

Perth CBD Office State of the Market



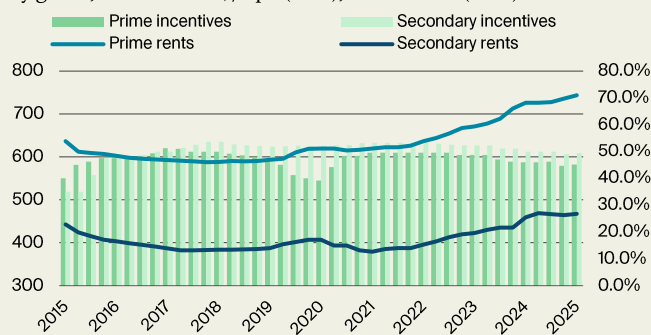
Net effective rents continue to edge up as face rents rise

Q1 2025

- Prime net face rents currently sit at \$747/sqm on avg. after rising 1.0% q/q and 2.4% y/y
- Prime net effective rents have shown 4.0% growth y/y with incentives down 0.8% y/y despite a slight rise in Q1-25
- 40,100 sqm of new office supply is forecast to complete in the CBD over 2025 (80.5% of which is committed)
- There is currently no new developments or refurbishments forecast to complete in Perth's CBD from 2026 to 2028
- Yields remained flat across both prime and secondary markets over Q1-25 at 7.4% and 8.6% respectively

Perth CBD rents and incentives

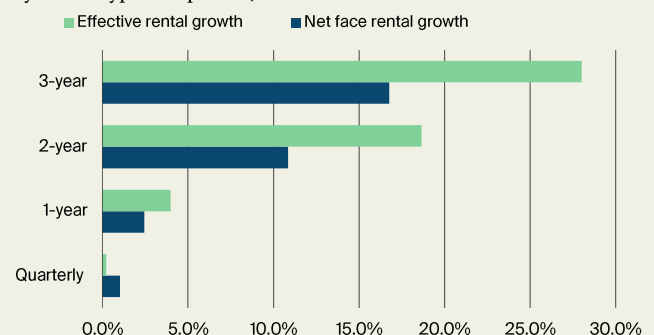
by grade, net face rent \$/sqm (LHS), incentive % (RHS)



Source: Knight Frank Research

Perth CBD prime rental growth

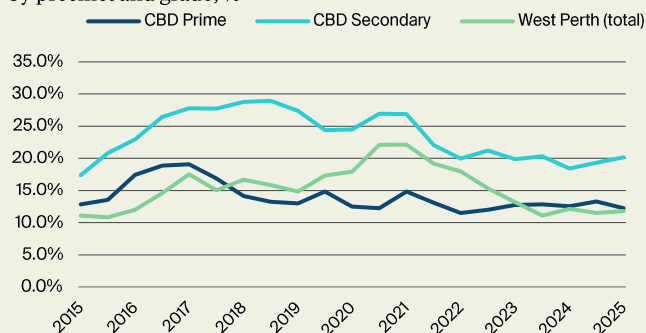
by rental type and period, %



Source: Knight Frank Research

Vacancy rate

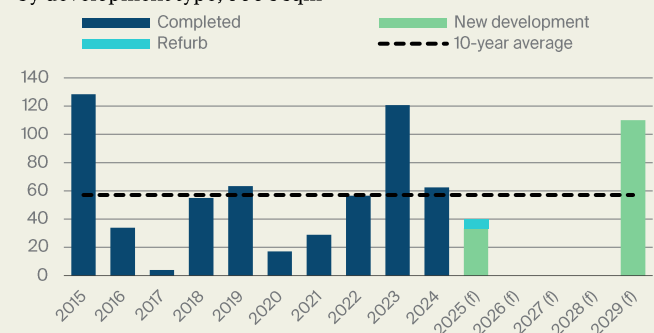
by precinct and grade, %



Source: Knight Frank Research, PCA

Perth CBD office new supply pipeline

by development type, 000's sqm



Source: Knight Frank Research, PCA

Perth CBD & West Perth Office Market Indicators – Q1 2025

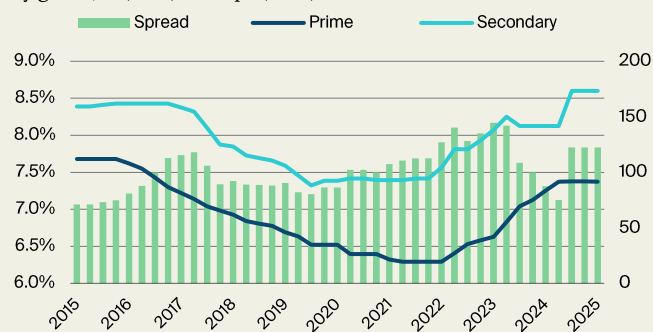
Grade	Net face rent (\$/sqm)	Qtr change (%)	Annual change (%)	Net effective rent (\$/sqm)	Net incentive (%)	Qtr change (%)	Annual change (%)	Core market yield (%) [#]	Vacancy Rate (%)	Stock (sqm)
Prime	747	1.0	2.4	408	45.2	0.2	4.0	7.38	12.3	1,150,898
Secondary	468	0.6	1.7	236	49.5	-0.3	2.8	8.60	20.2	646,555
West Perth	428	2.0	3.6	278	35.0	-1.0	-0.1	7.99	11.8	419,934

Source: Knight Frank Research, PCA

[#]Assuming WALE 5 years

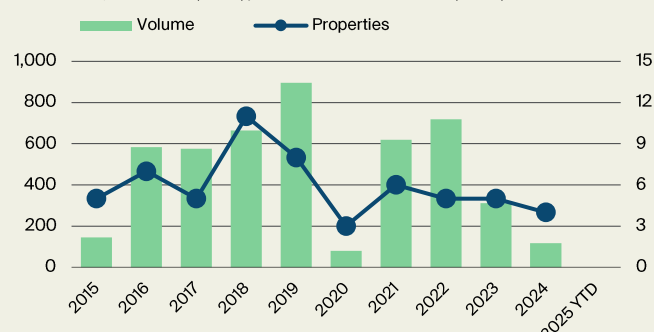
* As of January 2025

Perth CBD office yield spread by grade, % (LHS) and bps (RHS)



Source: Knight Frank Research

Perth CBD office investment volumes volume A\$millions (LHS), and number of sales (RHS)



Source: Knight Frank Research

Recent Significant Sales

Property	Price (\$m)	NLA (sqm)	Cap Value (\$/sqm)	Yield (%)	WALE (years)	Purchaser	Vendor	Sale date
66 St Georges Terrace	75.0	11,254	6,664	8.2	3.3	Oceania Capital	RF CorVal	Oct-24
181 St Georges Terrace	26.5	3,590	7,382	6.1	2.5	Yamamoto	Charter Hall	Apr-24
10 William Street	21.0	4,248	4,944	9.1	2.4	Stanley Intl. College	Conf.	Nov-23
503 Murray Street	33.2	7,299	4,552	7.5	0.2	Properties & Pathways	Fair-world	Sep-23

(For more information, please contact our institutional sales team)

New Developments and Refurbishments

Address	Developer	Committed (%)	NLA (sqm)	Status	Due Date
9 The Esplanade	Brookfield / CBUS	82.1	33,500	U/C	H1 2025
100 St Georges Terrace (Refurbishment)	ISPT	100.0	6,600	U/C	H1 2025
15 The Esplanade	Brookfield	0.0	50,000	Planning	2029+
Lot 4 Elizabeth Quay	AAIG	0.0	60,000	Planning	2029+

Economic indicators - WA

	2022	2023	2024	2025 (f)	2026 (f)	2027 (f)	2028(f)
GSP growth y/y	3.2	1.9	-0.8	2.5	4.4	3.5	3.0
Employment growth y/y	4.9	3.3	3.9	1.0	1.4	1.4	1.5
Population growth y/y	1.8	3.2	2.7	1.9	1.7	1.6	1.7
Inflation CPI	7.3	5.0	3.7	3.0	3.1	2.5	2.5

Source: Oxford Economics



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