

FIGURES | PERTH INDUSTRIAL & LOGISTICS | Q1 2026

# Owner-occupier demand continues to drive land value growth in Perth



Note: Arrows indicate change from previous quarter.

## Key Points

- Gross take-up of c.81,400 sqm was recorded in 1Q26, with c.290,000 sqm over the past 12 months, exceeding the long-run annual average.
- New floorspace added totalled c.160,800 sqm over the quarter. The current development pipeline between 2026 and 2028 is forecast to average c.187,000 sqm per annum, above the long-run annual average.
- The pre-commitment rate for the forward supply pipeline (2026–2028) remains elevated at around 70%.
- Super prime net face rents increased 6.5% q-o-q and y-o-y to an average of AUD 165/sqm, while incentives remained stable at 15%.
- Owner-occupier activity increased land values for 0.25 ha lots, which now average AUD 777/sqm, up 21.4% y-o-y.
- Investment transactions of AUD 125 million were recorded in 1Q26 for deals ≥ AUD 5 million, as increased uncertainty weighed on activity.
- Midpoint yields increased by 13 bps q-o-q to 6.0% for super prime assets.

## Demand

### Gross take-up in the last 12 months exceeds the long-run average

Gross take-up of approximately 81,400 sqm was recorded in 1Q26, above the c.47,000 sqm recorded in 1Q25. This brings the 12-month rolling total to c.290,000 sqm, above the 10-year average of c.186,000 sqm.

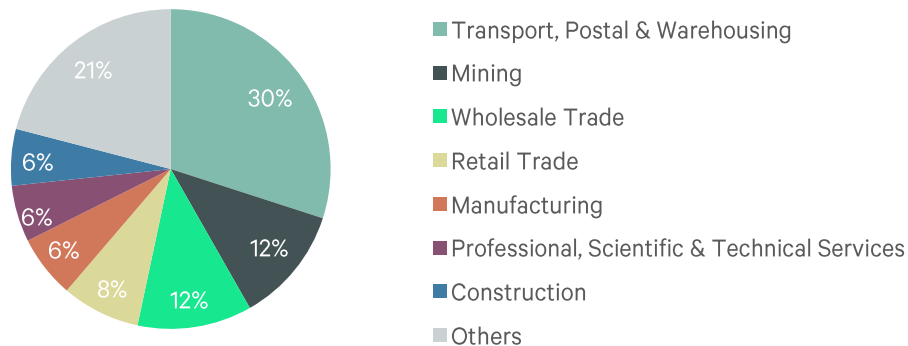
While activity has remained above the long-run average, leasing conditions and occupier sentiment have moderated compared to a year ago, particularly in the latter part of the quarter. Leasing enquiry volumes have softened, with some occupier caution emerging due to rising costs and broader economic uncertainty.

Notable transactions during the quarter included:

- GPC Asia Pacific pre-committing to c.27,000 in Forrestdale
- TTI taking up c.21,000 sqm in Canning Vale.

Leasing activity in 1Q26 was concentrated in the South precinct, accounting for 63% of gross take-up, followed by the East and North, which accounted for 30% and 7%, respectively. The concentration in the South precinct during the quarter was largely driven by the major transactions noted above. In contrast, CY2025 activity was more balanced across the East and South precincts, accounting for 44% share each, followed by 12% in the North.

FIGURE 1: Perth gross take-up top industry sectors, 1Q25-1Q26



Source: CBRE Research

FIGURE 2: Perth gross take-up by precinct, 2012-1Q26

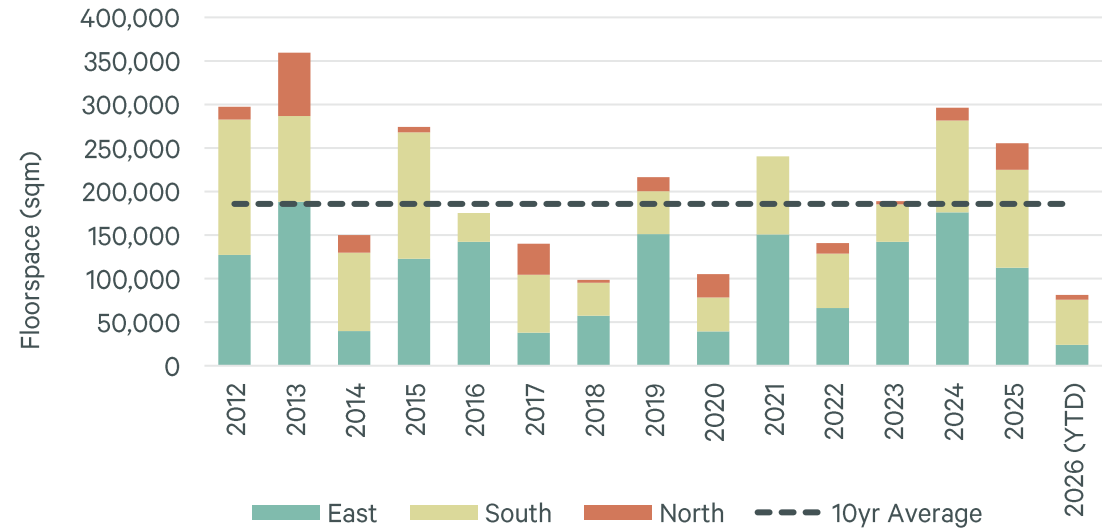
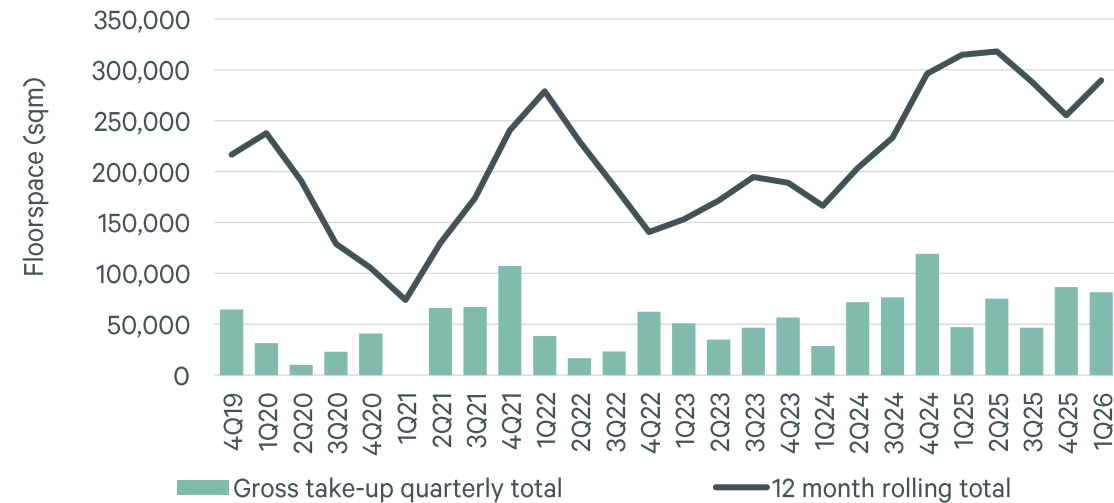


FIGURE 3: Perth quarterly gross take-up, 4Q19-1Q26



Source: CBRE Research.

# Supply

## Elevated pre-commitment levels despite stronger forward supply

New floorspace added to the market over the quarter totalled c.160,800 sqm, accounting for just over 50% of the CY2026 development pipeline as at 1Q26. This quarter saw a historically high level of new supply delivered, as several large pre-committed projects reached completion. Just over 80% of new supply delivered during the quarter was pre-committed.

New supply delivered in 1Q26 was concentrated in the East precinct, accounting for 81% of total floorspace, followed by the South (10%) and North (9%).

Notable development completions recorded over the quarter include:

- CEVA Logistics facility in Hazelmere (38,500 sqm)
- Sadliers' Kewdale based logistics centre (c.25,750 sqm)
- Weir Minerals facility in Hazelmere (c.14,000 sqm).

Compared to the past 10 years, the share of new supply delivered in the East has been significantly higher than the long-run average of 30%.

As at 1Q26, the development supply pipeline is forecast to average c.187,000 sqm per annum between 2026 and 2028, above the 10-year average of c.140,000 sqm. However, the pre-commitment rate remains elevated at close to 70% over this period.

Other notable projects expected to reach PC in 2026 include:

- Nutrien Ag facility in East Rockingham (24,750sqm)
- PFD Food Services facility in Jandakot (c.22,000 sqm).

The distribution of new floorspace to be delivered over 2026F-2028F is forecast to be 58% in the East, followed by 34% in the South and 8% in the North.

FIGURE 4: Development Supply Pipeline 2014-2028F

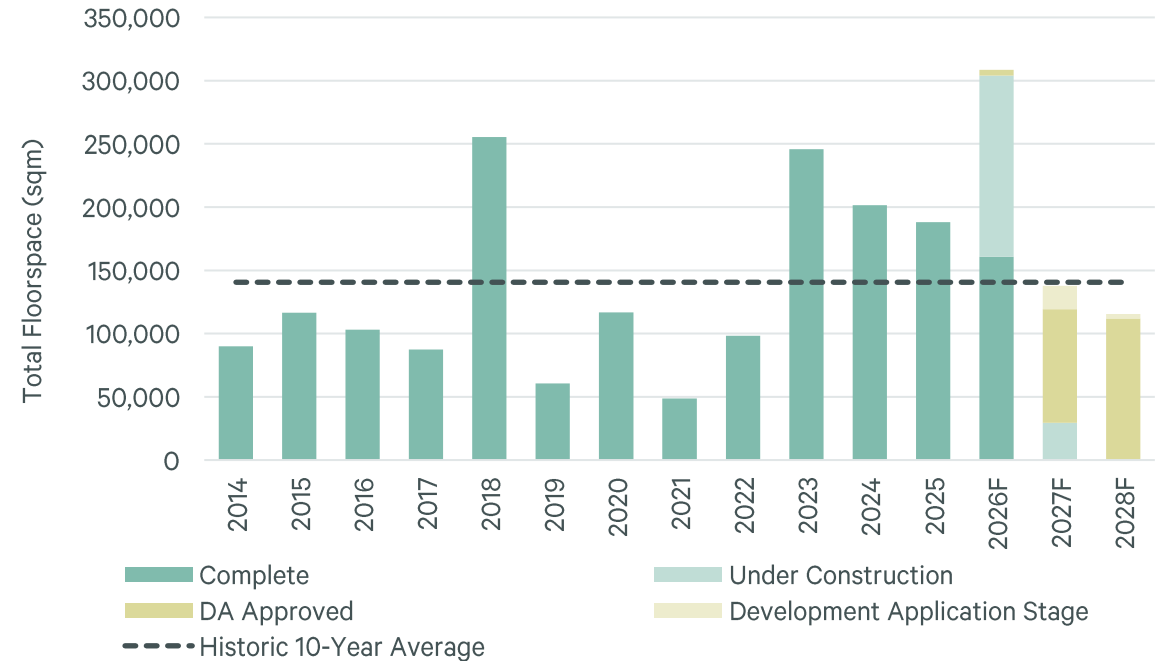
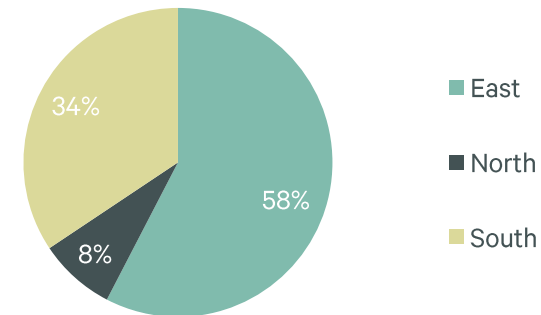


FIGURE 5: Development Supply Pipeline By Precinct 2026F-2028F



Source: CBRE Research. As at 1Q26  
Projects > 3,000 sqm.

## Leasing Market

### Super prime rents increasing with rising development costs

Super prime net face rents increased to an average of AUD 165/sqm in 1Q26, up 6.5% q-o-q and y-o-y.

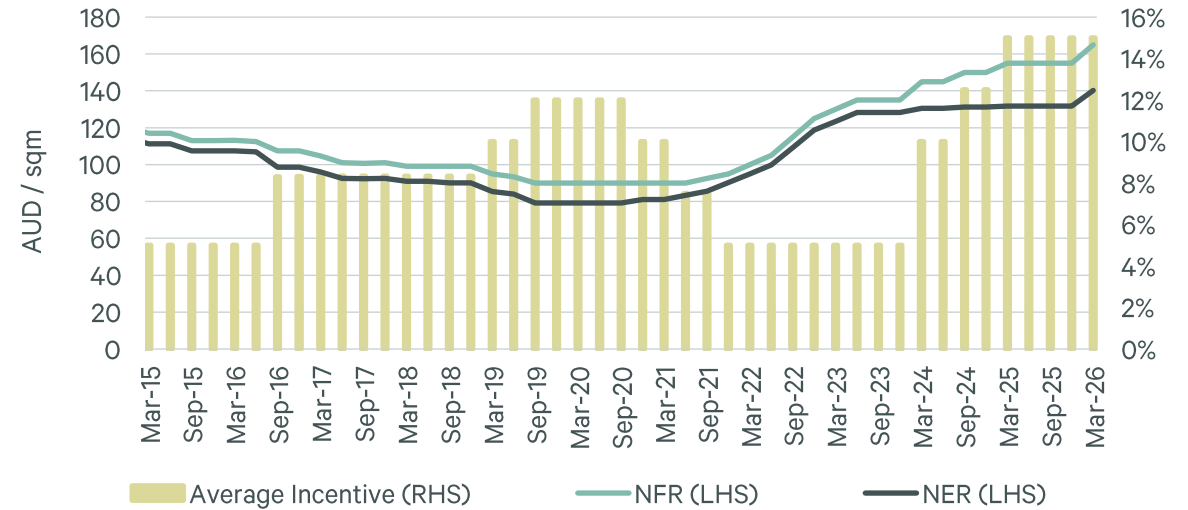
Rents in Perth continue to grow, with rising development costs placing upward pressure on super prime rents. This has occurred despite subdued tenant enquiry and some occupier caution amid broader economic uncertainty and higher costs. Super prime incentives have remained stable over the past year at around 15%, resulting in super prime net effective rents increasing 6.5% q-o-q and y-o-y to an average of AUD 140/sqm.

Prime net face rents increased to AUD 150/sqm, up 3.4% q-o-q and y-o-y. Prime incentives remained stable q-o-q at 15%, though are 2.5 percentage points higher y-o-y. Reflecting the higher incentive environment, prime net effective rents remained broadly stable y-o-y at around AUD 127/sqm.

In the secondary market, average net face rents remained stable q-o-q and increased 8.7% y-o-y to AUD 125/sqm. Secondary incentives remained stable q-o-q at 20%, up from 10% a year ago, which has weighed on net effective rents.

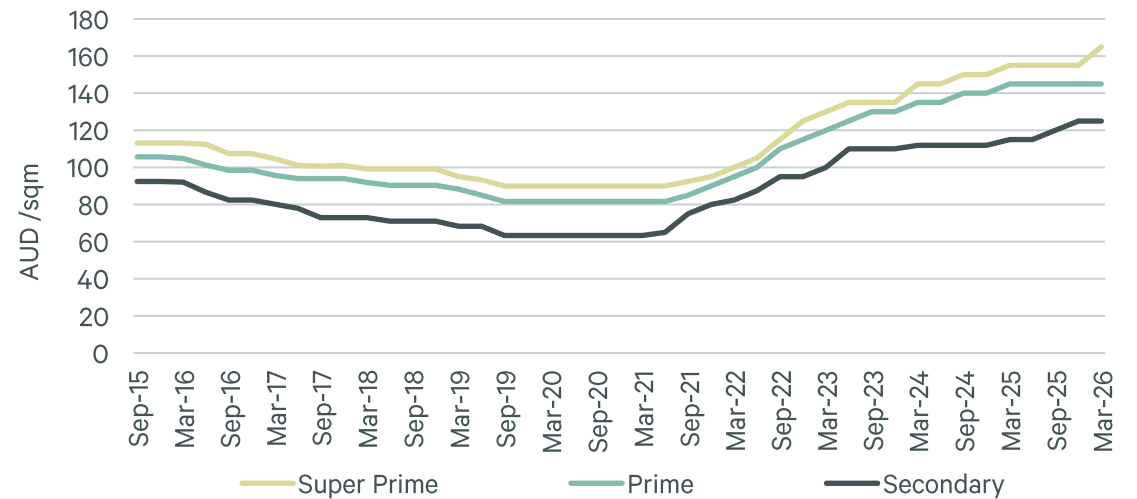
Perth's industrial vacancy rate rose to 1.8% as at 2H25, up from 1.2% in 1H25, reflecting a combination of new supply, backfill space and increased sublease availability, particularly in the 10,000+ sqm segment.

FIGURE 6: Perth Super Prime Average Rents and Incentives



Source: CBRE Research

FIGURE 7: Perth Industrial Net Face Rents by Grade



Source: CBRE Research

## Land Values

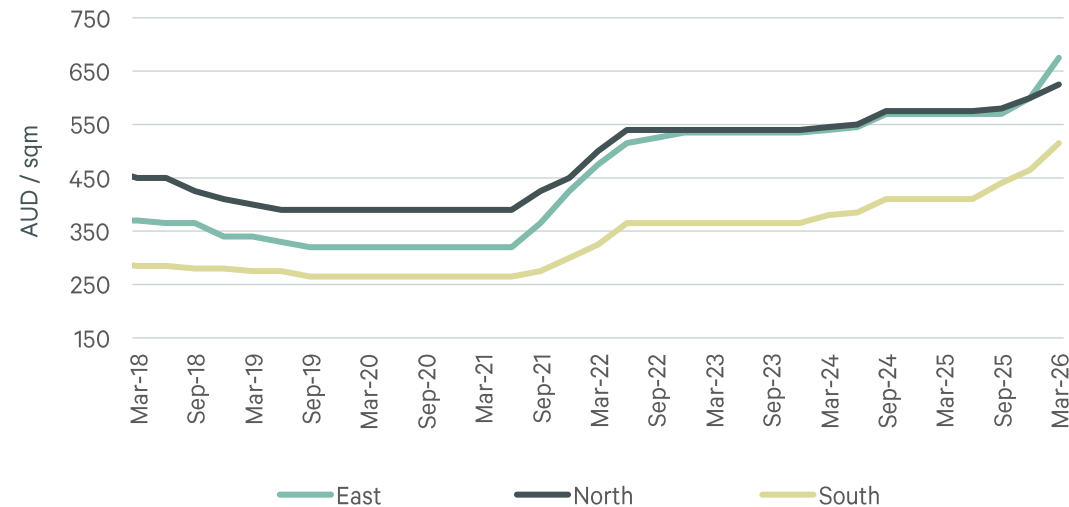
### Owner-occupier demand driving continued growth in land values

During 1Q26, average land values increased across both 0.25 ha lots and larger 1.6 ha lots. Average 0.25 ha land values rose to AUD 777/sqm, up 21.4% y-o-y, with strong growth recorded across all precincts. The East precinct recorded the strongest growth (+21.7% y-o-y to AUD 840/sqm), followed by the North (+21.3% to AUD 825/sqm) and South (+20.9% to AUD 665/sqm).

Owner-occupier demand has remained the primary driver of growth in 0.25 ha lots, supported by limited availability of smaller sites, which tend to transact more sporadically and are typically located in established precincts.

For larger 1.6 ha lots, average land values increased 16.7% y-o-y to AUD 605/sqm. Growth in this segment has lagged smaller lots, reflecting lower owner-occupier participation and more subdued investor activity amid elevated financing and construction costs.

FIGURE 8: Average Land Values, 1.6 ha lots (1Q18 to 1Q26)



Source: CBRE Research

FIGURE 9: Average Land Values, 0.25 ha lots (1Q24 to 1Q26)

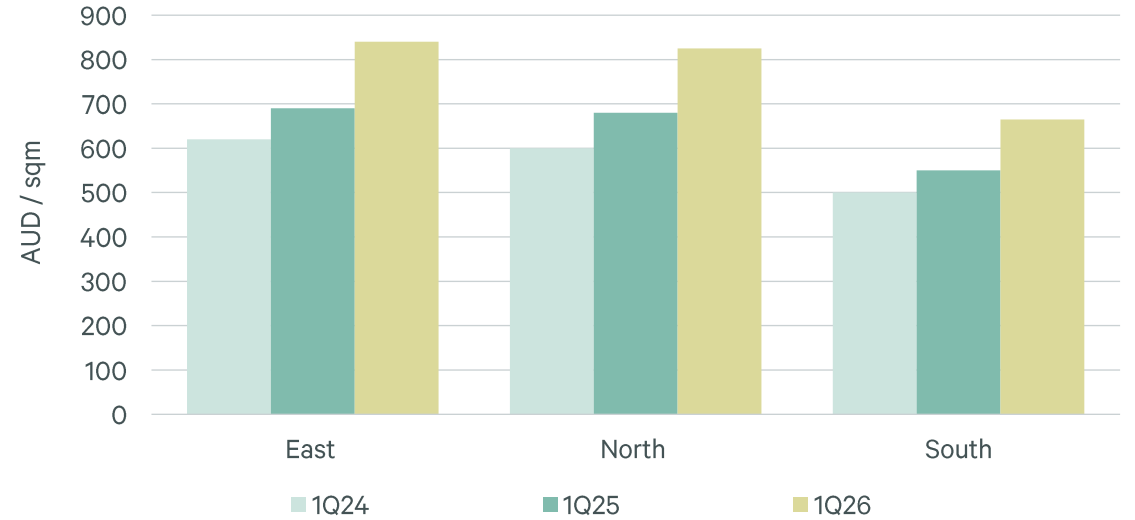
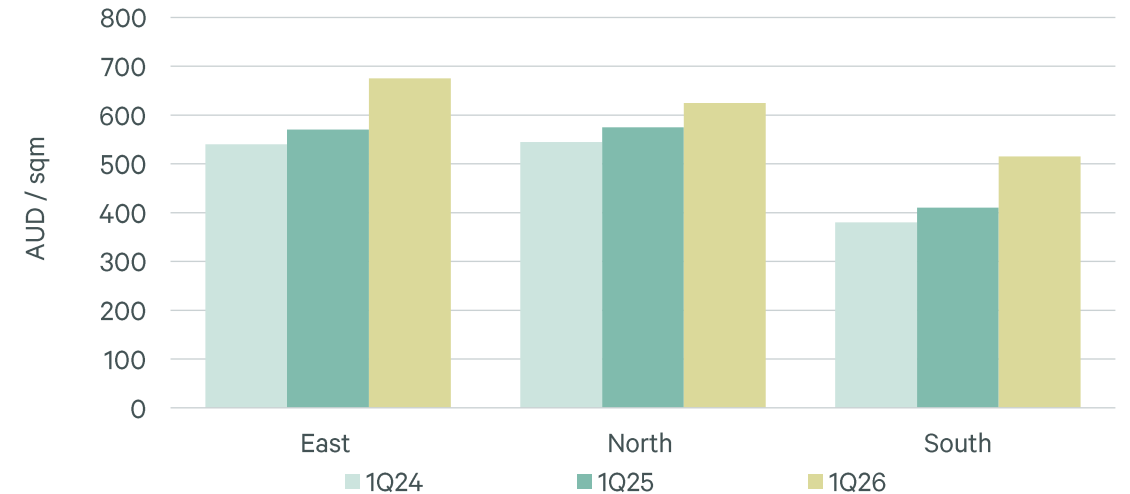


FIGURE 10: Average Land Values, 1.6 ha lots (1Q24 to 1Q26)



Source: CBRE Research

# Investment Market

## Perth super prime yields increase in 1Q26

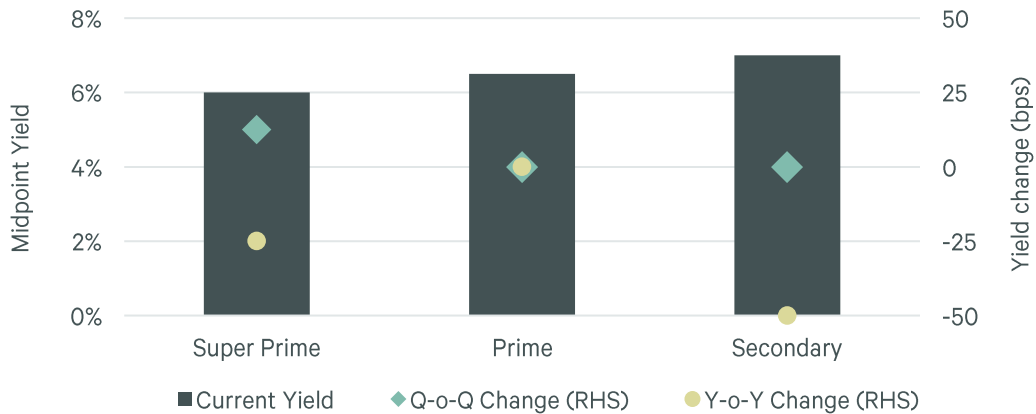
Investment activity during the quarter was relatively subdued, with AUD 125 million of transactions recorded (for deals ≥ AUD 5 million). An uptick in Australia’s inflation rate led the Reserve Bank of Australia to increase the cash rate by 50 bps during 1Q26. This, combined with global economic uncertainty, contributed to increased investor caution during the quarter.

Notable transactions recorded over 1Q26 include:

- Leyton Funds acquiring 2-10 Kewdale Road in Welshpool from QIC for AUD 20.6 million (leased to Bend-Tech Group).
- AGEM Property Group acquiring the owner-occupied property at 25 Delawney Street in Balcatta from Evaris Pharma for AUD 21.5 million.

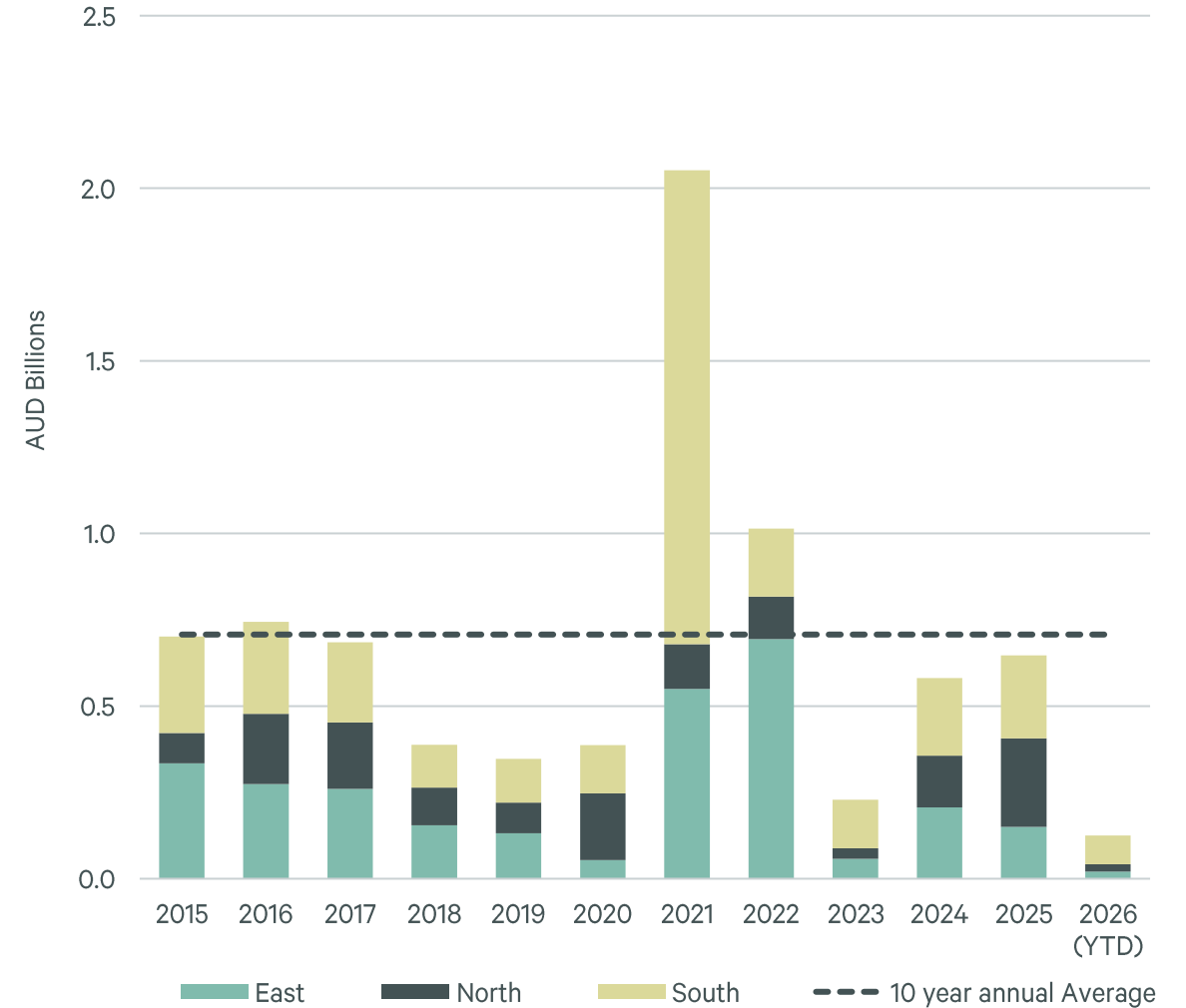
Reflecting the higher interest rate environment and changing investor pricing expectations, midpoint yields for super prime assets increased by 13 bps q-o-q to 6.0%. Midpoint yields for prime and secondary assets remained stable q-o-q at 6.5% and 7.0%, respectively. We expect yields to soften further over the remainder of 2026, given expectations of additional rate increases, with the market currently pricing in around 50 bps of further tightening by year-end.

FIGURE 11: Perth Average Current Yield and Yield Change By Grade



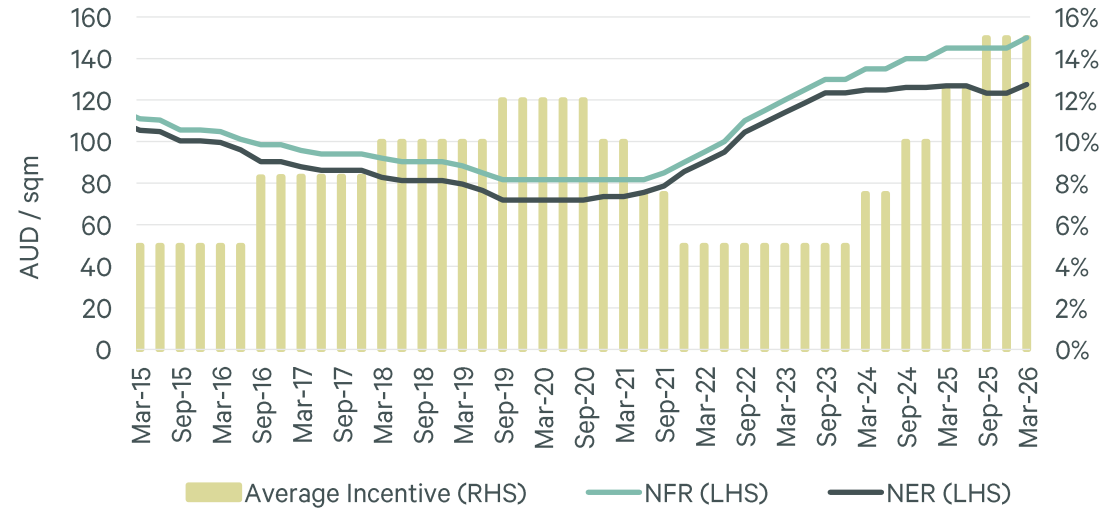
Source: CBRE Research

FIGURE 12: Perth Industrial Investment Sales (greater than AUD 5 million)



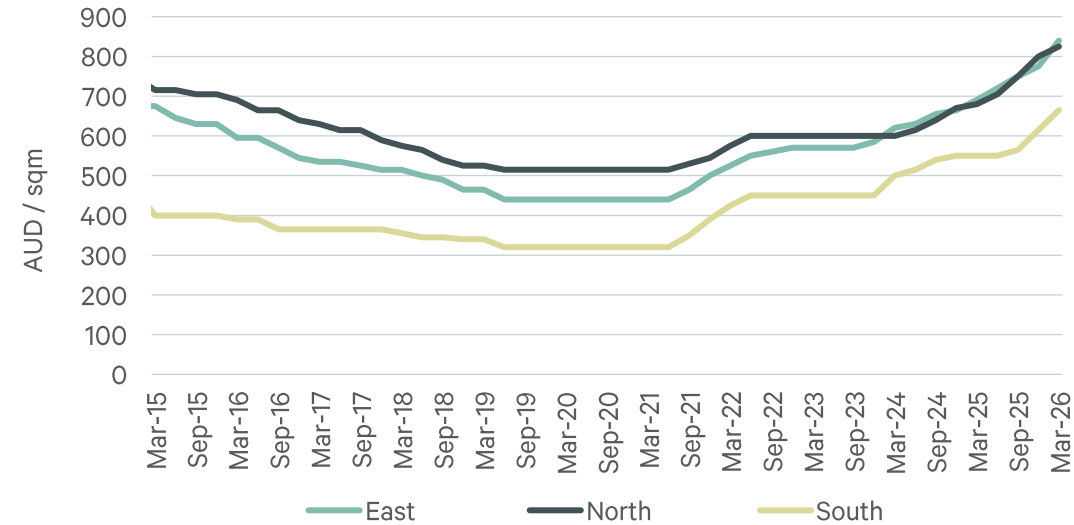
To note: does not include land sales.  
Source: CBRE Research

FIGURE 13: Average Perth Prime Rents and Incentives



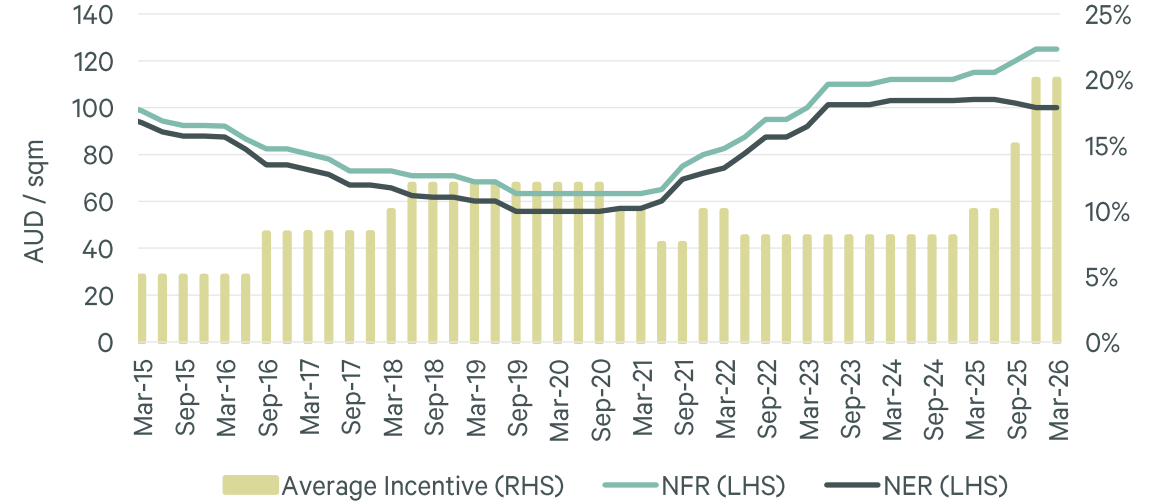
Source: CBRE Research Q1 2026

FIGURE 14: Average Land Values (0.25 ha lots)



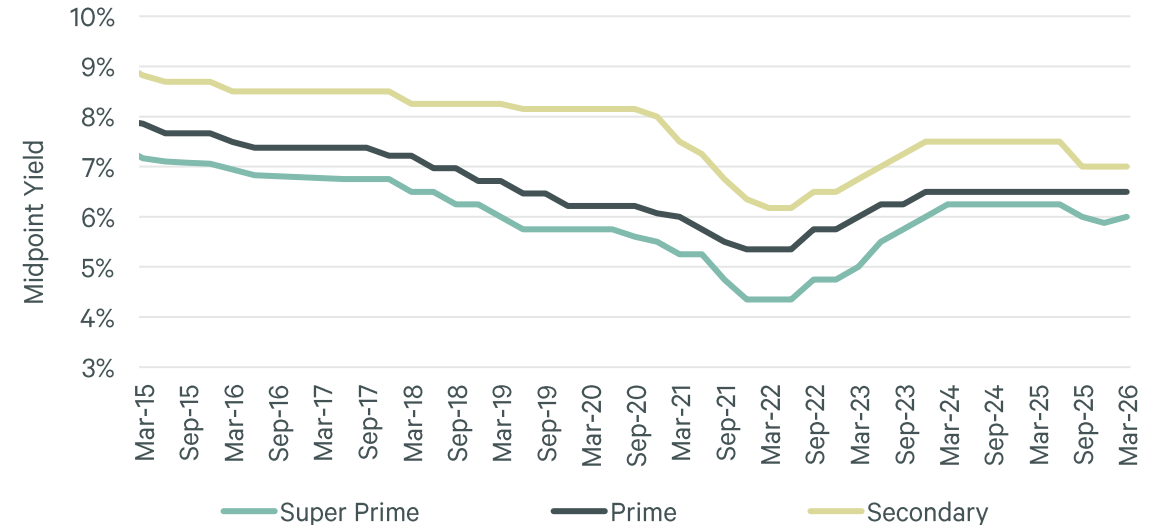
Source: CBRE Research Q1 2026

FIGURE 15: Average Perth Secondary Rents and Incentives



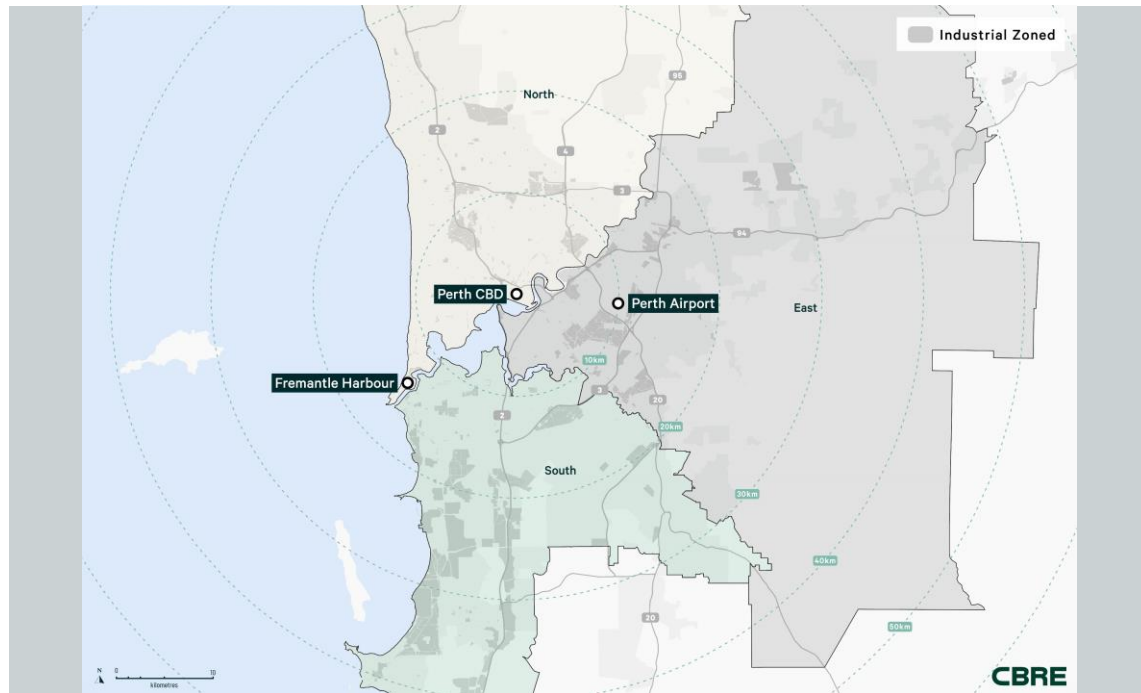
Source: CBRE Research Q1 2026

FIGURE 16: Perth Industrial Midpoint Yields By Grade



Source: CBRE Research Q1 2026

## 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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