

Evolving Workforce

# Australian Office Sublease Barometer

REPORT

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CBRE RESEARCH  
MAR 2026

CBRE



# Sublease volumes decline for 9<sup>th</sup> consecutive quarter

National sublease volumes declined for the ninth consecutive quarter in Q1 2026. Combined CBD sublease availability ended the period at 125,699 sqm. This marked a decline of -18.4% compared the end of 2025 and a decline of 28.7% year-over-year. Sublease volumes have continued to trend downwards as listings have either been leased or withdrawn. The flow of new blocks of sublease space has also remained muted. This was particularly encouraging for the sector given concerns around AI’s impact on leasing demand.

Melbourne recorded the largest decrease in sublease volumes in Q1 2026. Volumes in Melbourne declined by over c.17,000 sqm (or -21.0%) over the first three months of the year, ending the period at 64,048 sqm. This was a pleasing sign for Melbourne, as the market has faced sectoral headwinds over the pandemic recovery period.

Sublease volumes in Sydney, Brisbane, and Perth also declined over the first quarter. The sublease vacancy rate in each of these markets sat below 1.0% as of Q1 2026.

Adelaide was the only market which recorded an increase to sublease volumes in the first quarter; however, the increase was only 1,310 sqm. Sublease volumes in Adelaide remain at only 0.3% of overall stock.

FIGURE 1  
Sublease Availability by Market

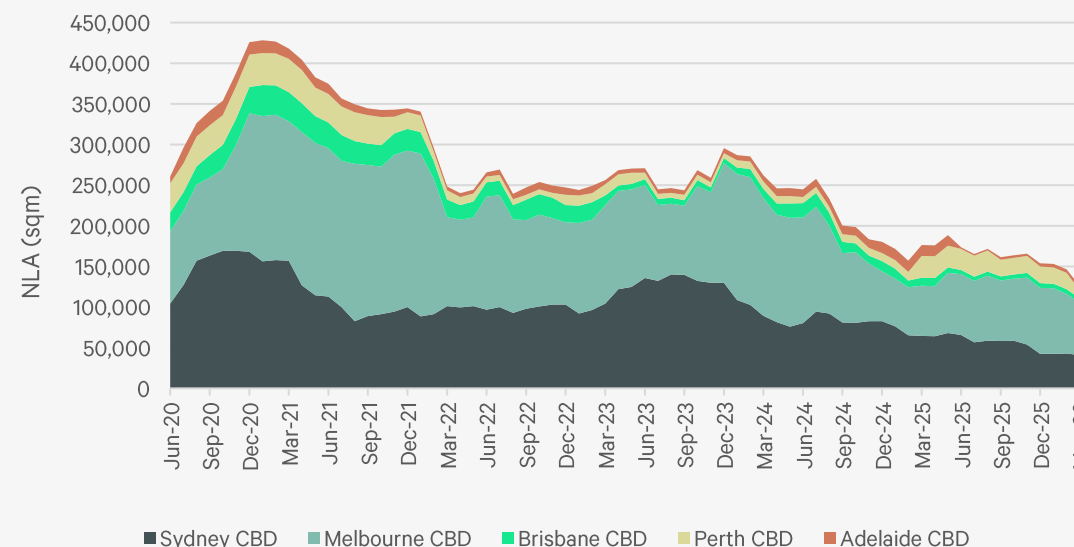
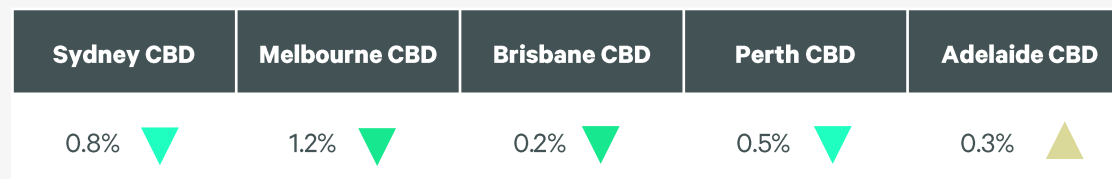


FIGURE 2  
Sublease as % of Total Stock



Source: CBRE Research

## Three largest sublease sectors remain unchanged

The Professional Services, Finance & Insurance, and Tech, Media, & Telecommunications sectors remained the largest contributors to sublease availabilities as of year-end. These sectors continue to account for c.65.0% of the national total.

Sublease volumes declined across nearly all sectors over the period. The largest declines took place in the Education and Finance & Insurance sectors. The only sectors which recorded increased levels of sublease activity over the period were the Retail Trade, Manufacturing, and Health Care groups.

## Average listing size trends downwards

The average size of sublease listings has now declined to below 1,200 sqm. The addition of large listings to the sublease ledger has slowed and this has allowed the average sublease listing size to decline and settle closer to near pre-COVID levels.

The average size of sublease listings nationally as of March 2026 was 1,166 sqm.

FIGURE 3

National Sublease Availability by Sector

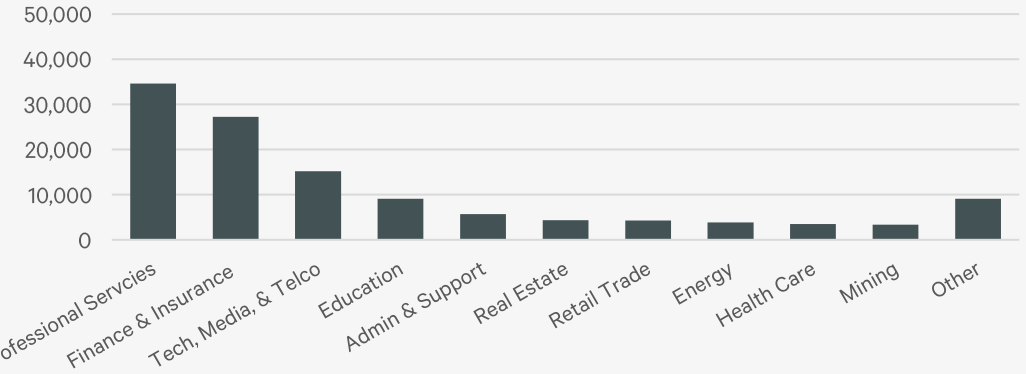
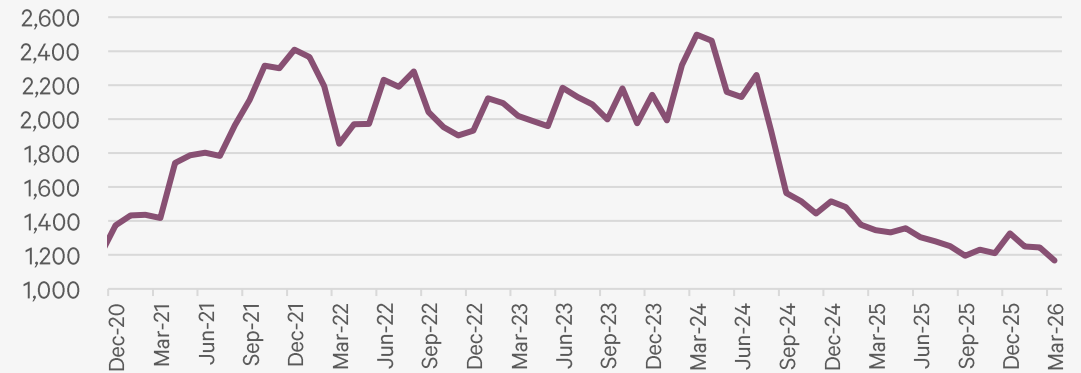


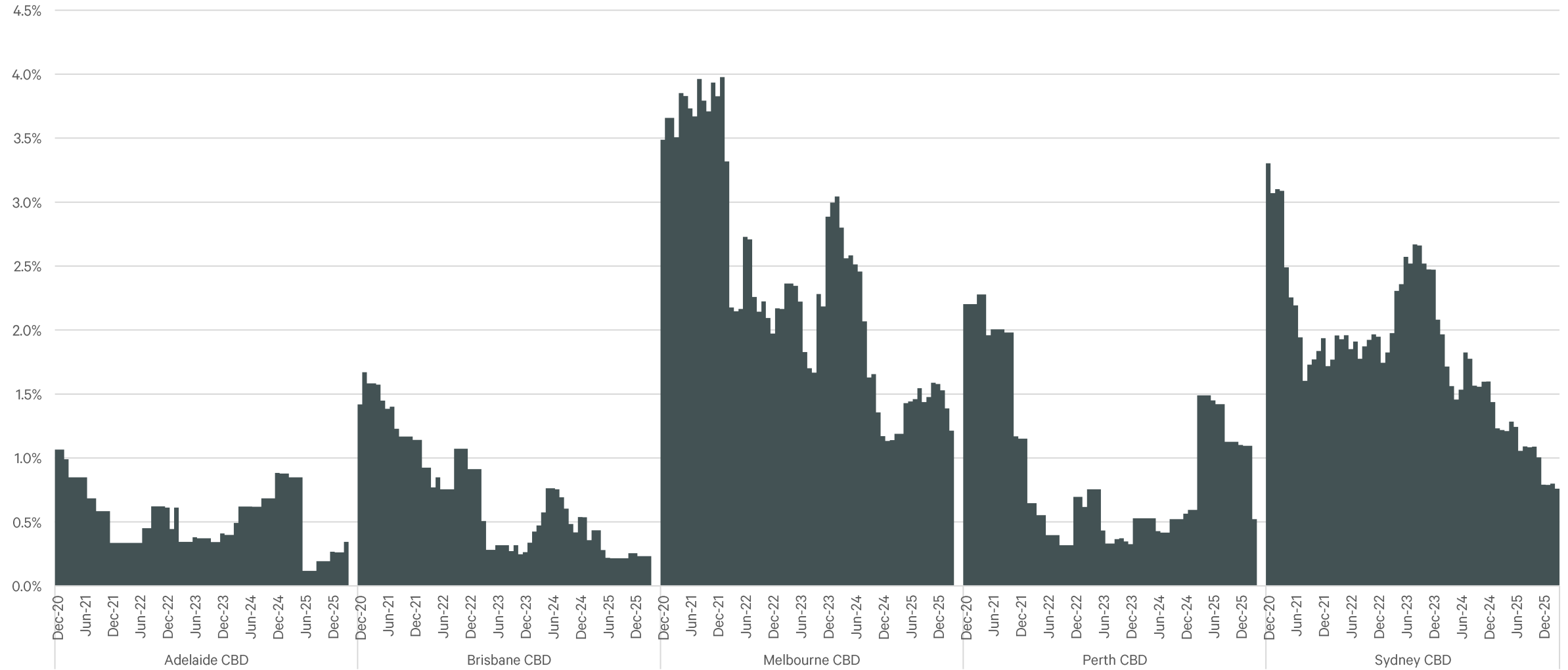
FIGURE 4

Average Sublease Size



Source: CBRE Research

Figure 5  
Sublease as % of Total Stock by Market



Source: CBRE Research

# Contacts

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## Research

### **Thomas Biglands**

Associate Director  
Research, NSW & ACT  
Thomas.biglands@cbre.com

### **Tom Broderick**

Head of Office & Capital Markets  
Research, Australia  
Tom.broderick@cbre.com.au

### **Sameer Chopra**

Head of Research, Pacific &  
ESG, Asia Pacific  
Sameer.chopra@cbre.com

### **Cameron Douglas-Perrine**

Research Manager  
Research, VIC  
Cameron.douglasperrine@cbre.com

### **Eza Ranjbar**

Associate Director  
Research, WA & SA  
Eza.ranjbar@cbre.com

## Advisory & Transactions Services

### **Tim Courtnall**

Senior Director  
Head of Office Investor Leasing, Pacific  
Tim.courtnall@cbre.com

### **Coen Riddle**

State Director  
Office Investor Leasing, QLD  
Coen.riddle@cbre.com

### **Ashley Buller**

State Director  
Office Investor Leasing, VIC  
Ashley.buller@cbre.com

### **Rachel Vincent**

State Director  
Office Investor Leasing, NSW  
Rachel.vincent@cbre.com.au

### **James Phelan**

State Director  
Office Investor Leasing, WA  
James.phelan@cbre.com

### **Andrew Bahr**

State Director  
Office Investor Leasing, SA  
Andrew.bahr@cbre.com.au

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