

FIGURES | BRISBANE INDUSTRIAL & LOGISTICS | Q3 2025

Redirected offshore capital boosts Brisbane deals

▲ 3.2%

1H25 Brisbane Industrial Vacancy Rate

▲ c. 170,300 sqm

New Industrial Supply 3Q25

▼ c.90,600 sqm

Gross Take-Up 3Q25

▼ 5.5%

Super Prime Midpoint Yield

Note: Arrows indicate change from previous quarter.

Key Points

- Gross take-up decreased compared to 2Q25, with around 90,600 sqm (transactions >4,000 sqm) of floorspace leased. However, higher enquiry levels and several transactions in HOA are likely to bolster activity in the near-term.
- New floorspace added to the market in 3Q25 totalled c.170,300 sqm, representing 25% of 2025CY new supply. The 2026 pipeline is 34% pre-committed.
- Average net face rents across all asset grades increased over the quarter, as did effective rent growth.
- Land values continue to appreciate, with 1.6ha and 0.25ha lots increasing by approximately 3.3% and 2.1%, q-o-q, respectively.
- Investment sale volumes in 3Q25 totalled approximately AUD 405 million, bringing the 2025YTD total to AUD 2.2 billion, significantly above the long-run annual average (AUD 1.3 billion).
- Midpoint yields tightened by an average of 22 bps over the quarter for all asset grades.

Source: CBRE Research Q3 2025

Demand

Occupier demand strengthens amid increased enquiry levels

Leasing activity over 3Q25 remained relatively soft, with around 90,600 sqm (transactions >4,000 sqm) of floorspace leased, representing a 46% decline compared to 2Q25, with several larger leasing transaction (20,000+) contributing last quarter’s uptick.

Notable transactions in 3Q25 included:

- FDM Logistics in the South precinct (c.14,100 sqm)
- The Modscape in the South (c.13,000 sqm)
- A national 3PL provider also in the South precinct (c.8,300 sqm)

Despite softer leasing activity recorded for the quarter, we have observed higher enquiry levels and several larger deals currently under negotiation. Although overall vacancy has been rising, and now averages 3.2%, there is limited availability of super prime/prime grade stock in floorspace under 10,000 sqm. Additionally, with supply forecasted to moderate post-2025 and several recently completed speculative developments with HOA’s in place, future take-up volumes are expected to improve 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 65% of total take-up, largely due to the precinct’s greater supply of speculative stock. The Trade Coast and Western Corridor followed, accounting for 19% and 10% of total take-up, respectively.

The majority of the floorspace leased this quarter was within existing assets (82%), with 18% from pre-leased space.

Transport, Postal & Warehousing sector dominates leasing over the quarter

Demand for space in 3Q25 was contributed by occupiers within the Transport, Postal & Warehousing (40%), Rental Hiring & Real Estate Services (19%), followed by the Construction (19%) industry sectors.

FIGURE 1: Brisbane Gross Take-Up by Precinct

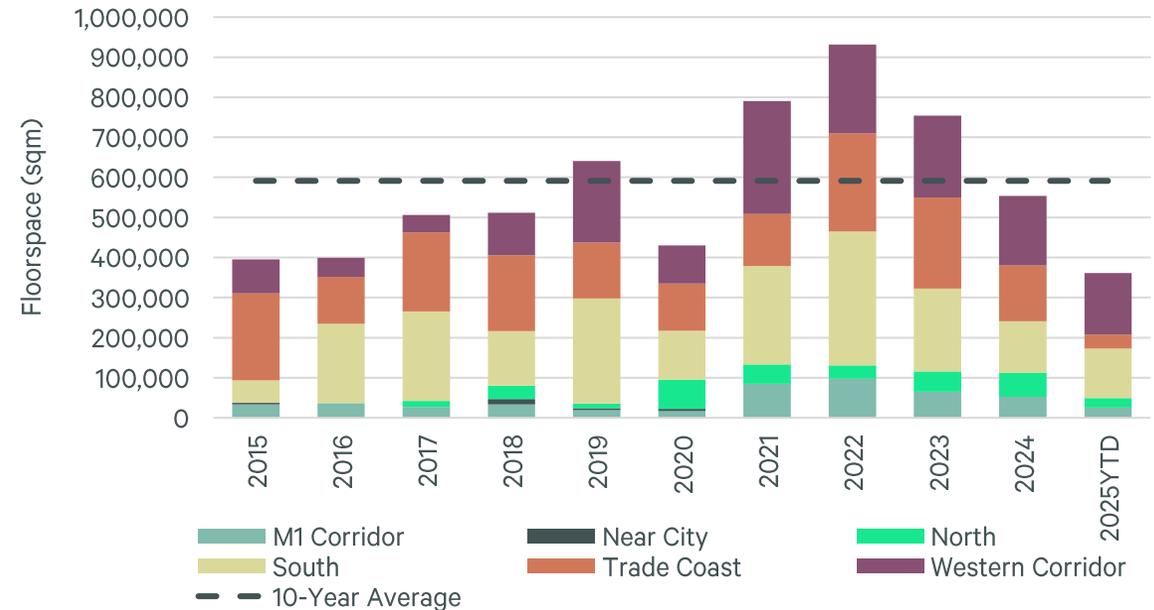
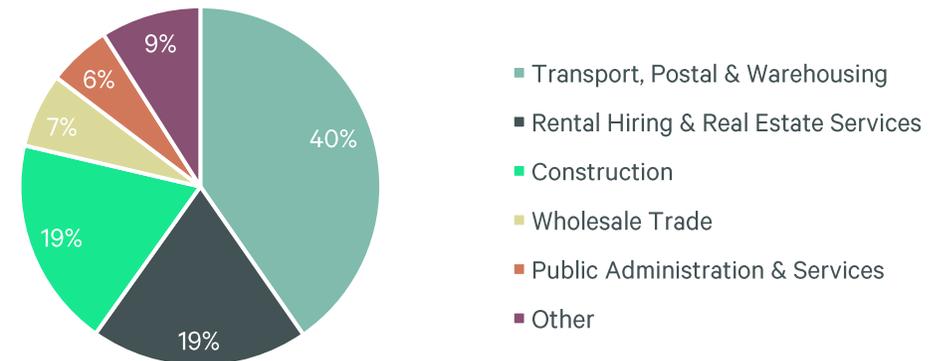


FIGURE 2: Brisbane Quarterly Take-up by Floorspace



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

Supply

The forward supply pipeline is expected to moderate

New floorspace added to the market in 3Q25 totalled c.170,300 sqm, which represents 25% of the 2025CY supply. A major project that reached practical completion in 3Q25 included Warehouse 3 and 4 of the Carole Park Industrial Park (c.24,000 sqm) owned by Fife and Stockland. Also added to the market was Lot 22 at TradeCoast Central (c.21,700 sqm) located in Eagle Farm.

New developments completed over the quarter have been concentrated in the South (33%) and Gateway North (27%), followed by the Western Corridor (19%).

Around 179,000 sqm of space is expected to be delivered next quarter (26% of the 2025CY supply pipeline), with the following notable projects expected to reach practical completion in 4Q25.

- Pioneer Estate, North (21,000sqm)
- CityPort Cold Store, Gateway South (19,600sqm)
- Lot 2 within Elevation Estate, Western Corridor (14,800sqm)

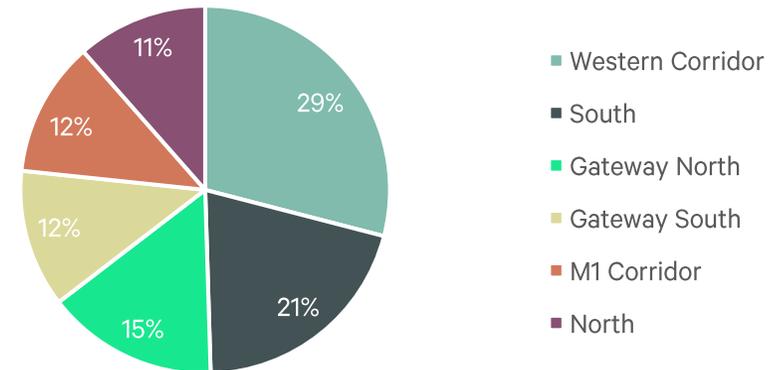
Forecast supply over 2026-2028 is concentrated in the Western Corridor precinct (44%), as well as the South precinct (22%). Currently around 26% of the 2026 and 2027 pipeline is pre-committed.

The CY2025 pipeline is expected to total c.691,000 sqm, approximately 40% above the long-run average. 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.

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

Rental growth increases over the quarter

Net face rents across the Brisbane market in 3Q25 recorded an increase, 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 3.4%, 2.1% and 2.4% q-o-q, respectively. The strongest quarterly growth for prime grade assets was recorded within the M1 Corridor (6.5%) and Trade Coast (5.3%) 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 4.4%, 3.8% and 3.0%, respectively. The largest annual growth for prime grade assets was recorded within the M1 Corridor precinct, increasing by 3.5%. Given the M1 Corridor currently has the tightest vacancy in the Brisbane market of 0.4%, vacancy pressures have driven rent growth.

Incentives across Brisbane increased further over 3Q25, owing to greater supply being added to the market. Super prime and prime grade asset incentives increased by 42bps to 15.9%, while secondary grade incentives increased by 33bps to 13.3%.

Given the increasing incentive levels, super prime net effective rents have increased by 2.9% (q-o-q) and 3.4% (y-o-y) to an average of AUD 150/sqm. The greatest increase was recorded within the Gateway North and M1 Corridor, increasing by 7.5% and 5.8% (y-o-y).

Although the average vacancy rate in Brisbane increased to 3.2% (as at 1H25), new developments continue to attract demand from occupiers looking for premium and efficient warehouse spaces. Additionally, with limited new supply expected from 2026 onwards, vacancy levels are expected to tighten, supporting further rental growth.

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

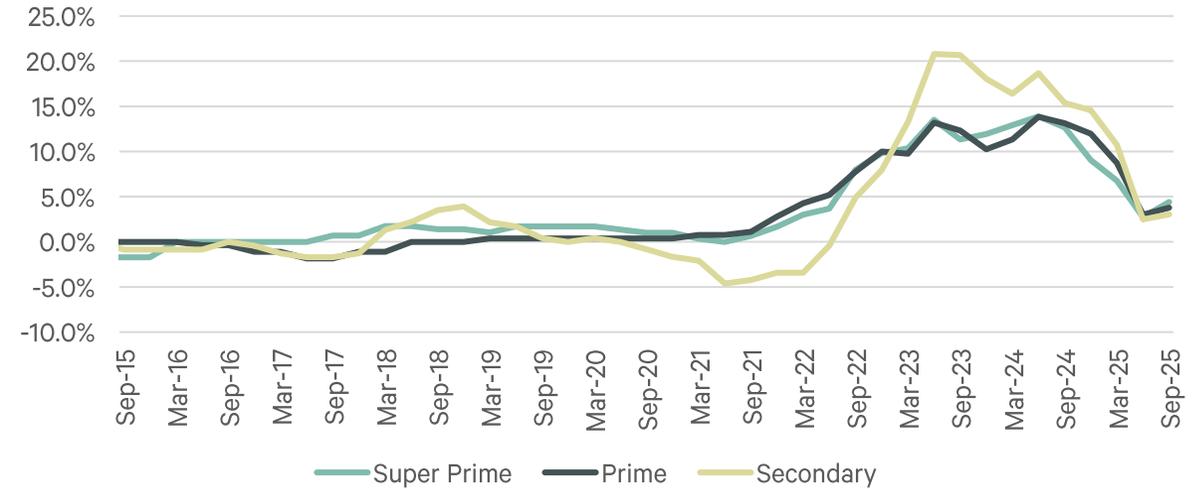


FIGURE 6: Brisbane Average Prime Net Face Rent, by Precinct



Source: CBRE Research Q3 2025

Land Values

Continued land value appreciation across most precincts

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 3Q25 average land values for 0.25ha lots across Brisbane increased by 2.1% q-o-q, to an average of AUD 783/sqm. A higher increase was recorded for 1.6 ha lots over the quarter by 3.3% to AUD 633/sqm.

Over the last 12 months, land values across the Brisbane industrial precincts have increased by 9% for 1.6 ha lots and 15.6% for 0.25 ha lots (y-o-y). The strongest land value growth has been recorded in the M1 Corridor, North and South for both small and large lots, increasing by an average of 22%, 20% and 14% (y-o-y), respectively.

The Gateway North and Gateway South 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 750/sqm and AUD 838/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

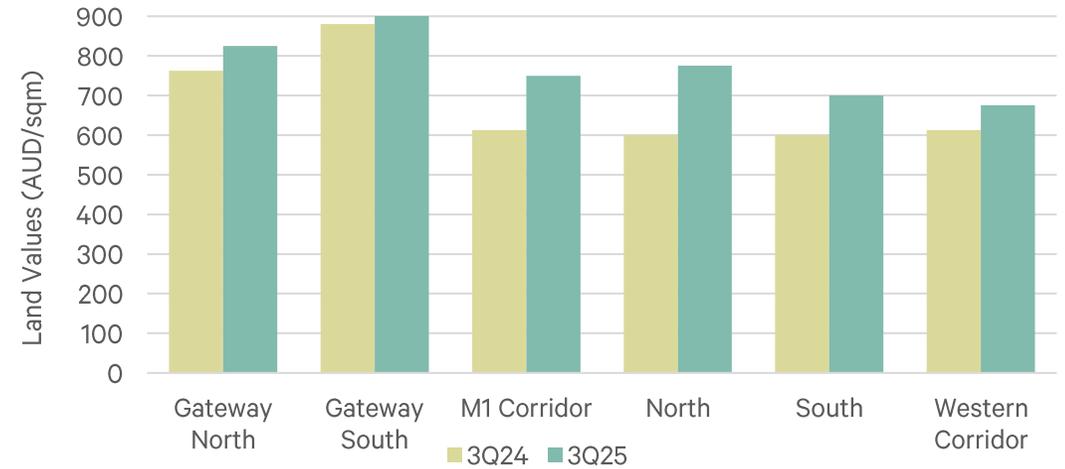
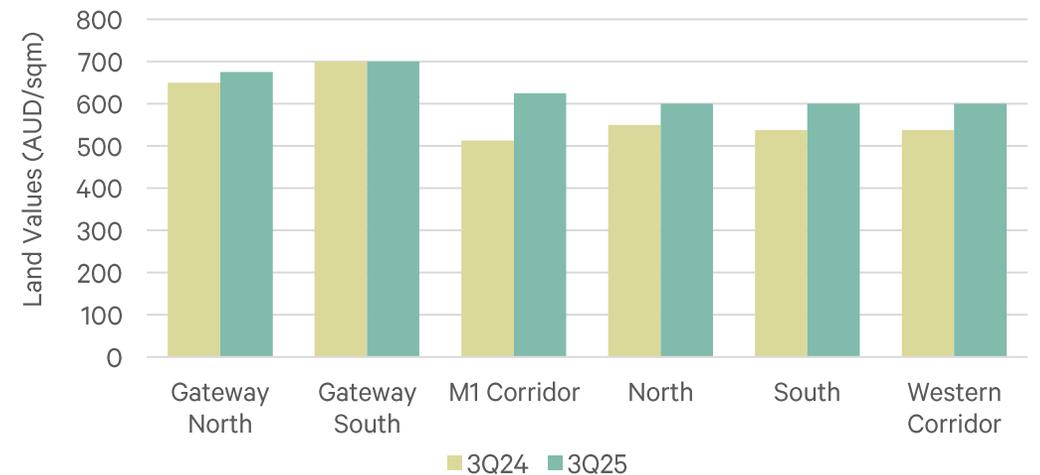


FIGURE 8: Average Land Values (1.6 ha lots), by precinct



Source: CBRE Research

Investment Market

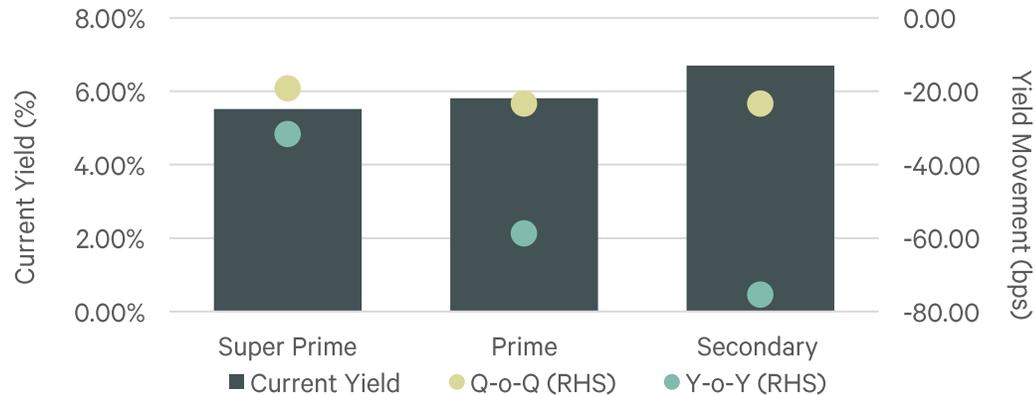
Investment volumes for 2025YTD surpass long-run average

Investment sale volumes in 3Q25 totalled approximately AUD 405 million, bringing the 2025YTD total to AUD 2.2 billion, surpassing the long-run annual average of AUD 1.3 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 Centuria’s sale of 69 Rivergate Place, Murarrie to Clarence Property for approximately AUD 42 million. Another notable transaction includes the sale of 680 Boundary Road, Richlands, also by Centuria, for AUD 38 million.

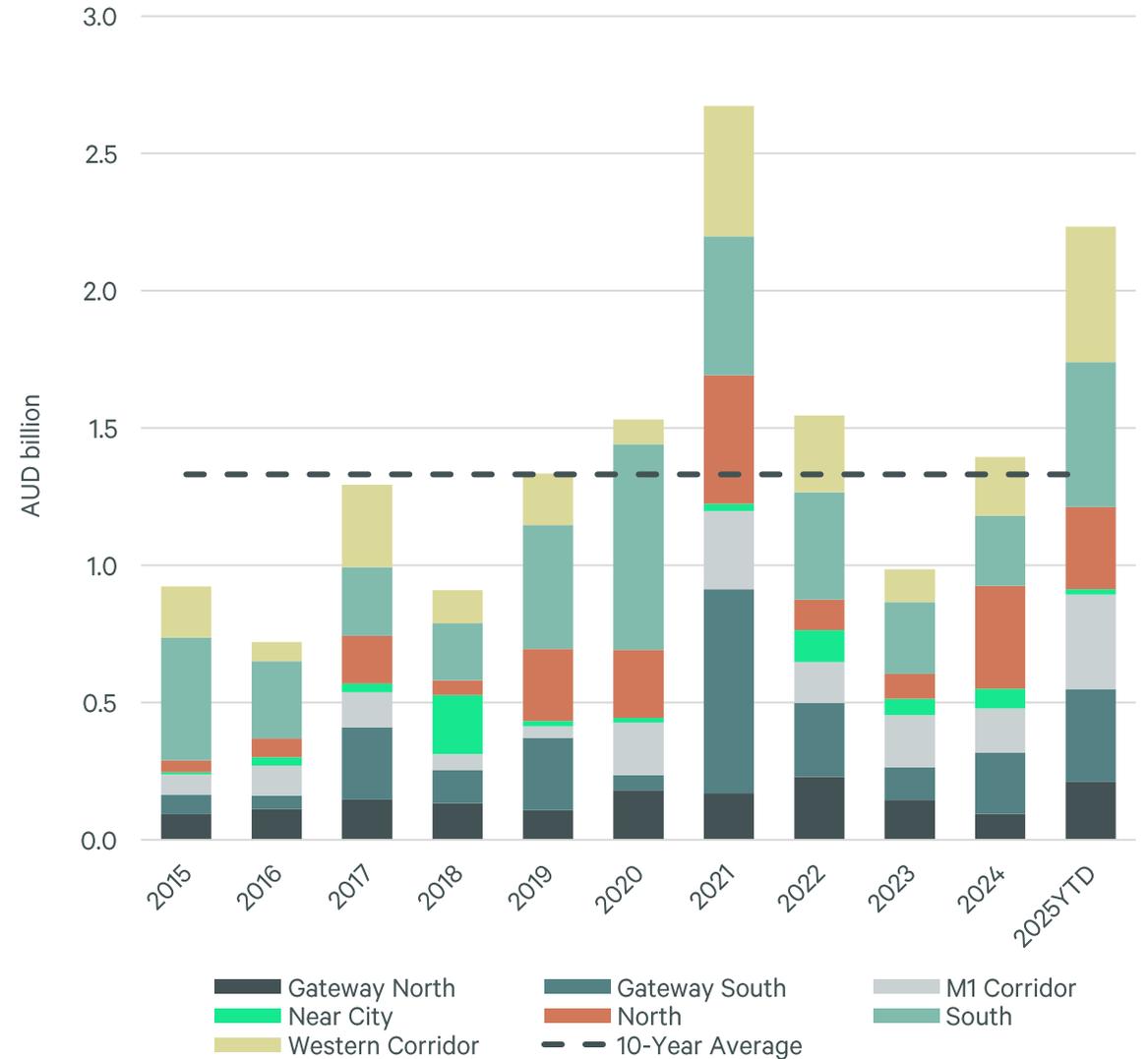
Following further interest rate reductions and investor confidence subsequently returning, midpoint yields across all asset grades tightened by an average of 22 bps q-o-q. Super prime, prime and secondary grade asset midpoint yields currently sit at 5.5%, 5.8% and 6.7%, respectively. Additional interest rate cuts expected towards the back end of this year and redirected offshore capital will continue to drive investor demand and likely trigger further yield tightening, supported by further sales evidence.

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



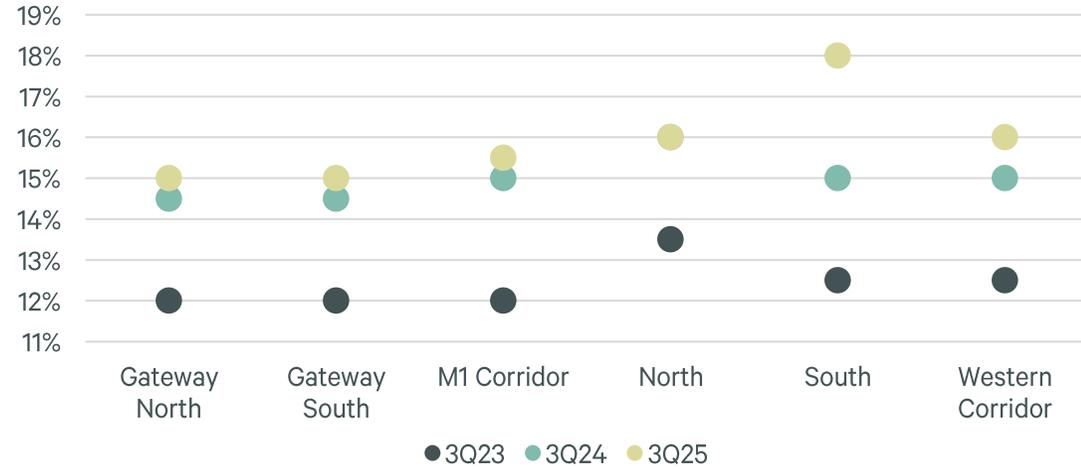
Source: CBRE Research

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



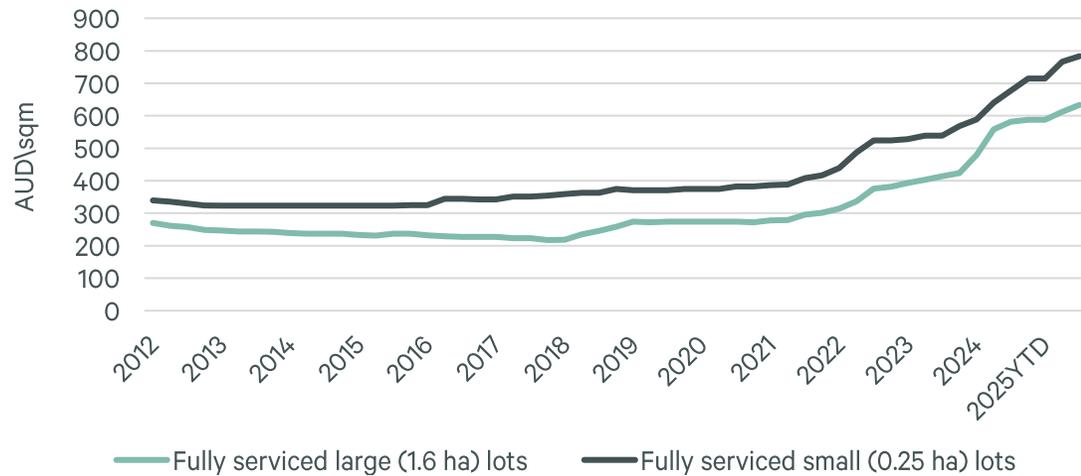
Source: CBRE Research

FIGURE 11: Prime Incentives, by Precinct and Year



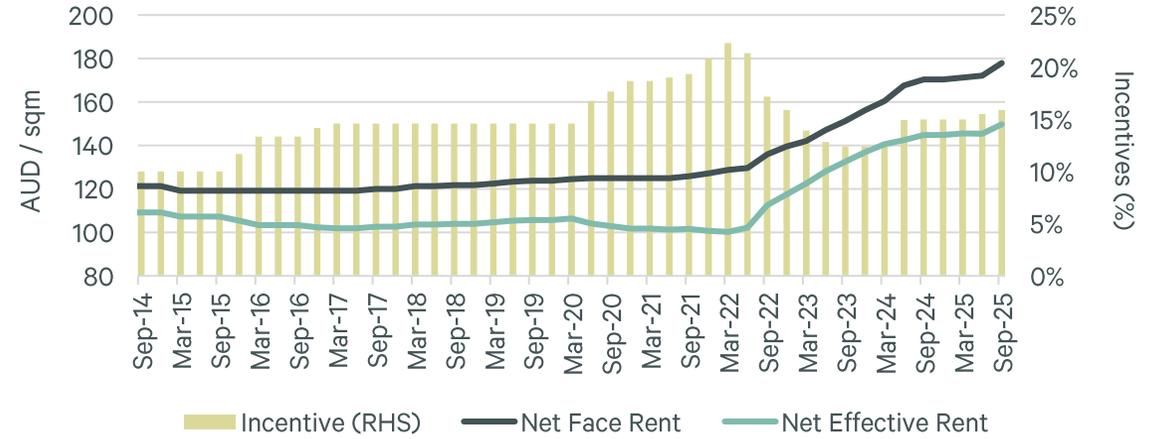
Source: CBRE Research

FIGURE 12: Brisbane Average Land Values



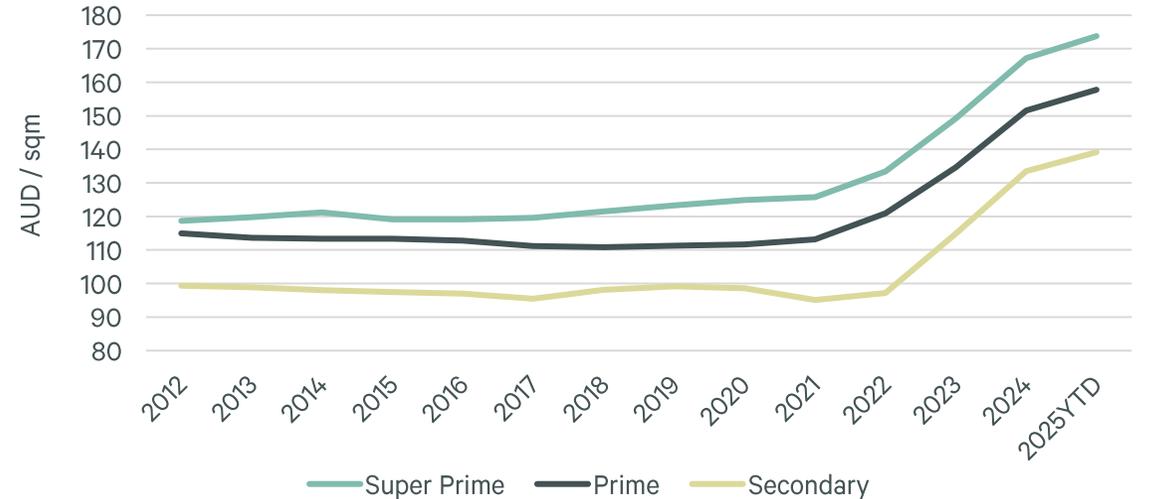
Source: CBRE Research

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



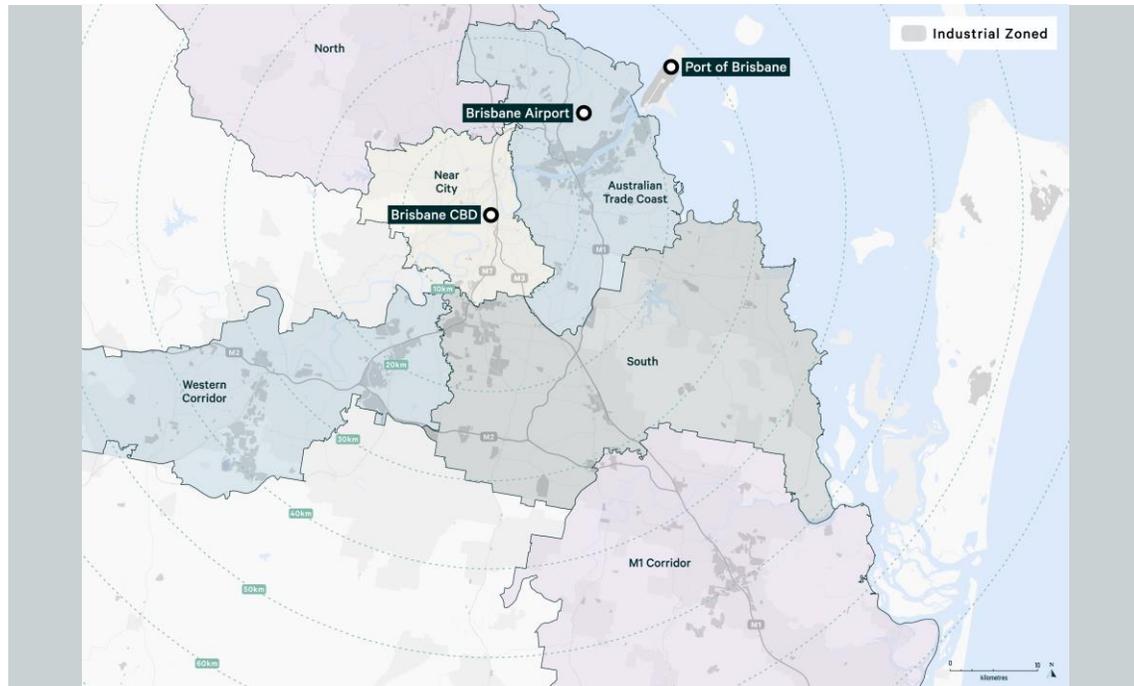
Source: CBRE Research

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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