

FIGURES | PERTH INDUSTRIAL & LOGISTICS | Q4 2025

# Perth super prime industrial yields continue to compress

▲ 1.8%

2H25 Perth industrial vacancy rate

▲ c.87,000 sqm

New industrial supply 4Q25

▲ c.86,500 sqm

Gross take-up 4Q25

▼ 5.9%

Super prime midpoint yield

Note: Arrows indicate change from previous quarter.

## Key Points

- Gross take-up of c.86,500 sqm was recorded for 4Q25 and c.255,000 sqm for CY2025, exceeding the long-run annual average.
- New floorspace added totalled c.87,000 sqm over the quarter. The current pipeline of new development supply between 2026 and 2027 is forecast to average c.272,000 sqm per annum, which is above long-run annual average.
- The pre-commitment rate for the forward supply pipeline (2026-2027) remains elevated at around 70%.
- Super prime net face rents remained stable q-o-q, as were incentives.
- Owner occupier activity increased land values for 0.25 ha lots which now average AUD 730/sqm - up 16.2 y-o-y.
- Investment transactions of AUD 563 million have been recorded for 2025 (for transactions ≥ AUD 5 million), with private investors being active in the market.
- Super prime midpoint yields compressed by 13bps q-o-q to 5.9%. Prime midpoint yields remained stable q-o-q at 6.5%.

## Demand

### Gross take-up for CY2025 exceeded the long-run average

Gross take-up of approximately 86,500 sqm was recorded for 4Q25, bringing the CY2025 total take-up to c.255,000 sqm, above the 10-year average of c.186,000 sqm. While activity has remained above the long-run average, leasing conditions have moderated compared with 12 months ago.

Gross take-up for CY2025 declined by 14% y-o-y, with leasing enquiry volumes softening. This moderation has been most evident in the larger size segment (c.10,000+ sqm), where tenant depth is thinner relative to smaller-format and sublease availability has increased. As a result, Perth's industrial vacancy rate rose to 1.8% in 2H25, up from 1.2% in 1H25.

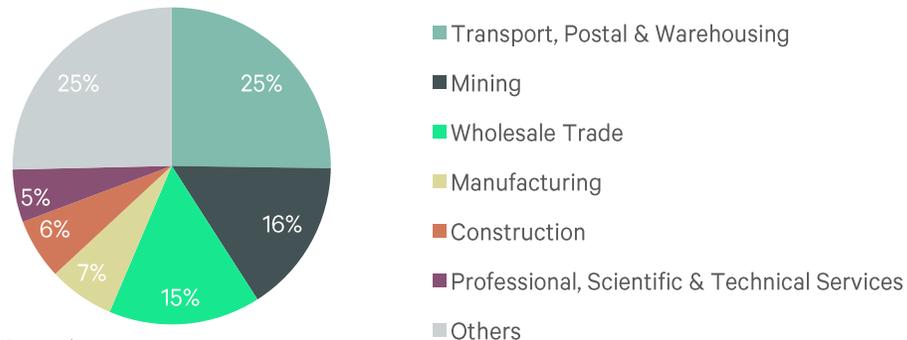
Leasing activity in 4Q25 was predominantly driven by existing stock, which accounted for 80% of total gross take-up, consistent with the broader CY2025 trend, where existing stock represented 77% of total leasing activity.

Notable transactions during the quarter included:

- Australia Post taking up c.15,000 at Jandakot Airport
- Pacific Energy pre-committing to a c.17,000 sqm workshop at Perth Airport.

Leasing activity in 4Q25 was concentrated in the South and East precincts, accounting for 44% and 43% of gross take-up respectively, while the North precinct captured 13%. This mirrors the CY2025 distribution, with the South and East each accounting for 44% of annual take-up and the North 12%.

FIGURE 1: Perth gross take-up top industry sectors, CY2025



Source: CBRE Research.

FIGURE 2: Perth gross take-up by precinct, 2012-2025

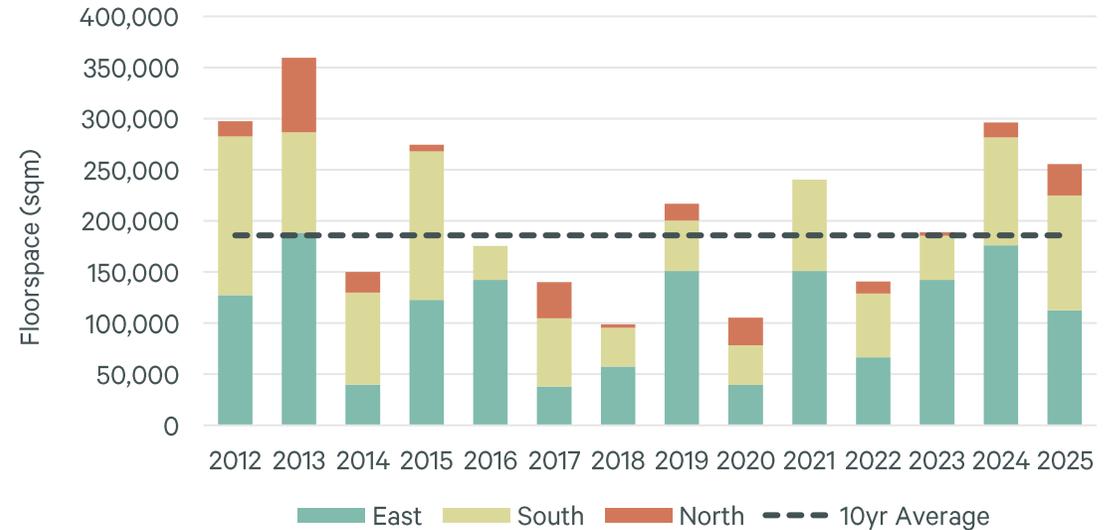
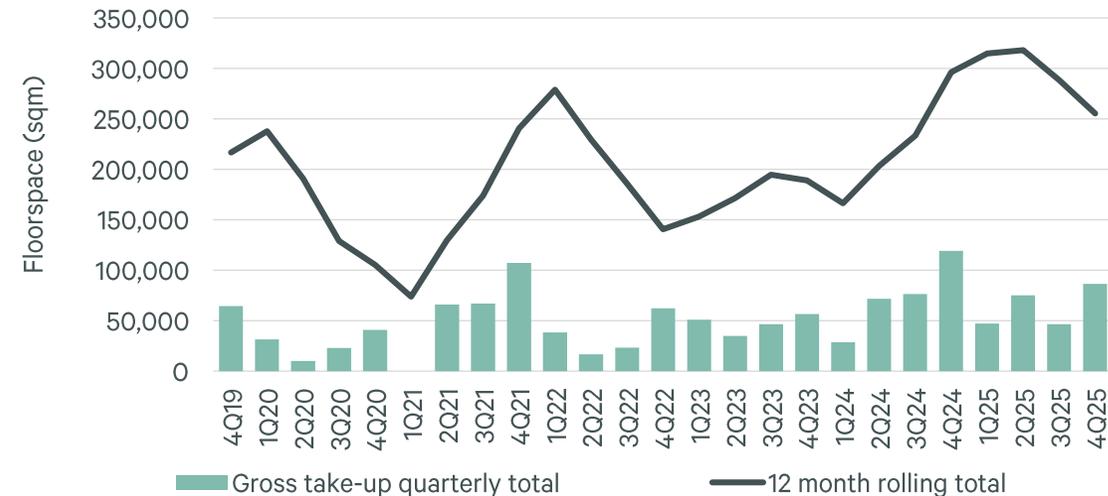


FIGURE 3: Perth quarterly gross take-up, 4Q19-4Q25



Source: CBRE Research.

# Supply

## Elevated pre-commitment levels despite stronger forward supply

New floorspace added to the market totalled c.188,000 sqm for CY2025. Completions over the quarter totalled c.87,000 sqm - accounting for almost 50% of the new supply for CY2025.

New supply delivered over 4Q25 was concentrated mainly in the South precinct accounting for 57% of total floorspace, followed by the North (30%) and East (13%). Compared with the past 10-years, the share of new supply delivered in the East has been significantly higher averaging 30%.

Notable development completions recorded over the quarter include:

- Dexus’ spec facility at ASCEND Industrial Estate in Jandakot (c.17,000 sqm)
- Toll Healthcare (c.5,500 sqm) and Lindsay Transport (c.6,000 sqm) facilities in Hazelmere.

The development supply pipeline is forecast to total c.290,000 sqm for 2026 and c.253,000 sqm for 2027. This averages c.272,000 sqm per annum - significantly above the 10-year average of c.140,000 sqm. However, the pre-commitment rate is elevated at close to 70% over this period.

Around 47% of the 2026-2027 pipeline has commenced construction.

Notable projects expected to reach PC in 2026 include:

- CEVA Logistics facility in Hazelmere (38,500sqm)
- Nutrien Ag facility in East Rockingham (24,750sqm).

The concentration of new floorspace to be delivered over 2026F-2027F is forecast to be added in the East (60%), followed by the South (32%).

FIGURE 4: Development Supply Pipeline 2014-2028F

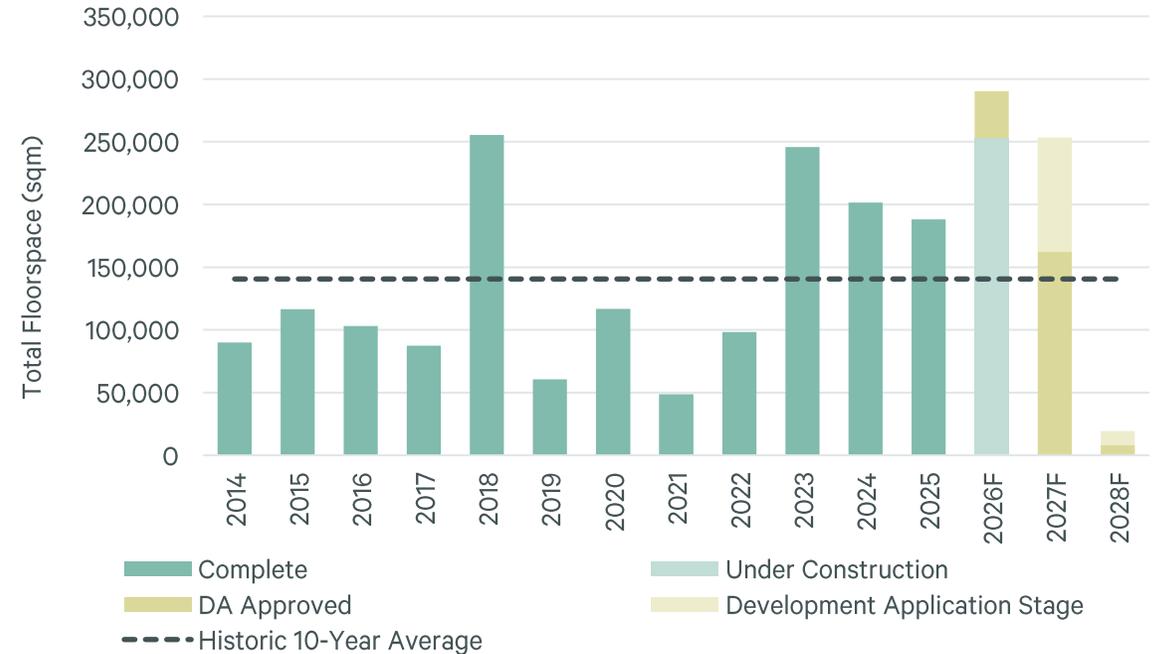
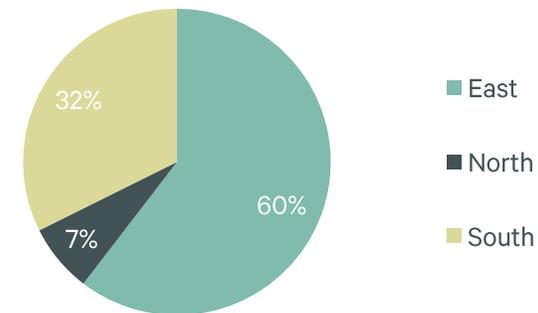


FIGURE 5: Development Supply Pipeline By Precinct 2026F-2027F



Source: CBRE Research. As at 4Q25  
Projects > 3,000 sqm.

## Leasing Market

### Perth vacancy increases as market conditions moderate

Super prime net face rents were stable q-o-q at an average of AUD 155/sqm, while increasing 3.3% y-o-y.

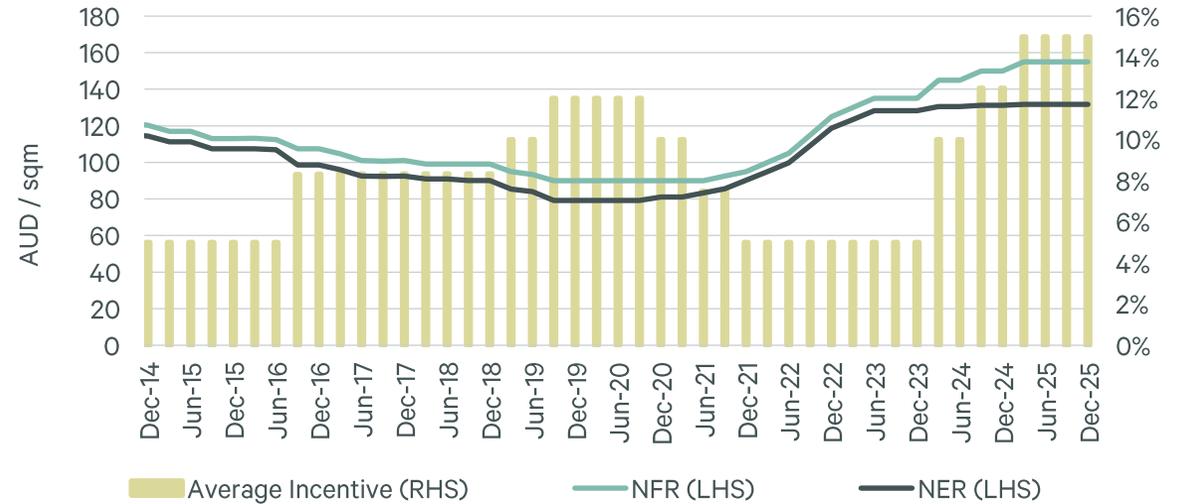
Rental growth has moderated over the past 24 months, following the rapid escalation in rents since 2021. More recently, tenant enquiry volumes have softened as occupiers adjust to broader economic uncertainty and higher market rents. This has driven an uplift in incentives, with super prime incentives averaging 15%, stable q-o-q and up from 5% at the end of 2023. As a result, super prime net effective rents increased modestly by 0.4% y-o-y to AUD 132/sqm.

Prime net face rents were stable q-o-q at AUD 145/sqm, and up 3.6% y-o-y. Prime incentives remained stable q-o-q at 15%, though are 5 percentage points higher y-o-y. Reflecting the higher incentive environment, prime net effective rents declined slightly by 2.2% y-o-y to AUD 123/sqm.

In the secondary grade market, net face rents rose 4.2% q-o-q and 11.6% y-o-y to AUD 125/sqm. However, this coincided with a further increase in incentives, up 5 percentage points q-o-q to 20%, weighing on effective rents. Secondary net effective rents now average AUD 100/sqm, down 2.0% q-o-q and 3.0% y-o-y.

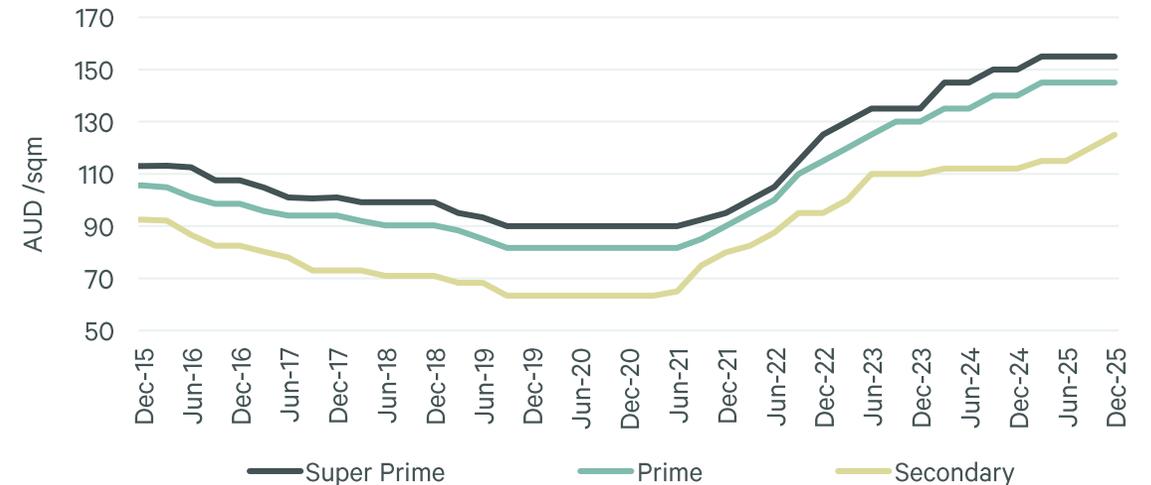
Perth's industrial vacancy rate increased to 1.8% in 2H25, up from 1.2% in 1H25. The increase reflects a combination of new supply, backfill space and rising sublease availability, particularly in the 10,000+ sqm segment, where conditions have moderated modestly.

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

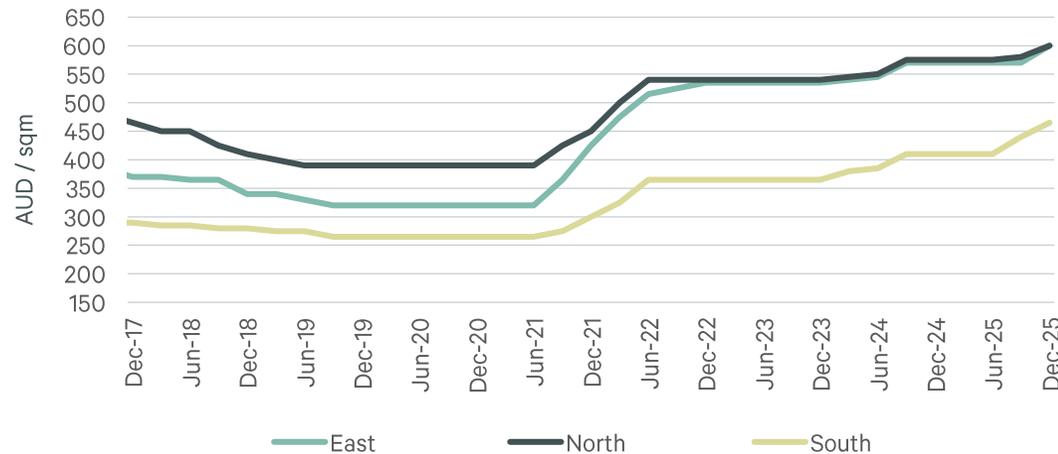
### Owner occupier demand driving continued growth in land values

During 4Q25, 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 730/sqm, up 16% y-o-y. Growth was strongest in the North precinct, where values increased 19% y-o-y to AUD 800/sqm, followed by the East precinct (+17% y-o-y to AUD 775/sqm) and the South precinct (+12% y-o-y to AUD 615/sqm).

Owner-occupier demand has remained the primary driver of growth in 0.25 ha lots, supported by the limited availability of smaller sites, which tend to transact more sporadically and are typically located within more established industrial precincts. These characteristics continue to attract strong buyer interest.

For larger 1.6 ha lots, average land values increased more modestly, rising 7% y-o-y to AUD 555/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. In 4Q25, average land values for 1.6 ha lots were AUD 600/sqm in the North, AUD 465/sqm in the East, and AUD 465/sqm in the South, with the South precinct recording the strongest annual growth at +13.4% y-o-y.

FIGURE 8: Average Land Values, 1.6 ha lots (4Q17 to 4Q25)



Source: CBRE Research

FIGURE 9: Average Land Values, 0.25 ha lots (4Q23 to 4Q25)

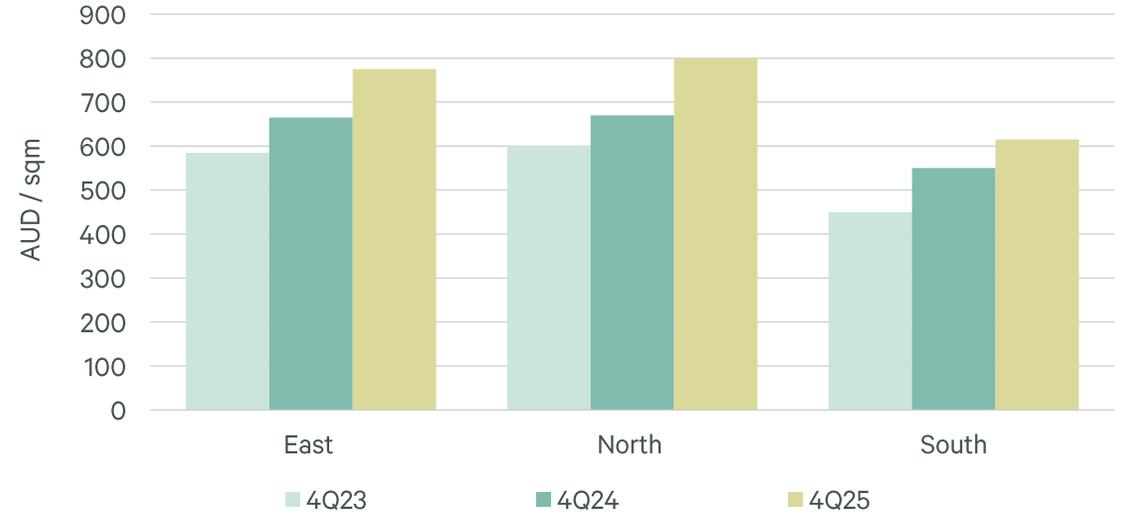
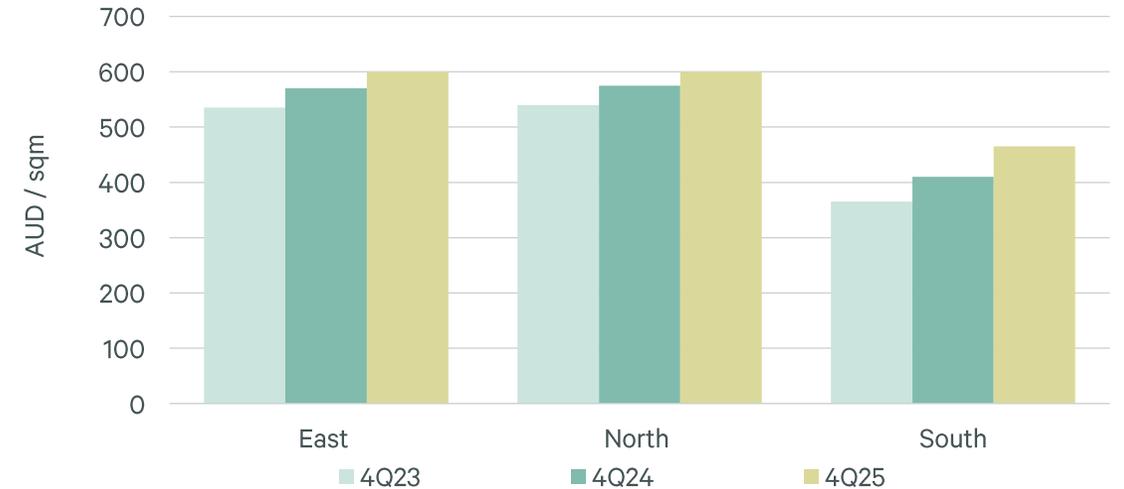


FIGURE 10: Average Land Values, 1.6 ha lots (4Q23 to 4Q25)



Source: CBRE Research

## Investment Market

### Perth super prime yields decrease

Investment sale transaction volumes reached AUD 563 million in CY2025, just below the AUD 582 million recorded the prior year and below the 10-year annual average of AUD 713 million (for transactions ≥ AUD 5 million). Private investors have primarily driven transaction volumes this year, along with some owner occupier purchases.

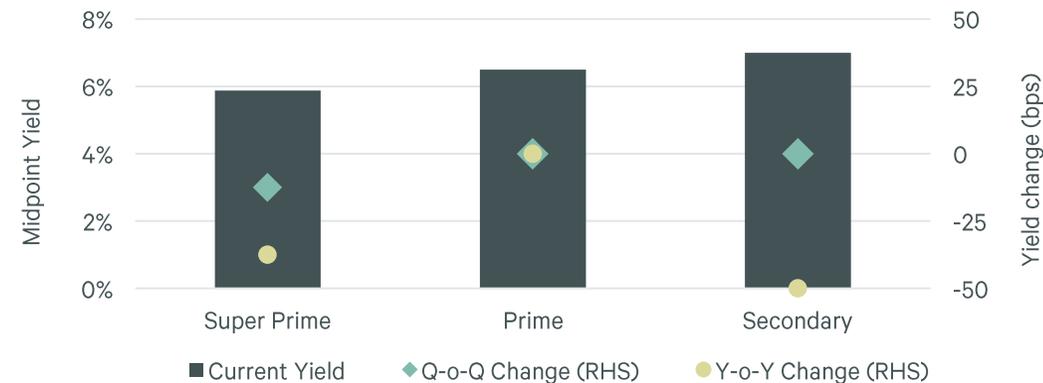
Notable transactions recorded over 4Q25 include:

- GDI Property Group divesting 5 and 15 Wood Street in Bassendean for AUD 29.5 million (leased to UGL Pty Ltd, who signed a new 5-year lease in Oct 2024).
- Cosgrove acquiring 6 Wellard Street in Bibra Lake (leased to BlueScope Steel) for AUD 27 million.

During 4Q25 yield compression was recorded only in super prime assets – with midpoint yields decreasing by 13 bps q-o-q to 5.9%. Prime and secondary grade midpoint yields remained stable q-o-q at 6.5% and 7.0%, respectively.

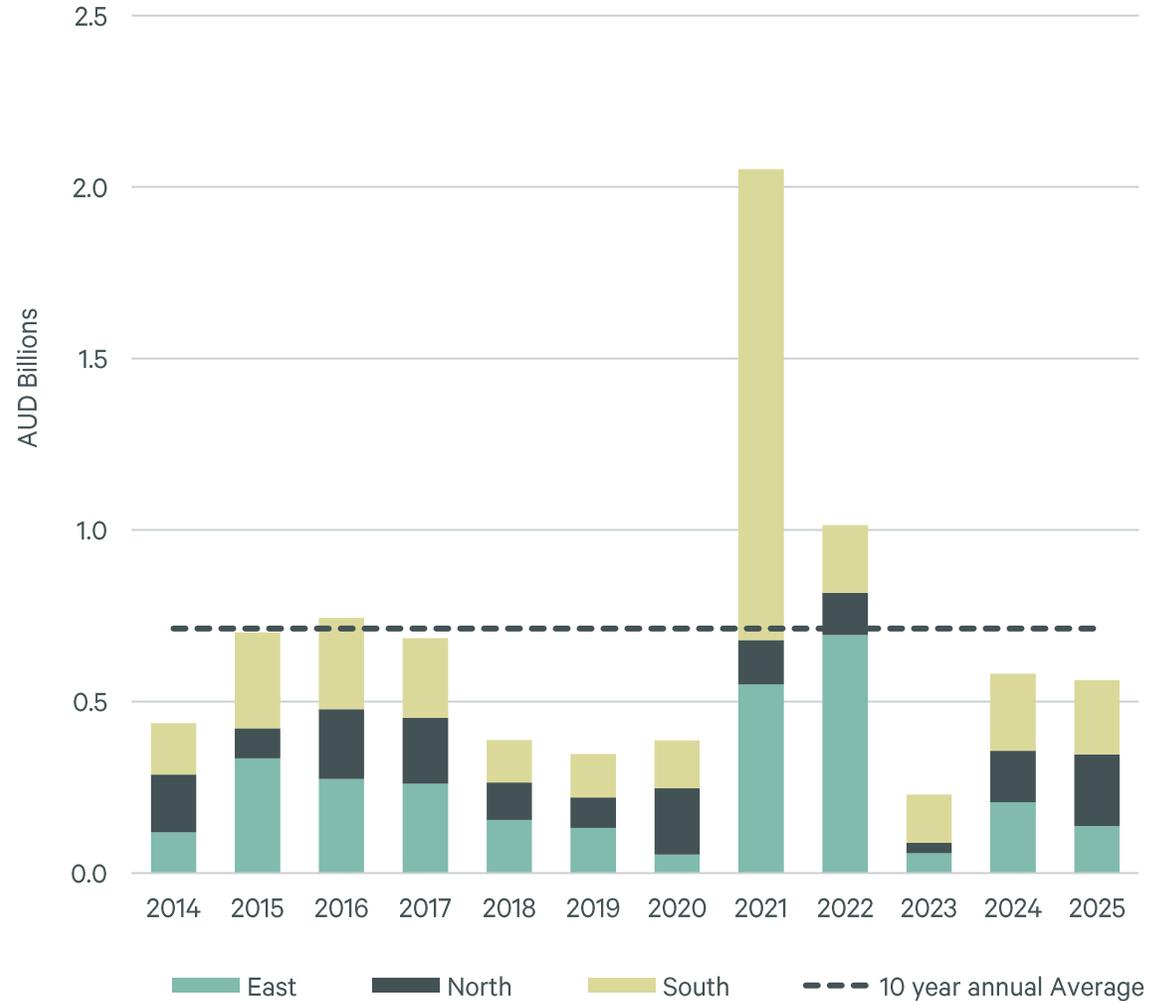
An uptick in Australia's inflation rate during 4Q25 has created some uncertainty on the outlook for interest rates and investment markets as we look ahead to 2026. The market is currently pricing in about 35 basis points of interest rate increases - as per the 14 January 2026 ASX 30 Day Interbank Cash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

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



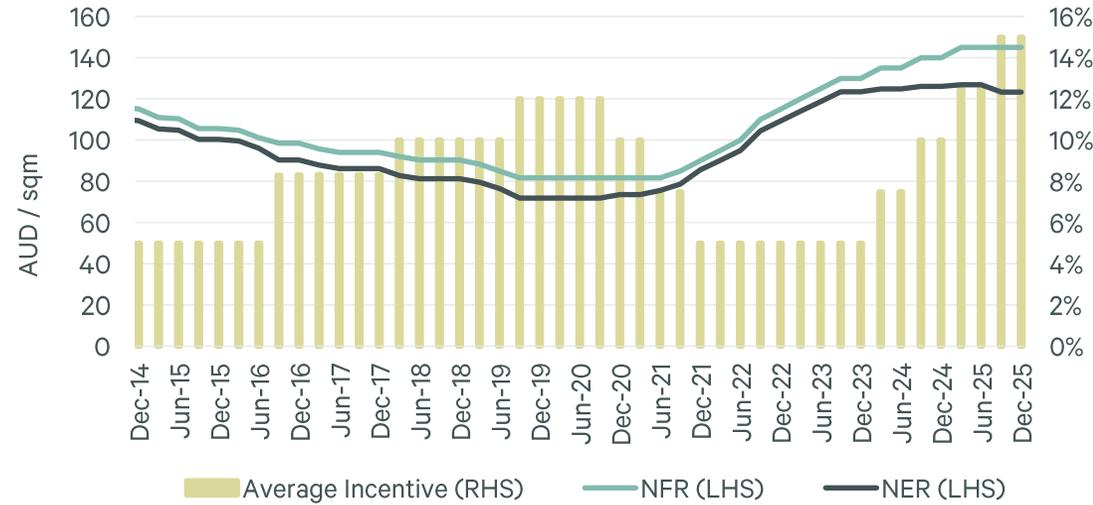
Source: CBRE Research

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



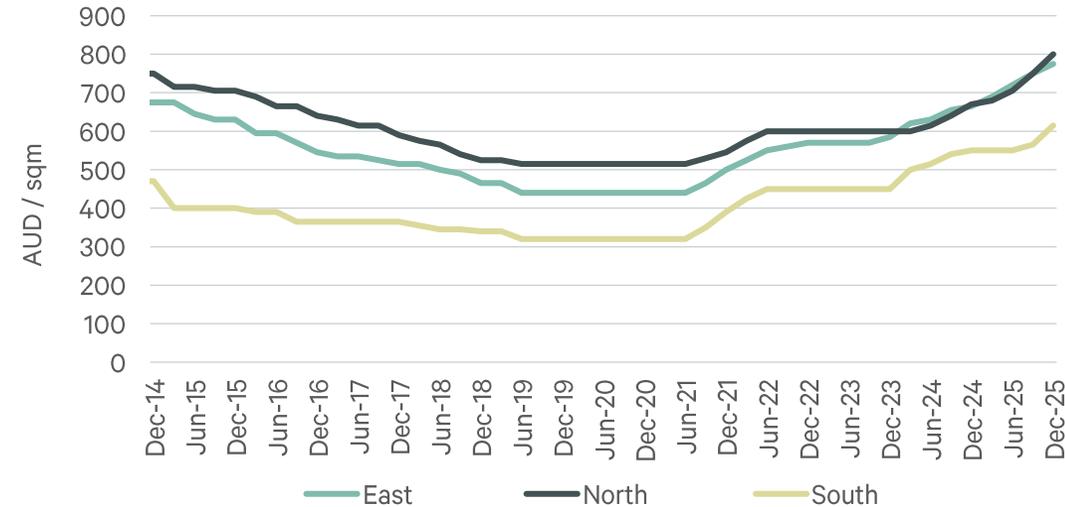
To note: does not include land sales.  
Source: CBRE Research

FIGURE 13: Average Perth Prime Rents and Incentives



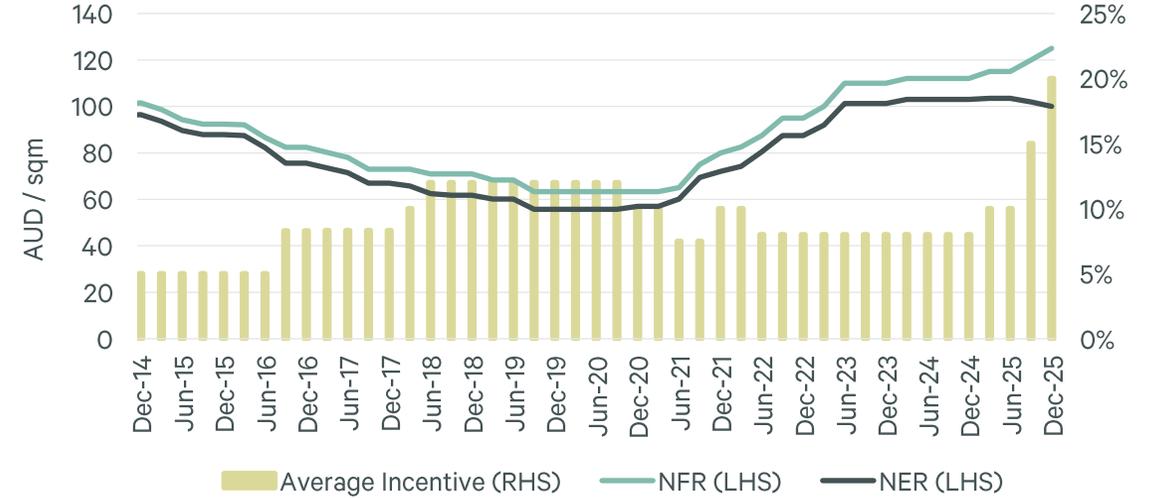
Source: CBRE Research Q4 2025

FIGURE 14: Average Land Values (0.25 ha lots)



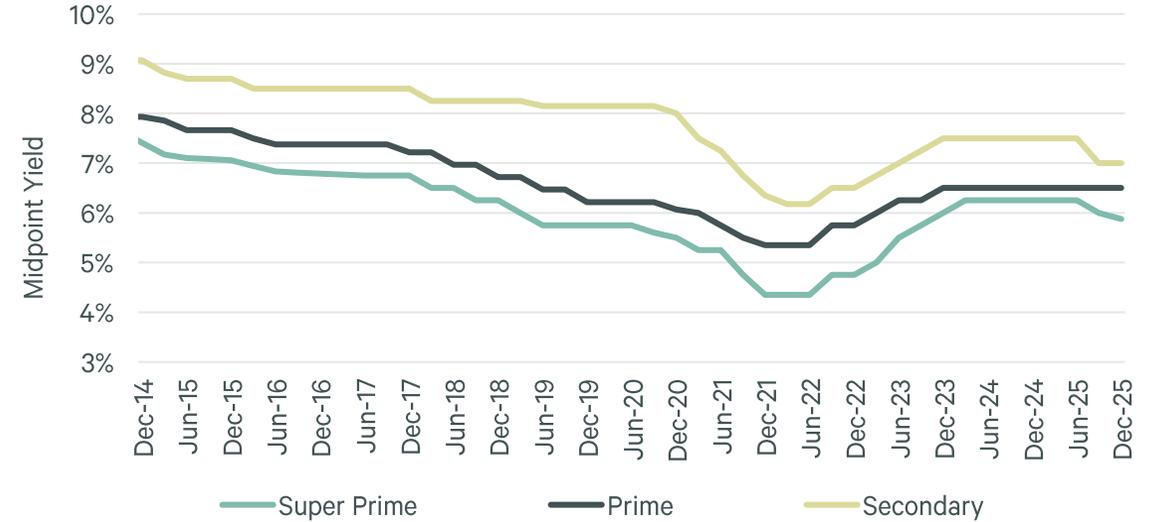
Source: CBRE Research Q4 2025

FIGURE 15: Average Perth Secondary Rents and Incentives



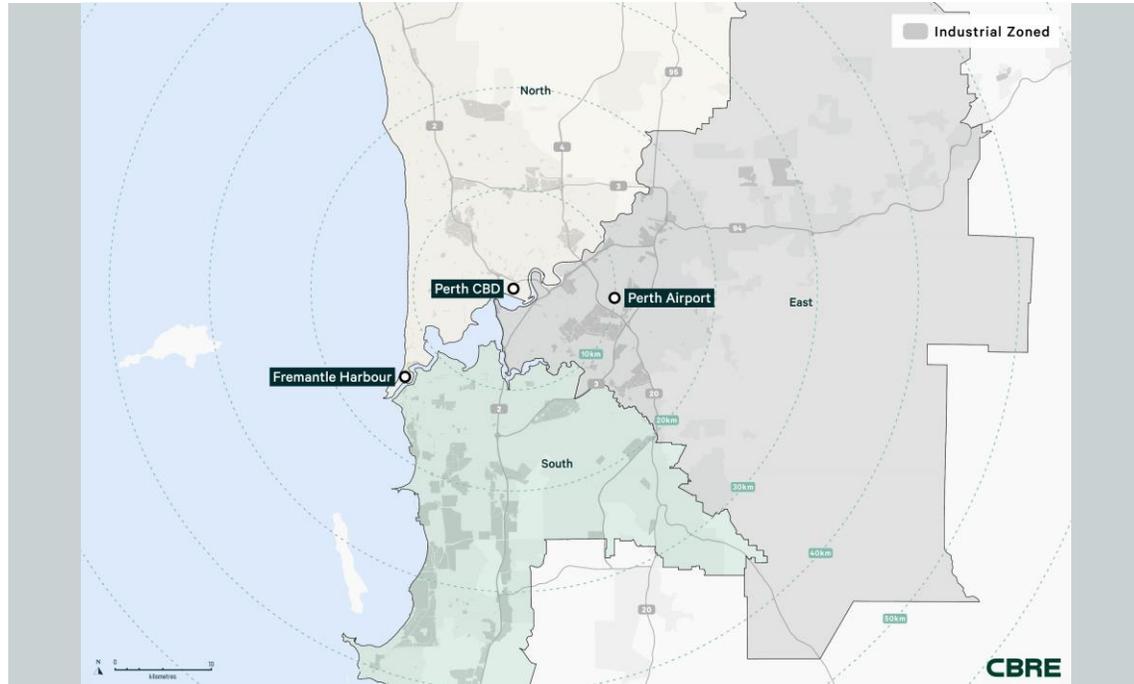
Source: CBRE Research Q4 2025

FIGURE 16: Perth Industrial Midpoint Yields By Grade



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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