

Adelaide CBD Office State of the Market

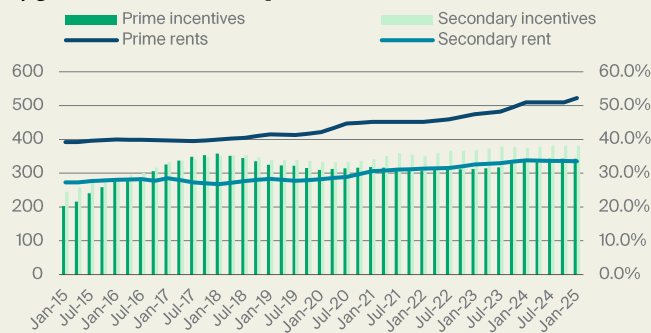


Prime net face rents sit at \$522/sqm, rising 2.5% q/q

Q4-2024

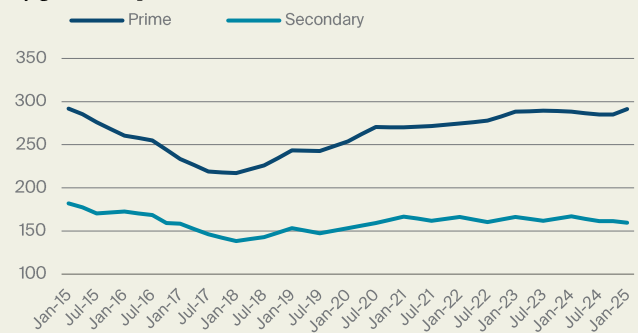
- Incentives remained flat in Q4-24 across prime and secondary markets sitting at 34.3% and 38.2% respectively
- New supply in Adelaide is expected to fall marginally below it's 10-year avg. of 30,176 sqm in 2025
- There was only one deal in Q4-24, (which was off-market and transacted by Knight Frank), with 19 Grenfell Street selling for \$25.5m at a 9.0% yield
- Prime yields softened 6 bps to 7.34% with the belief that they stabilised, as is the case in other major cities
- Prime capital values in Adelaide's CBD have fallen 3.2% over 2024

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



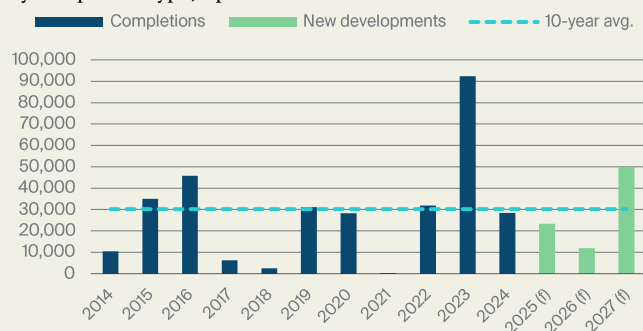
Source: Knight Frank Research

Adelaide CBD net effective rents
by grade, \$/sqm



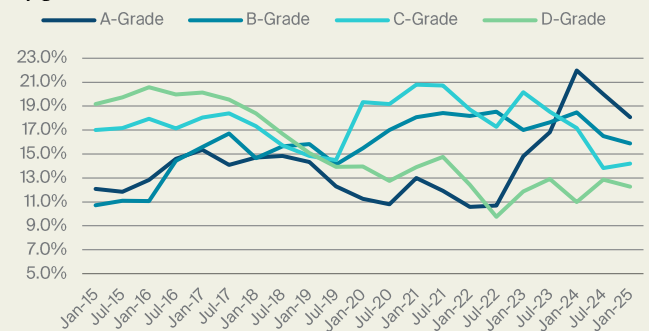
Source: Knight Frank Research

Adelaide CBD office new supply pipeline
by completion type, sqm



Source: Knight Frank Research, PCA

Adelaide CBD vacancy rate
by grade, %



Source: Knight Frank Research, PCA

Adelaide CBD Office Market Indicators – Q4 2024

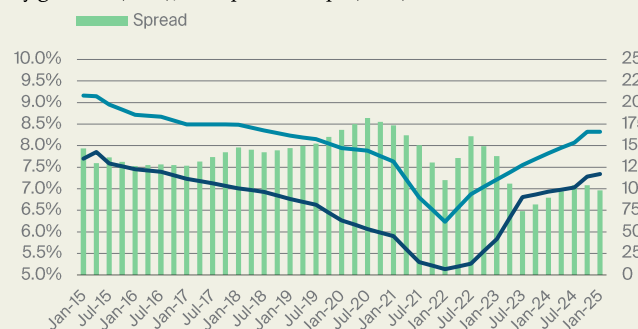
Grade	Net face rent (\$/sqm)	Qtr change (%)	Annual change (%)	Net effective rent (\$/sqm)	Net incentive (%)	Qtr change (%)	Annual change (%)	Core market yield (%) #	Vacancy Rate (%)*	Stock (sqm)*
Prime	522	2.5	2.5	291	34.3	2.2	1.1	7.3	18.1	753,338
Secondary	335	-0.2	-0.8	160	38.2	-1.0	-4.49	8.4	14.8	817,038

Source: Knight Frank Research, PCA

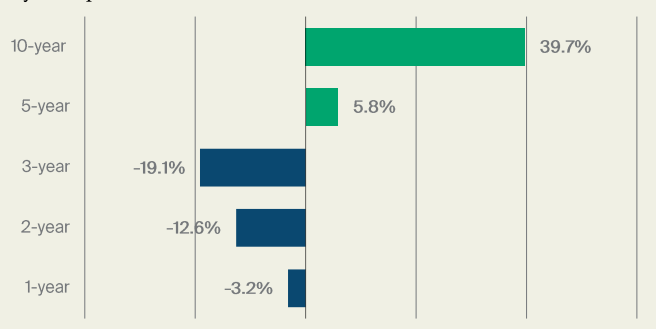
#Assuming WALE 5 years

* As of January 2025

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



Adelaide CBD prime office cap-value growth by time period



Recent Significant Sales

Property	Price (\$M)	NLA (sqm)	Cap Value (\$/sqm)	Yield (%)	Purchaser	Vendor	Sale date
19 Grenfell Street	25.5	10,523	2,423	9.0	Exceed Capital	Shakespeare Property	Dec-24
121-129 King William St	84.1	12,616	6,666	7.6	Kyren Group	Charter Hall	Jul-24
104 Frome Street	14.2	4,387	3,237	8.5	Ginos Group	Local Private	May-24

(For more information, please contact our team)

New Developments and Refurbishments

Address	Type	Developer	NLA (sqm)	Status	Due Date
30 Pirie Street	Refurb	Quintessential	24,000	Complete	H1 2024
45 Pirie Street	Refurb	Curated Capital & Realside	19,580	Complete	H2 2024
100 King William Street	Refurb	Quintessential	18,600	Complete	H2 2024
42-56 Franklin Street	New	Kyren Group	21,000	U/C	H2 2025
Victoria Tower	New	Auta Group	2,324	U/C	H2 2025
Market Square	New	ICD Property & City of Adelaide	22,500	U/C	H2 2026
Walker Tower 2	New	Walker Corp	50,000	U/C	H2 2027

South Australia – Economic Indicators

	2022	2023	2024	2025 (f)	2026 (f)	2027 (f)	2028 (f)
Unemployment rate (%)	4.3	4.0	4.4	5.1	5.0	5.0	5.0
GSP (% change y/y)	6.6	2.5	1.7	0.5	1.4	1.7	1.8
Population growth (% change y/y)	1.3	2.0	1.6	0.9	0.9	0.9	1.0
Prof. services employment (% change y/y)	15.1	2.5	-11.3	-1.2	2.0	0.8	0.5
Finance employment (% change y/y)	1.4	1.4	2.2	6.2	2.1	2.2	2.3

Source: Oxford Economics



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