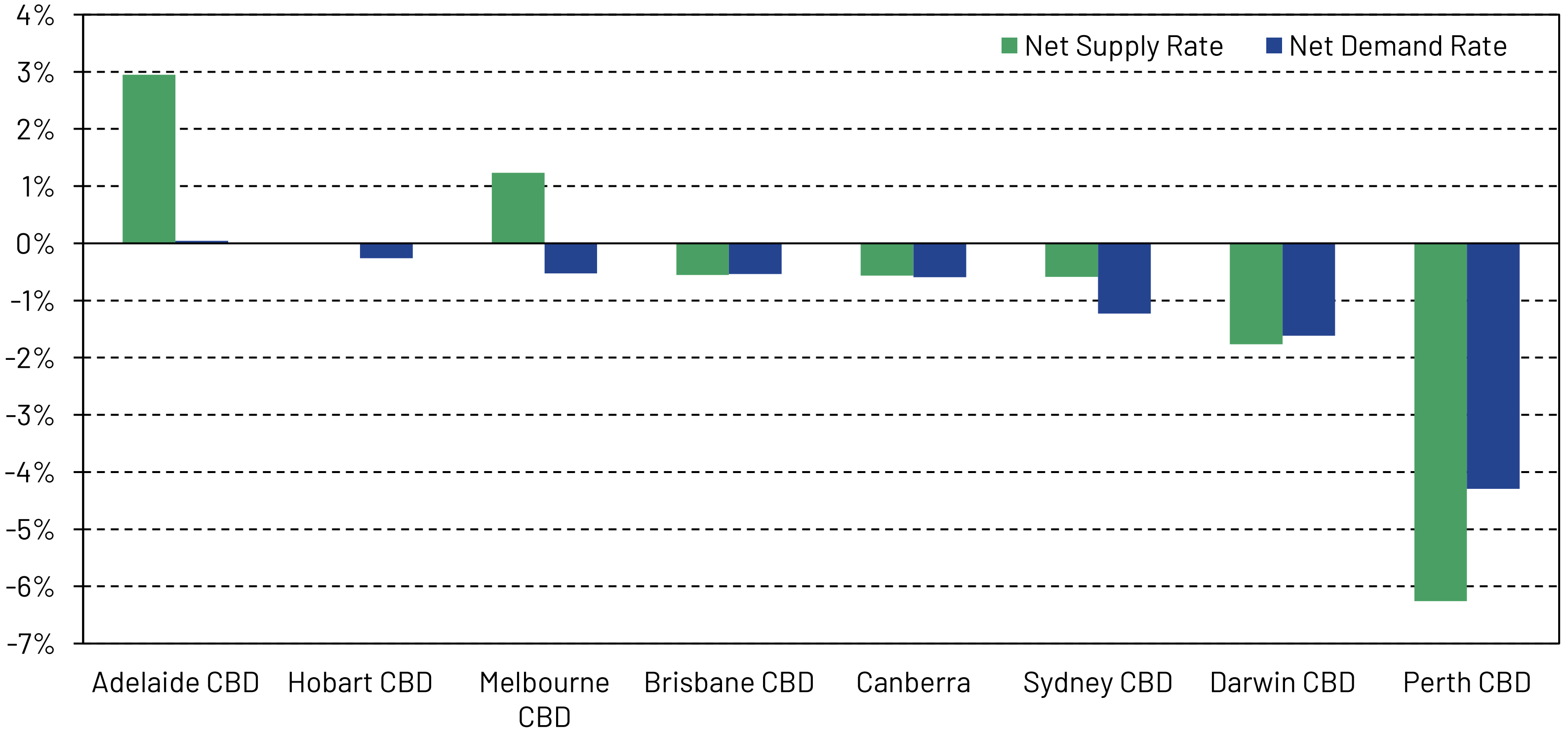
Net CBD Demand – Six Months to January 2024



Adelaide was the only CBD market to record positive demand

Note - January 2024 OMR includes updated boundary definitions for Perth CBD whose eastern border now runs along Hill Street

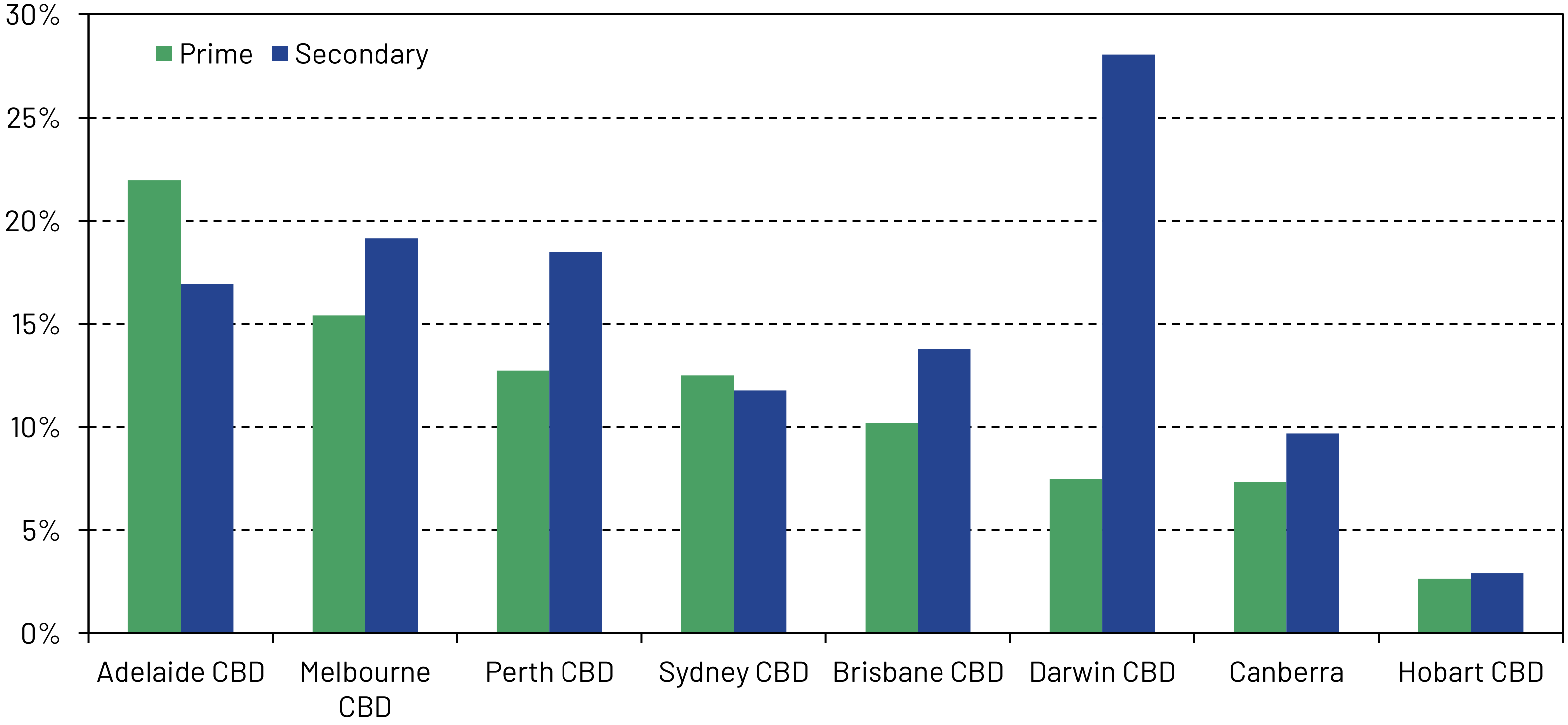
CBD Net Supply & Net Demand (% of stock) – Six Months to January 2024



Adelaide and Melbourne recorded positive net supply

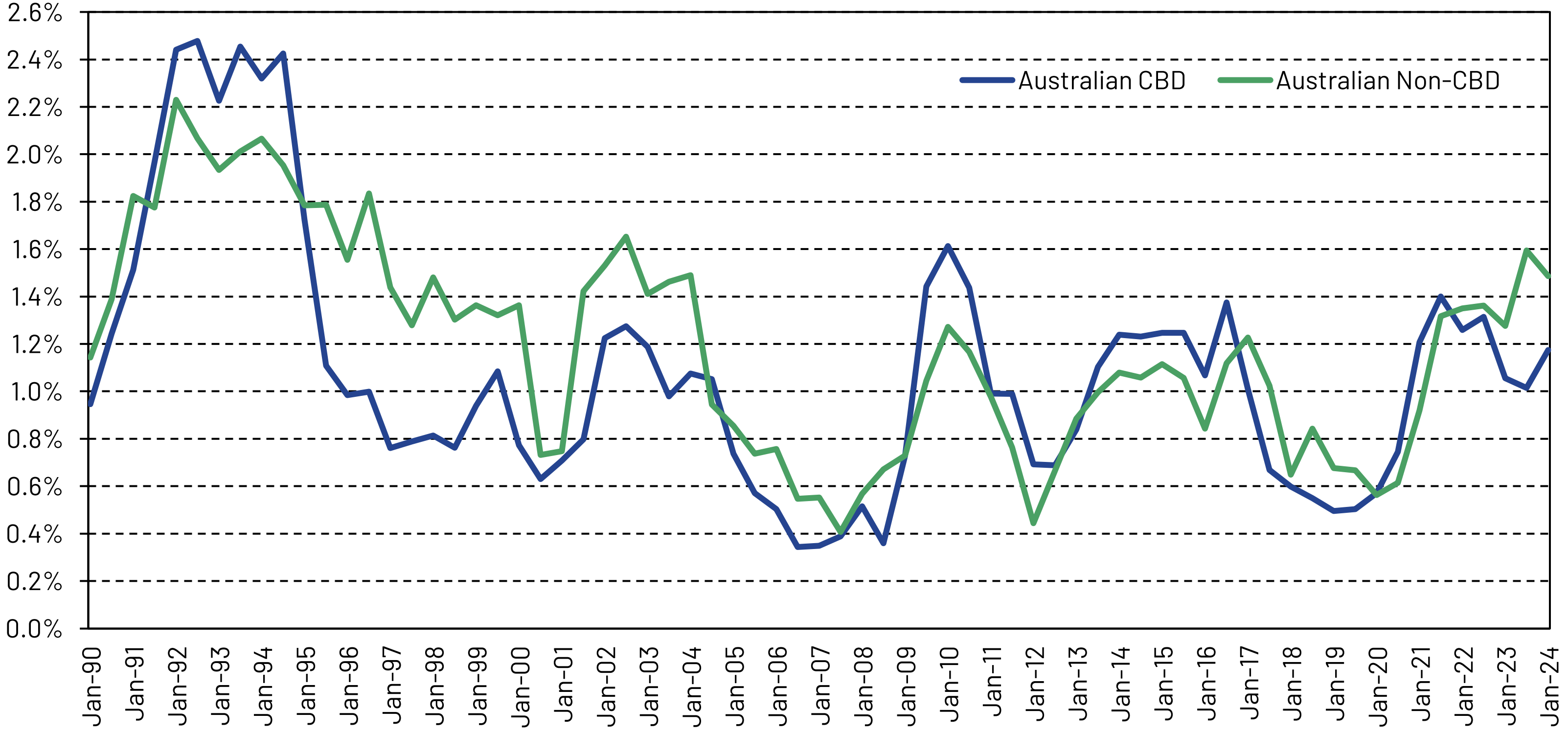
Note - January 2024 OMR includes updated boundary definitions for Perth CBD whose eastern border now runs along Hill Street

CBD Vacancy Rate – Prime vs Secondary – January 2024



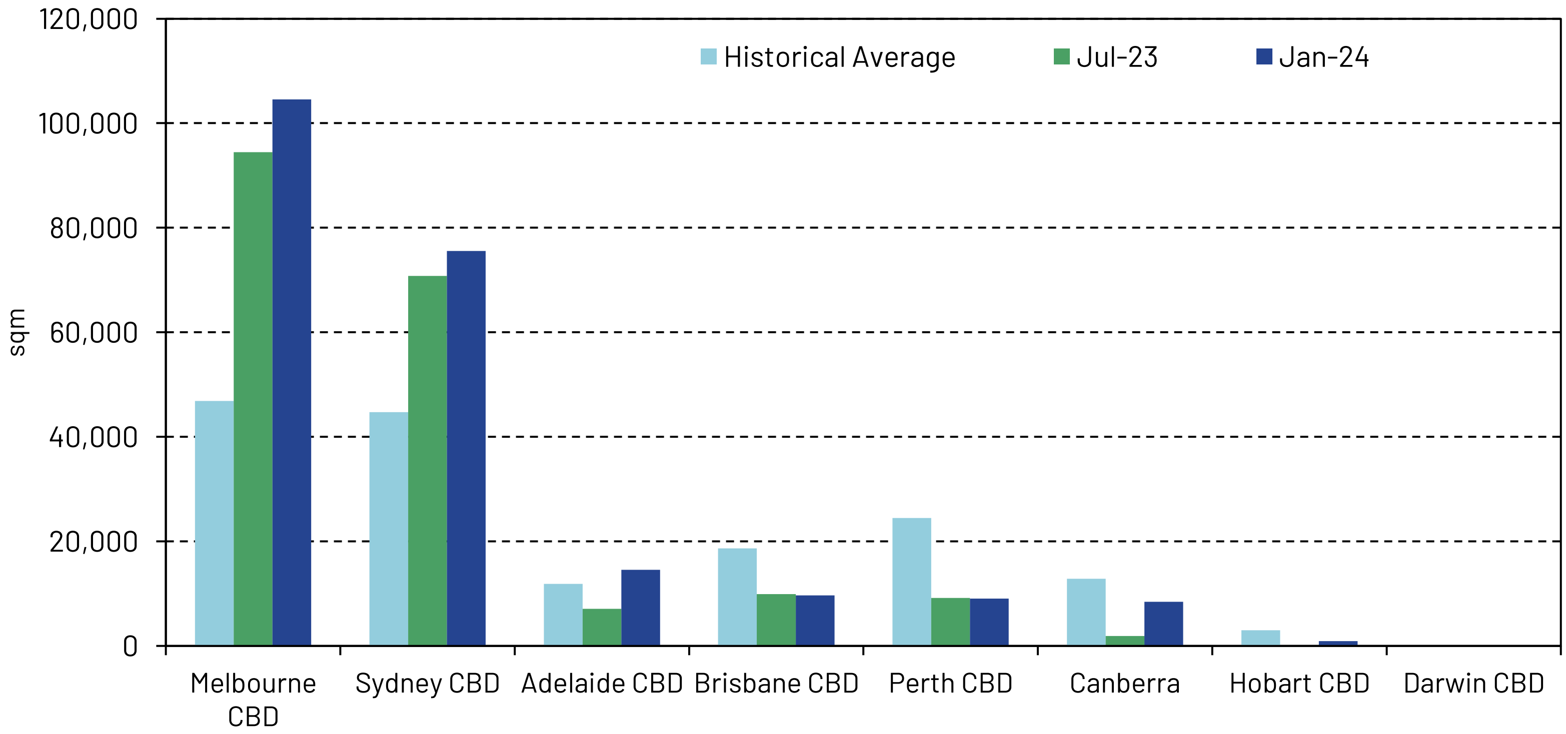
Adelaide and Sydney were the only capital cities to record higher prime vacancy rates than secondary

Australian CBD v Non-CBD Sublease Vacancy: January 1990 – January 2024



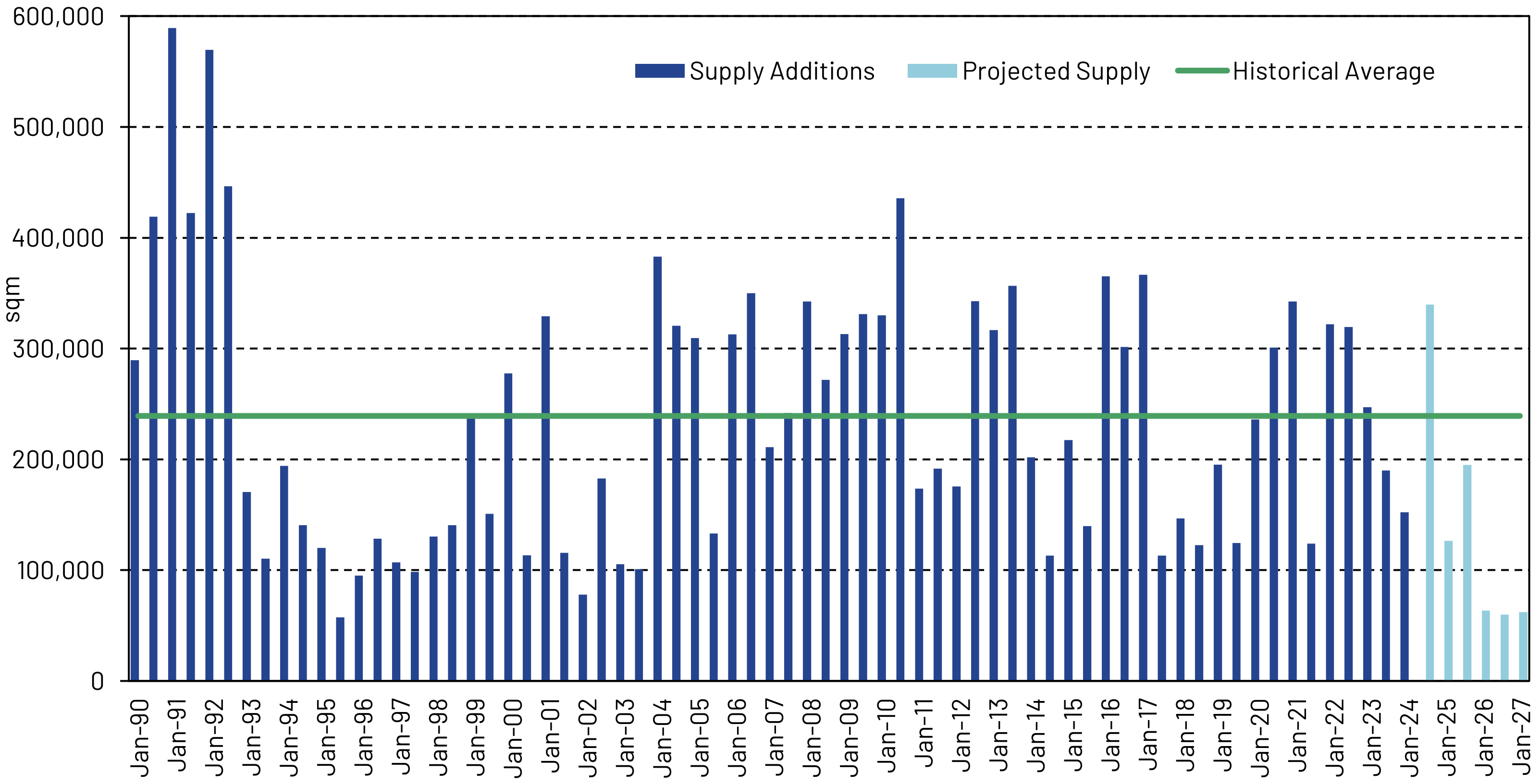
Sublease vacancy increased in the CBD market, but decreased in the Non-CBD market

CBD Sublease Vacancy – Six Months to January 2024

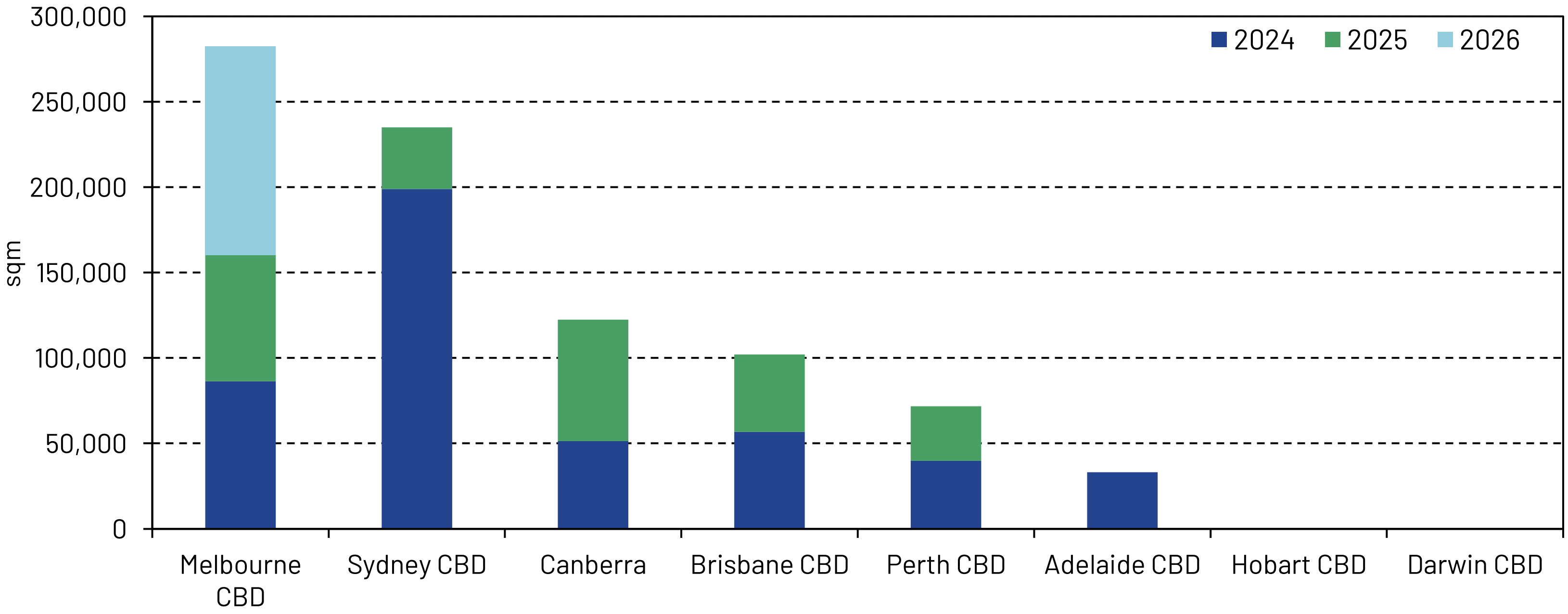


Melbourne, Sydney and Adelaide recorded sublease vacancy above their historical averages

Australian CBD Six Monthly Gross Supply: January 1990 – January 2027



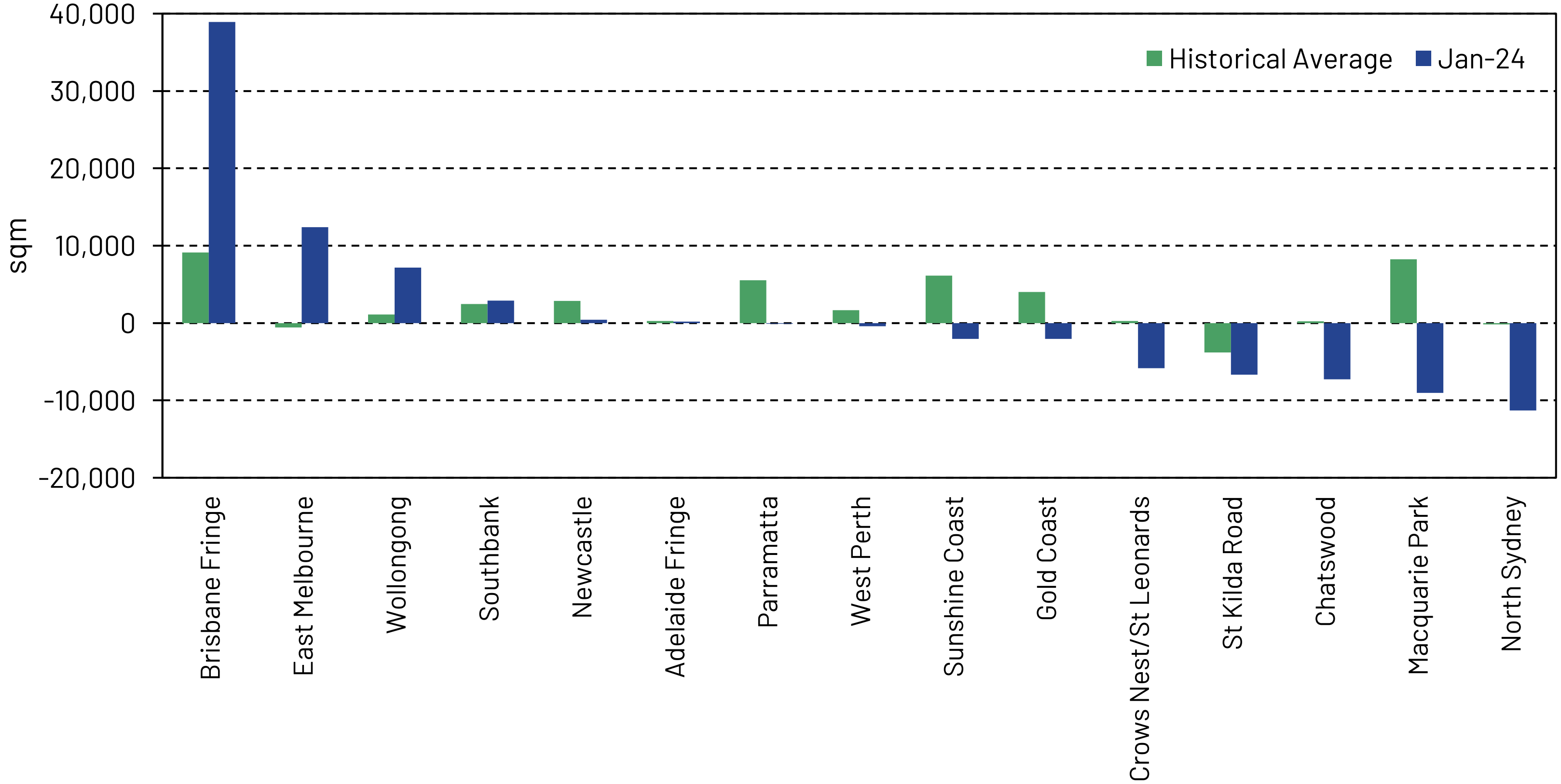
Future Supply of CBD markets (2024-2026)



% of Current Stock	5.5%	4.5%	5.2%	4.4%	4.2%	2.1%	0.0%	0.0%
Pre-Commitment	10.4%	51.5%	35.4%	70.5%	16.9%	2.1%	0.0%	0.0%

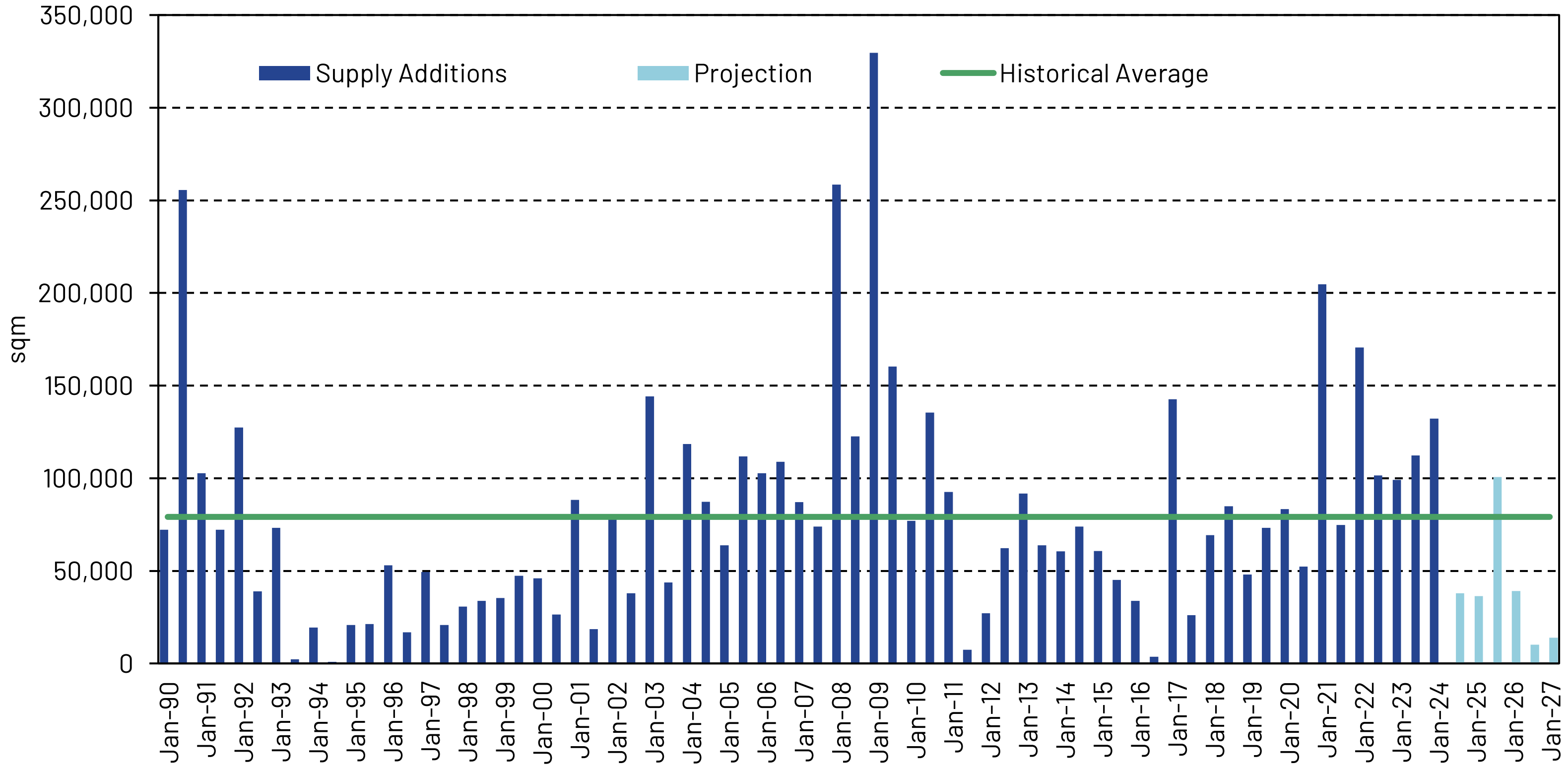
Over half of the stock coming online in Sydney and Brisbane is pre-committed to

Non-CBD Net Demand – Six Months to January 2024



Four out of the five Non-CBD markets with the lowest demand were in NSW

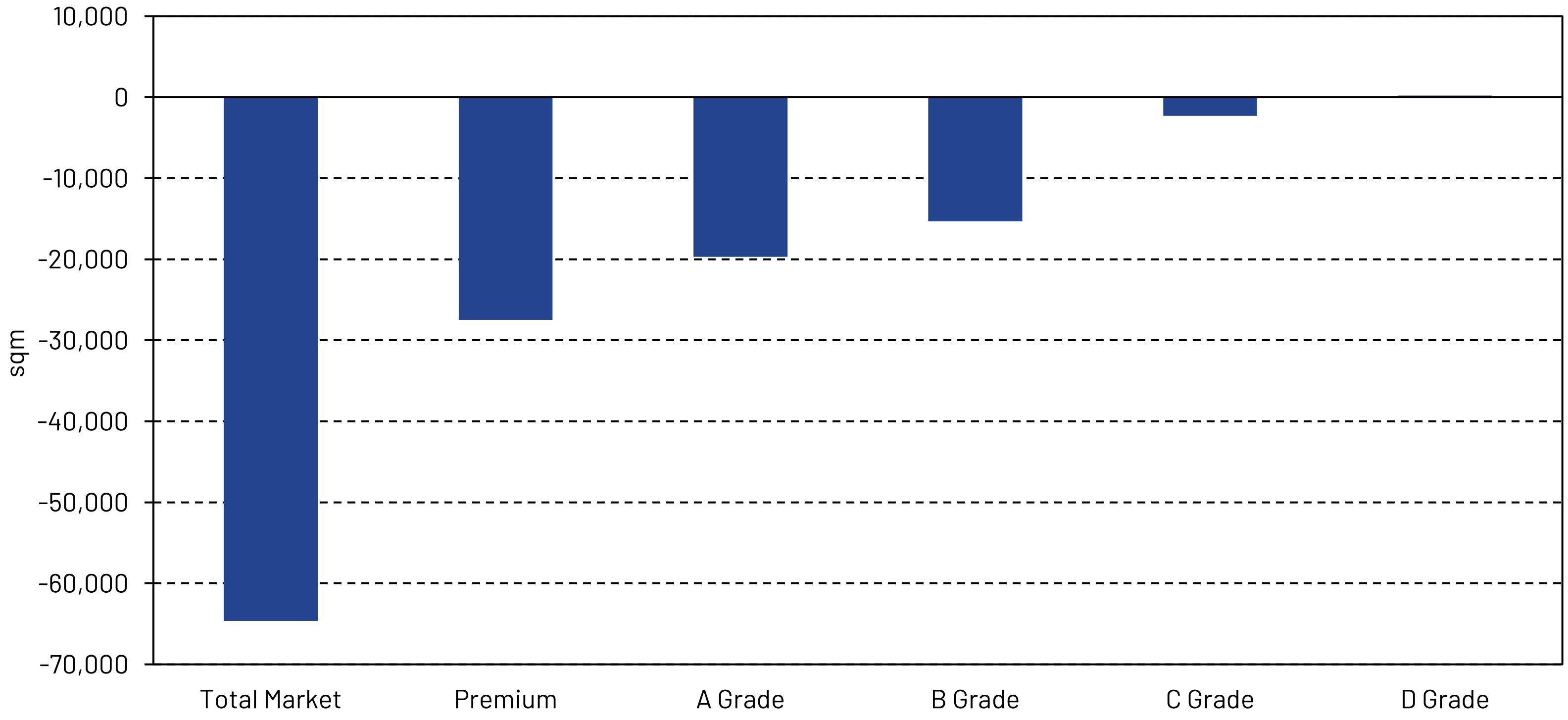
Australian Non-CBD Six Monthly Gross Supply: January 1990 – January 2027



Capital Cities – Key Points

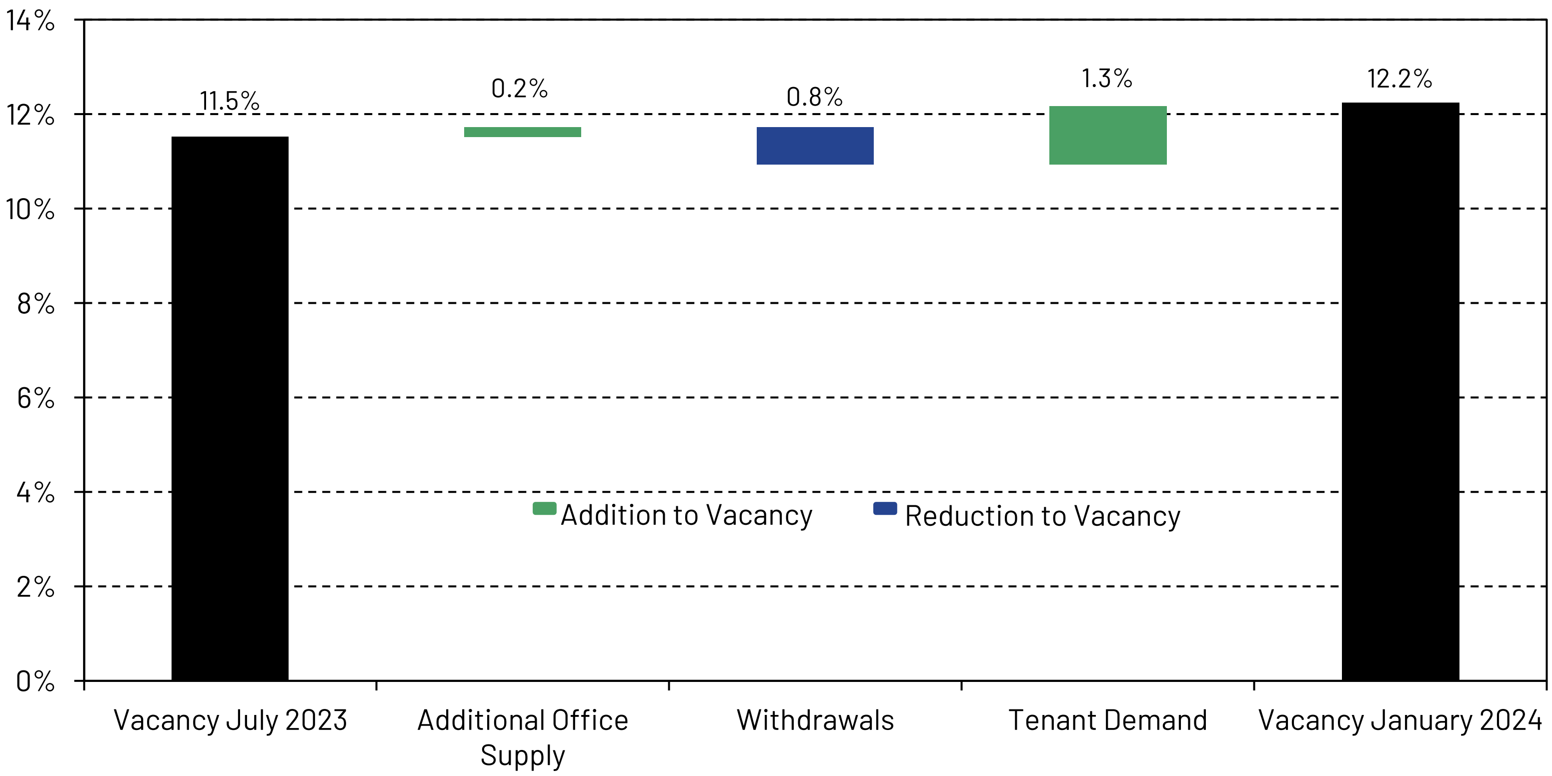
Office Market Report January 2024

Sydney CBD Six Monthly Net Demand By Grade – January 2024

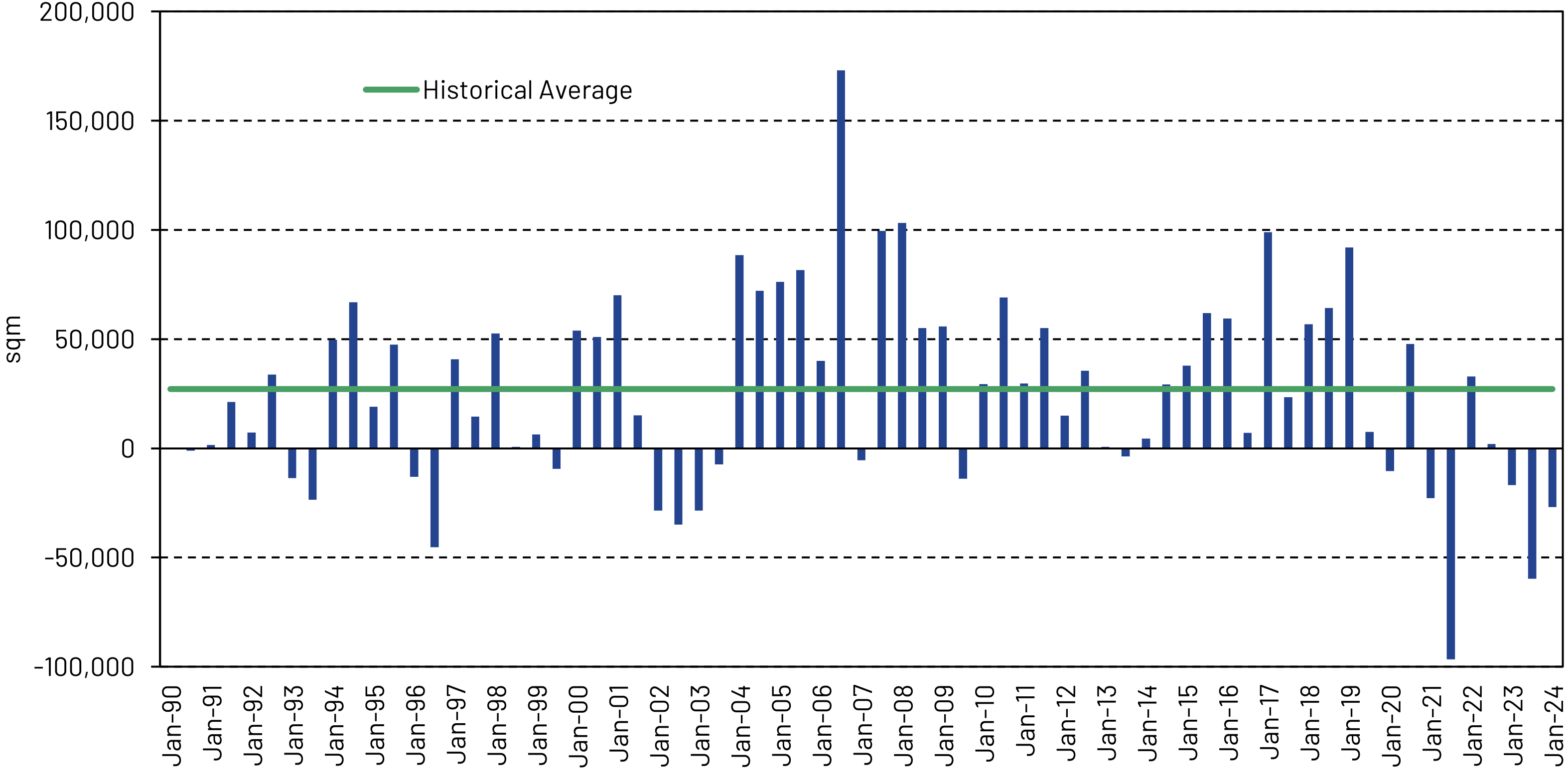


Negative demand was concentrated in the upper grades of space

Net Sydney CBD Vacancy Attribution - Six Months to January 2024

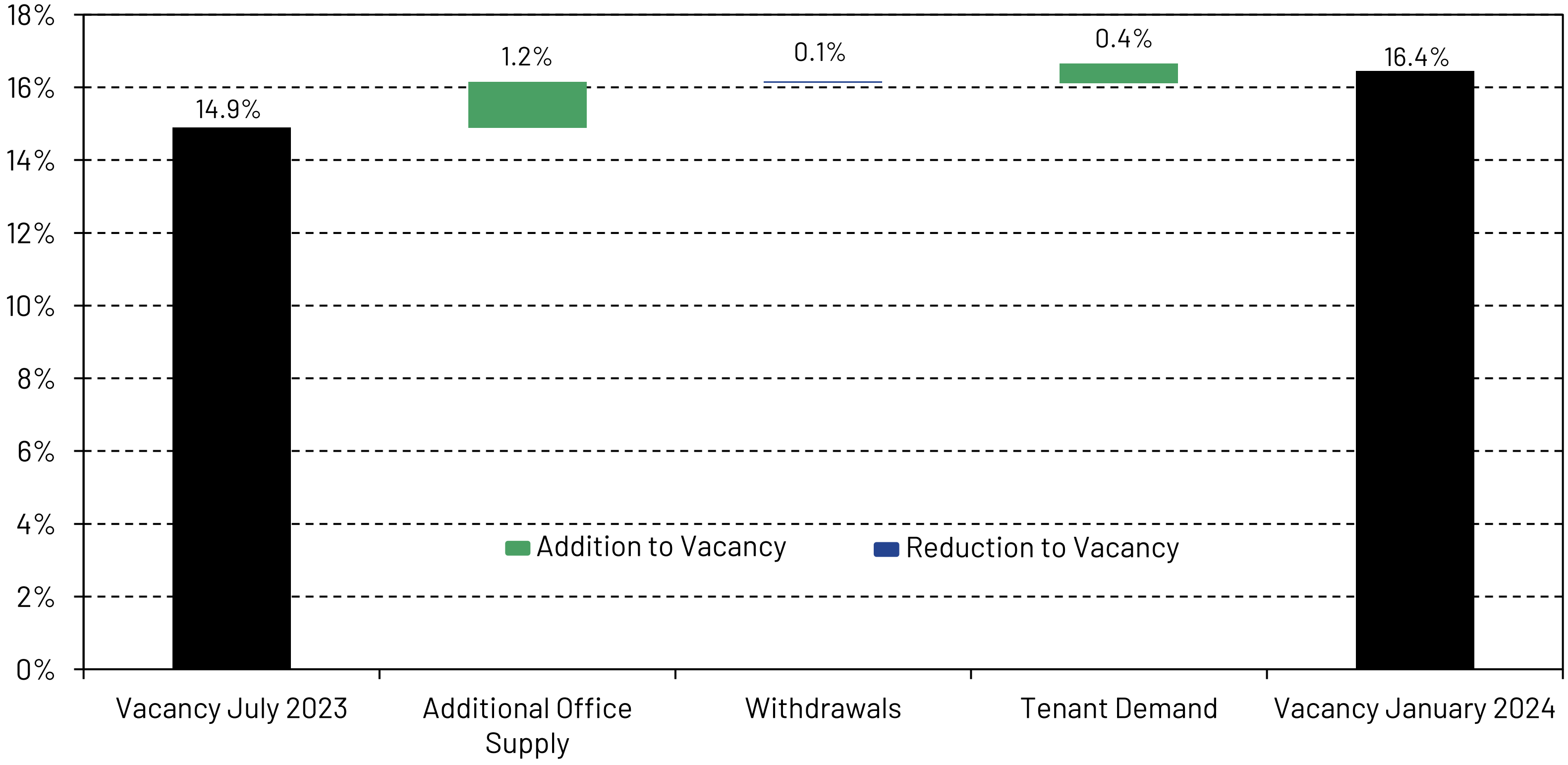


Melbourne CBD Six Monthly Net Demand – January 1990 – January 2024

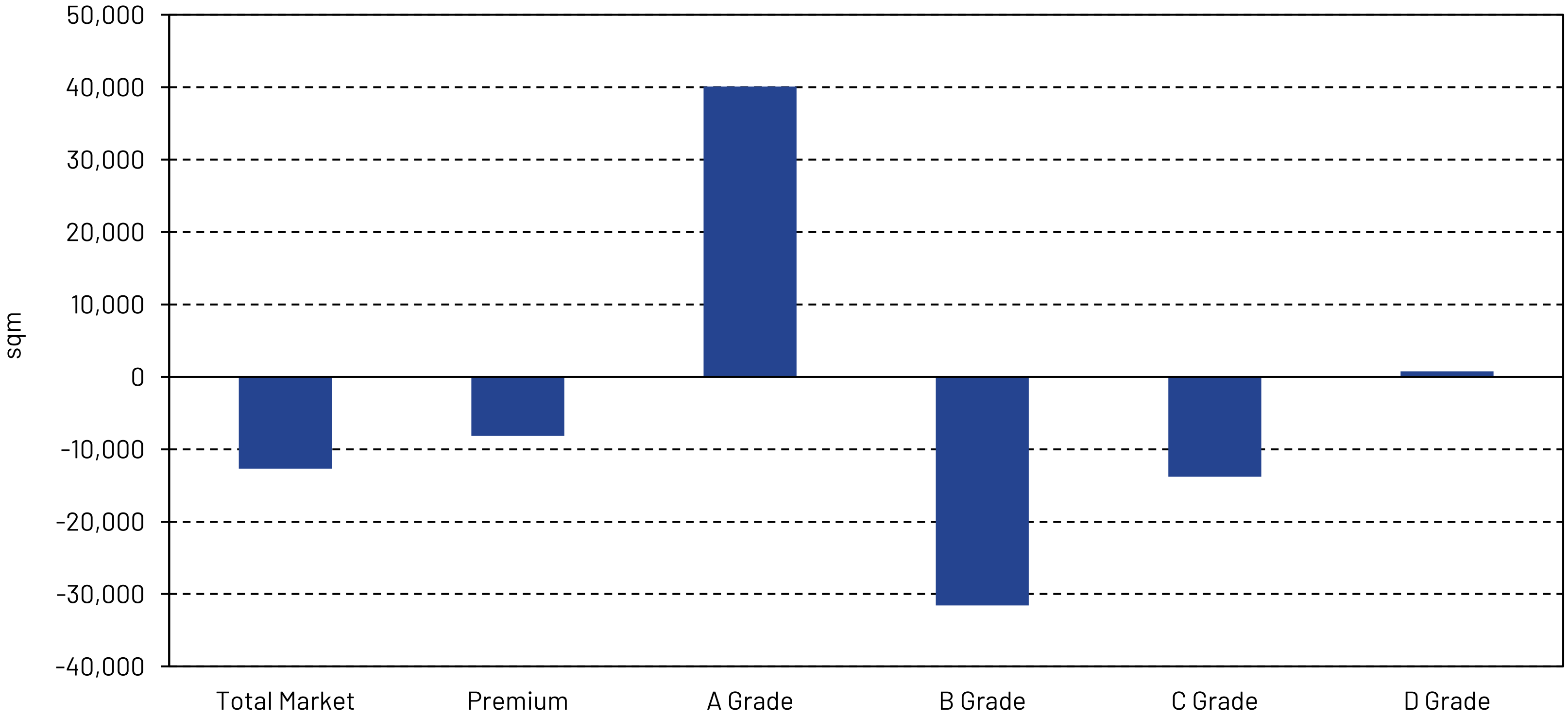


Melbourne CBD recorded its third consecutive period of negative demand

Net Melbourne CBD Vacancy Attribution - Six Months to January 2024

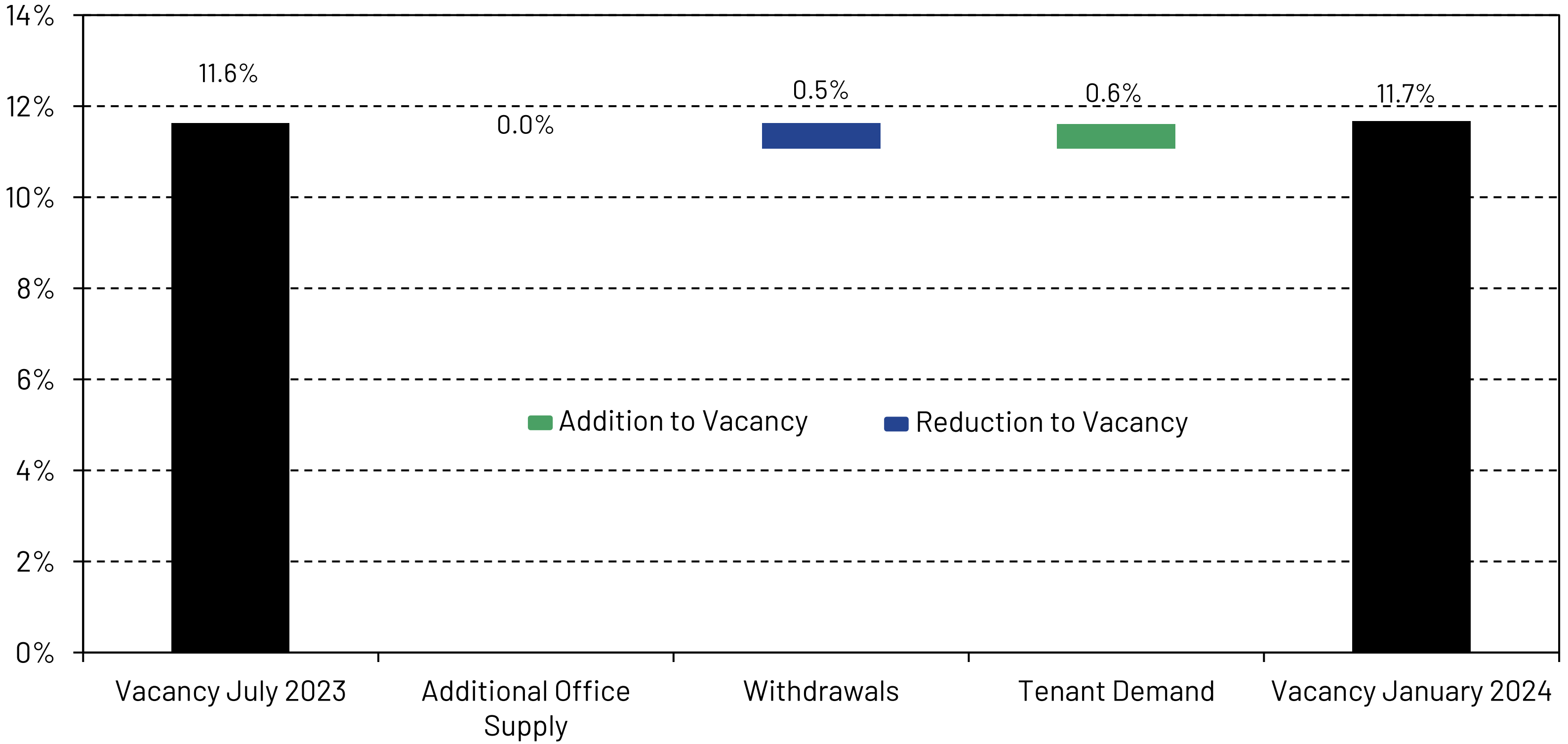


Brisbane CBD Six Monthly Net Demand By Grade – January 2024

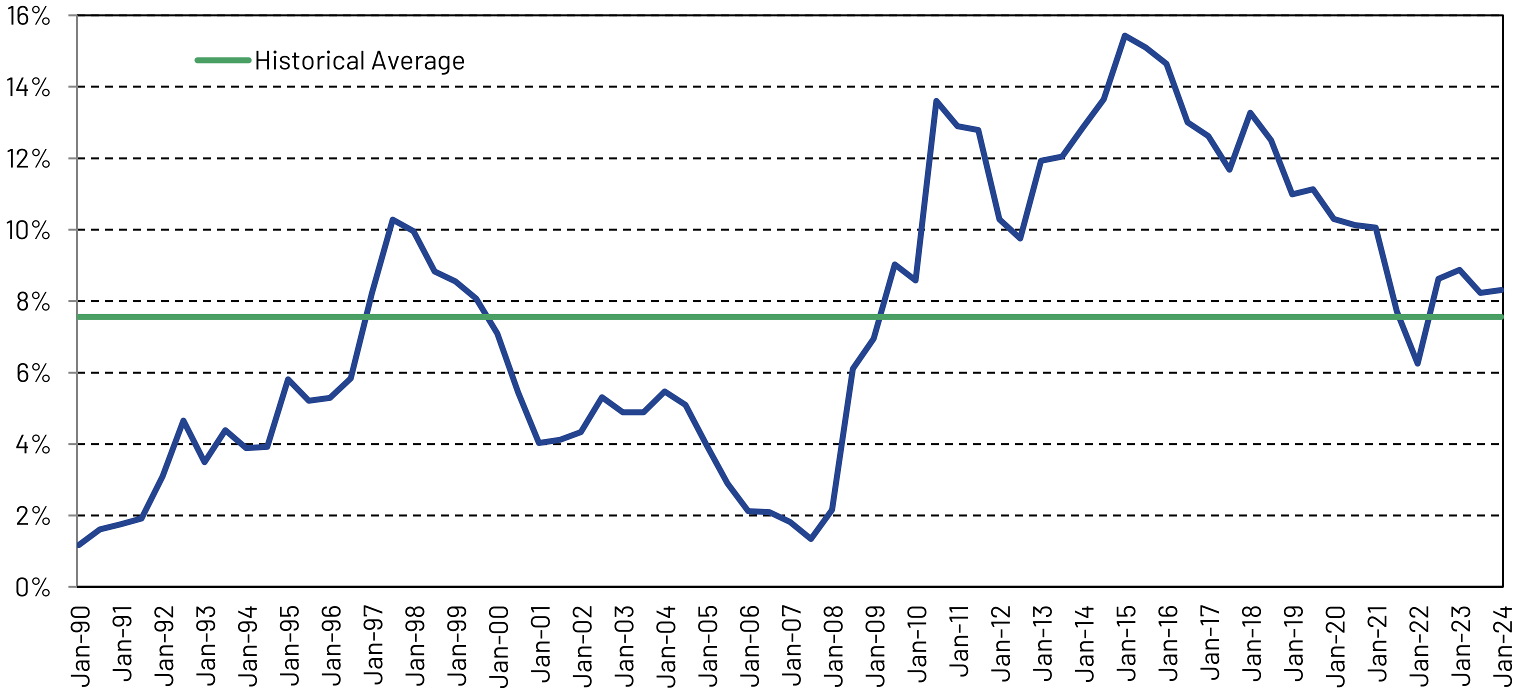


Brisbane CBD demand was concentrated in the A Grade segment

Net Brisbane CBD Vacancy Attribution – Six Months to January 2024

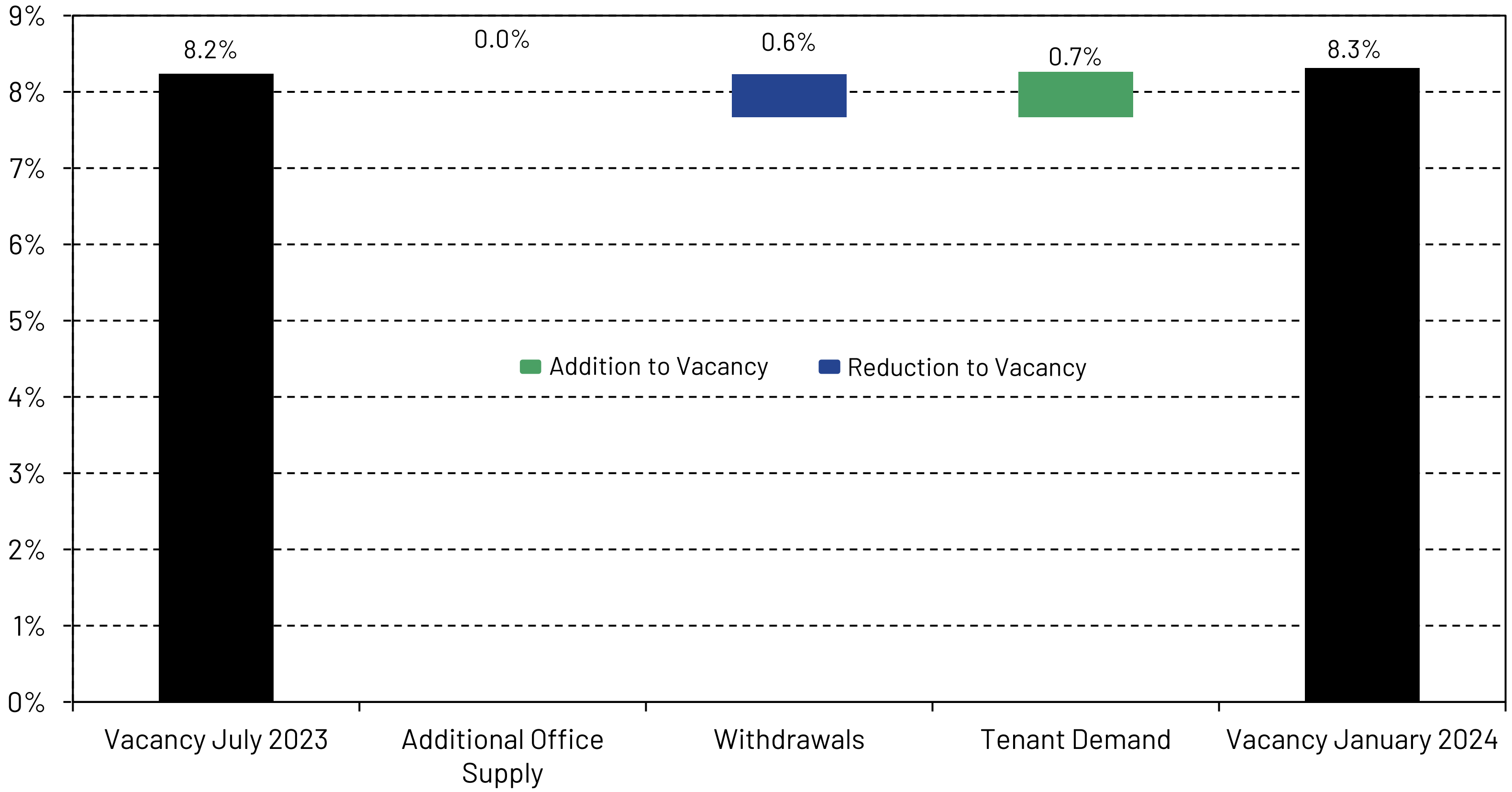


Canberra Vacancy: January 1990 – January 2024

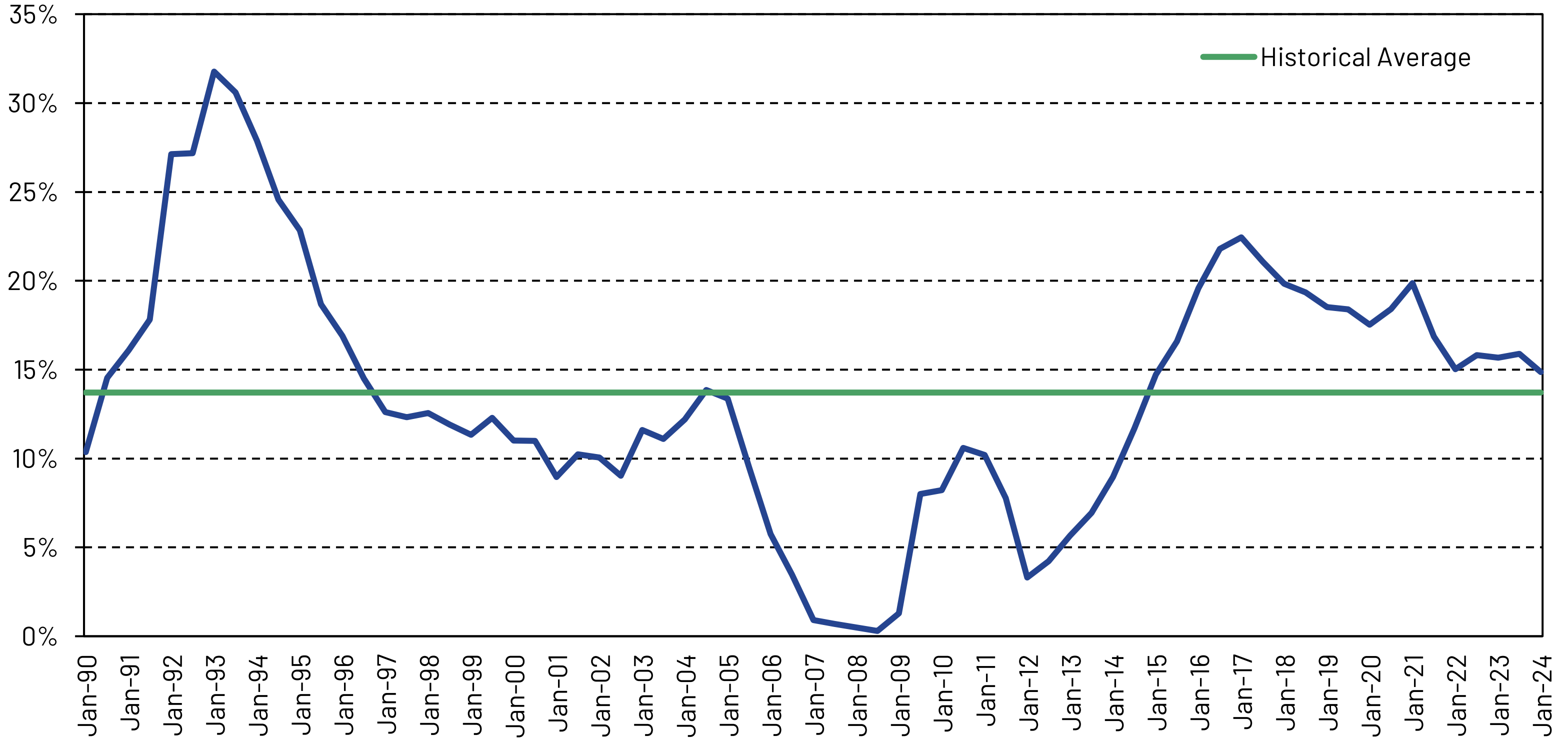


Canberra's vacancy rate remained above its historical average for the fourth consecutive period

Net Canberra Vacancy Attribution - Six Months to January 2024

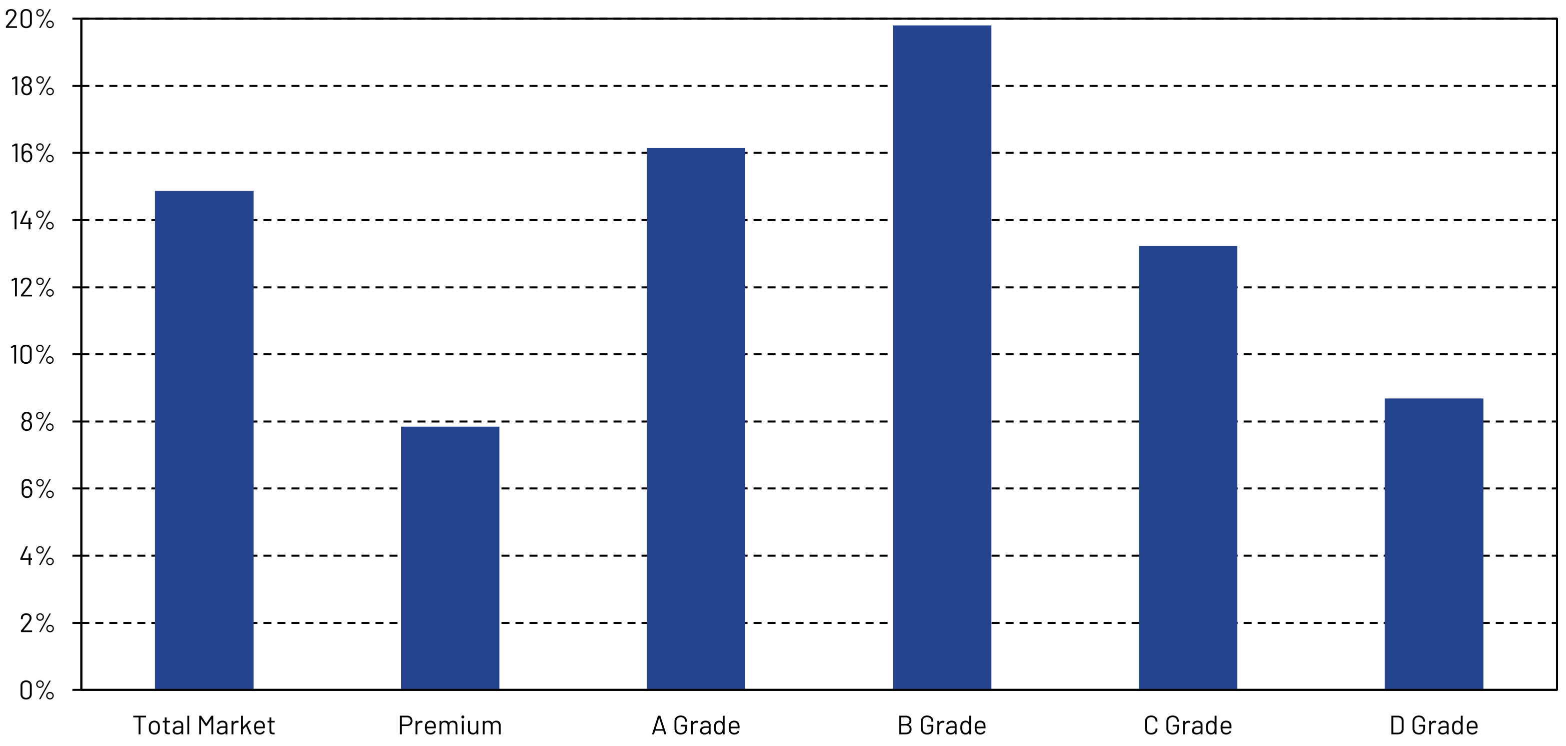


Perth CBD Vacancy – January 1990 – January 2024



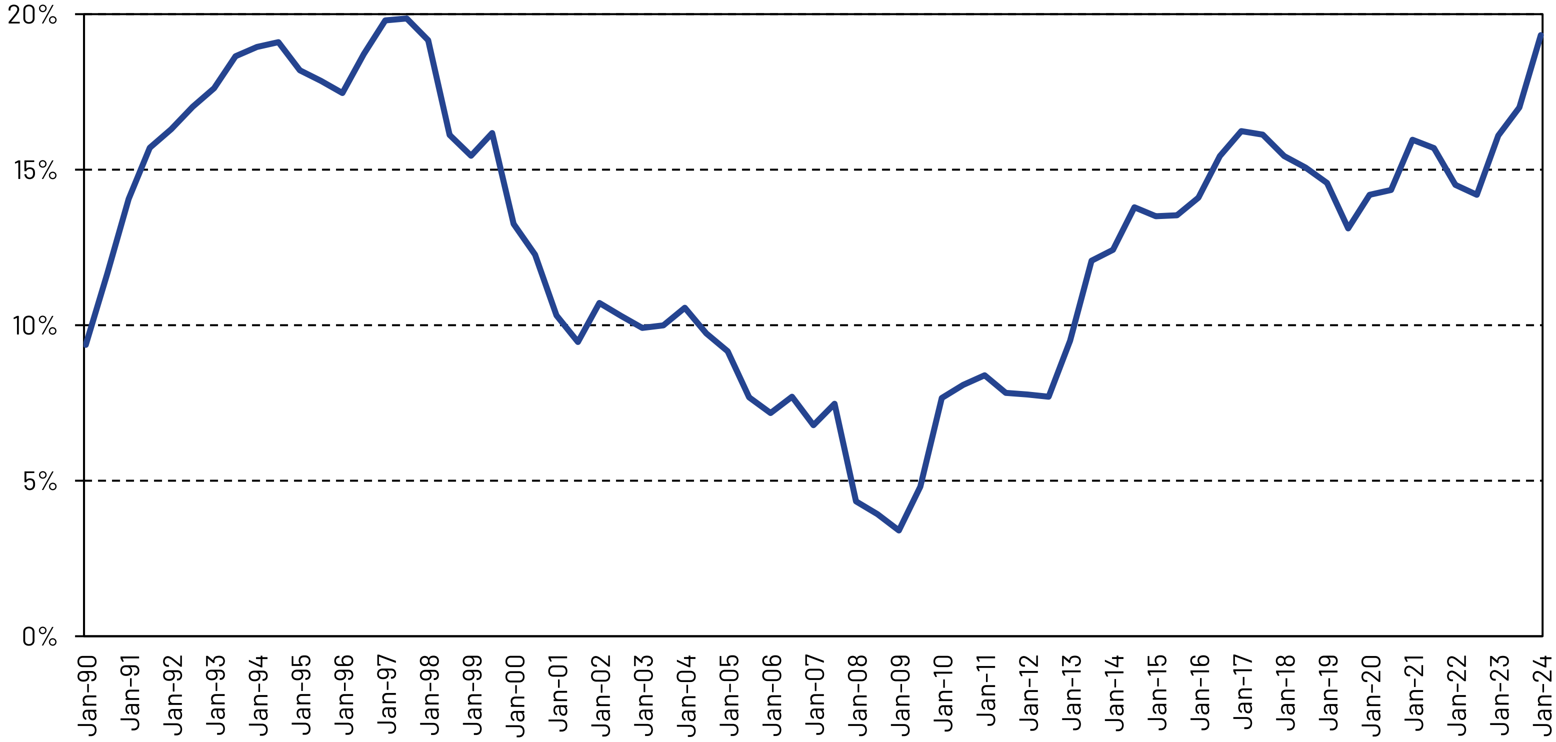
Perth CBD vacancy decreased to 14.9 per cent but remained above its historical average

Perth CBD Vacancy Rate By Grade – January 2024



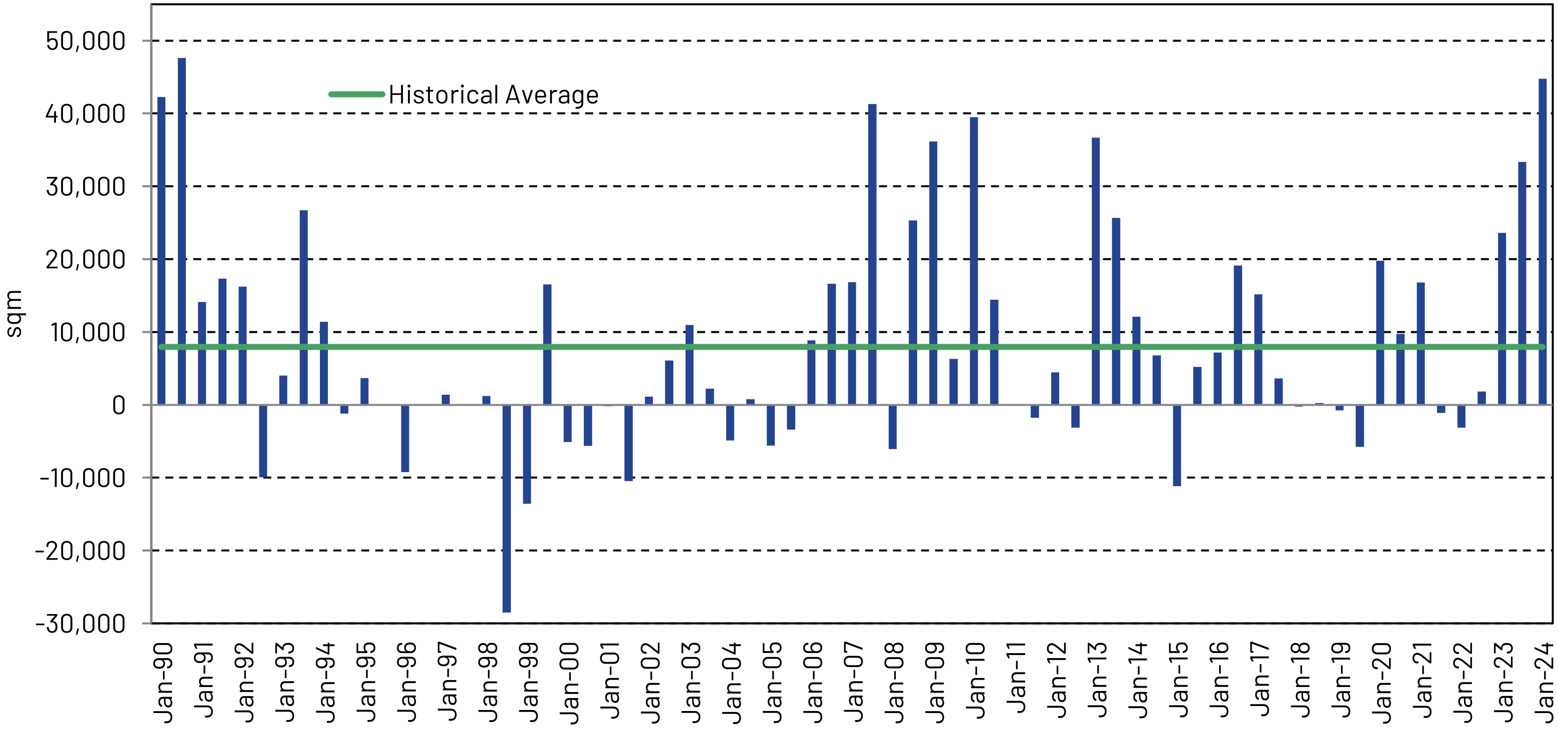
Premium grade stock recorded the lowest vacancy rate

Adelaide CBD Vacancy – January 1990 – January 2024



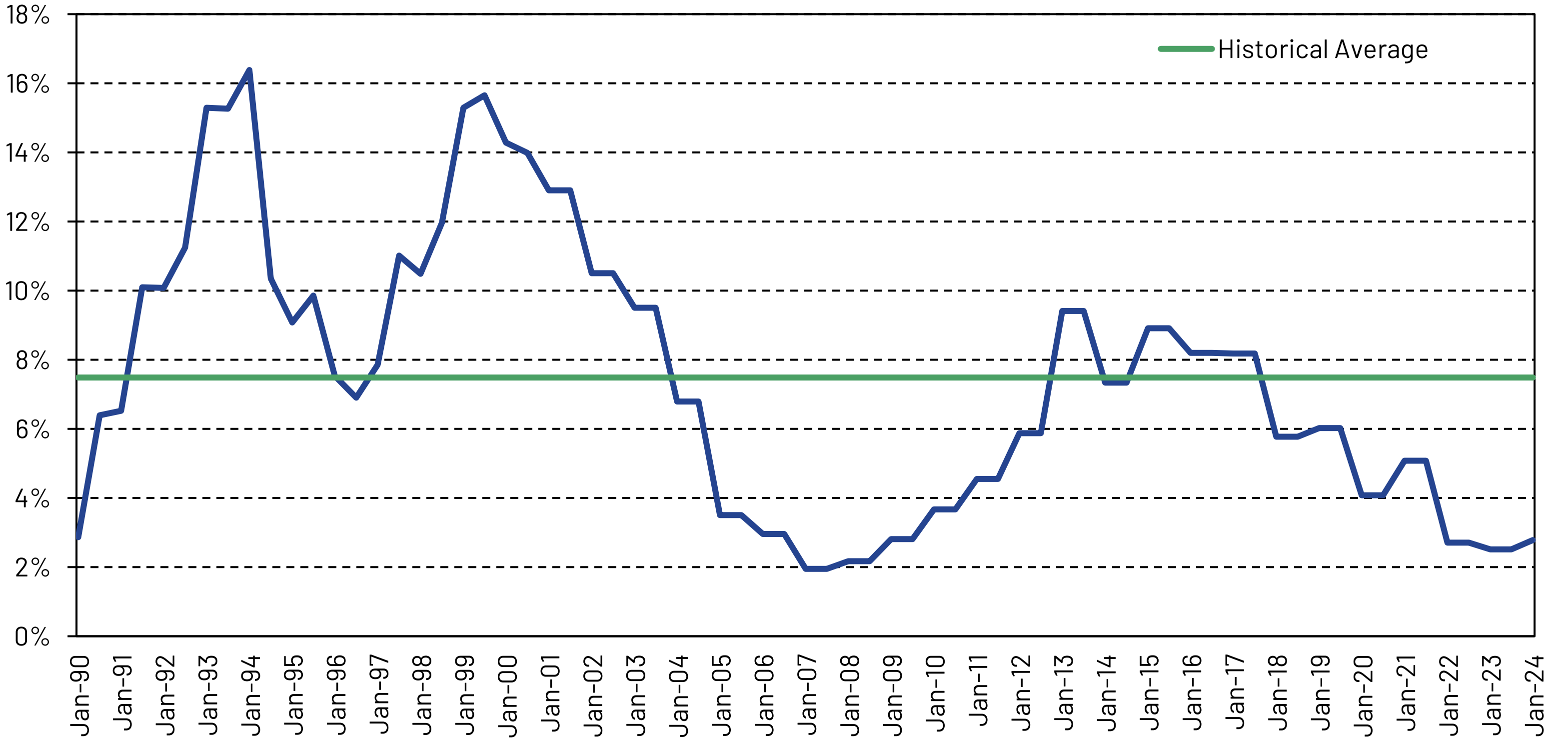
Adelaide CBD recorded a third consecutive vacancy increase

Adelaide CBD Six Monthly Net Supply – January 1990 – January 2024



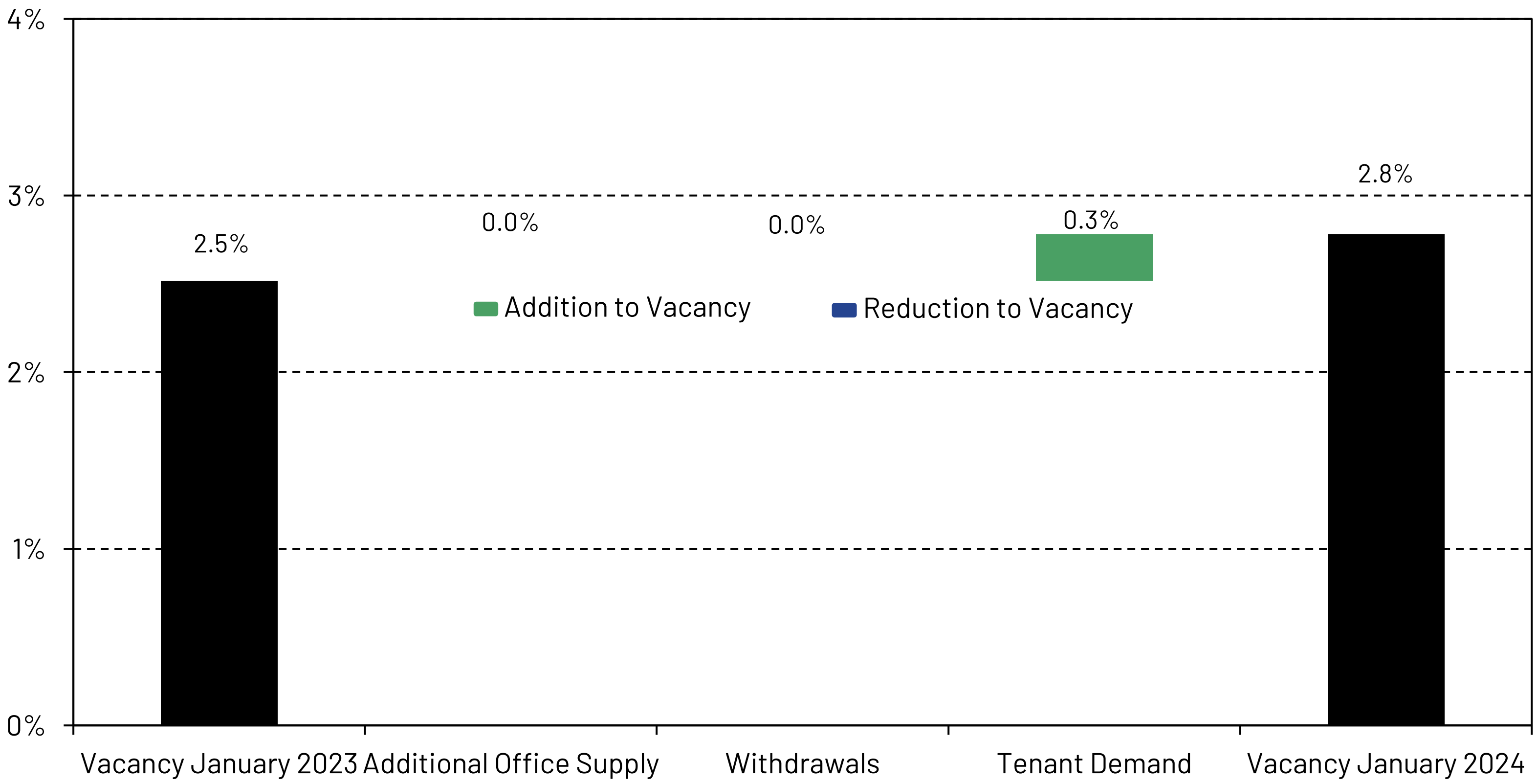
Adelaide CBD recorded positive net supply for the fourth consecutive period

Hobart CBD Vacancy – January 1990 – January 2024

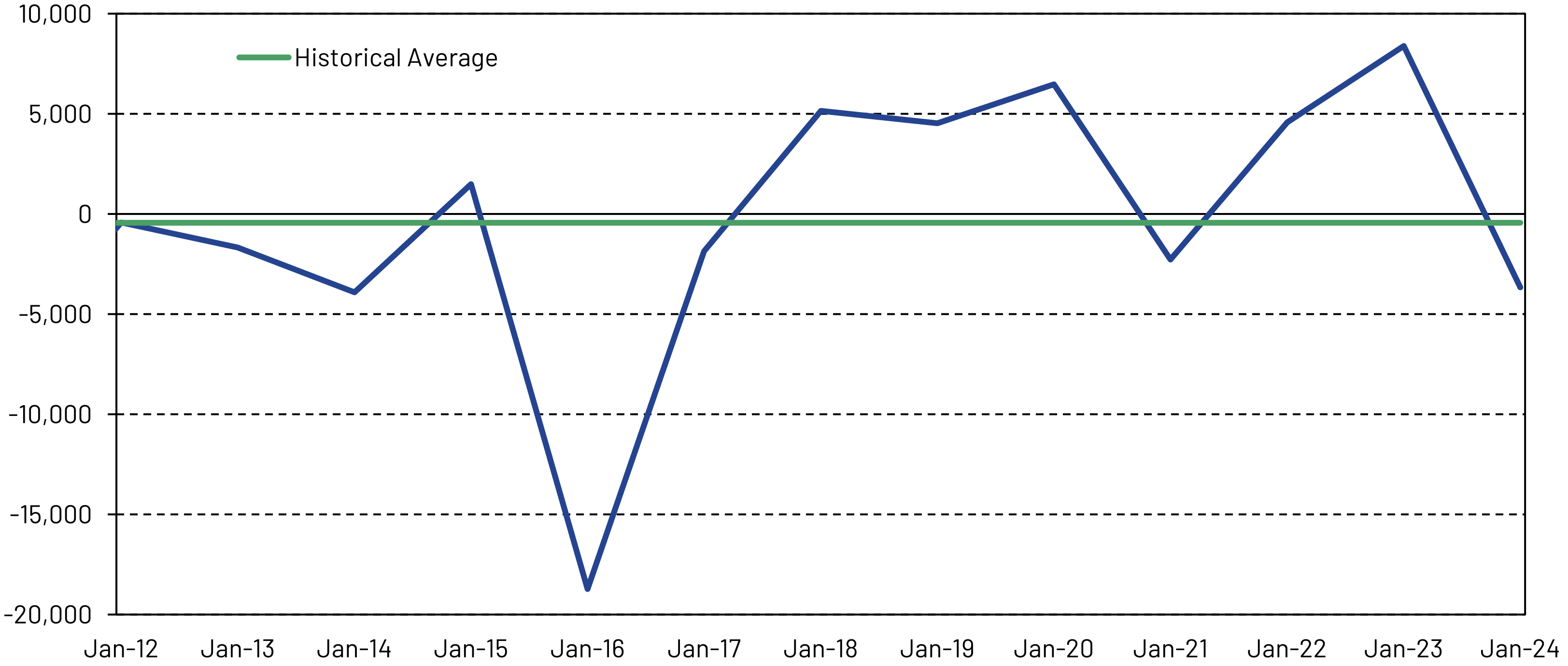


The Hobart CBD vacancy rate remained below its historical average

Net Hobart CBD Vacancy Attribution - 12 Months to January 2024

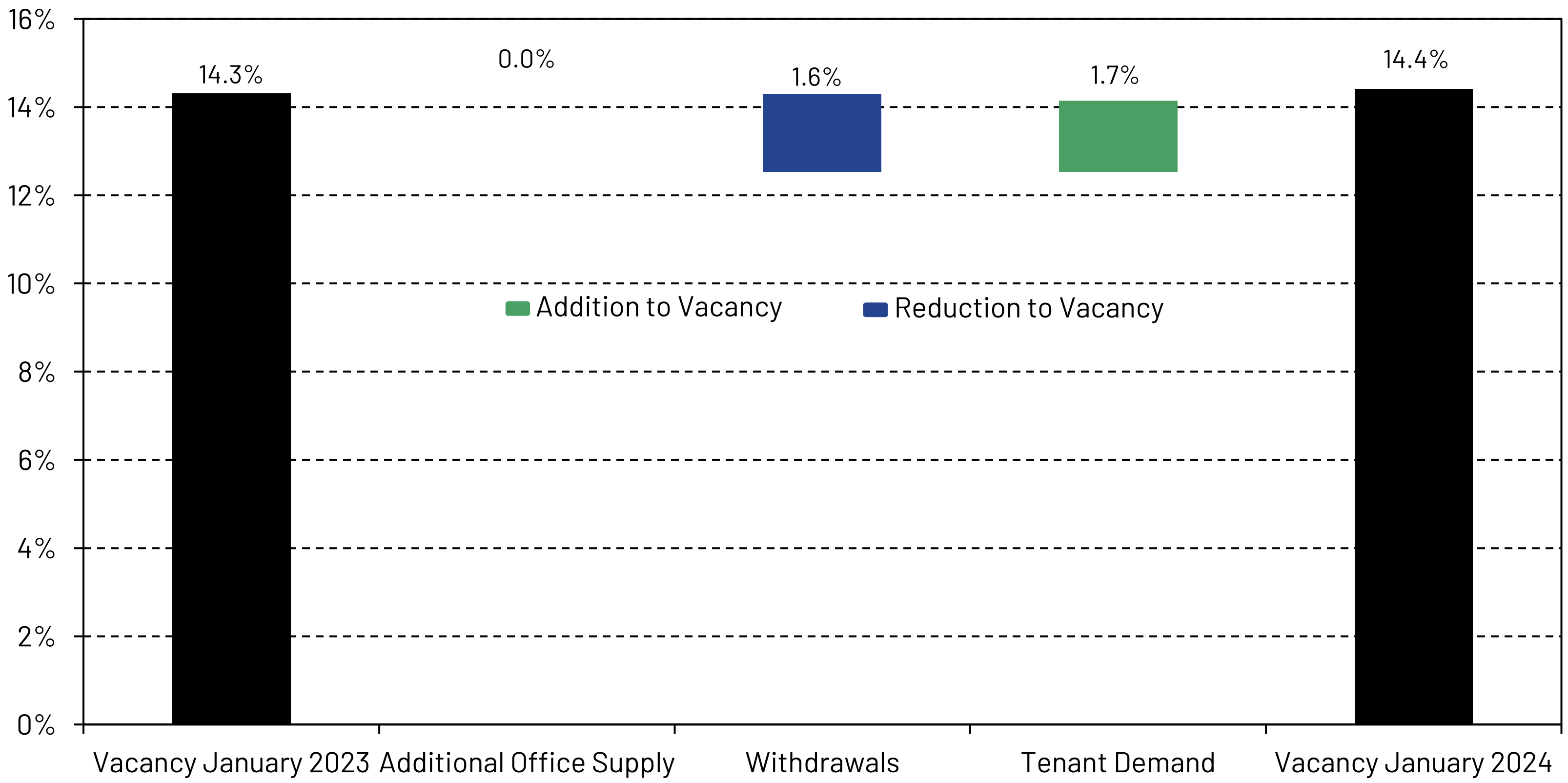


Darwin CBD 12 Month Net Absorption – January 2012 – January 2024



Darwin CBD recorded demand below its historical average

Net Darwin CBD Vacancy Attribution - 12 Months to January 2024



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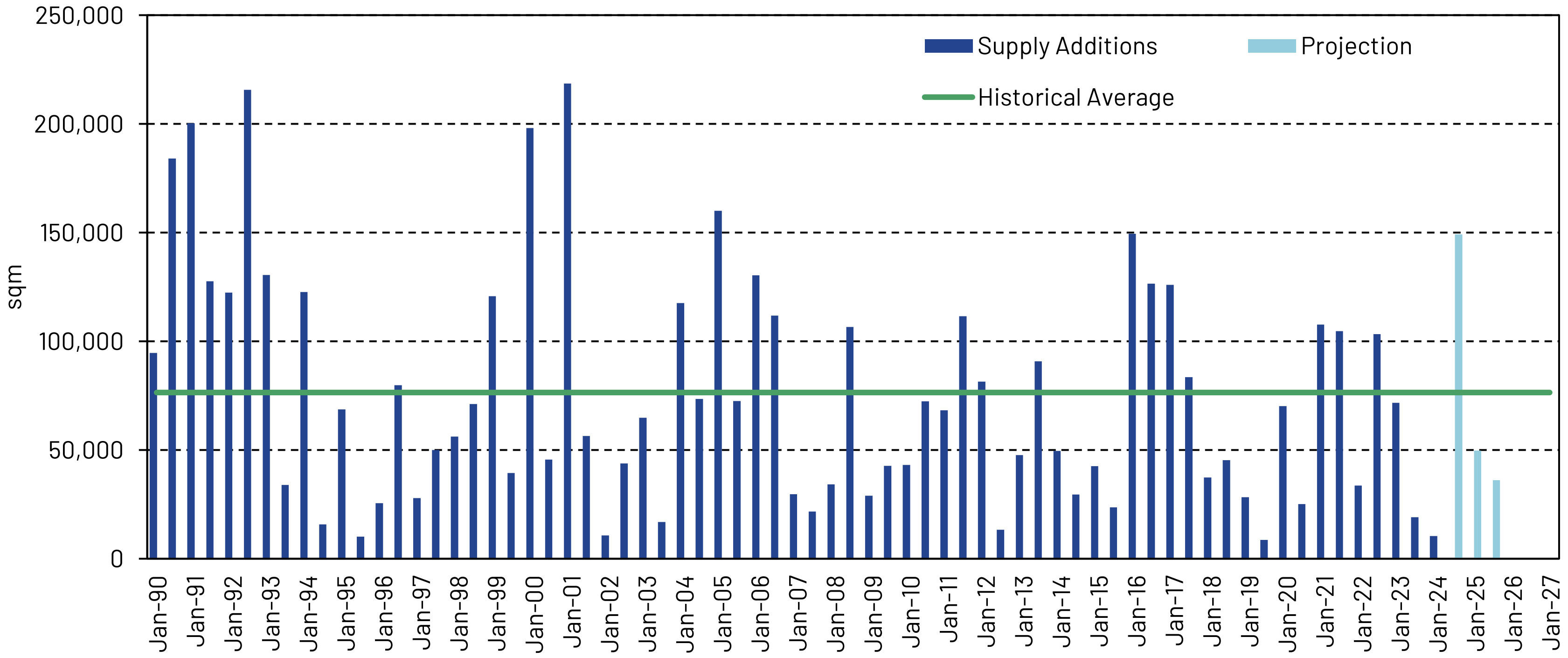
Future Supply

Office Market Report January 2024

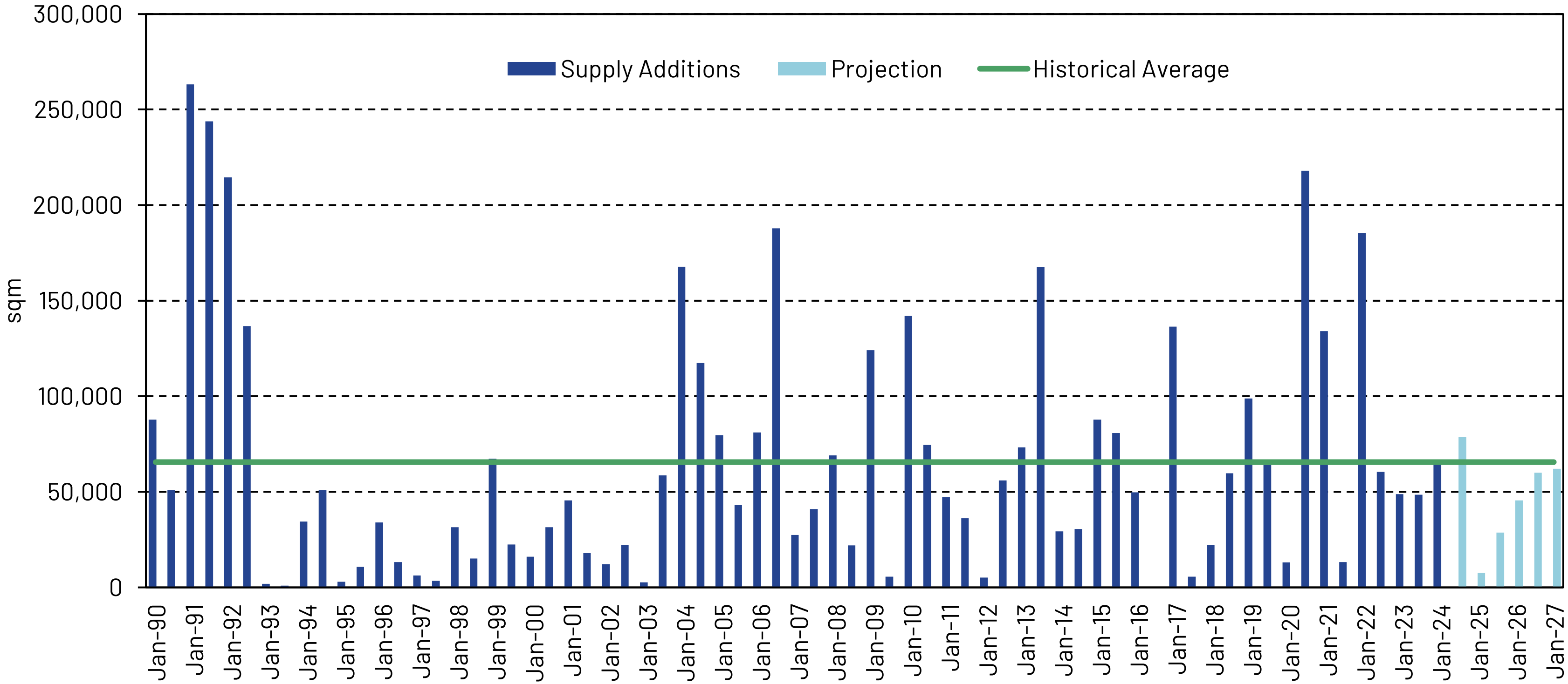
Sydney CBD Six Monthly Gross Supply: 1990-2027



Major Projects

2024 Q2 – 252 Pitt Street – 48,000sqm
2024 Q2 – 1 Elizabeth Street – 62,871sqm
2025 Q2 – 33 Alfred Street – 31,657sqm

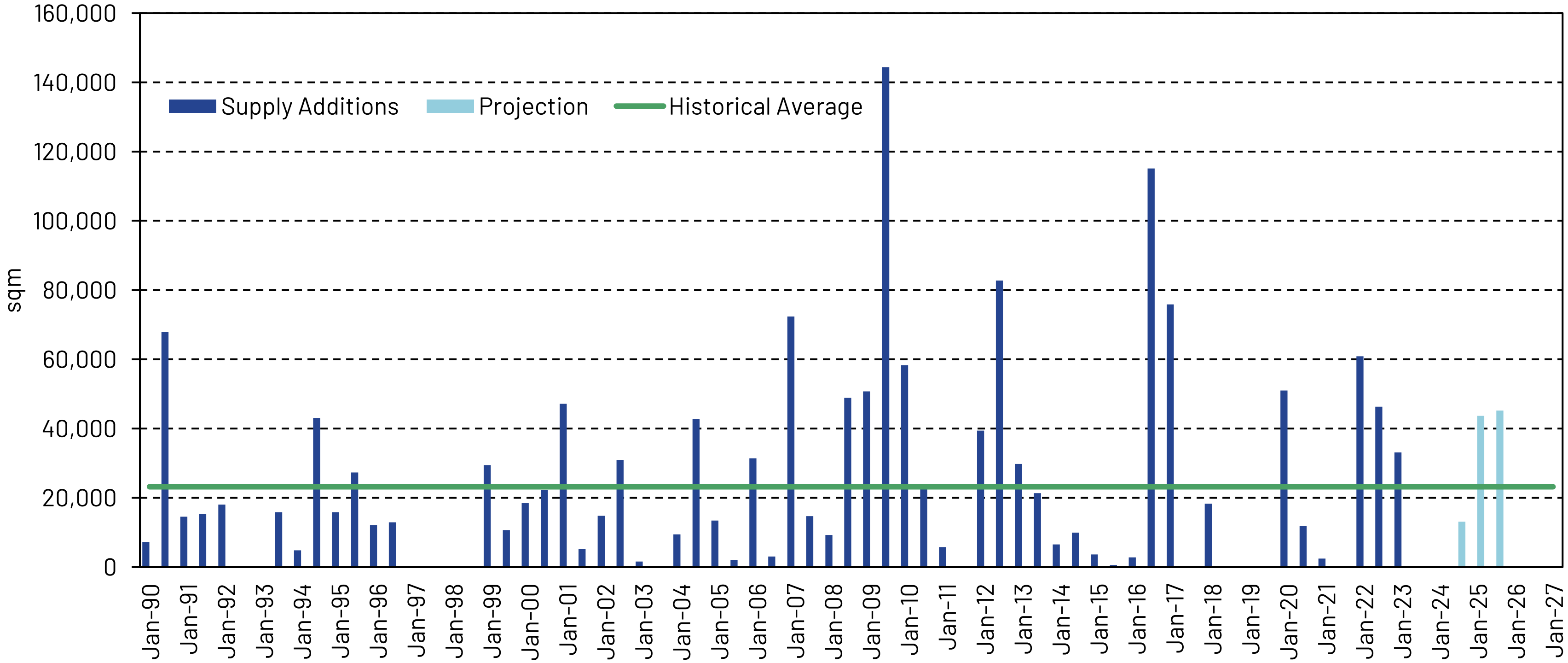
Melbourne CBD Six Monthly Gross Supply: 1990-2027



Major Projects

2024 Q1 – 693 Collins Street – 69,000sqm
2026 Q1 – 600 Collins Street – 60,000sqm
2026 Q4 – 435 Bourke Street – 62,000sqm

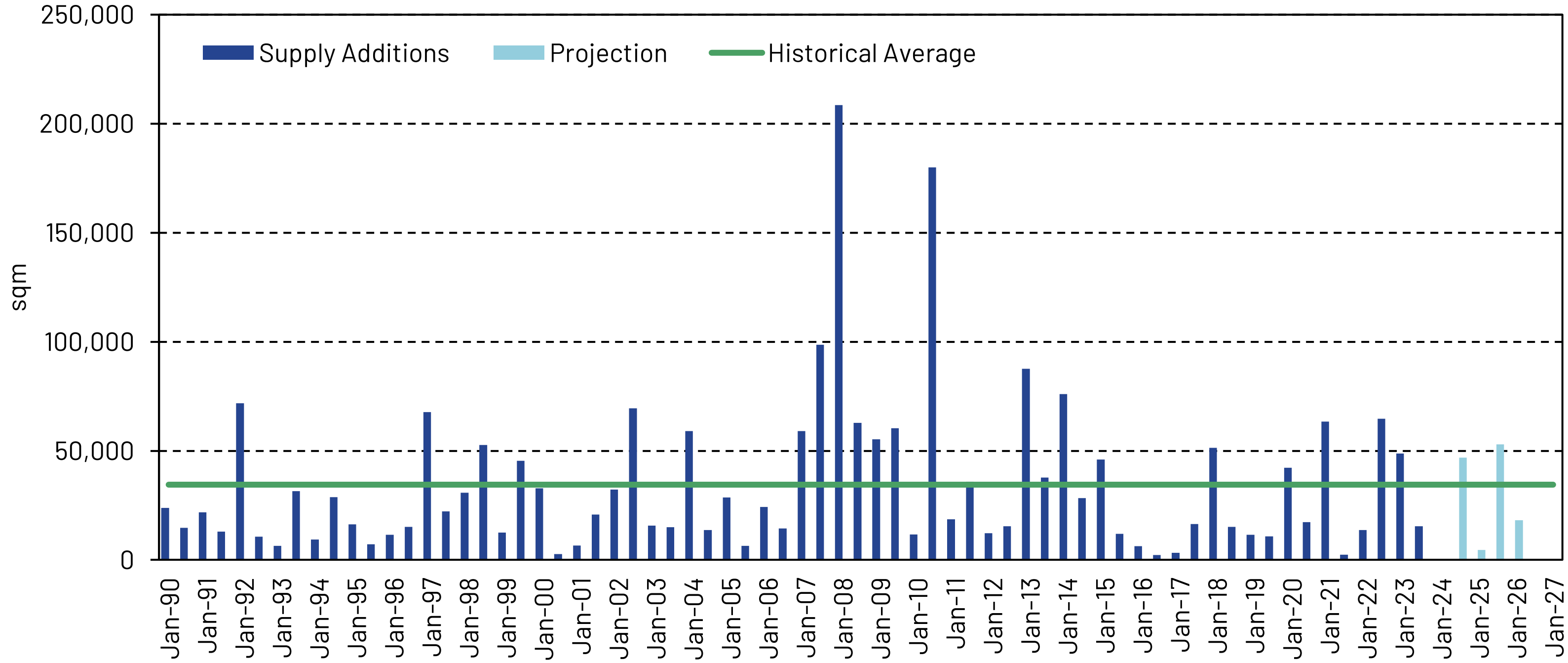
Brisbane CBD Six Monthly Gross Supply: 1990-2027



Major Projects

2024 Q4 – 205 North Quay – 43,700sqm
2025 Q2 – 360 Queen Street – 45,171sqm

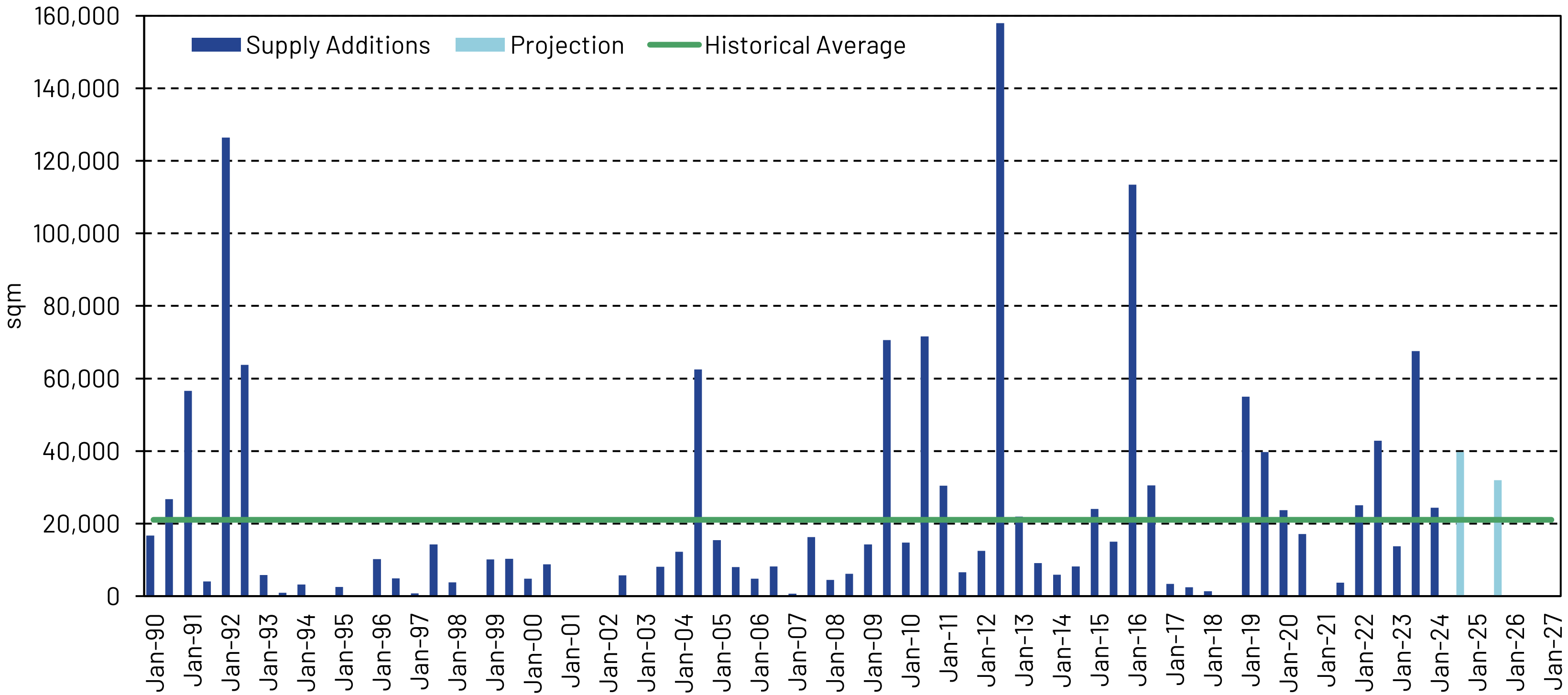
Canberra Six Monthly Gross Supply: 1990-2027



Major Projects

2024 Q1 – 18 Marcus Clarke Street (Section 61 Block 16) – 25,792sqm
2025 Q2 – Cnr Sydney Avenue & National Circuit – 33,000sqm
2025 Q2 – 9-11 Molonglo Drive – 19,925sqm

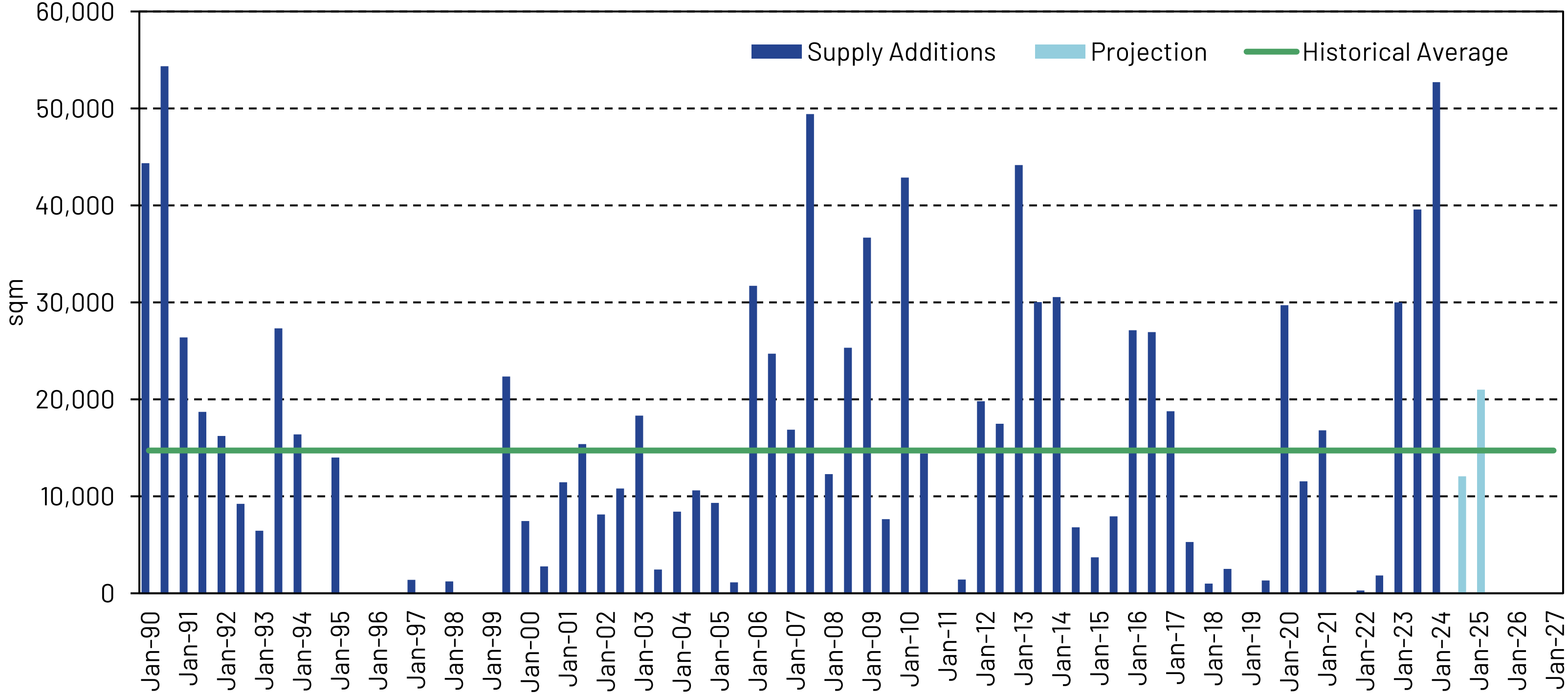
Perth CBD Six Monthly Gross Supply: 1990-2027



Major Projects

2024 Q1 – 98 Mounts Bay Road – 13,681sqm
2024 Q2 – 250 St Georges Terrace – 21,306sqm
2025 Q1 – 9 The Esplanade – 32,000sqm

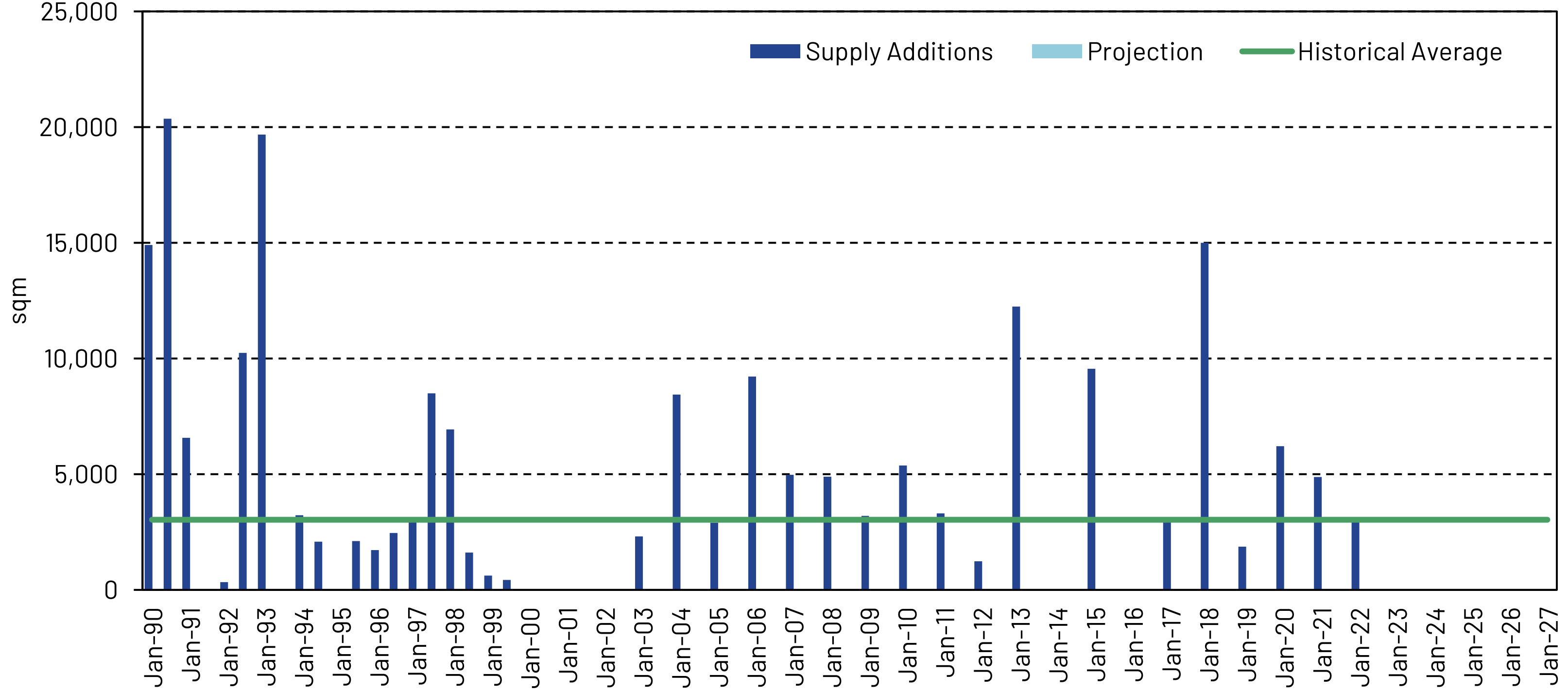
Adelaide CBD Six Monthly Gross Supply: 1990-2027



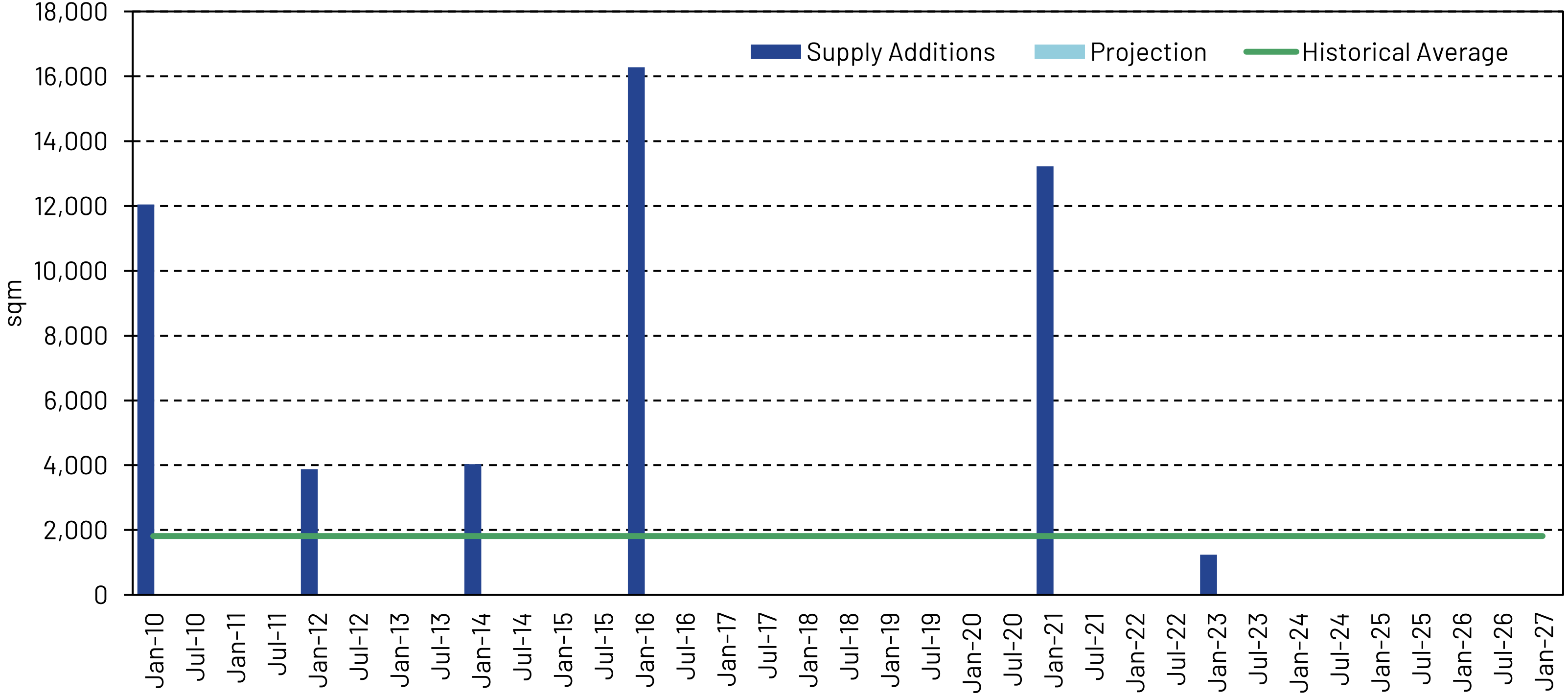
Major Projects

2024 Q1 – 150 Grenfell Street – 9,485sqm
2024 Q4 – 42-56 Franklin Street (Kyren) – 21,000sqm

Hobart CBD 12 Monthly Gross Supply: 1990-2027



Darwin CBD 12 Monthly Gross Supply: 2010 - 2027



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Office Market Report January 2024

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