

FIGURES | BRISBANE INDUSTRIAL & LOGISTICS | Q4 2025

Investment sales in CY2025 almost double the long-term average



Note: Arrows indicate change from previous quarter.

Key Points

- Gross take-up increased compared to 3Q25, with around 109,100 sqm (transactions >4,000 sqm) of floorspace leased. Leasing demand has continued to improve, with occupiers seeking both functional and cost-effective solutions for their businesses.
- New floorspace added to the market in 4Q25 totalled c.103,000 sqm, which represents 17% of the 2025CY supply. The 2026 and 2027 supply pipeline remains moderate, with 41% pre-committed.
- Tight vacancy conditions continue to place upward pressure on rents, with average net face rents increasing across all asset grades over the quarter.
- Land values continue to appreciate, with 1.6ha and 0.25ha lots increasing by approximately 5.9% and 4.3%, q-o-q, respectively.
- Investment sale volumes in 4Q25 totalled approximately AUD 336 million, bringing the CY2025 total to AUD 2.8 billion, almost double the long-run average of AUD 1.5 billion.
- Yields across Brisbane remained relatively unchanged over the quarter, besides secondary grade assets, which tightened by approximately 50bps to 6.6%.

Source: CBRE Research Q4 2025

Demand

Leasing demand volumes continued to strengthen over the quarter

Leasing activity recorded an uplift in 4Q25, with around 109,100 sqm (transactions >4,000 sqm) of floorspace leased, representing a 20% increase compared to 3Q25. This brings gross take-up levels for CY2025 to approximately 471,000 sqm, remaining 22% below the historic 10-year average of c.602,300 sqm. Leasing demand has continued to improve, with occupiers seeking both functional and cost-effective solutions for their businesses.

Notable transactions in 4Q25 included:

- Wallenius Wilhelmsen Solutions in the South precinct (c.30,000 sqm)
- Comfort Group also in the South precinct (c.25,600 sqm)
- A global automotive auction provider in the Trade Coast (c.22,500 sqm)

With vacancy tightening to 3.1% and limited availability of super prime/prime grade stock in floorspace under 10,000 sqm, market conditions are becoming increasingly constrained. Additionally, with supply forecasted to moderate post-2025 and land availability remaining limited, future take-up volumes are expected to improve further over 2026 as occupiers are likely to feel the pressure to secure space while there is still relatively favourable lease terms (in the form of higher incentives).

The South precinct dominated leasing activity this quarter, accounting for 64% of total take-up, largely due to the precinct’s greater supply of speculative stock. The Trade Coast and Western Corridor followed, accounting for 25% and 5% of total take-up, respectively.

The majority of the floorspace leased this quarter was within existing assets (95%), with 5% from pre-leased space.

Transport, Postal & Warehousing occupiers dominate leasing over the quarter

Demand for space in 4Q25 was contributed by occupiers within the Transport, Postal & Warehousing (34%), Manufacturing (28%), followed by Retail Trade (21%) industry sectors.

FIGURE 1: Brisbane Gross Take-Up by Precinct

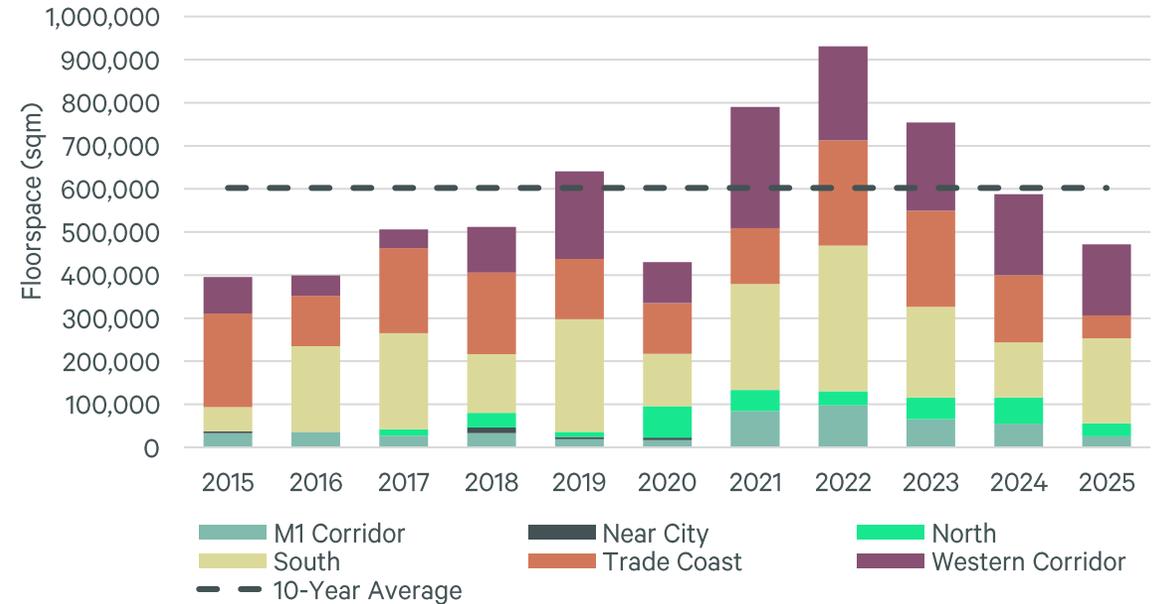
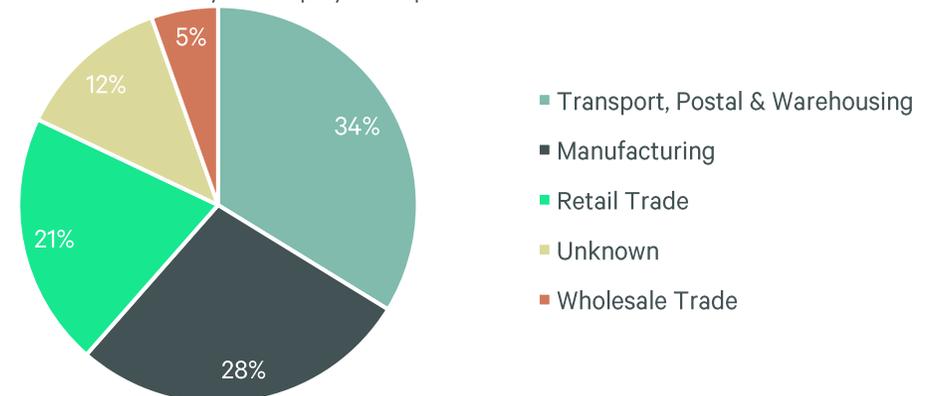


FIGURE 2: Brisbane Quarterly Take-up by Floorspace



To note: Reflects transactions >4,000 sqm.
Source: CBRE Research

Supply

Forward supply pipeline remains moderate

New floorspace added to the market in 4Q25 totalled c.103,000 sqm, which represents 17% of the 2025CY supply. A major project that reached practical completion in 4Q25 included the new Bunnings Distribution Centre (c.40,900 sqm) in Charter Hall's Flagstone Logistics Estate in North Maclean. Also added to the market was CityPort Cold Store (c.19,600 sqm) located in Morningside.

The CY2025 supply totalled c.614,000 sqm, which is approximately 38% above the 10-year annual average (c.445,000sqm).

New developments completed over the quarter have been concentrated in the Western Corridor (46%) and North (31%), followed by the Gateway South (19%).

Development activity is expected to moderate over the next 18-24 months, due to the large volume of recently completed and upcoming speculative developments. Developers will likely delay construction until a pre-commitment is secured, and until some of the upcoming supply is absorbed. In addition, off the back of higher construction costs, developers are requiring higher rents to ensure new projects are feasible, which is likely to lead to further supply reductions in the coming years.

The CY2026 supply pipeline is expected to moderate, with new space expected to total approximately 416,000 sqm, which is 7% below the long-run average.

Major projects expected to complete next quarter include:

- Willawong Estate Bowhill Road, South (64,000sqm)
- TradeCoast Connect, Gateway South (17,500sqm)
- Lot 2 within Elevation Estate, Western Corridor (14,800sqm)

Forecast supply over 2026 is concentrated in the Western Corridor precinct (45%), as well as the South precinct (30%). Currently around 41% of the 2026 and 2027 pipeline is pre-committed.

FIGURE 3: Brisbane Development Supply Pipeline

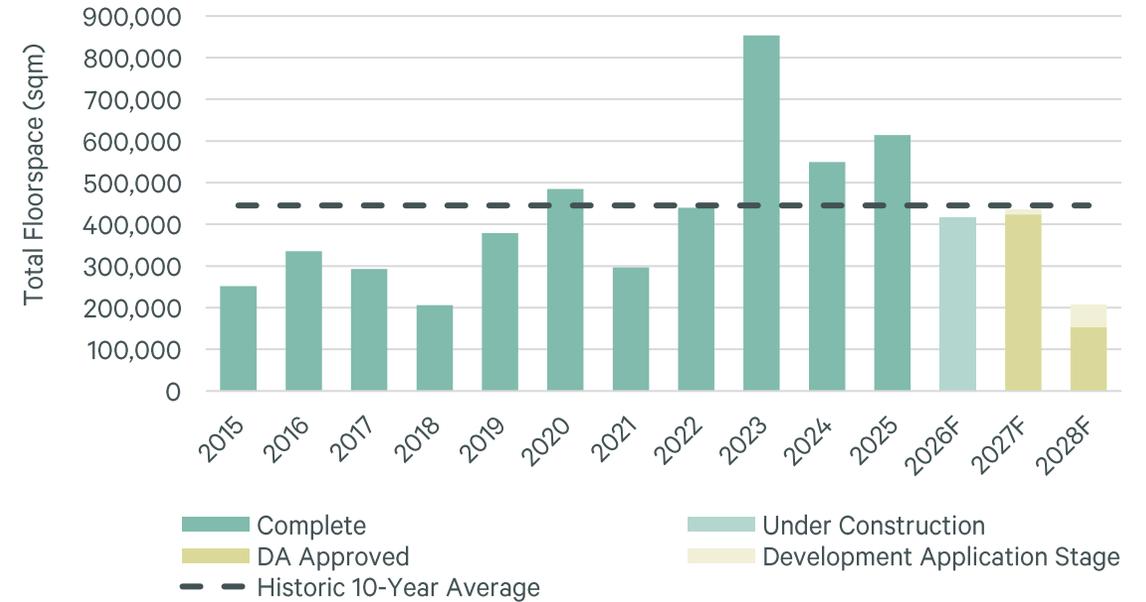
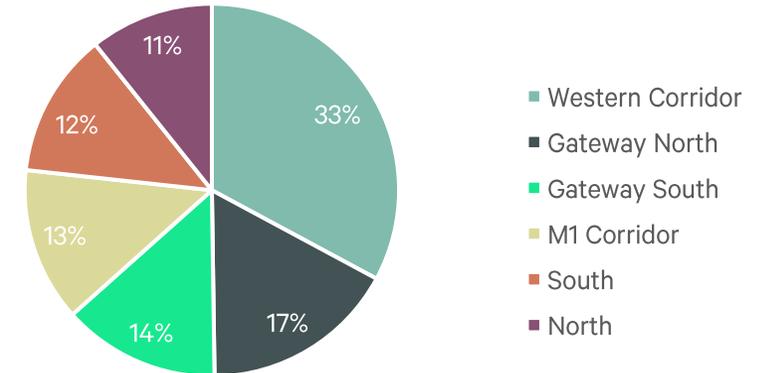


FIGURE 4: Precinct share of new developments completing in 2025, by floorspace



To note: Reflects new projects >4,000 sqm.
Source: CBRE Research

Leasing Market

Tight vacancy conditions continue to place upward pressure on rents

Net face rents across the Brisbane market continued to increase over 4Q25, driven by improved occupier demand, coupled with rising land values and construction costs.

Average net face rents for super prime, prime and secondary grade assets saw growth over the quarter, increasing by 3.3%, 3.1% and 1.2% q-o-q, respectively. The strongest quarterly growth for prime grade assets was recorded within the North (12.5%) and Gateway North (9.1%) precincts, with continued low vacancy driving this performance.

On a y-o-y basis, super prime, prime and secondary grade net face rents recorded growth of 7.8%, 6.1% and 4.2%, respectively. The largest annual growth for prime grade assets was recorded within the North precinct, increasing by 12.5%. Given the North precinct is one Brisbane's most tightly held markets, with a vacancy of 2.1%, tightening rental growth has continued to drive rental growth.

Incentives across Brisbane remained unchanged over 4Q25 supported by stable vacancy levels and a normalising supply pipeline. On a year-on-year basis incentives have increased owing to greater supply being added to the market. Super prime and prime grade asset incentives recorded an increase of 92bps to 15.9%, while secondary grade incentives increased by 50bps to 13.3%.

Given the annual increase of incentive levels, super prime net effective rents have increased by 3.3% (q-o-q) and 6.8% (y-o-y) to an average of AUD 155/sqm. The greatest increase was recorded within the Gateway North and Gateway South, increasing by 12.8% and 9.9% (y-o-y).

The average vacancy rate in Brisbane marginally declined to 3.1% over 2H25, supported by strong demand from occupiers looking for premium and efficient warehouse spaces in newly developed facilities. Additionally, with limited new supply expected from 2026 onwards, vacancy levels are expected to continue to tighten, supporting further rental growth.

FIGURE 5: Brisbane Average Net Face Rent Growth Year-on-Year by Grade

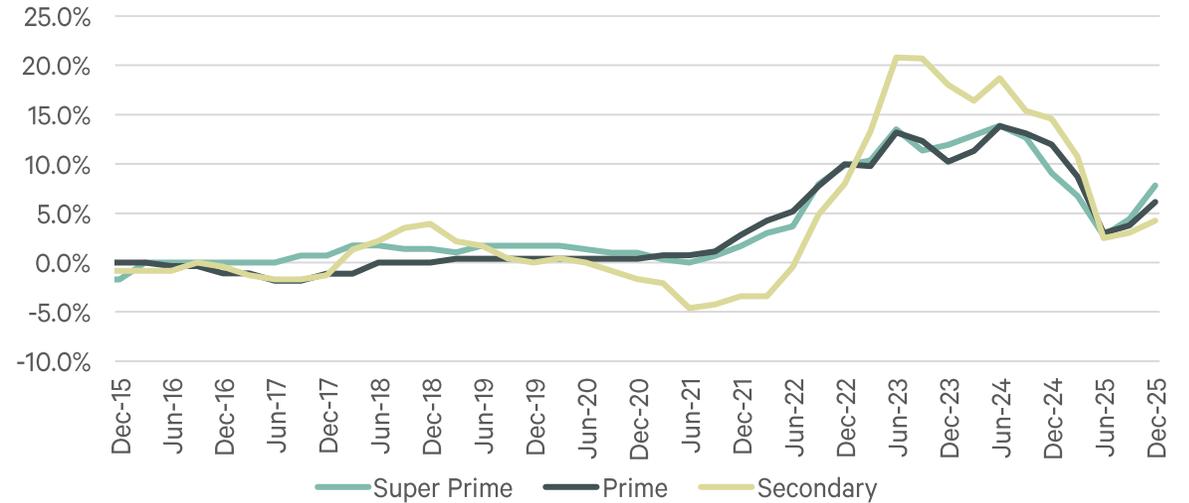
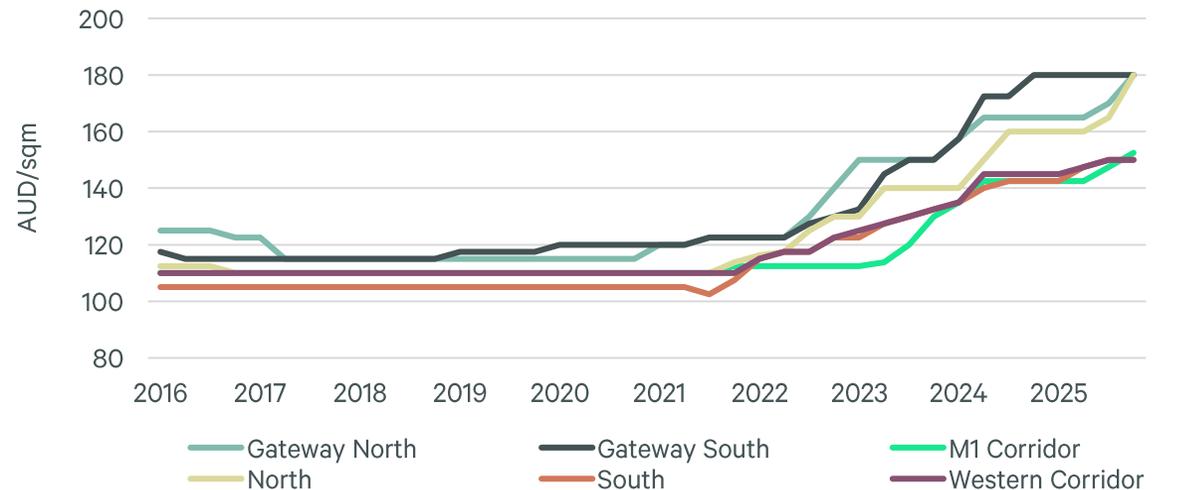


FIGURE 6: Brisbane Average Prime Net Face Rent, by Precinct



Source: CBRE Research Q4 2025

Land Values

Higher construction costs and limited developable land continue to drive land values

Brisbane's increasingly limited land availability (serviced and zoned) is continuing to drive appreciation in land values for both fully serviced small (0.25ha) and large (1.6ha) lots. During 4Q25 average land values for 0.25ha lots across Brisbane increased by 4.3% q-o-q, to an average of AUD 817/sqm. A higher increase was recorded for 1.6 ha lots over the quarter, rising 5.9% to AUD 671/sqm.

Over the last 12 months, land values across the Brisbane industrial precincts have increased by 14.2% for 1.6 ha lots and 14.3% for 0.25 ha lots (y-o-y). The strongest land value growth has been recorded in the North, M1 Corridor and South for both small and large lots, increasing by an average of 28%, 20% and 16% (y-o-y), respectively.

The Gateway South and Gateway North precincts are the most land constrained markets, having the lowest share of undeveloped land availability. As such, land values have remained the highest in these precincts, averaging AUD 888/sqm and AUD 788/sqm, respectively.

There is currently around 13,542 ha of zoned industrial land within the Greater Brisbane Region. Only 5% of this total (or 653 ha) has been identified by CBRE Research as undeveloped and serviced, highlighting the severe shortage of developable industrial land supply. This significant imbalance between supply and demand, particularly for prime grade assets, is continuing to place upward pressure on land values.

Rising construction costs are also continuing to impact project feasibility and future supply. As such, developers are continuing to delay new projects until pre-commitment is secured. CBRE Research estimates that economic rents for Brisbane industrial assets have risen by 63% above market rents over the last five years, further impacting developer appetite and constraining future supply.

FIGURE 7: Average Land Values (0.25 ha lots), by precinct

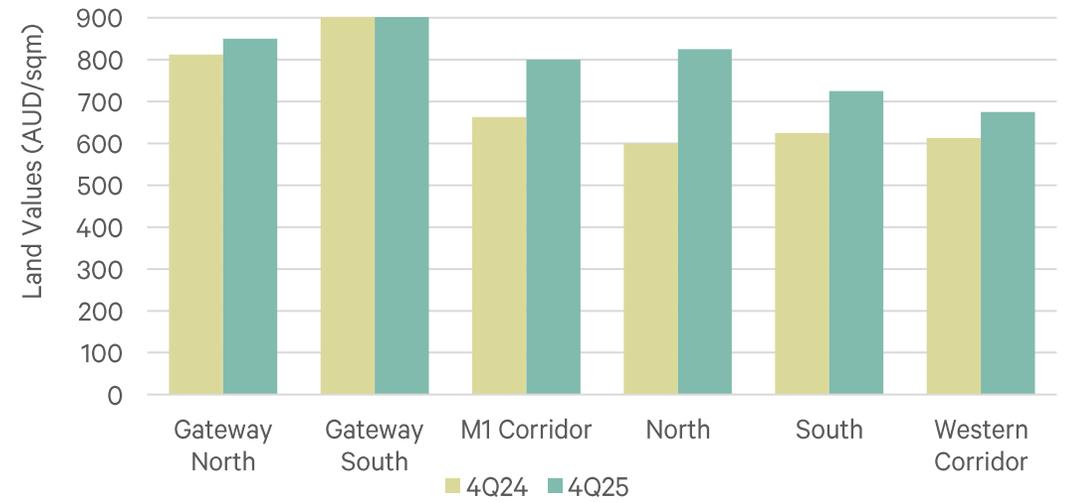
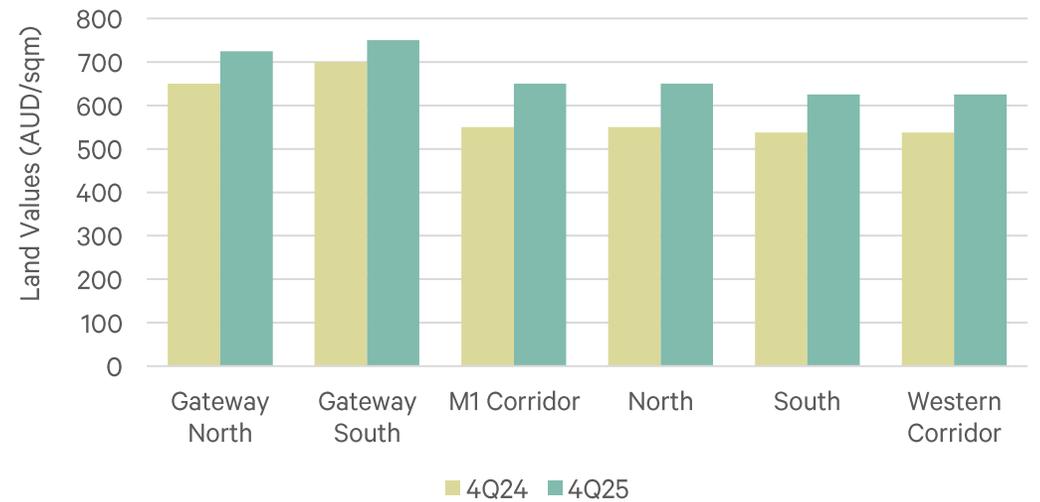


FIGURE 8: Average Land Values (1.6 ha lots), by precinct



Source: CBRE Research

Investment Market

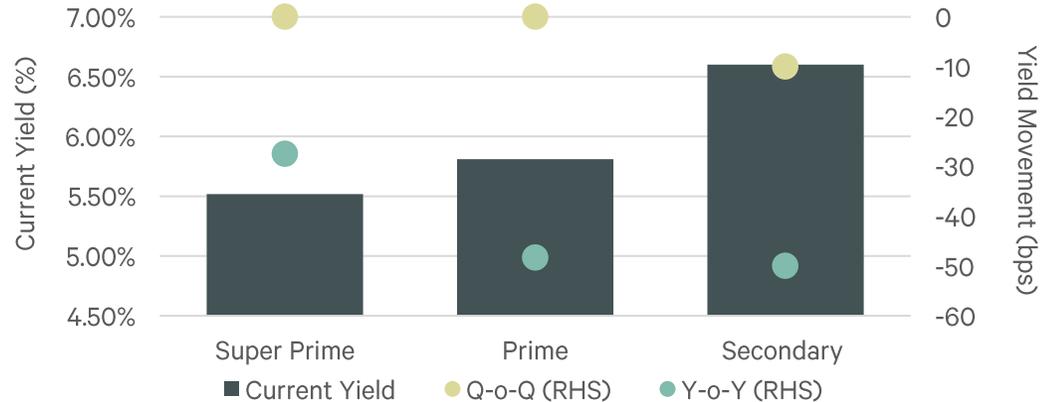
Sale volumes in CY2025 reach almost double the levels recorded in 2024

Investment sale volumes in 4Q25 totalled approximately AUD 336 million, bringing the CY2025 total to AUD 2.8 billion, almost double the long-run average of AUD 1.5 billion. Investment activity remains strong across Brisbane, supported by strong population growth, lack of land supply (reinforcing rental growth), the upcoming Olympic games, as well as the associated infrastructure developments. Brisbane is also a net beneficiary of the foreign capital outflow from Victoria due to the foreign surcharge tax.

The largest investment transaction over the quarter was CapitaLand’s sale of 95 Gilmore Road, Berrinba to Cadence Property Group for approximately AUD 101.8 million. Another notable transaction includes the sale of 1-21 McPhee Drive, Berrinba to Gateway Capital for AUD 60.75 million.

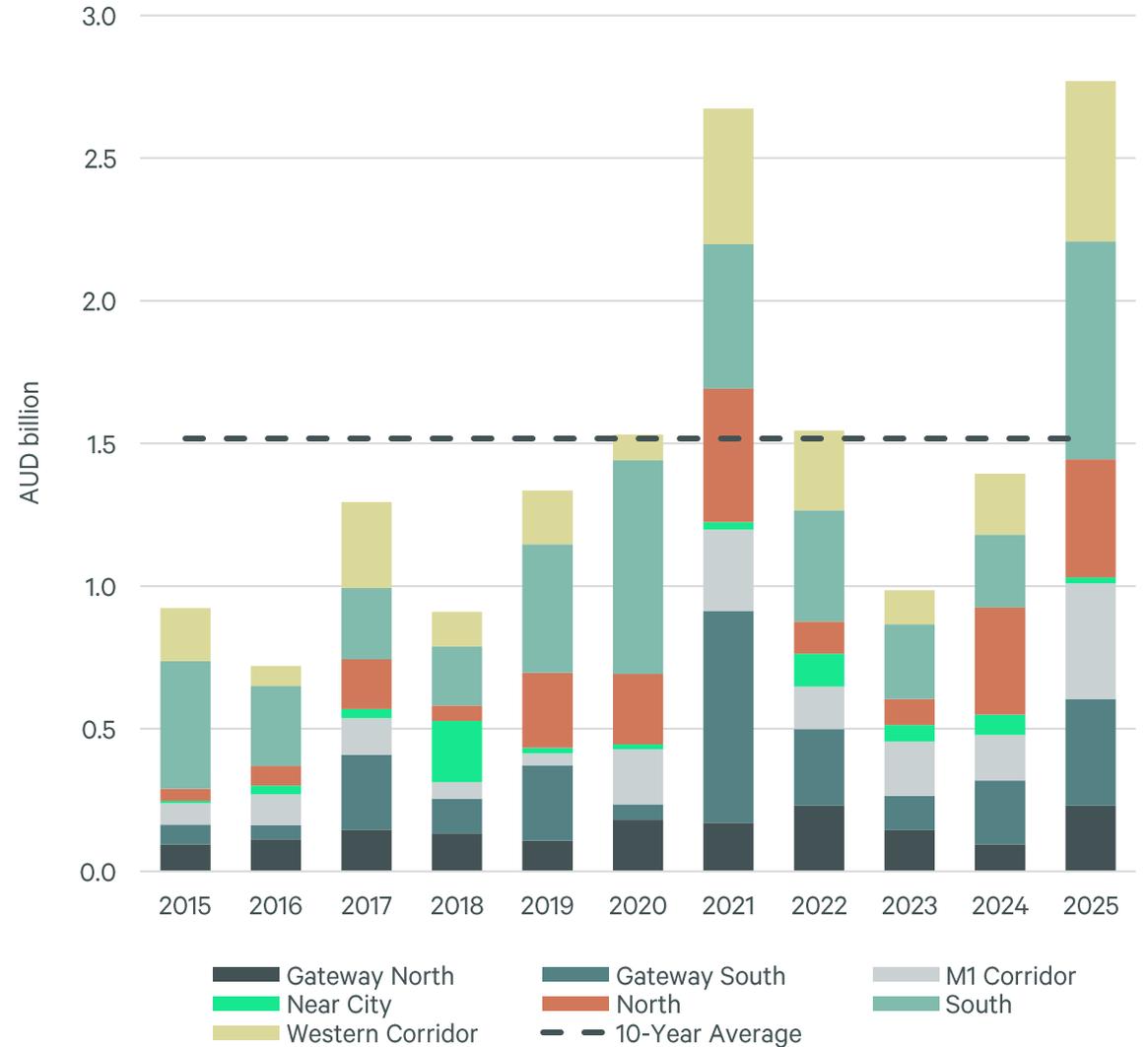
Yields across Brisbane remained relatively unchanged over the quarter, besides secondary grade assets, which tightened by approximately 50bps to 6.6%. Improved market conditions and stronger buyer confidence have driven year-on-year tightening of midpoint yields across all asset grades by 42 bps. Super prime, prime and secondary grade asset midpoint yields currently sit at 5.5%, 5.8% and 6.6%, respectively.

FIGURE 9: Midpoint Brisbane Yields, by asset grade (2014-2025)



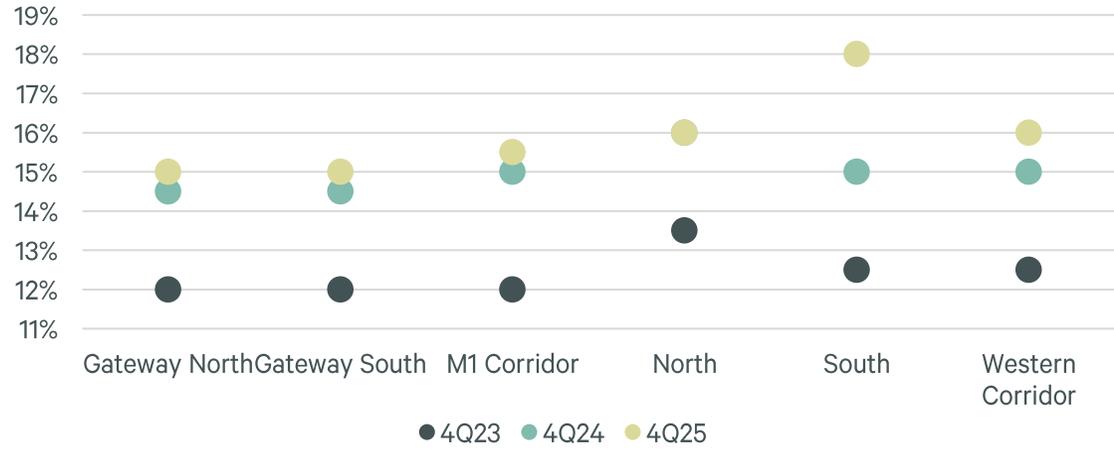
Source: CBRE Research

FIGURE 10: Brisbane Industrial Sales (greater than AUD 5 million)



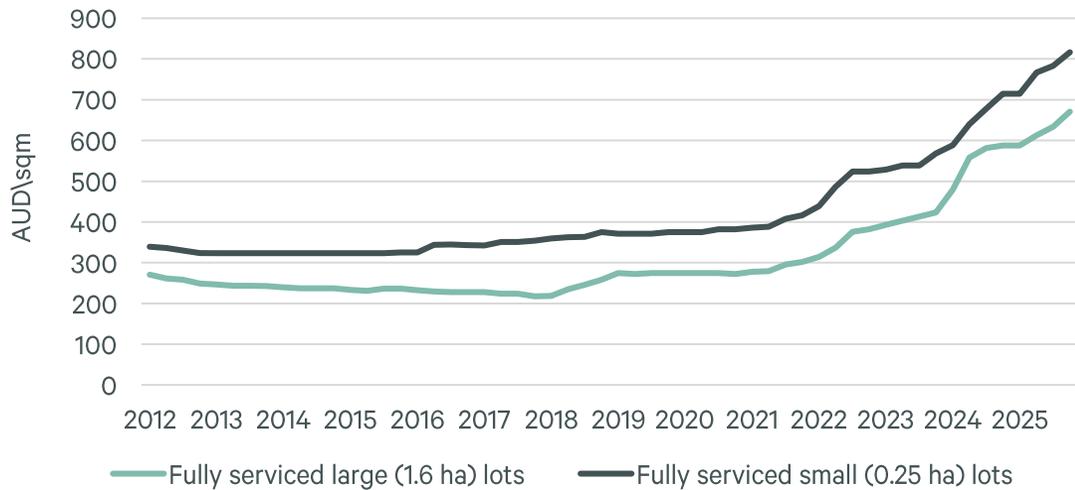
Source: CBRE Research

FIGURE 11: Prime Incentives, by Precinct and Year



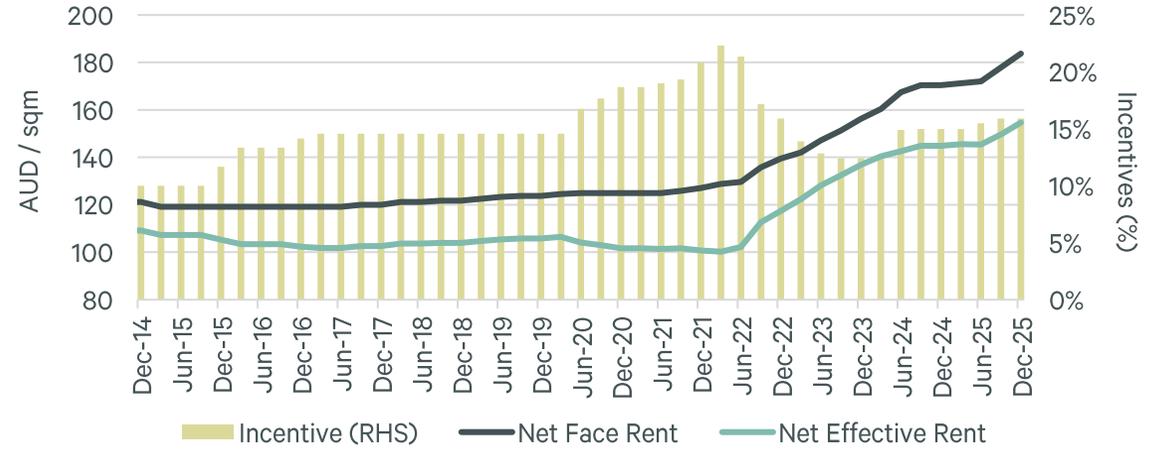
Source: CBRE Research

FIGURE 12: Brisbane Average Land Values



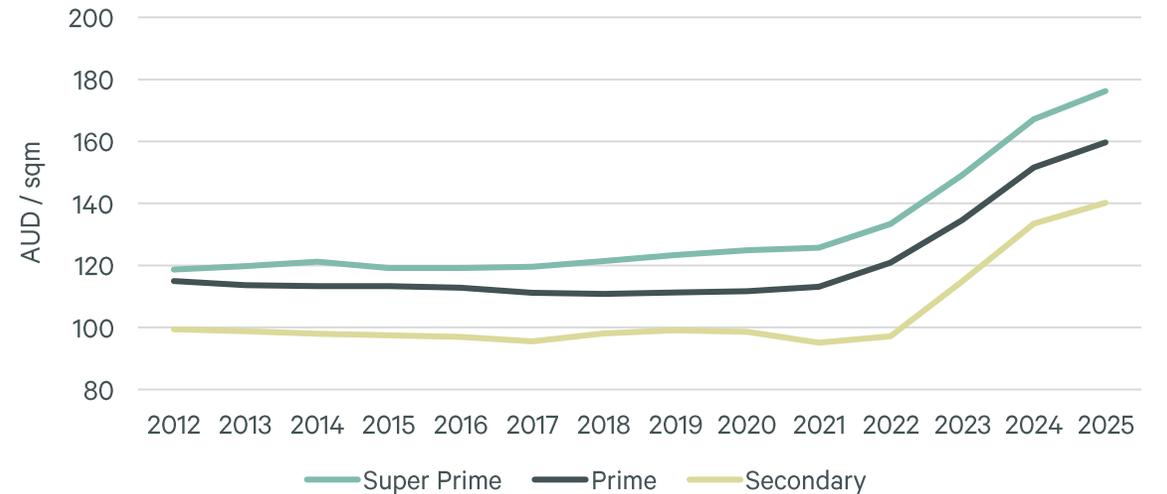
Source: CBRE Research

FIGURE 13: Average Brisbane Super Prime Rents and Incentives (2014-2025)



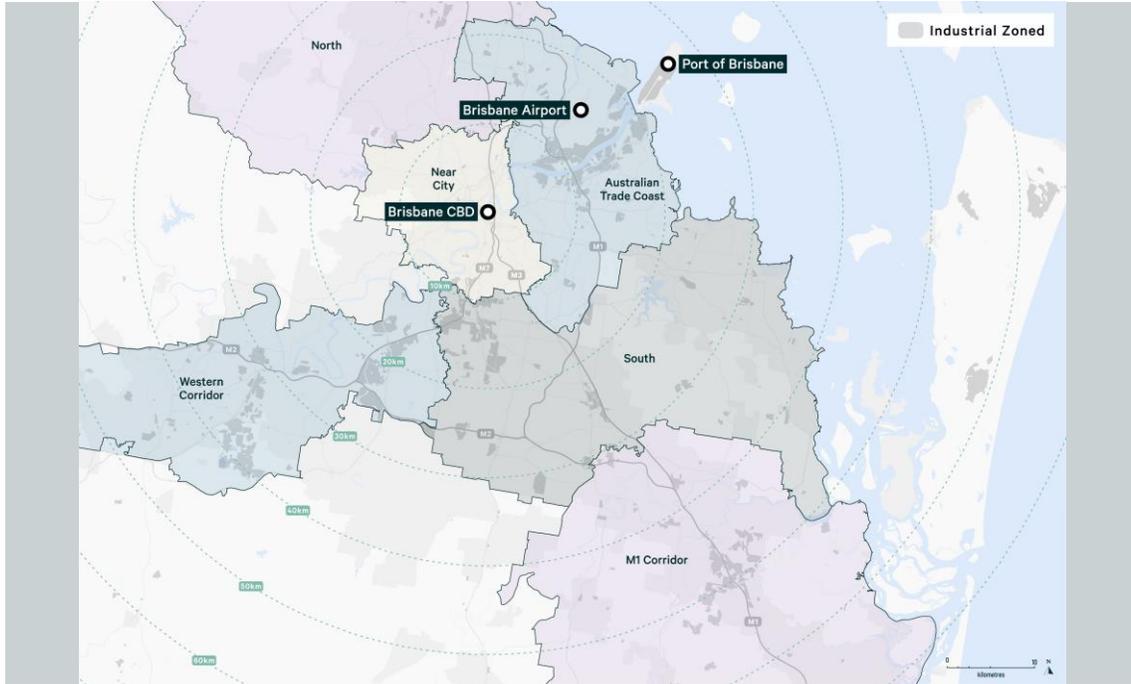
Source: CBRE Research

FIGURE 14: Brisbane Average Rent by Asset Grade



Source: CBRE Research

Market Area Overview



Definitions

Super Prime:

Less than 6 years old, height clearance between 13.7m and 14.6m. Buildings showcasing design excellence with combination of ESFR sprinklers and docks / on-grade doors, as well as strong truck articulation for loading/unloading.

Prime:

Generally, between 6 and 15 years old, height clearance over 10m and up to 13.7m.

Secondary:

Buildings that are older style but still very functional, height clearance in the ranges of 8-11m, Over 15 years old.

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