

AUSTRALIAN CBD OFFICE

SUPPLY & DEVELOPMENT MAPS DECEMBER 2015



Key Facts

560,500m² of new office supply will be completed in 2015, up 75% on 2014.

Gross supply is anticipated to rise by another 9% in 2016 to 610,800m², driven predominantly by Sydney.

Pipeline for additional supply in 2017 and 2018 is benign, with only Sydney adding materially to stock.

Many office schemes are being altered to residential use, but increasingly hotel and student accommodation also.



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After a hiatus in office completions in 2014, new supply rebounded in 2015, with feasibility supported by the steady decline in prime yields; albeit many schemes have and will continue to divert to residential or alternate uses.

The 2015 calendar year will deliver approximately 560,500m² of new and refurbished stock to the major Australian CBD markets, which is up 75% on the 321,000m² recorded during 2014 and slightly higher than the 10 year average (538,000m²). The CBDs with the greatest supply during 2015 were Sydney (182,929m²), Perth (134,556m²) and Melbourne (130,214m²), with the least amount of supply added in Canberra (11,945m²).

Following the hiatus in office completions in 2014, with many developers/owners actively driving their respective pipelines, the rebound will continue in 2016, with gross supply anticipated to jump by another 9% in 2016 to 610,800m². With the first of the Barangaroo office buildings completed (Tower 2), the majority of new supply will again occur in Sydney (318,000m²), which will include Towers 1 and 3 at Barangaroo, 200 George St, 333 George St and tranches of backfill space coming back on line following major refurbishments. The Brisbane CBD will also see two major developments and a refurbishment complete following the recent completion of 180 Ann St (Q4 2015), with 480 Queen St and 1 William St both

completing in 2016. Melbourne is nearing the end of a long supply cycle, however new supply will still total 108,000m² in 2016. Perth, Adelaide and Canberra will all have benign supply over the next few years, which will assist in cushioning generally weak demand conditions. The pipeline for supply additions in 2017 and 2018 is currently very benign nationally.

Feasibility for construction of new space has been supported by steady declines in prime yields, particularly for fund through developments with strong pre-commitment. However, many office schemes are now being amended to alternate uses, due mainly to the exceptional uptick in residential demand.

Permanent withdrawals of office stock across the major East Coast markets accelerated through 2015, increasing 41% above 2014 levels, however the peak is expected to be in 2016 when circa 188,000m² of office stock is projected to be withdrawn across the East Coast CBD and select Fringe markets. Residential and hotel developments are the dominant alternate uses at 80%, however Hotels and Student Accommodation use is on the radar again.

SYDNEY

- 1 Deco, 155 Clarence St[#] - 11,925m² [Tyro Payments/Havas]
Union Investment - Q4 2014 & Q1 2015 - 86% committed
- 2 1 Farrer Pl[#] (ex GPNSW) - 26,500m² [Minter Ellison]
DEXUS/GPT/APPF - Q2 & Q4 2015 - 72% committed
- 3 Barangaroo T2 - 88,200m² [Westpac/Gilbert + Tobin]
LLITST - Q3 2015 - 79% committed
- 4 5 Martin Place - 31,280m² [Ashurst/Challenger/PIMCO]
DEXUS/Cbus - Q3 2015 - 96% committed
- 5 Aurora Pl, 88 Phillip St[#] (ex Minter Ellison) - 12,896m²
NPS (Korea) - Q3 2015
- 6 20 Martin Pl[#] - 15,920m² [Apple/Regus]
Pembroke Real Estate - Q4 2015 - 75% committed
- 7 Barangaroo T3 - 77,800m² [KPMG/Lend Lease]
LLITST - Q1 2016 - 76% committed
- 8 80 Pitt St[#] (ex QBE) - 11,400m²
Yorkban P/L - Q1 2016
- 9 333 George St - 12,500m²
Charter Hall Core Plus Office Fund - Q2 2016
- 10 200 George St - 38,676m² [EY/Mirvac]
Mirvac/AMP - Q3 2016 - 81% committed
- 11 Barangaroo T1 - 101,500m² [PWC/HSBC/Marsh & McLennan]
LLITST - Q4 2016 - 48% committed
- 12 225 George St[#] (ex Ashurst/J.P. Morgan) - 15,000m²
DEXUS/CIC/CSC - H1 2016
- 13 One Wharf Lane, 161 Sussex St - 6,500m²
M&L Hospitality - Aug 2016
- 14 30 The Bond, 30 Hickson Rd[#] (ex Lend Lease) - 16,000m²
DEXUS - H2 2016
- 15 10 Shelley St[#] (ex KPMG) - 27,500m² [Suncorp]
DEXUS/Brookfield - H1 2017 - 100% committed
- 16 255 Pitt St[#] (ex Challenger, Apple) - 15,247m²
ISPT Core Fund - H1 2017
- 17 201 Sussex St, DP111 (ex Marsh & McLennan) - 10,343m²
GPT (GWOF) - H1 2017
- 18 259 George St[#] (ex Suncorp) - 20,352m²
Memocorp Australia - H2 2017
- 19 275 Kent St[#] (ex Westpac) - 16,000m²
Blackstone/Mirvac - H2 2017
- 20 680 George St[#] (ex EY) - 28,800m²
Brookfield/Arcadia - 2017
- 21 55 Market St[#] (ex WBC) - 15,776m²
CIC - 2017
- 22 Darling Square - 25,000m² [CBA]
Lend Lease - H1 2018 - 100% committed
- 23 201 Sussex St, DP111 (ex PWC) - 33,000m² [IAG]
GPT (GWOF)/AMP (ACPF)/Brookfield - 2018 - 100% comm.
- 24 151 Clarence St - 21,000m² [Arup]
Investa - 2018 - 28% committed
- 25 388 George St[#] - 36,151m² (ex IAG)
Investa/Brookfield - Q4 2018
- 26 The Ribbon, 1 Wheat Rd - 38,000m²
Markham/Grocon - 2018+
- 27 60 Martin Place - 40,000m²
Investa/Gwynn Properties - Mid 2019
- 28 33 Bligh St - 26,000m²
Investa - 2019+
- 29 Quay Quarter Sydney - 89,000m²
AMP - 2020+
- 30 Barangaroo C2 & C8 - circa 11,000m²
Lend Lease - 2019+
- 31 275 George St - ~7,000m²
LaSalle Investment Management - 2019+
- 32 Wynyard Place - 65,000m²
Brookfield - 2020+
- 33 CQ Tower, 182 George & 33 Pitt Sts - 60,000m²
Lend Lease - 2020+
- 34 55 Pitt St - 30,000m²+
Mirvac - 2020+



- Under Construction/Complete
- DA Approved / Confirmed / Site Works
- Mooted / Early Feasibility

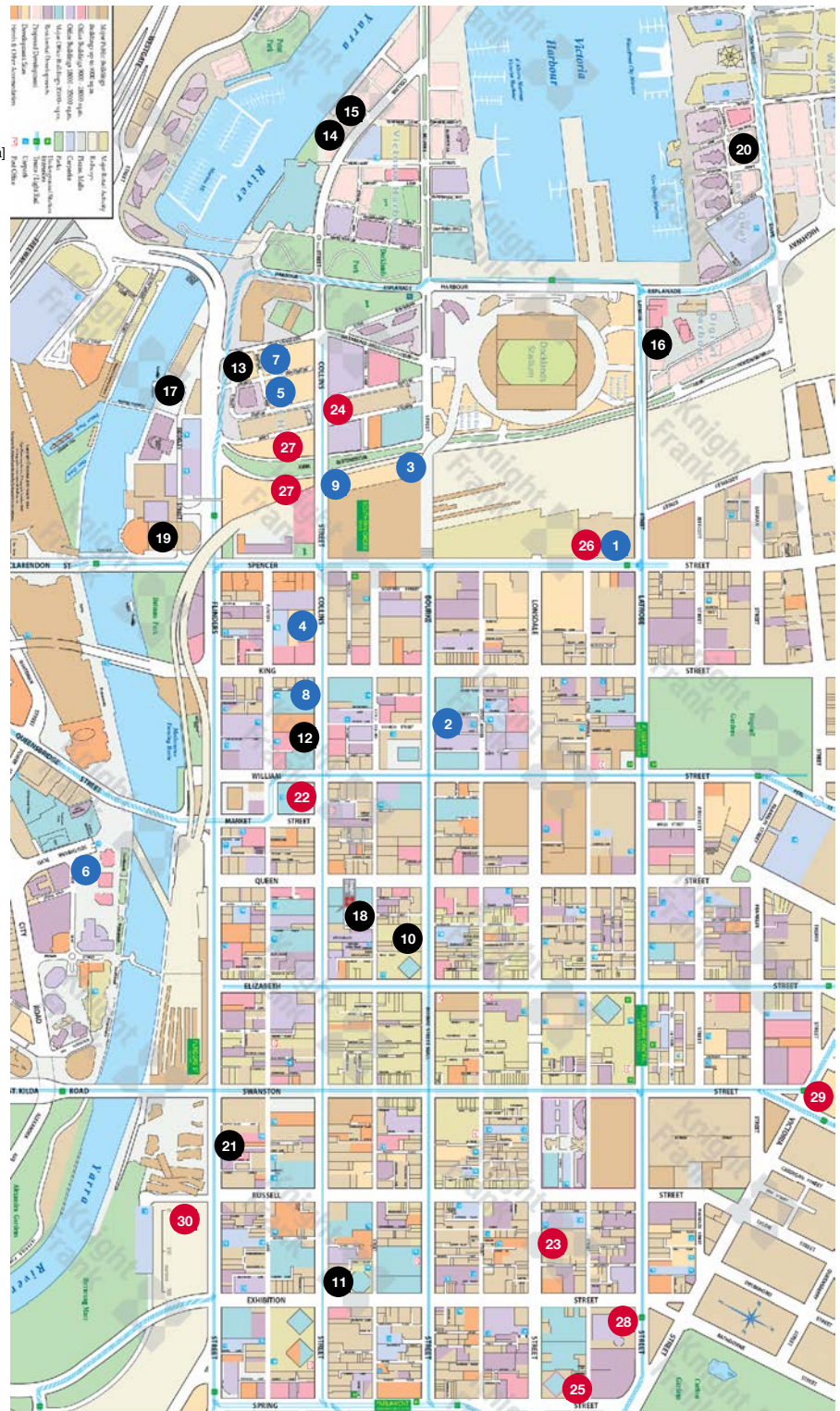
Source of Map: Knight Frank Research

NB. Dates are Knight Frank Research estimates
Includes select CBD major office supply (NLA quoted)
Major tenant precommitment in [brackets] next to NLA
Major refurbishment/backfill

LLITST refers Lend Lease International Towers Sydney Trust (50% CPPIB, 25% APF Commercial, 15% Lend Lease, 10% APG)
LLOneTST refers Lend Lease One International Towers Sydney Trust (37.5% Lend Lease, 37.5% QIA, 25% APF Commercial)

MELBOURNE

- 1 313 Spencer St - 27,500m² [Victoria Police]
Cbus Property/Invesco - Q2 2015 - 100% committed.
- 2 570 Bourke St - 27,000m²
Charter Hall - Q2 2015.
- 3 699 Bourke St - 19,300m² [AGL Energy]
Mirvac/TIAA-CREF - Q2 2015 - 100% committed.
- 4 567 Collins St - 55,000m² [Corrs/Leighton Contractors/Jemena]
Investa - Q3 2015 - 69% committed.
- 5 2 Collins Sq - 70,000m² [KPMG/Maddocks/AECOM]
Walker - Q3 2016 - 55% committed.
- 6 2-4 Riverside Quay ^ - 20,100m² [PwC]
Mirvac/ISPT - Q4 2016 - 82% committed.
- 7 4 Collins Sq - 38,000m² [Link Group]
Walker - Q4 2016 - 65% committed.
- 8 525 Collins St - 6,000m² [Bank of Melbourne]
St Martins/Equiset - Q2 2017 - 50% committed.
- 9 664 Collins St - 25,000m² [Pitcher Partners]
Mirvac - Q2 2018 - 40% committed.
- 10 405 Bourke St - 62,000m²
Brookfield - 2018+
- 11 80 Collins St - 43,000m²
Queensland Investment Corporation (QIC) - 2018+
- 12 477 Collins St - 51,000m²
Mirvac - 2018+
- 13 5 Collins Sq - 35,100m²
Walker - 2018+
- 14 Y3, 839 Collins St - 39,200m²
Lend Lease - 2018+
- 15 Y4, 855 Collins St - 34,000m²
Lend Lease - 2018+
- 16 1000 Latrobe St - 32,500m²
Digital Harbour - 2018+
- 17 North Wharf - 20,000m²
WTC Asset Management - 2018+
- 18 360 Collins St - 18,000m²
DEXUS - 2018+
- 19 601 Flinders St - 60,000m²
Eureka/Asset 1 - 2018+
- 20 395 Docklands Dve - 22,000m²
MAB - 2018+
- 21 180 Flinders St - 20,000m²
DEXUS - 2018+
- 22 447 Collins St - 68,356m²
Cbus Property - 2019+
- 23 124-148 Lonsdale St - 55,000m²
Uniting Church/Charter Hall - 2018+
- 24 710 Collins St - 47,500m²
Abacus Property Group - 2018+
- 25 271 Spring St - 20,000m²
ISPT - 2018+
- 26 311 Spencer St - 55,000m²
Australia Post/Cbus Property - 2020+
- 27 Sites 5B & 6B - 100,000m²
Lend Lease - 2018+
- 28 288 Exhibition St - 90,000m²
Telstra - 2020+
- 29 555 Swanson St (CUB Site) - 36,000m²
Grocon - 2018+
- 30 Fed Square East - 60,000m²
State Government - 2020+

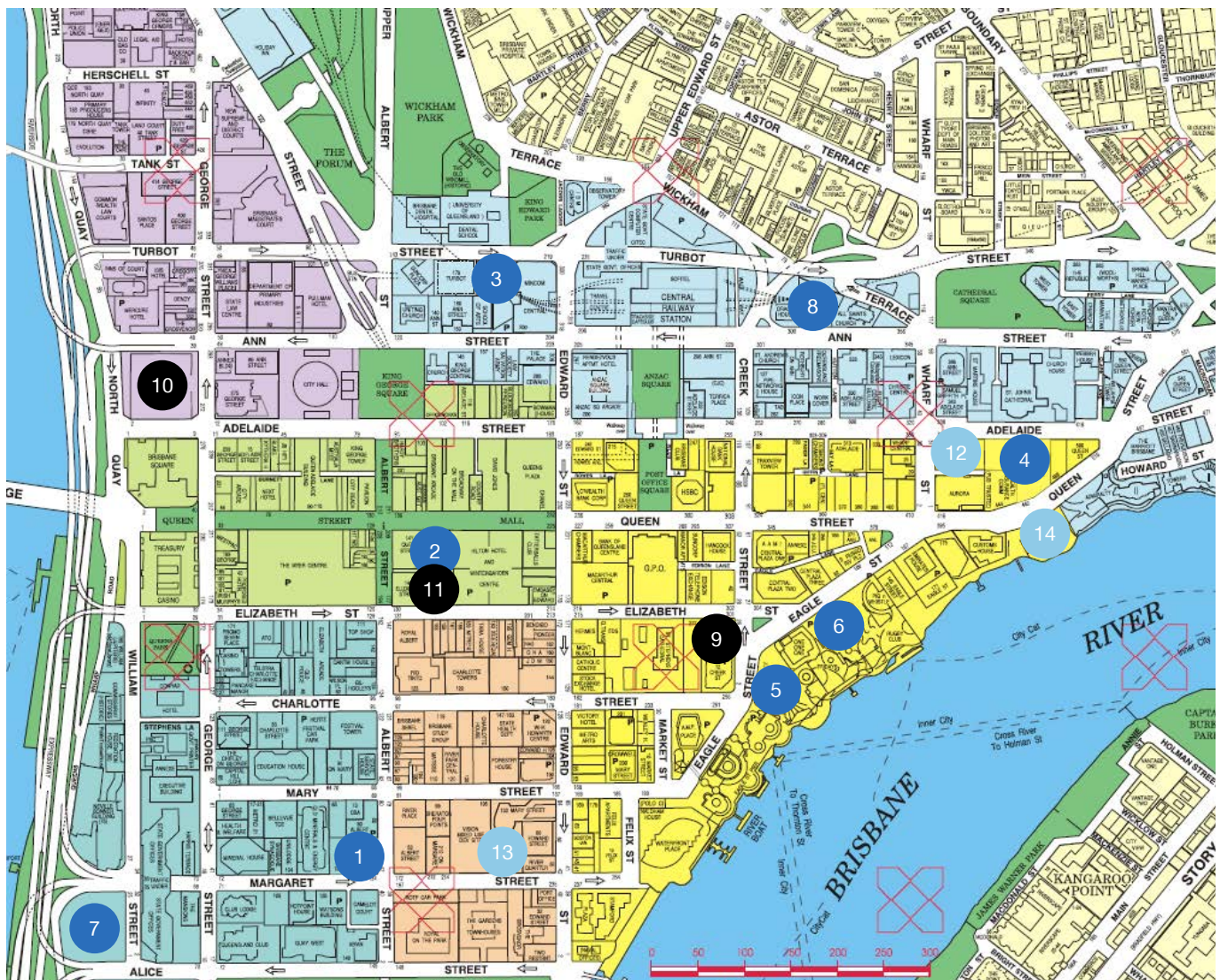


Source of Map: Knight Frank Research

- Under Construction / Complete
- DA Approved / Confirmed / Site Works
- Mooted / Early Feasibility

NB. Dates are Knight Frank Research estimates
Major tenant precommitment in [brackets] next to NLA
^ Southbank precinct
Office NLA quoted

BRISBANE



Source of Map: Knight Frank Research

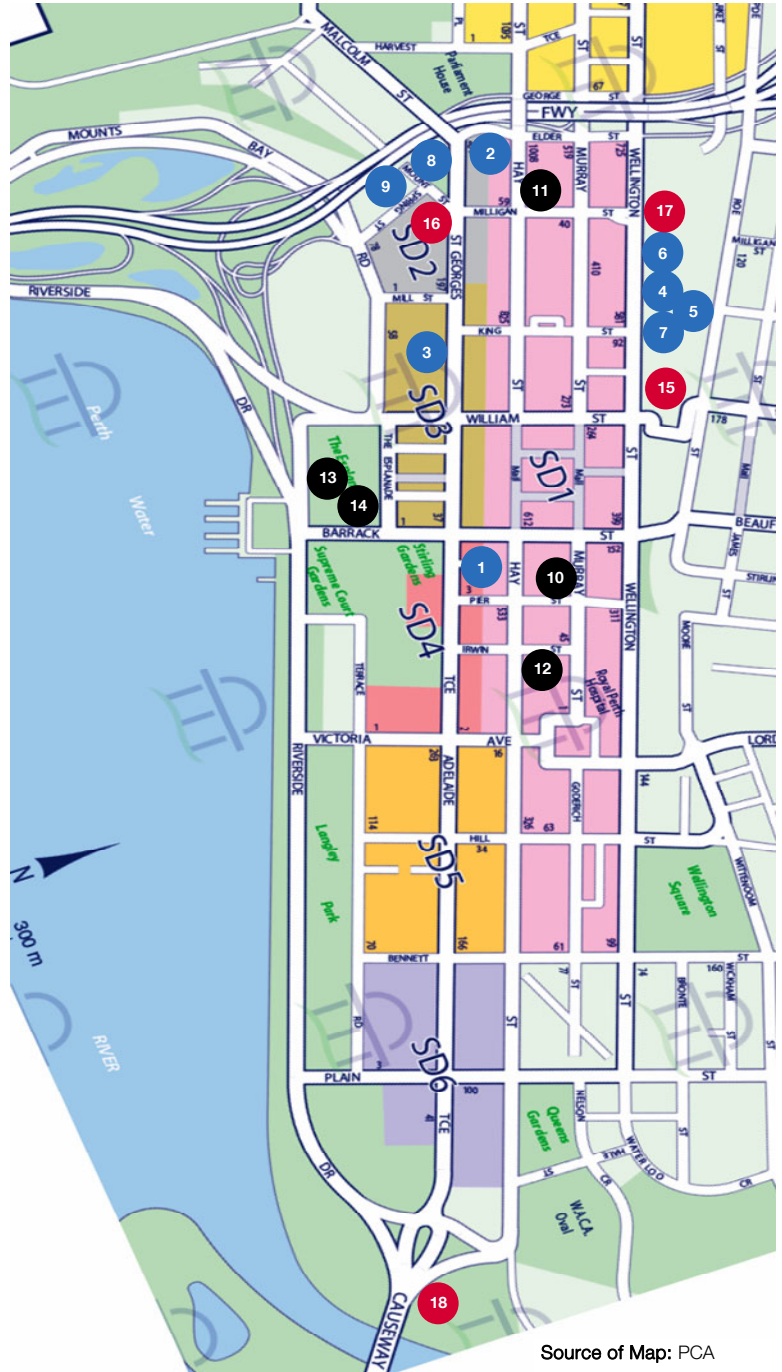
- | | | |
|---|--|--|
| <p>1 60 Albert St[^] —c14,000m²
DWPf — Q1 2015 — <i>Arrow/Worley
Parsons/Rowland</i></p> <p>2 155 Queen St — c2,500m²
ISPT—Q4 2015</p> <p>3 180 Ann St — 57,465m² [CBA]
Daisho — Q4 2015—18% committed</p> <p>4 480 Queen St—55,561m² [BHP/ PwC/
Freehills] —84% committed
Grocon (DEXUS/DWPF) — Q1 2016</p> <p>5 71 Eagle St[^] —6,115m² - Bloomberg
Inc—Q1 2016 <i>BHP/Grocon</i></p> <p>6 123 Eagle St[^] — 13,745m² - GPT- Q2-
3/2016 <i>PWC/Allens Linklaters/HWL
Ebbsworth/Grocon</i></p> <p>7 1 William St—74,853m² [State Govt]
Cbus Property/ISPT—Q3 2016
100% committed</p> <p>8 310 Ann St# — 16,500m²
Private Investor—Q4 2016</p> | <p>9 12 Creek St Annex—6,297m² of GFA
DEXUS Property Group/DWPF—tba</p> <p>10 300 George St—c35,000m² NLA
Shayher Group—tba</p> <p>11 The Regent Development—c35,000m²
ISPT—subject to pre-commitment</p> <p>12 363 Adelaide St—14,700m²
Valparaiso Capital —withdrawn Q1 2015
Student Accommodation Conversion</p> <p>13 240 Margaret St—3,750m²
Aspial Corporation —withdrawal Q3 2015
Residential Development</p> <p>14 443 Queen St—5,560m²
Cbus— withdrawal Q4 2015
Residential Development</p> | <p>● Under Construction / Complete</p> <p>● DA Approved / Confirmed / Site Works</p> <p>● Mooted / Early Feasibility</p> <p>● Former office buildings withdrawn for hotel or residential conversion/redevelopment during 2015</p> <p>Source of Map: Knight Frank
As at December 2015, excluding strata
#major refurbishment/entire building available
[^]sub-lease space >5,000m² with a number of
contiguous floors
Sub-lessor identified in <i>italics</i>.
Avail office NLA quoted.
Major Pre-commit in [brackets] next to the NLA.</p> |
|---|--|--|

PERTH

- 1 Treasury Building, 54-58 Barrack St - 30,196m² [WA State Government]
Mirvac / Keppel REIT consortium - Q3 2015 - 100% committed
- 2 999 Hay St - 10,760m² [GHD]
QUBE - Q3 2015 - 56% committed
- 3 Brookfield Place 2 (123 St Georges) - 33,600m² [Ashurst, Deloitte, Corrs, Brookfield, Wesfarmers] - Brookfield - Q4 2015 - 63% committed
- 4 KS2 (Kings Square)*, 376 Wellington St - 19,282m² [Shell]
DEXUS & DWPF - Q3 2015 - 100% committed
- 5 KS3 (Kings Square)*, 376 Wellington St - 5,675m² [John Holland]
DEXUS & DWPF - Q3 2015 - 100% pre-committed
- 6 KS4 (Kings Square)*, Wellington St - 12,500m² [HBF]
HBF - Q3 2015 - 72% committed
- 7 KS1 (Kings Square)*, 376 Wellington St - 22,543m²
DEXUS & DWPF - Q4 2015 - subject to pre-commitment
- 8 251-267 St Georges Tce # - 2,500m² [includes new studio of 306m²]
Primewest - late 2016
- 9 Capital Square, 98-124 Mounts Bay Rd - 50,500m² [Woodside]
AAG - mid 2018 - 100% committed
- 10 100 Murray St # - 4,000m²
AWD Diversified Ltd - subject to pre-commitment
- 11 950 Hay St (old Melbourne Hotel site) - 10,000m²
Oakesfield Pty Ltd - subject to pre-commitment
- 12 480 Hay St - 34,000m²
BGC - Dev Approved - subject to pre-commitment
- 13 Elizabeth Quay - 130,000m² excluding 70,000m² Chevron site
Leighton / Broad Construction Services
- 14 Crn Barrack St & The Esplanade - 70,000m² [Chevron]
Chevron - DA Pending
- 15 Perth City Link * - Circa 120,000m² exclusive of Kings Square
Mirvac/Leighton development consortium
- 16 239 St Georges Tce (Bishops See no.2) - 46,000m² +
Brookfield/Hawaiian - subject to pre-commitment
- 17 KS5 (Kings Square) * - 38,000m²
Seven Entertainment - DA Pending
- 18 Waterbank, near The Causeway - 17,000m²
Lend Lease / MRA - Initial site works

- Completed / Under Construction
- Dev Approved / Confirmed / Site Works
- Mooted / Early Feasibility

NB. Dates are Knight Frank Research estimates
Office NLA quoted
Major tenant precommitment in [brackets] next to NLA
Full refurbishment
* Mirvac/Leighton awarded the Perth City Link development contract excluding the Kings Square precinct.
KS 1 to 5 are being developed by Leighton / Seven Group.

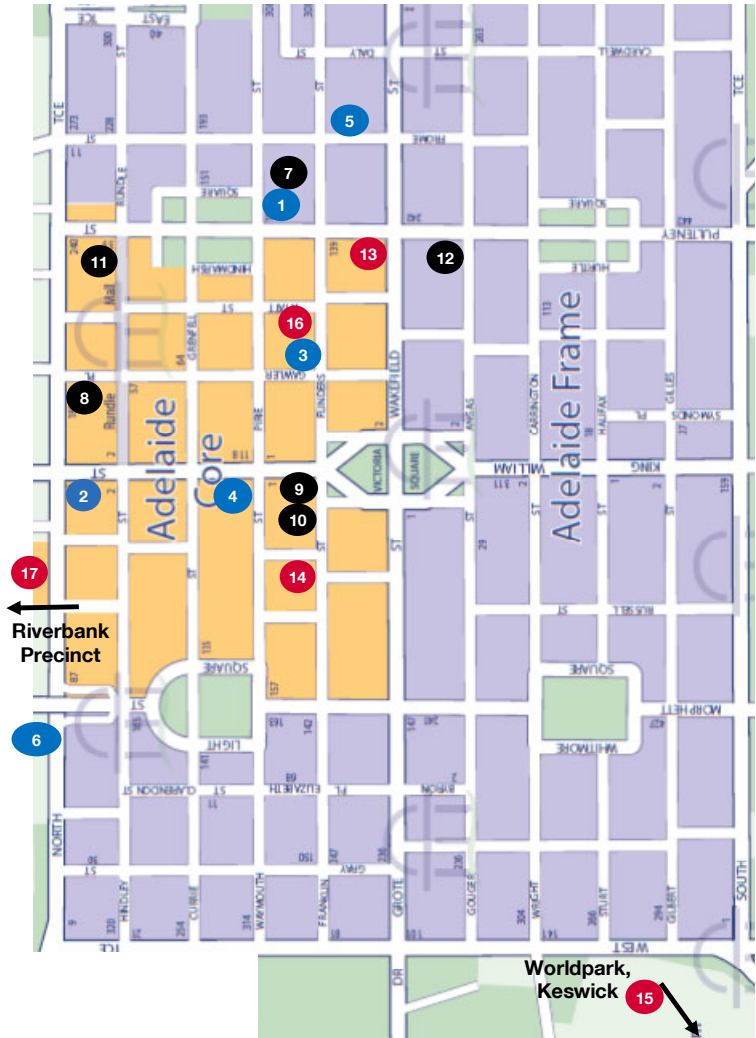


Source of Map: PCA

ADELAIDE

- 1 169 Pirie St (ex BAB) # - 8,000m² [Lucid , Channel 9, Homestart]
Aus Property Developments - June 2015
- 2 1 King William St # - ~11,000m² (ex Origin) [SA Govt]
Anvil Capital - December 2015 - 30% committed
- 3 50 Flinders St - 21,431m² [People's Choice C.U. & Santos**]
Cbus - October 2015 - 82% committed
- 4 115 King William St - 6,900m²
Brinz Holdings - Q2 2016
- 5 170 Frome St - 3,900m² [Grant Thornton]
Emmett Properties - 2016 - 38% committed
- 6 University of Adelaide AMNS^ - North Terrace
12,000m² University of Adelaide - 2016+
- 7 185 Pirie St - 6,000m²
Palumbo - 2017+
- 8 186-190 North Terrace - 5,000m²
Adelaide Development Company (ADC) - 2018+
- 9 Precinct GPO (Plaza) - 141 King William St - 12,500m²
Charter Hall/Telstra Super Fund - 2018+
- 10 Precinct GPO (Tower) - 12-26 Franklin St - 24,000m²
Charter Hall/Telstra Super Fund - 2018+
- 11 11-13 Austin Street - 30,975m²***
Eclipse Capital - 2018+
- 12 130 Angas St (Hospital) - 25,000m²
Commercial & General - 2018+
- 13 102-120 Wakefield St - 16,500m²
Kyren Group - 2018+
- 14 42-56 Franklin St - 21,000m²
Private (Molfetas) - 2018+
- 15 Worldpark - Richmond Rd, Keswick - 22,600m²
Axiom (Stage B & C) - 2018+
- 16 57-61 Wyatt Street - 4,180m²
Private - 2018+
- 17 Festival Plaza / Riverbank Precinct - 40,000m²
Walker Corp/SA Government - 2019+

- Under Construction/Complete
- DA Approved / Confirmed
- Mooted / Early Feasibility



Source of Map: PCA

NB. Dates are Knight Frank research estimates
Major tenant precommitment in [brackets] next to NLA
Major refurbishment
Office NLA quoted (>3,000m²)

* Owner occupier

**Santos has subleased all (7,000m²) of their pre committed space

***Mixed use development comprising residential, retail & commercial

^Adelaide Medical & Nursing School

~ note total NLA is 18,247m²

C.U. Credit Union

BAB Bendigo & Adelaide Bank

CANBERRA

- 1 3-7 Molonglo Drive, Airport - 36,000m²
Capital Airport Group - Complete - awaiting commitment
- 2 2 Constitution Ave ^ # - 10,131m²
ISPT - Complete (total NLA 20,014m²) - awaiting commitment
- 3 1 Canberra Ave, Forrest - 24,500m² [Dept of Finance ^]
Willemssen Group - Complete - 80% committed *
- 4 Tuggeranong Office Park - 30,400m² [Dept of Social Services]
Cromwell Property Group - Q3 2017, 100% committed ~
- 5 Vernon North - Building 4, London Circuit^ - 25,000m²
Leighton/Mirvac JV - 2018+ subject to pre-commitment
- 6 Signature Building 2, London Circuit^ - 16,000m²
Leighton/Mirvac JV - 2018+ subject to pre-commitment
- 7 Section 96^ - 37,500m²
QIC - 2018+ subject to pre-commitment
- 8 Northbourne Square, Northbourne Ave^ - 52,000m²
Walker Group - 2019+ subject to pre-commitment
- 9 Nangari Street ^ - 6,500m²
Molonglo Group - 2018+ subject to pre-commitment
- 10 45 Furzer St, Phillip - 40,600m²
Doma Group - 2020+ subject to pre-commitment
- 11 Section 19 (Block 4)^ - 40,000m²
ACT Government - 2019+
- 12 2 Darling Street, Barton - 11,500m²
Doma Group - 2018+
- 13 44 Macquarie St, Barton - 10,000m² mixed use
Doma/Morris Group - 2018+
- 14 26-28 Antill St, Dickson (ex ACT Tab bldg) - 8,000m²
Amalgamated Group - 2021+ subject to pre-commitment
- 15 Landmark Building, London Circuit^ - 50,000m²
Leighton/Mirvac JV - mooted
- 16 Vernon South - Building 3, London Circuit^ - 25,000m²
Leighton/Mirvac JV - mooted
- 17 45 Callam Street, Phillip - 17,500m²
Hindmarsh Group - Mooted, subject to pre-commitment
- 18 Anzac Park East, Parkes # - 12,534m²
Federal Govt - mooted

NB. Dates are Knight Frank Research estimates

Major tenant precommitment in [brackets]

* Under Offer - Contract not yet signed

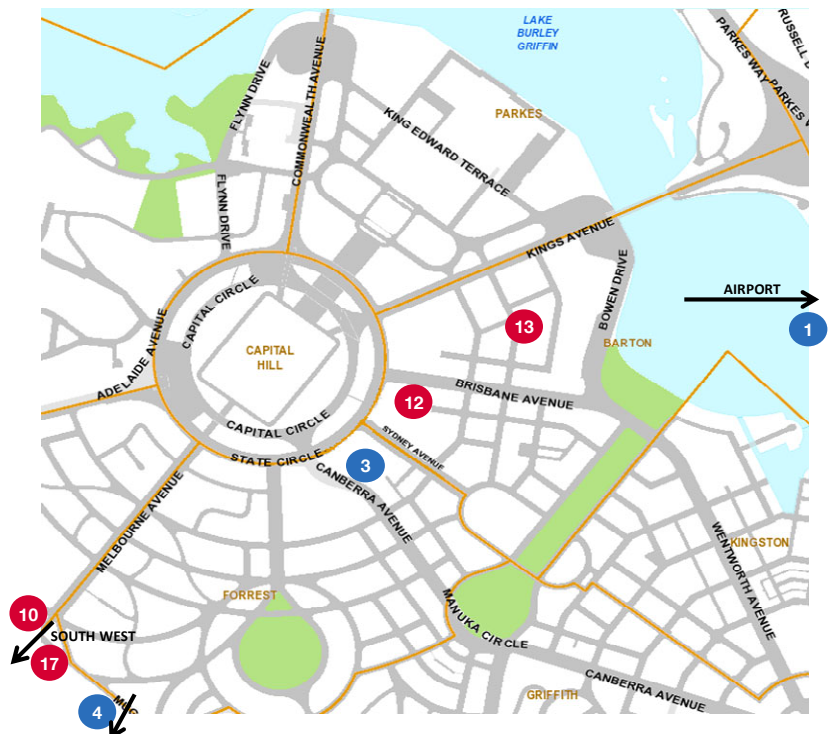
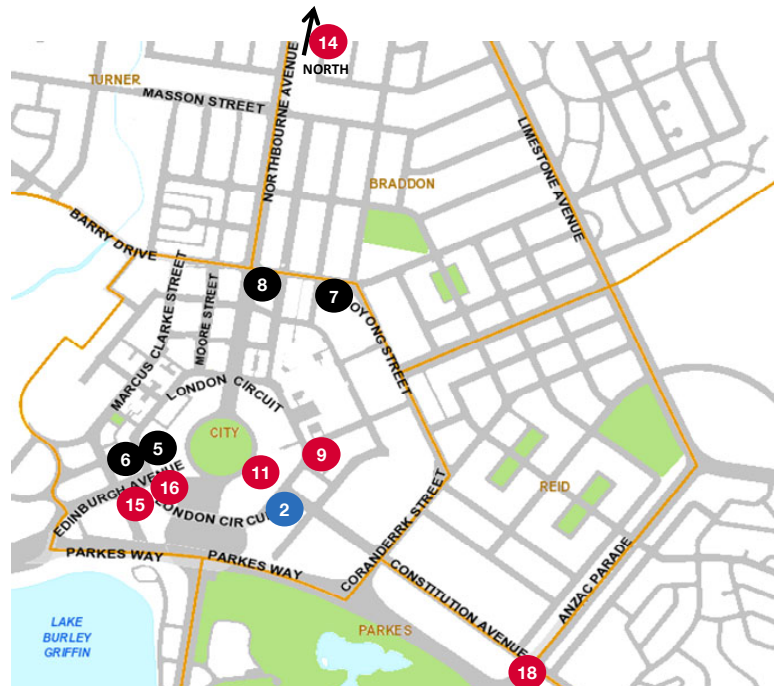
^ Civic precinct

Office NLA quoted

Major refurbishment

~ Development is of the same size as what it's replacing

- Under Construction/Complete
- DA Approved / Confirmed / Site Works
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Source of Map: ACT Planning and Land Authority (ACTMAPi)



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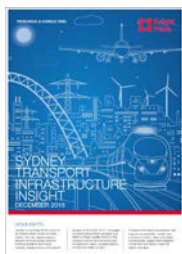
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