

FIGURES | ADELAIDE INDUSTRIAL & LOGISTICS | Q4 2025

# Adelaide’s gross take-up reaches its highest level since 2018



Note: Arrows indicate change from previous quarter.

## Key Points

- Gross take-up of c.150,000 sqm was recorded during 4Q25. The CY2025 gross take-up totals c.315,000 sqm – above the 10-year annual average of c.174,000 sqm.
- There was c.63,500 sqm of new industrial stock added over the quarter and c.197,000 over CY2025.
- The development supply pipeline for 2026-2028 averages c.109,000 sqm per annum, below the 10-year average and the pre-commitment rate is elevated at 66%.
- The average vacancy rate for the market sits at 1.8% as of 2H25, up from 1.6% at 1H25.
- Net face rents increased q-o-q for super prime and prime assets. Super prime net face rents have increased by 1.3% q-o-q and 4.0% y-o-y to an average of AUD 155/sqm. Super prime incentive remained stable q-o-q, averaging 12%.
- Constrained industrial land supply and owner occupier demand in Adelaide’s core industrial precincts has driven land values, with 0.25ha lots increasing by 15.5% y-o-y to an average of AUD 1,025/sqm and 1.6ha lots increasing by 20.2% y-o-y to an average of AUD 706/sqm.
- Super prime midpoint yields compressed by 15 bps q-o-q and now sits at 5.85%.

## Demand

### Adelaide’s northern precincts dominate gross take-up

Strong gross take-up of c.150,000 sqm was recorded in 4Q25, lifting CY2025 total take-up to c.315,000 sqm, well above the 10-year annual average of c.174,000 sqm for transactions exceeding 3,000 sqm. The quarter accounted for nearly half of annual leasing activity, underpinned by several large occupier commitments. However, broader occupier market conditions have eased, contributing to longer letting-up periods and an increase in subleasing activity.

Leasing activity during the quarter was heavily concentrated in Adelaide’s Outer North, which accounted for 84% of gross take-up. For CY2025, the Outer North has captured 56% of total activity, while Adelaide’s northern precincts more broadly (Outer North, North and North-West) have collectively accounted for around 90% of gross take-up.

The northern precincts continue to drive demand due to strong road network connectivity, proximity to Port Adelaide, access to the Osborne Naval Shipyard supporting defence-related activity, and the greater availability of developable land, particularly in the Outer North.

Notable transactions during the quarter included:

- Australia Post pre-committing to a new c.83,000 sqm facility in Elizabeth South
- Rapid Haulage taking up c.34,000 sqm in Elizabeth South (Outer North).

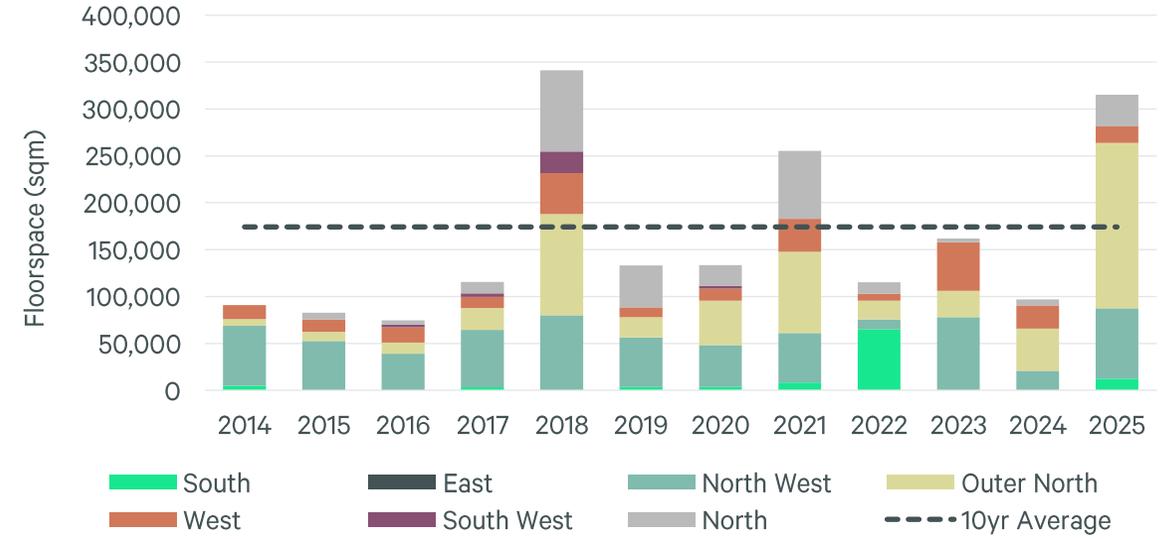
By industry, Transport, Postal & Warehousing accounted for the largest share of gross take-up in CY2025 (36%), followed by Manufacturing (26%), Retail Trade (5%), Wholesale Trade (5%), and Construction (4%). Over the past decade, manufacturing has consistently been a key driver of Adelaide’s leasing activity, accounting for close to 30% of total leased floorspace, reflecting its ongoing importance to South Australia’s economic base.

FIGURE 1: Adelaide Take-Up 2023-2025 by Industry Sector



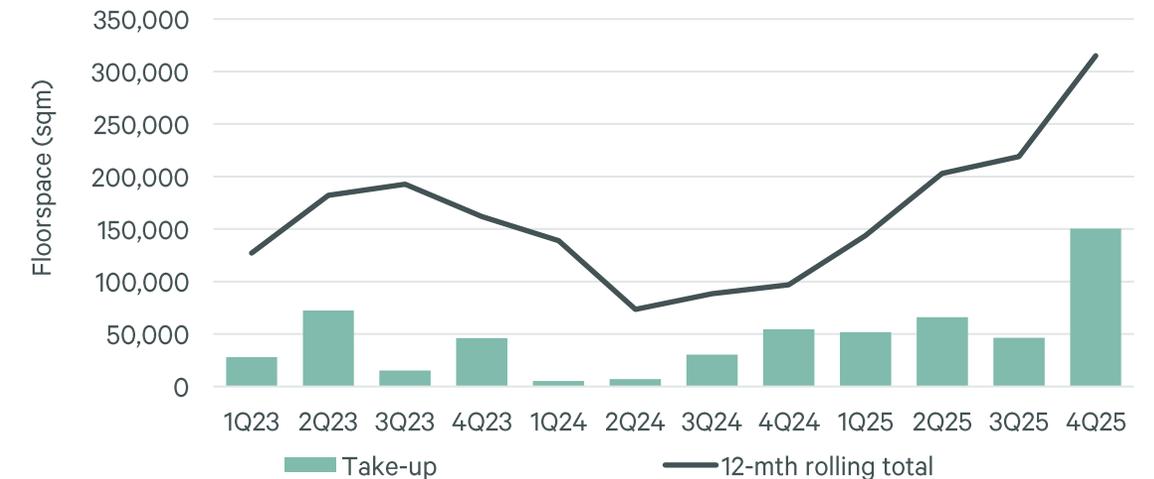
Source: CBRE Research

FIGURE 2: Adelaide gross take-up 2014-2025, by precinct



Source: CBRE Research

FIGURE 3: Adelaide quarterly gross take-up, 1Q23-4Q25



Source: CBRE Research

# Supply

## Pre-commitment rates across the forward pipeline remain elevated

Total development completions of c.63,500 sqm were recorded in 4Q25, lifting CY2025 supply to c.197,000 sqm, well above the 10-year annual average of c.102,000 sqm. Approximately 32% of annual supply reached practical completion during the quarter, with around 68% pre-committed, underscoring continued occupier demand for new space.

Quarterly completions were concentrated in the Outer North and West precincts, accounting for 47% and 38% of delivered supply respectively, followed by the North West (15%). Over CY2025, the Outer North remained the dominant supply location, capturing 71% of completions, reflecting the greater availability and affordability of zoned industrial land. This was followed by the West (17%), North West (8%), and North (4%) precincts.

Notable completions during the quarter included:

- Spec facility at 28-60 Nylex Avenue in Salisbury South (c.10,500 sqm)
- Australian Pharmaceutical Industries' facility in Edinburgh (c.9,000 sqm).

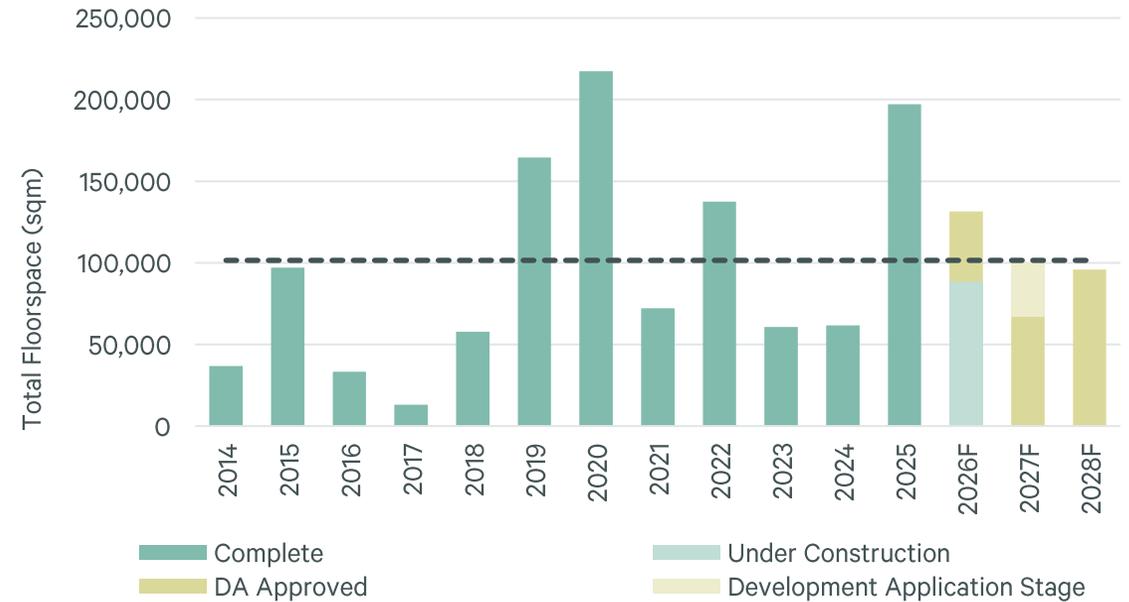
As at 4Q25, the 2026 development pipeline totals c.131,000 sqm, with approximately two-thirds under construction and the balance in DA approval, scheduled for delivery throughout 2026. The 2026 pipeline is around 73% pre-committed, indicating limited speculative risk.

Notable projects expected to reach PC in 2026 are:

- Spec facility at 50-64 Mirage Road in Direk (c.20,000 sqm)
- Department of Defence facility in Penfield (c.20,700 sqm).

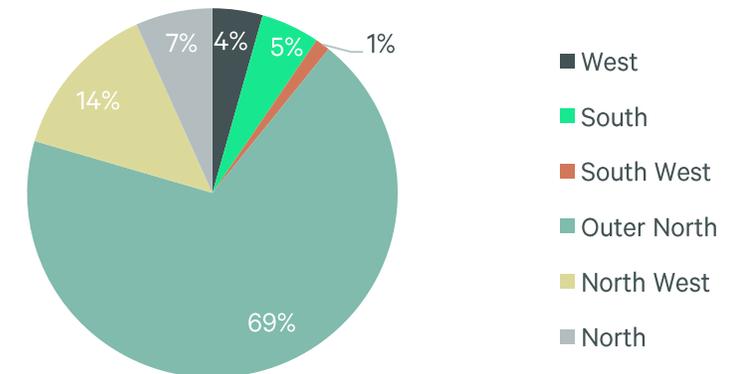
The 2027–28 pipeline averages c.98,000 sqm per annum, with no projects having commenced construction to date. However, all identified projects are earmarked for delivery across 2027–28, with approximately 60% currently pre-committed.

FIGURE 4: Development Supply Pipeline 2014-2028F



To note: reflects projects ≥ 3,000 sqm.  
Source: CBRE Research. As at 4Q25

FIGURE 5: Development Supply 2026-2028F, Floorspace Share by Precinct



Source: CBRE Research, 4Q25

## Leasing Market

### Rental growth continues for super prime and prime assets

Super prime net face rents increased 1.3% q-o-q to an average of AUD 155/sqm, and are up 4.0% y-o-y. With vacancy remaining low at 1.8% as at 2H25, Adelaide’s industrial market continues to record rental growth. However, the pace of growth has moderated over the past 12 months following the rapid escalation in rents since 2021, as occupiers adopt a more cautious approach amid a softer economic backdrop.

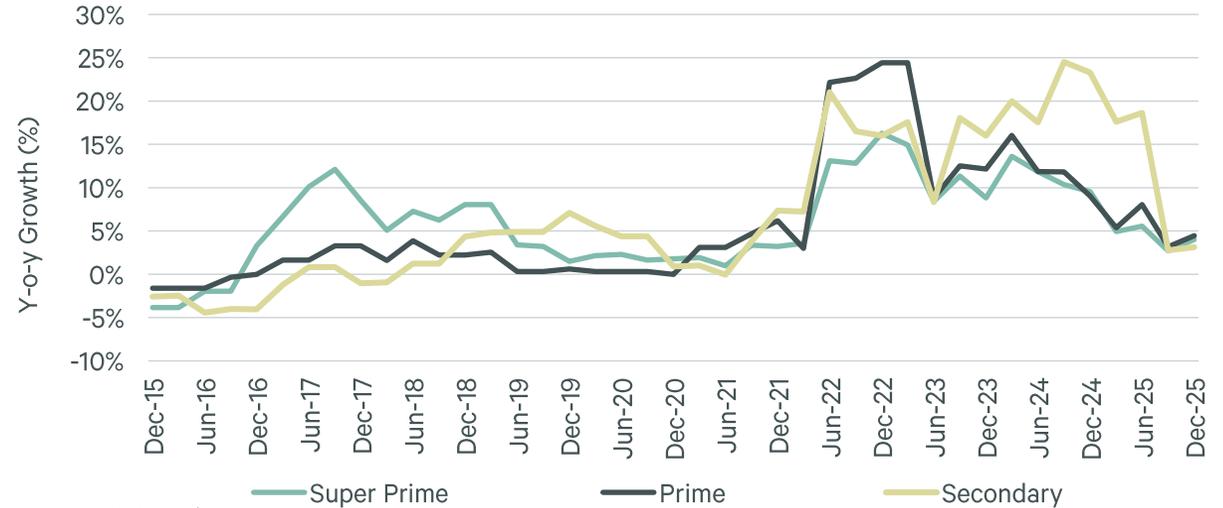
Super prime rental growth during the quarter was driven by the West and North precincts. Average net face rents in the West increased 3.1% q-o-q to AUD 165/sqm, while the North rose 3.2% q-o-q to AUD 160/sqm. Strong road connectivity and proximity to the CBD continue to support higher rents across Adelaide’s northern precincts.

Super prime incentives remained stable q-o-q and y-o-y at an average of 12%, though this represents a modest increase from 10% in mid-2024. Reflecting stable incentives and higher face rents, super prime net effective rents increased 4.0% y-o-y to AUD 137/sqm.

Prime net face rents increased 1.2% q-o-q and 4.5% y-o-y, averaging AUD 137/sqm. Secondary grade net face rents were stable q-o-q and increased 3.1% y-o-y to AUD 109/sqm. Incentives across both prime and secondary grades remained stable q-o-q at an average of 10%.

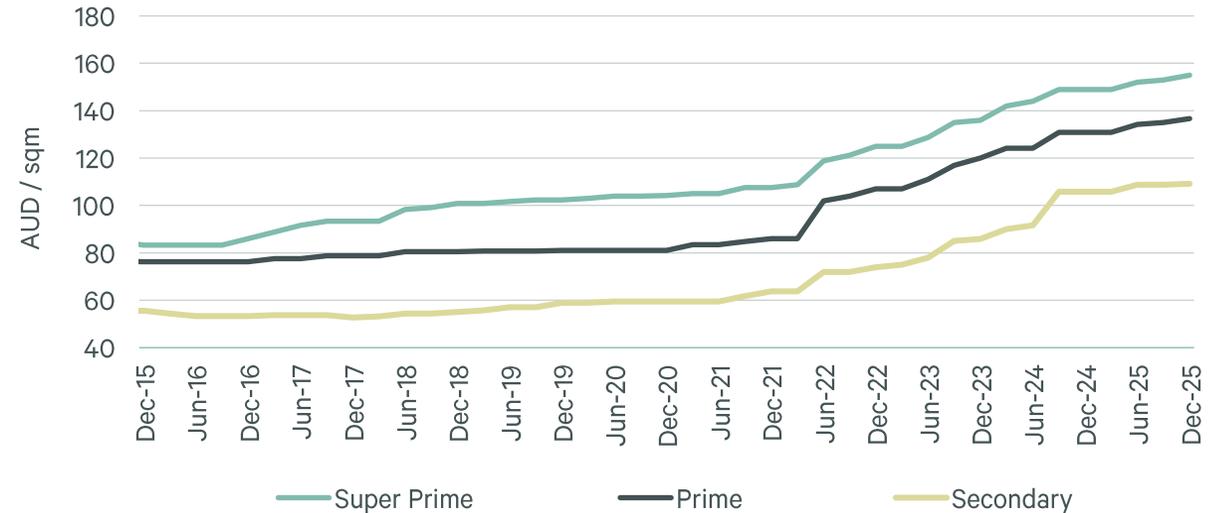
Adelaide’s vacancy rate increased modestly to 1.8% in 2H25, up from 1.6% in 1H25. The increase reflects easing occupier demand at the larger end of the market, rising sublease availability, and the completion of several larger speculative developments over the past six months.

FIGURE 6: Average net face rent growth by grade



Source: CBRE Research

FIGURE 7: Adelaide average net face rents by grade



Source: CBRE Research

## Land Values

### Industrial land values in Adelaide continue to appreciate

The lack of serviced industrial zoned land released to market across Adelaide’s industrial precincts have led to significant appreciation in land values. Given demand has remained strong for developable industrial land and supply limited, this has placed continued upward pressure on land values during 4Q25.

More recently, growth in land values has been largely driven by owner occupiers in Adelaide, who are less sensitive to the higher cap rates and higher financing/construction costs compared to developers, that must make a profit on developments. However, with cost of debt in decline and Adelaide’s industrial market cap rates also decreasing – this is expected to revive investor demand as developments become more feasible.

During 4Q25, land values for 1.6 ha lots across the core precincts comprising the North West, Outer North, West and South West increased by 1.3% q-o-q and are up 20% y-o-y to AUD 706/sqm. Average 1.6 ha land values for the Outer North held stable q-o-q but have increased by 36% y-o-y to an average of AUD 375/sqm. This is due to the greater availability of land in the Outer North and the significantly better affordability compared to the inner precincts (Figures 8 & 9), attracting greater demand. This is evident in the current concentration of development activity in the Outer North, currently accounting 69% of the 2026F-2028F development pipeline.

Adelaide’s West precinct has the highest land values due to the scarcity of land in the West precinct and given the industrial land here is the most centrally located to the Adelaide CBD and Adelaide Airport. Average 1.6ha land values in the West precinct remained stable during 4Q25 and have increased 15.8% y-o-y to AUD 1,100/sqm.

Land values for the smaller 0.25 ha lots across the North West, Outer North, West and South West precincts increased by 0.6% q-o-q and are up 16% y-o-y to an average of AUD 1,025/sqm. The more affordable Outer North precinct has seen the largest increase in 0.25 ha lot values – up by 5.9% q-o-q and 29% y-o-y to an average of AUD 450/sqm.

FIGURE 8: Adelaide Industrial 0.25 ha land values by precinct (4Q23 to 4Q25)

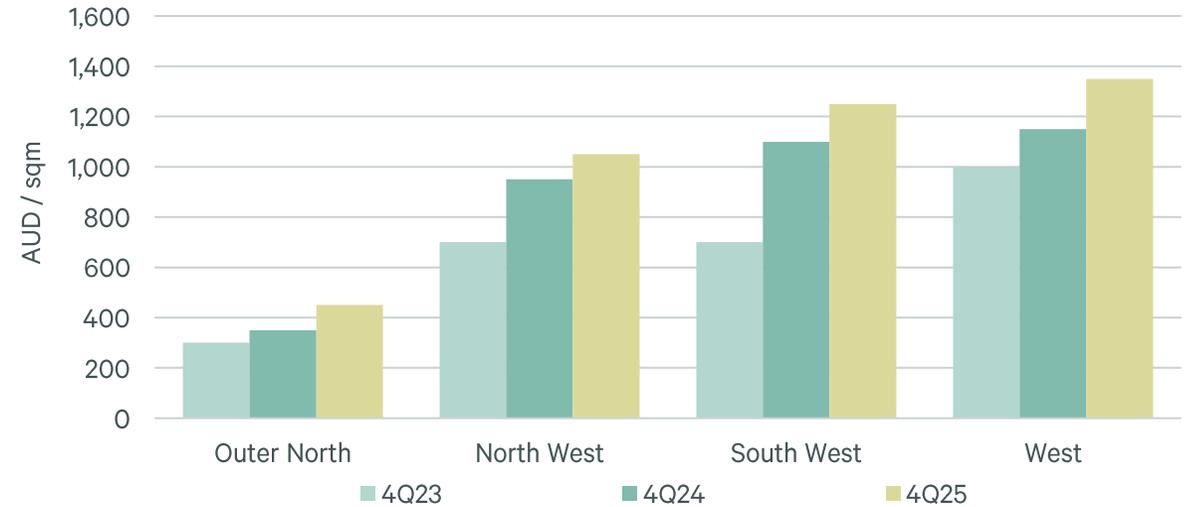
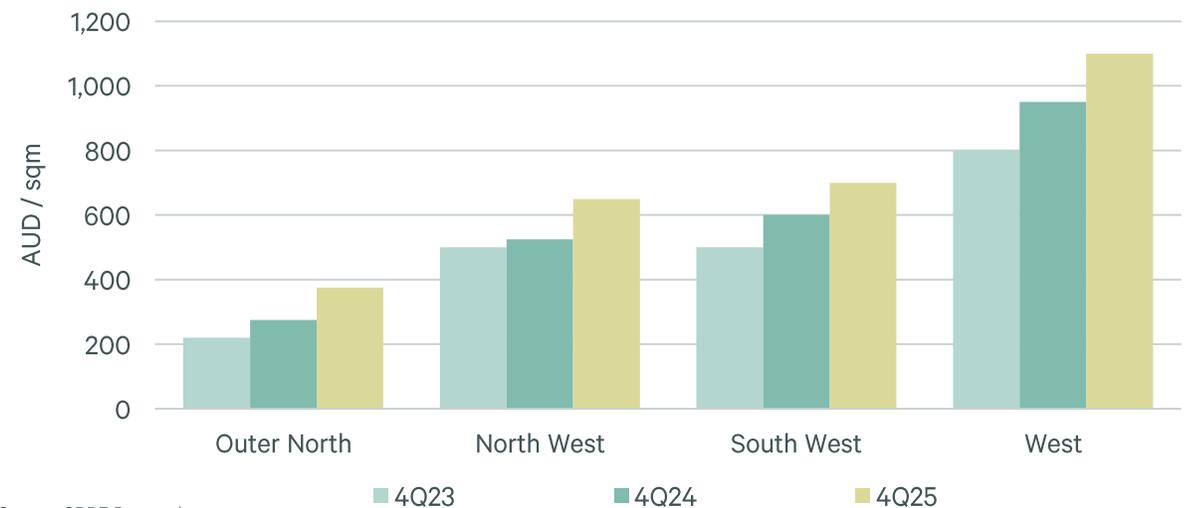


FIGURE 9: Adelaide Industrial 1.6 ha land values by precinct (4Q23 to 4Q25)



Source: CBRE Research

## Investment Market

### Adelaide yields compress for consecutive quarters

Sales transactions totaling AUD 720 million have been recorded for 2025, above the AUD 485 million recorded in 2024 and surpassing the 10-year average volume of AUD c.500 million (for transactions ≥ AUD 5 million). This is due to the large-scale sale of the Port Adelaide Distribution Centre during 3Q25 for AUD 216 million.

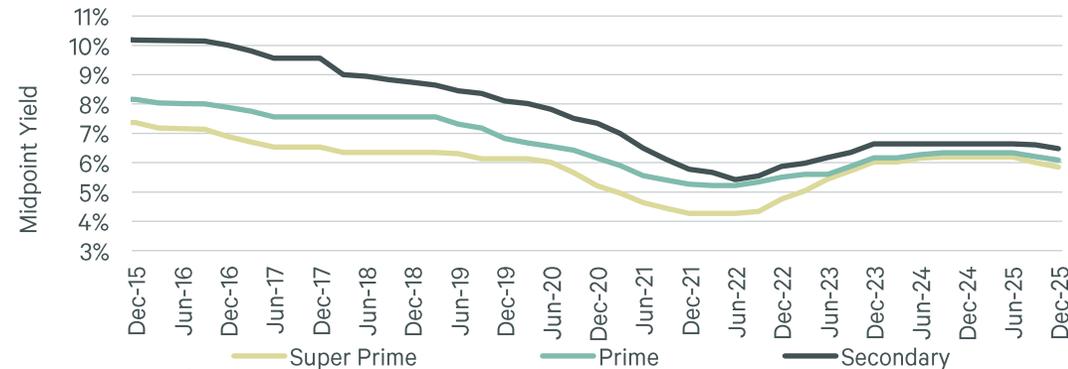
Notable sales recorded over the 4Q25 include:

- Outback Stores (subsidiary of Commonwealth Government) acquiring 93-111 Edinburgh Road in Direk on a vacant possession basis for AUD 21 million
- Private Investor purchasing 1 Port Wakefield Road & 595 Grand Junction Road in Gepps Creek for AUD 20 million.

During 4Q25 industrial midpoint yields decreased across all grades. Yield compression was led by the super prime grade, with midpoint yields decreasing 15 bps q-o-q to now sit at 5.85%. Both prime and secondary grade midpoint yields decreased 13 bps q-o-q to now sit at 6.1% and 6.5%, respectively.

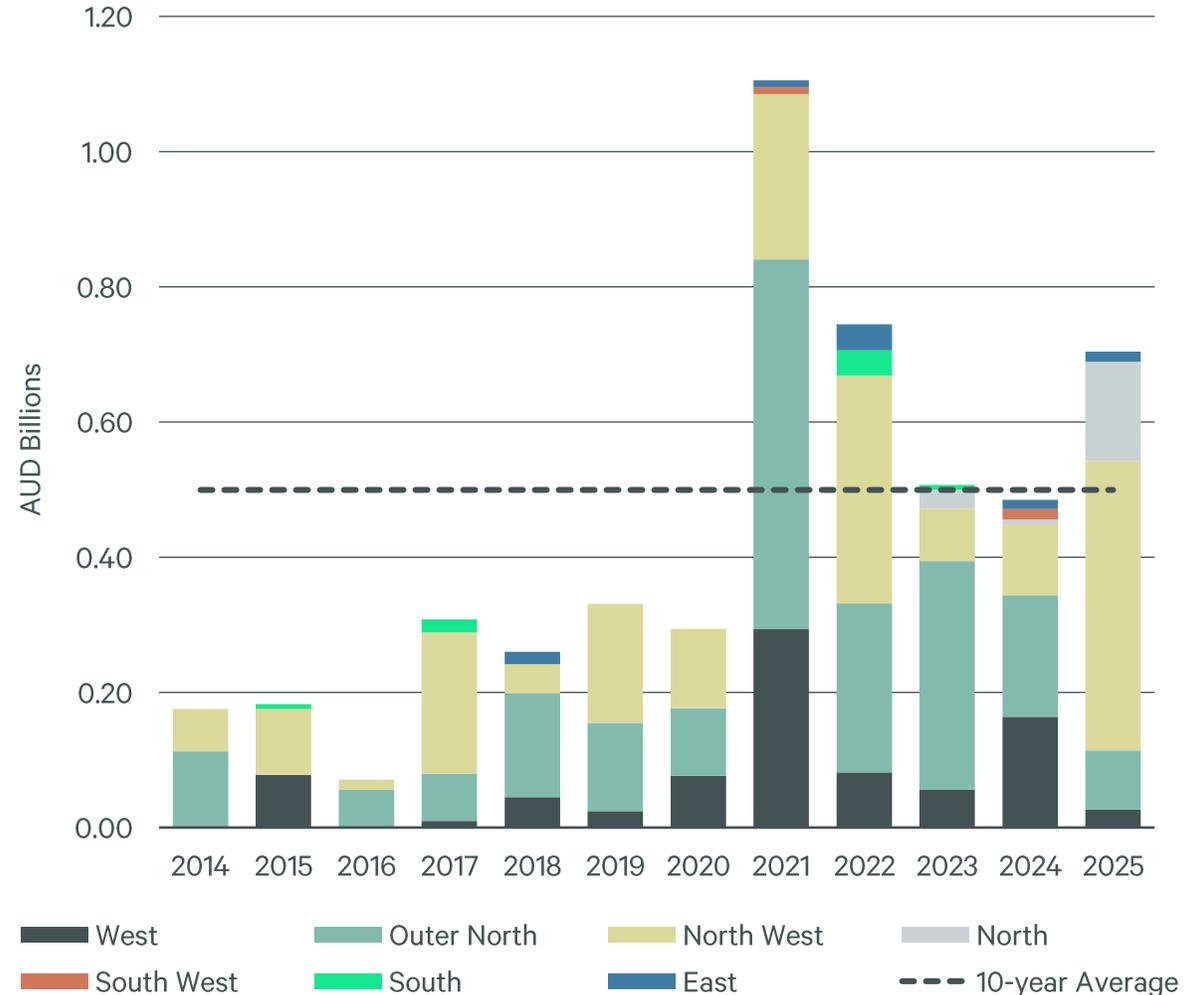
An uptick in Australia's inflation rate during 4Q25 has created some uncertainty on the outlook for interest rates and investment markets as we look ahead to 2026. The market is currently pricing in about 35 basis points of interest rate increases - as per the 14 January 2026 ASX 30 Day Interbank Cash Rate Futures Implied Yield Curve.

FIGURE 10: Midpoint yields (4Q15-4Q25)



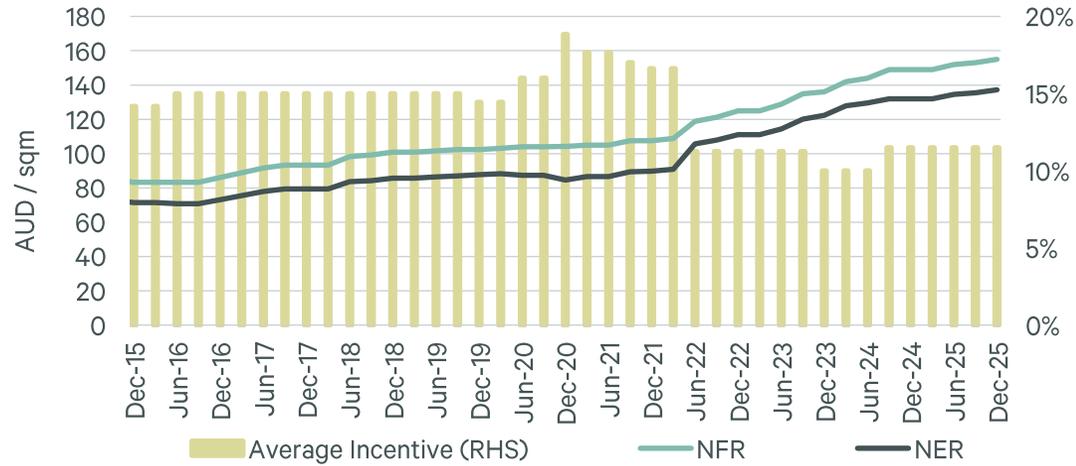
Source: CBRE Research

FIGURE 11: Adelaide Industrial investment sales 2014-2025 (greater than AUD 5 million)



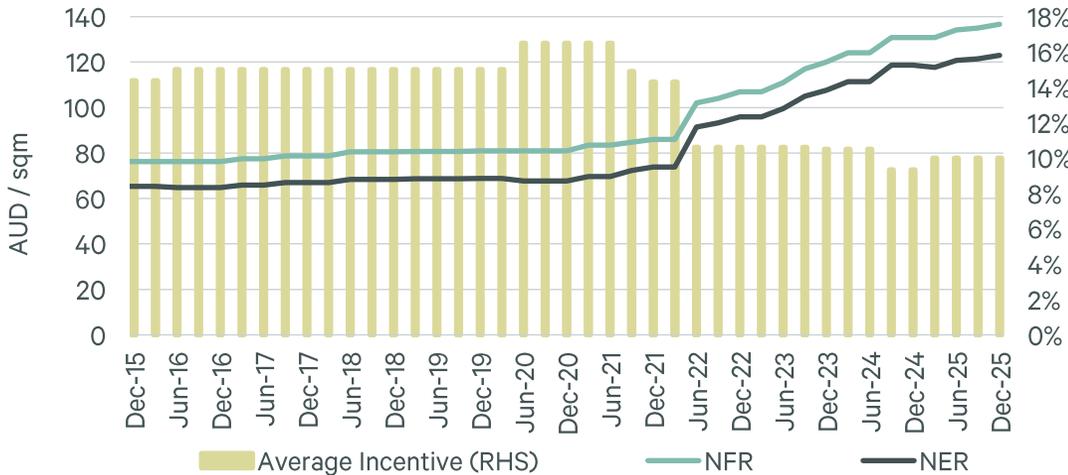
Source: CBRE Research

FIGURE 12: Average super prime net face rents, net effective rents and incentives



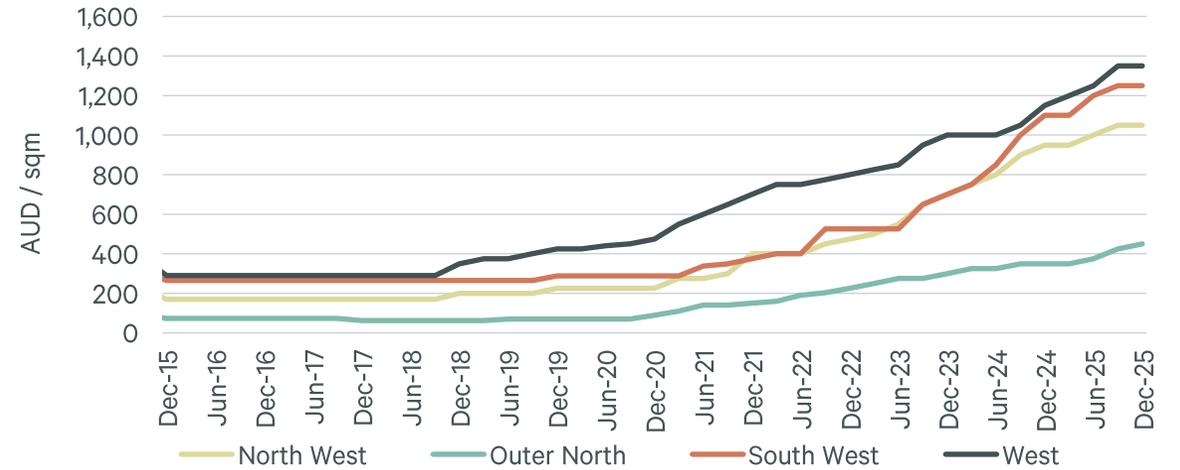
Source: CBRE Research Q4 2025

FIGURE 13: Average prime net face rents, net effective rents and incentives



Source: CBRE Research Q4 2025

FIGURE 14: Average land values (0.25 ha lots), by precinct



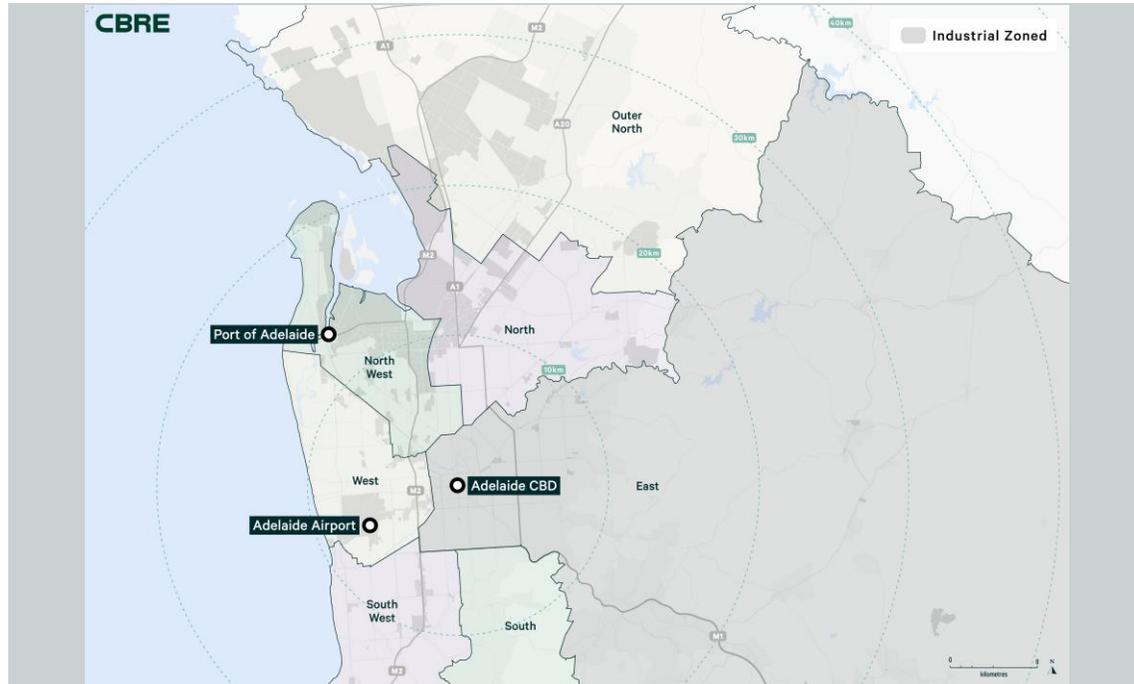
Source: CBRE Research Q4 2025

FIGURE 15: Average land values (1.6 ha lots), by precinct



Source: CBRE Research Q4 2025

## 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.

## Contact

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