

Adelaide Industrial State of the Market

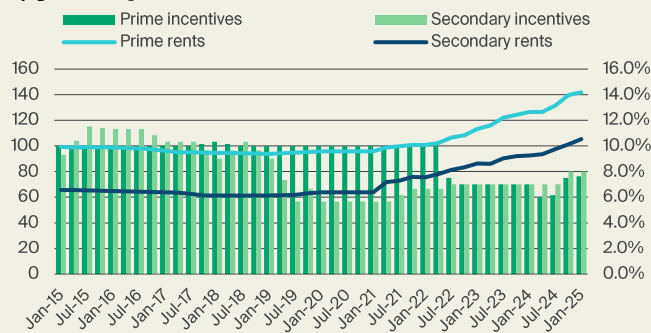


Investment volumes rise 29.8% year on year

Q4 2024

- Prime net face rents sit at \$141.9 on avg. in Adelaide after rising 1.6% q/q and 12.2% y/y
- Rental growth has been particularly strong in Adelaide up 25.2% in the last 2-years, and 40.8% in the last 3-years
- Adelaide's Inner South has seen the most prime rental growth of any precinct up 15.9% y/y to stand at 153/sqm on avg.
- Land values for small sized lots (<5,000 sqm) have risen 10.8% in the last 6-months, now sitting at \$559/sqm on avg.
- Prime yields softened 3 bps to 6.28% while secondary yields softened 10 bps to 7.03%
- Despite a minor fall in the number of industrial sales y/y investment volumes were up 29.8% in 2024 to \$670m

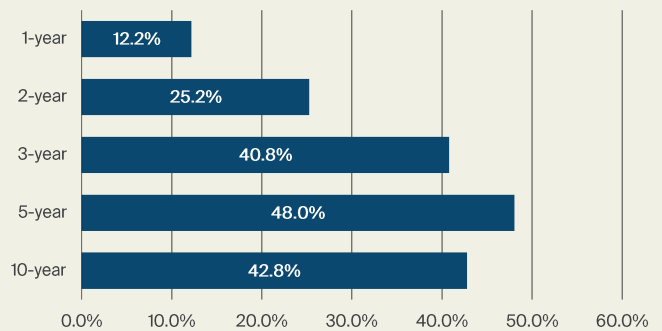
Industrial net face rents and incentives
by grade \$/sqm (LHS), and incentives % (RHS)



Source: Knight Frank Research

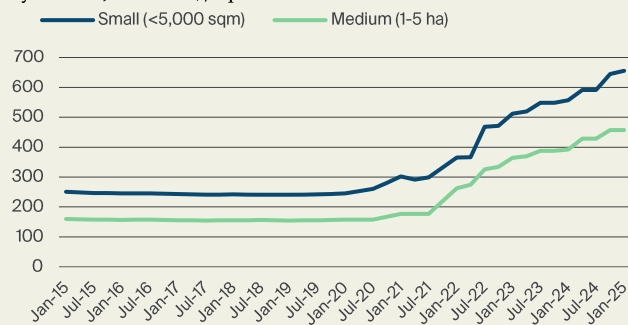
Prime industrial rental growth

net face rental growth y/y as at Jan-25, %



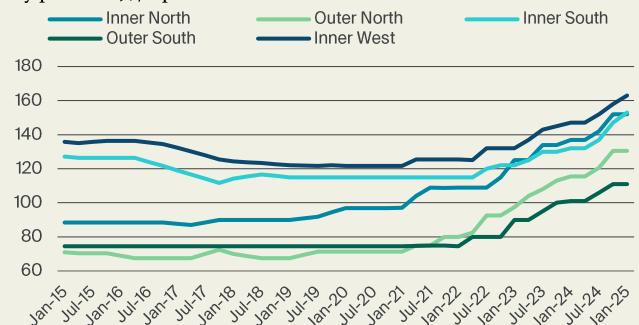
Source: Knight Frank Research

Industrial land values
by lot size, blended \$/sqm



Source: Knight Frank Research

Industrial net face rents
by precinct, \$/sqm

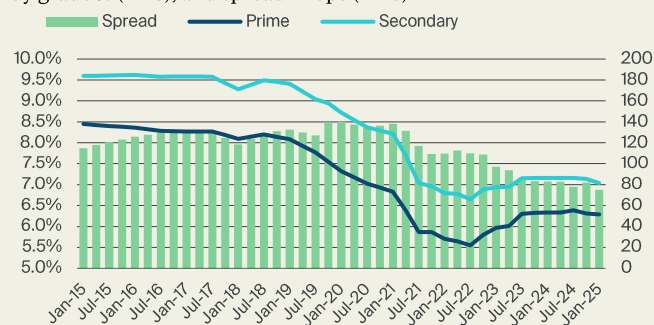


Source: Knight Frank Research

Industrial Market Indicators – Q4 2024

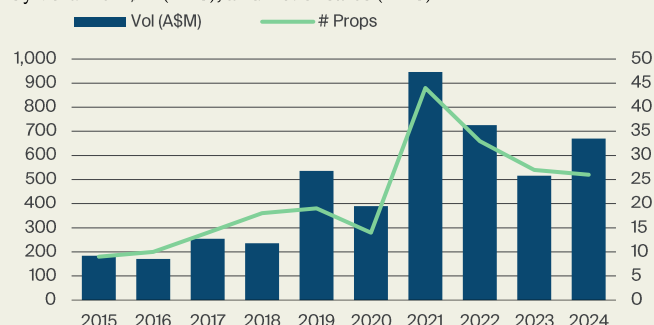
Precinct	Prime net face rent (\$/sqm)	% change y/y	Secondary net face rent (\$/sqm)	% change y/y	Land values <5,000 sqm (\$/sqm)	Land values 1-5 ha (\$/sqm)	Core market yield (%)
Inner West	163	10.9	122	19.6	1,008	750	5.9
Inner North	152	10.9	114	4.6	744	469	6.1
Outer North	131	13.0	91	18.2	325	255	6.2
Inner South	153	15.9	117	20.6	900	600	6.1
Outer South	111	9.9	83	6.4	300	213	7.0
Average	142	12.2	105	12.5	655	456	6.3

Adelaide industrial yields by grade % (LHS), and spread in bps (RHS)



Source: Knight Frank Research

Adelaide investment volumes by volume A\$M (LHS), and no. of sales (RHS)



Source: Knight Frank Research, MSCI

Recent Significant Tenant Commitments

Address	Precinct	Grade	Date	Building Size (sqm)	Net rent (\$/sqm)
E1 / 20-22 Butler Boulevard, Adelaide Airport	Inner West	Prime	Oct-24	5,590	150
2/113 Ledger Road, Beverley	Inner West	Secondary	Sep-24	4,619	135
334-344 Cormack Road, Wingfield	Inner North	Prime	May-24	4,978	139

Recent Significant Sales

Property	Suburb	Precinct	Price (\$M)	Land size (sqm)	Building size (sqm)	\$/sqm	Purchaser	Vendor
113-117 Bedford Street	Gillman	Inner North	20.0	15,020	8,894	2,249	Harmony Property	Trilogy Funds
26-36 Stirling Street	Thebarton	Inner West	22.0	14,510	10,714	2,053	Local Private	KM Property Funds
7 Brandwood Street	Royal Park	Inner North	21.9	31,120	12,733	1,721	Centuria Capital	Centennial
2-8 Mirage Road	Direk	Outer North	14.8	19,930	6,738	2,182	Interstate Private	Conf.
3 Hewittson Road & 3 Peachey Road	Edinburgh North	Outer North	10.2	82,690	13,479	756	Conf.	Conf.
142 & 146 Cavan Road	Dry Creek	Inner North	10.5	19,457	5,402	1,944	Local Private	Local Private

(For more information, please contact our team)

Economic indicators - SA

	2023	2024	2025 (f)	2026 (f)	2027 (f)	2028 (f)
Gross State Product (% change y/y)	2.0	1.1	1.8	1.6	1.6	1.7
Population Growth (% change y/y)	1.7	1.4	0.8	0.7	0.8	0.8
Unemployment Rate (%)	3.9	4.1	4.9	4.8	4.8	4.8
Cash Rate (%)	4.4	4.4	3.6	3.4	3.4	3.4
10-year Government Bond Yield (%)	4.0	4.5	4.2	4.2	4.2	4.2

Source: Oxford Economics



Capital Markets, SA
Max Frohlich
+61 423 933 702
max.frohlic@au.knightfrank.com



Capital Markets, SA
Ryan Mills
+61 400 876 747
ryan.mills@au.knightfrank.com



Investment Sales, SA
Chet Al
+61 413 104 002
chet.al@au.knightfrank.com



Research & Consulting, VIC
Tony McGough
+61 406 928 820
tony.mcgough@au.knightfrank.com



Research & Consulting, VIC
Laurence Panozzo
+61 401 251 876
laurence.panozzo@au.knightfrank.com



Valuation & Advisory, SA
Tom Walker
+61 438 716 787
tom.walker@sa.knightfrank.com