Evolving Workforce

Australian Office Sublease Barometer

REPORT

CBRE RESEARCH
JUNE 2026

Sublease volumes increase slightly over second quarter

National sublease volumes increased slightly over Q2 2026. This broke the streak of nine consecutive periods of sublease volume decreases. Combined CBD sublease availability ended the period at 151,653 sqm. This marked a quarter-over-quarter increase of 21.6%. Despite the increase, the Q2 2026 total was still the second lowest national volume figure since the onset of the pandemic, and marked a decline of -12.6% from Q2 2025. Encouragingly, we've yet to see material sublease activity due to AI related headcount cuts.

Each market recorded increases to CBD sublease volumes over Q2 2026. Sydney saw the largest increase over the quarter, ending the period with 59,203 sqm of sublease space available. This represented an increase of 18,241 sqm or 44.5% over the period. Over half of this quarterly increase was due to the addition of one block of space in the Southern precinct. Melbourne and Brisbane recorded the next largest increases in sublease volumes in Q2 2026. Volumes in Melbourne increased by 4,085 sqm (or 6.4%) over quarter, ending the period at 68,133 sqm. Volumes in Brisbane increase by 2,609 sqm (or 57.0%) over the quarter, ending the period at 7,183 sqm.

Perth and Adelaide also recorded marginal increase over the period, ending the half with sublease availabilities of 10,673 sqm and 6,461 sqm, respectively.

FIGURE 1

Sublease Availability by Market

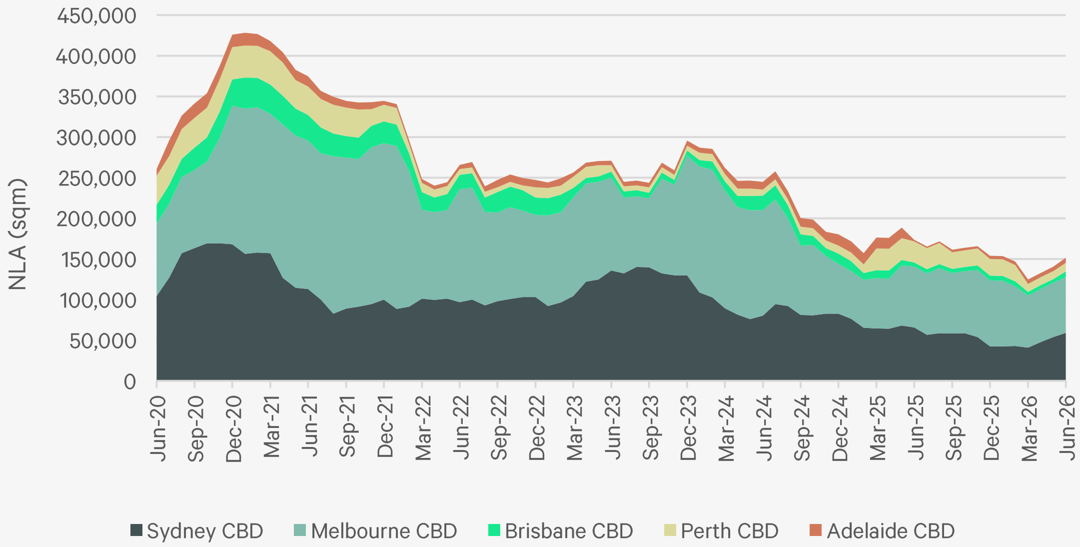


FIGURE 2

Sublease as % of Total Stock

Sydney CBD	Melbourne CBD	Brisbane CBD	Perth CBD	Adelaide CBD
1.1% ▲	1.3% ▲	0.3% ▲	0.6% ▲	0.4% ▲

Source: CBRE Research

Two sectors drive bulk of sublease activity in Q2 2026

The Finance & Insurance and Professional Services sectors drove the bulk of sublease activity as of Q2 2026. These two occupier types accounted for 61.4% of national sublease activity. The Finance & Insurance sectors saw some of the largest increases in sublease activity this period, recording a quarter-over-quarter increase of 83.8%. The significant increase was driven largely by the listing of significant block of sublease space in Sydney by a large Australian bank.

The Tech, Media, & Telecommunications sectors saw some of the largest declines in sublease activity this quarter. Sublease volumes by these groups declined by -42.3% over the period.

Other large risers over the period included the Energy (+86.7%), Real Estate (+13.3%), and Admin & Support (+12.9%) sectors. Sectors to record significant declines included the Education (-30.6%) and Mining (-18.2%) sectors.

Average listing size continues to trend downwards

The average size of sublease listings has now declined to 1,076 sqm. While there were a few larger sublease listings made available in Q2 2026, the bulk of new space which has been brought to market has been in the form of smaller blocks of space.

The Q2 2026 average marked a quarter-over-quarter decline of -9.4% and a year-over-year decline of -17.6%.

FIGURE 3

National Sublease Availability by Sector

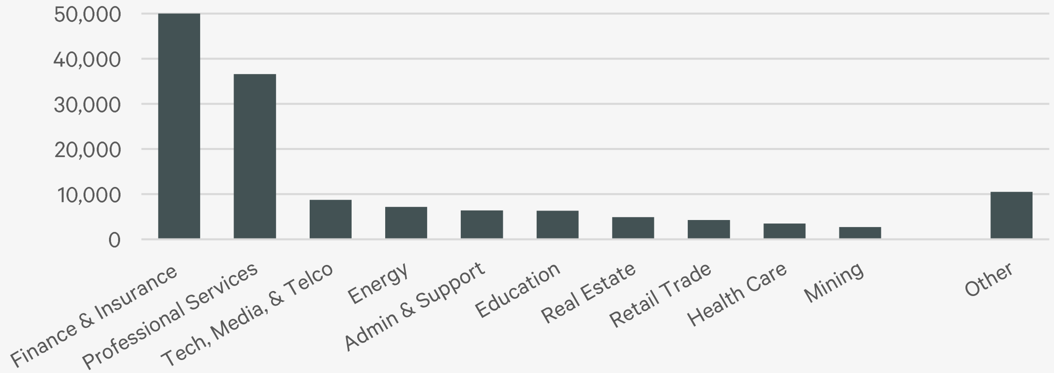
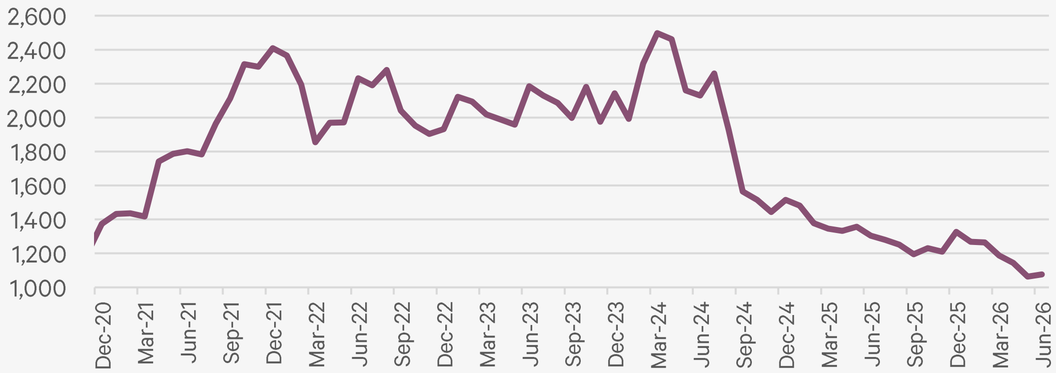


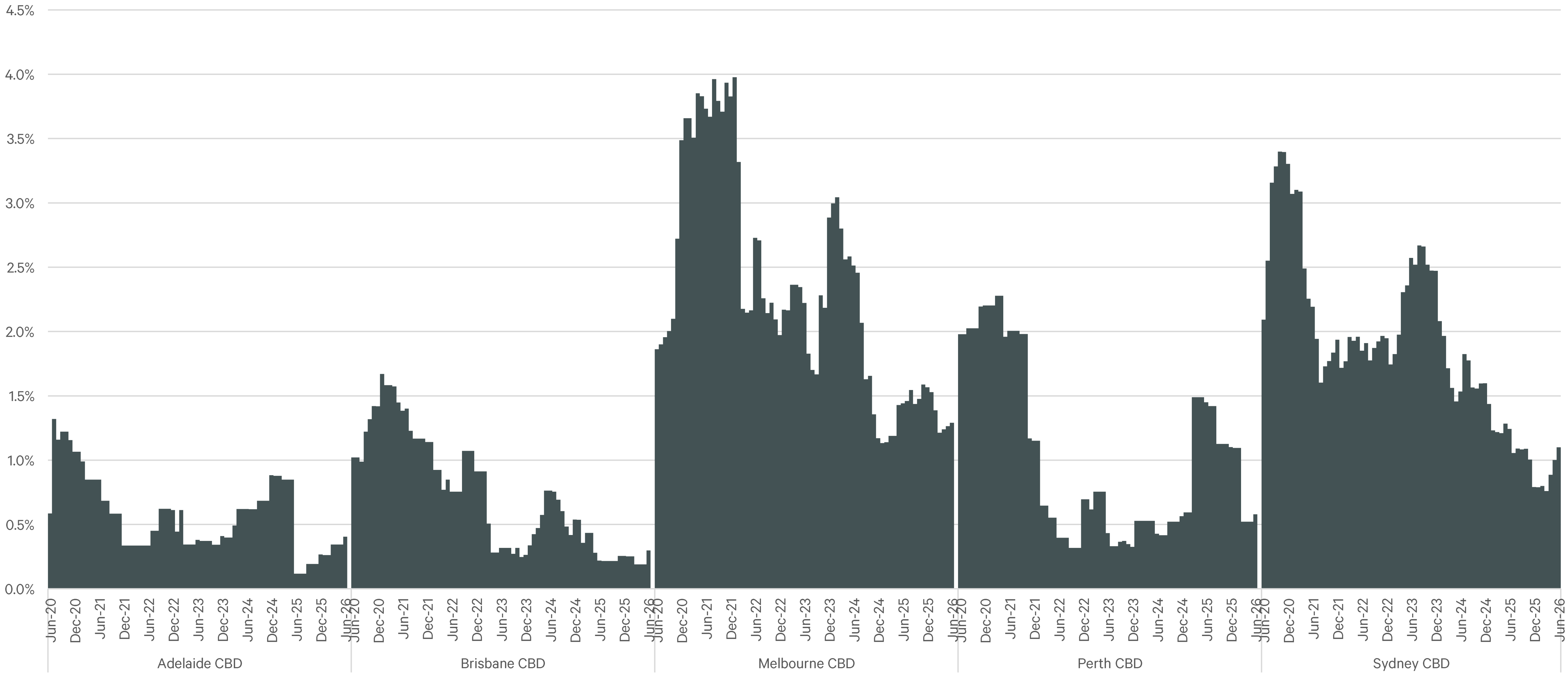
FIGURE 4

Average Sublease Size



Source: CBRE Research

Figure 5
Sublease as % of Total Stock by Market



Source: CBRE Research

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