EVOLVING WORKPLACES

# Australian Office Occupier Survey 2026



CBRE RESEARCH
October 2026

AUSTRALIA
REAL ESTATE

# Key highlights

## Workplaces continue to adapt to the new normal

- Office utilisation has largely stabilised, with 79% of occupiers report attendance has reached a steady state.
- Formal attendance policies are now the norm, with 68% of occupiers adopting mandated office attendance requirements while only 5% have no policy.
- Desk sharing continues to increase, with the average employee-to-desk ratio rising from 1.18 three years ago to 1.30 today.
- Occupiers are increasingly redesigning workplaces around collaboration and focus work, with 68% seeking more small meeting rooms.

## Occupiers still want flexibility for the future

- The contractionary phase is easing, with fewer occupiers planning footprint reductions and more expecting stable or expanding portfolios over the next three years.
- Greater adoption of flexible space (53%) and portfolio consolidation (47%) are the leading real estate strategies occupiers intend to prioritise.
- Cost has become the primary driver of lease renewals, with 58% of occupiers citing lower rents as a key consideration.

## AI is starting to reshape corporate real estate

- AI is influencing real estate decision-making, although 36% of occupiers currently expect no impact on their office footprint over the next three years.
- Approximately 21% of occupiers remain uncertain about AI's long-term impact and are considering shorter-term leasing strategies while they assess implications.
- Only 29% of occupiers anticipate reducing their footprint due to AI-related headcount declines, while 14% expect AI-driven growth to support portfolio expansion.

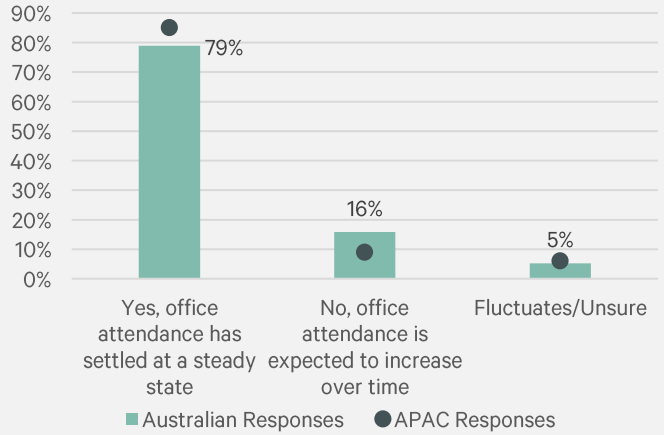
01

# Workplaces continue to adapt to the new normal

# Utilisation is stabilising

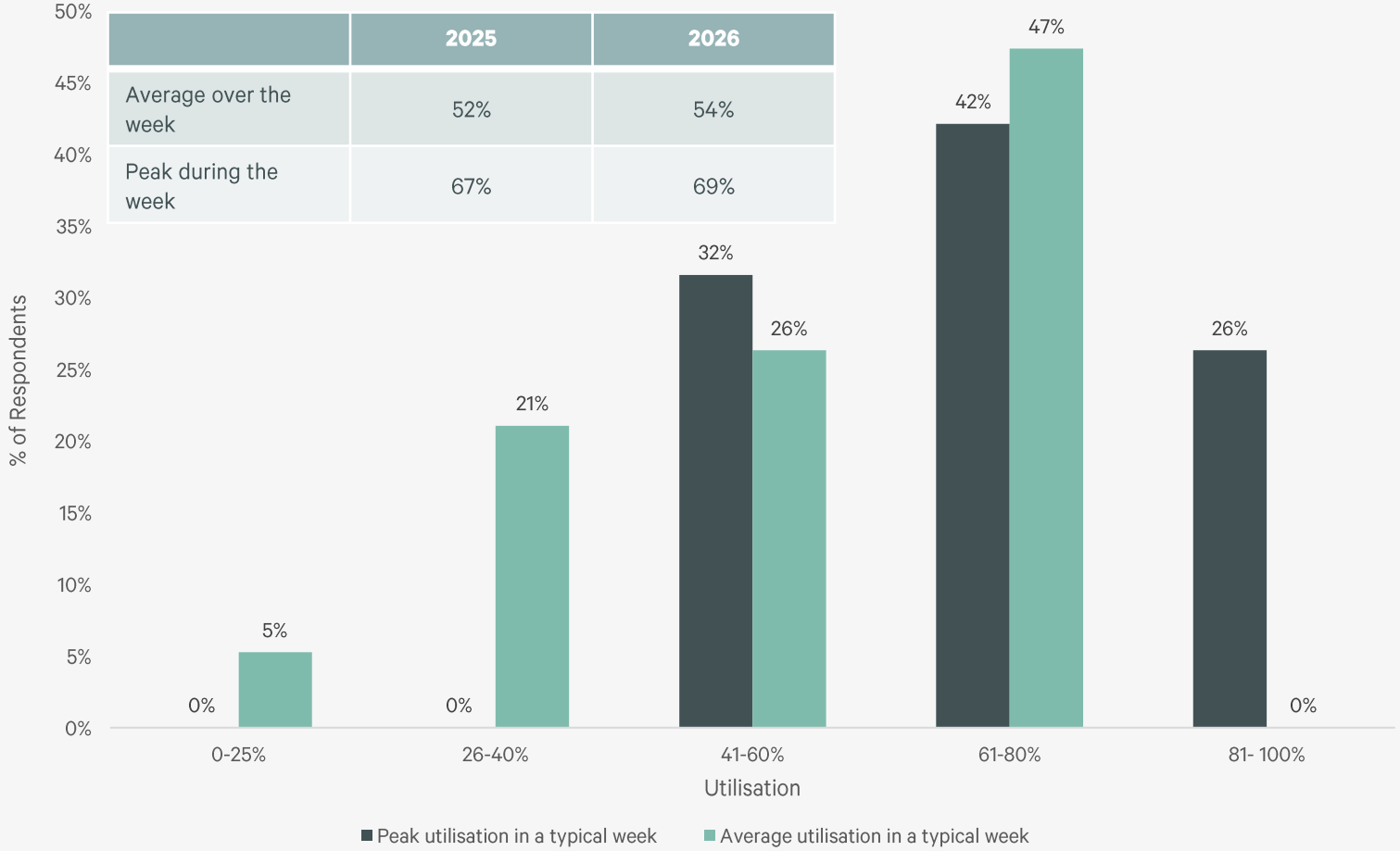
Office utilisation in Australia has tracked a steady, gradual improvement over the past 12 months. Our latest occupier survey shows average weekly attendance at 54%, rising to 69% on peak days (typically from Tuesday through to Thursday). This represents a 2-percentage point increase year-over-year. In addition, 79% of occupiers reported that their office attendance has reached a steady state. While this indicates that further improvement overall may slow, 16% of organisations still expect further gains. Overall, the findings confirm that the pace of return has moderated, which will allow occupiers to make long-term decisions with more conviction.

**Has office attendance reached a steady state?**




**Utilisation – Average vs Peak Day**

| | 2025 | 2026 |
|---|---|---|
| Average over the week | 52% | 54% |
| Peak during the week | 67% | 69% |




Source: CBRE Research
Utilisation: Number of people who use the space divided by the capacity of the building

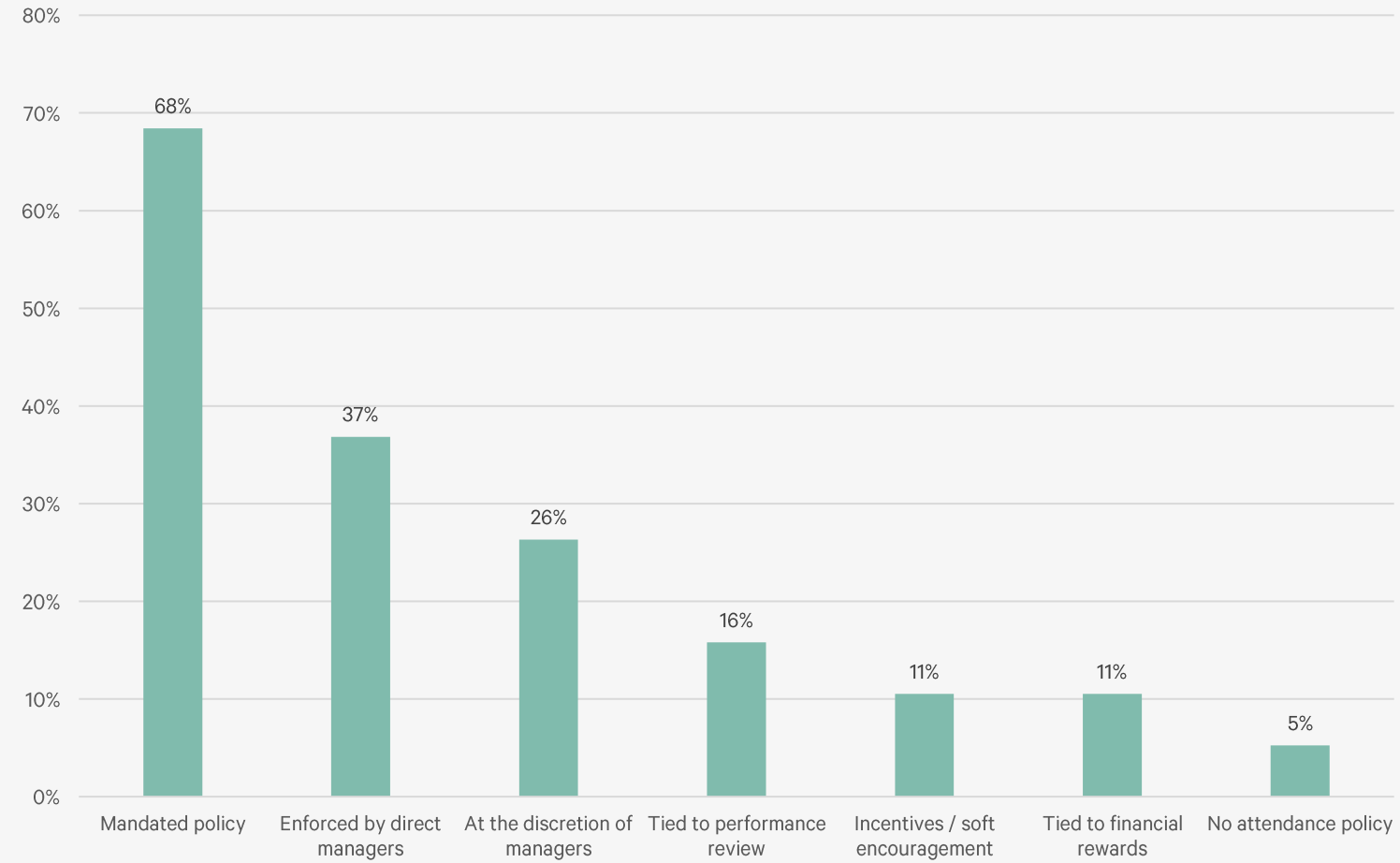

© 2026 CBRE, INC.

# Majority of occupiers now have a mandated attendance policy

In 2026, 68% of respondents confirmed that they had adopted a formal mandated office attendance policy. Among those organisations enforcing requirements, the prevailing standard is a three-day in-office expectation for full-time employees. This transition highlights a broader pivot towards formalising hybrid work arrangements, as evidenced by the sharp decline in organisations without any policy, falling from 15% in 2025 to just 5% today.

Despite increased enforcement, the implementation of more aggressive mechanisms remains limited. While it has been reported that organisations are using performance reviews or financial incentives to drive attendance, adoption remains low, with only 10% to 16% of respondents reporting the integration of such measures.

**How are your organisations office attendance protocols primarily enforced?**




Source: CBRE Research

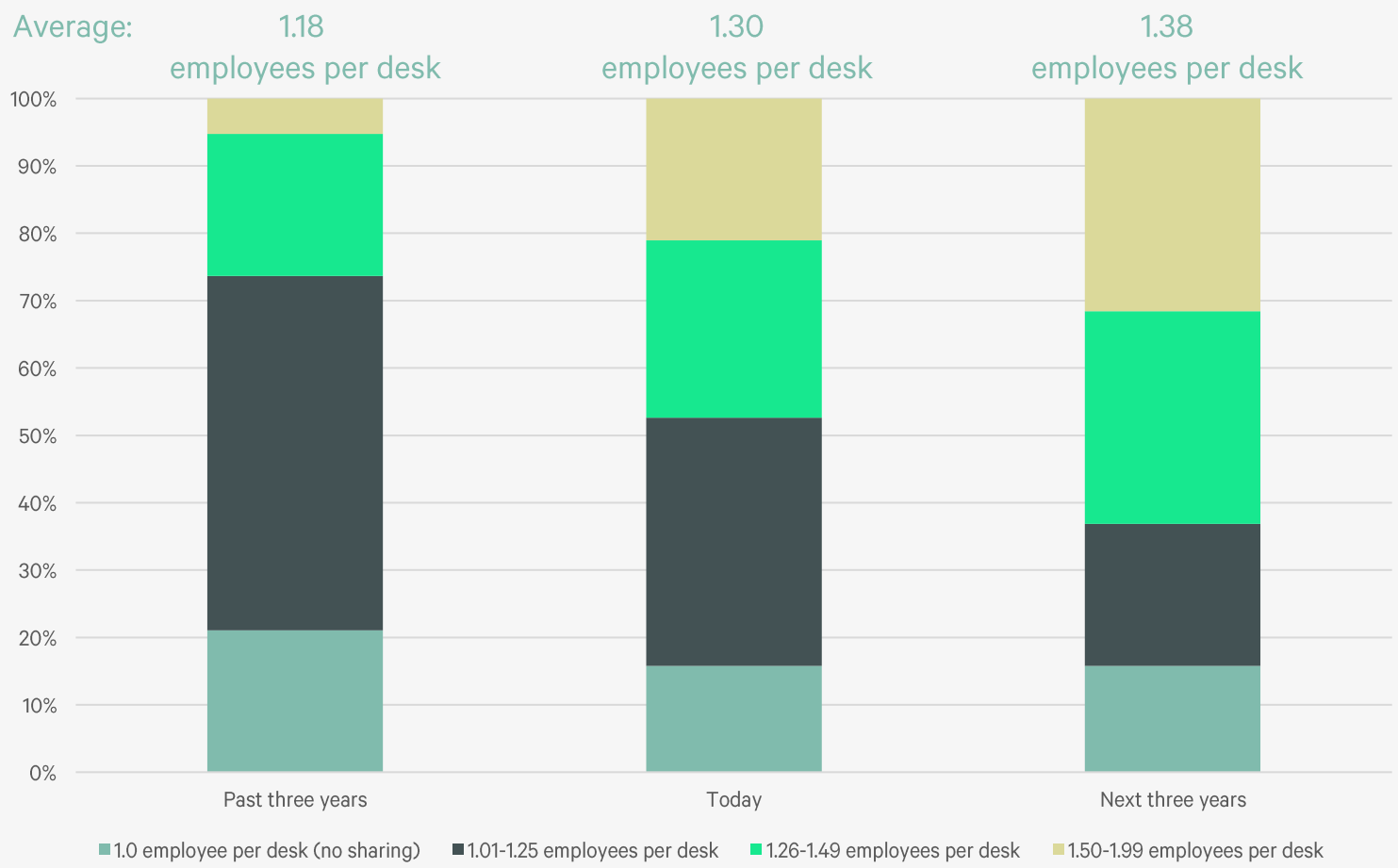

© 2026 CBRE, INC.

# Occupiers continue to increase desk sharing

Occupiers are increasingly optimising their real estate footprints by embracing desk sharing to accommodate hybrid working patterns. Three years ago, tenants reported an average ratio of 1.18 employees per desk, a figure that has climbed to 1.30 today. This trend toward higher density per workstation is expected to continue, with firms targeting a ratio of 1.38 within three years.

By reducing desk capacity, organisations are effectively reallocating floor space toward high-value functions. This shift allows occupiers to prioritise the expansion of meeting rooms and dedicated collaboration areas, better aligning their office environments with the demand for intentional, team-based work.

**What is your actual and targeted employee-to-desk sharing ratio?**




Source: CBRE Research

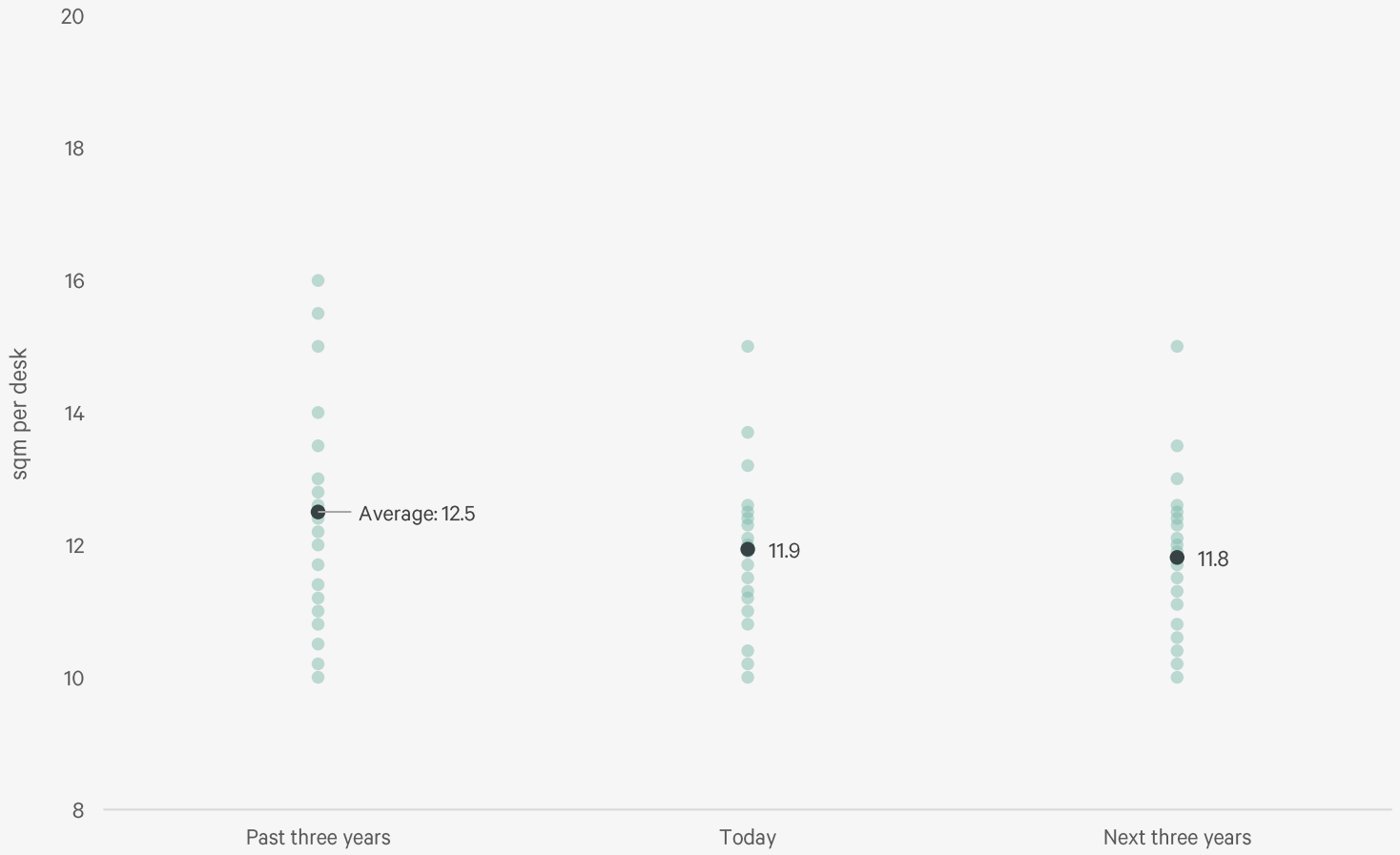

© 2026 CBRE, INC.

# Densities are starting to stabilise

While desk sharing rises, individual workstation footprints are slightly tightening. Average density has steadily compressed, shifting from 12.5 sqm per desk in 2023 to 11.9 sqm today, with a minor reduction to 11.8 sqm expected over the next three years.

However, this average masks significant variance across the market. Over the next 3 years, about 80% of organisations expect to be in the 10-12.5 sqm per desk range.

**What is your standard office size per desk?**



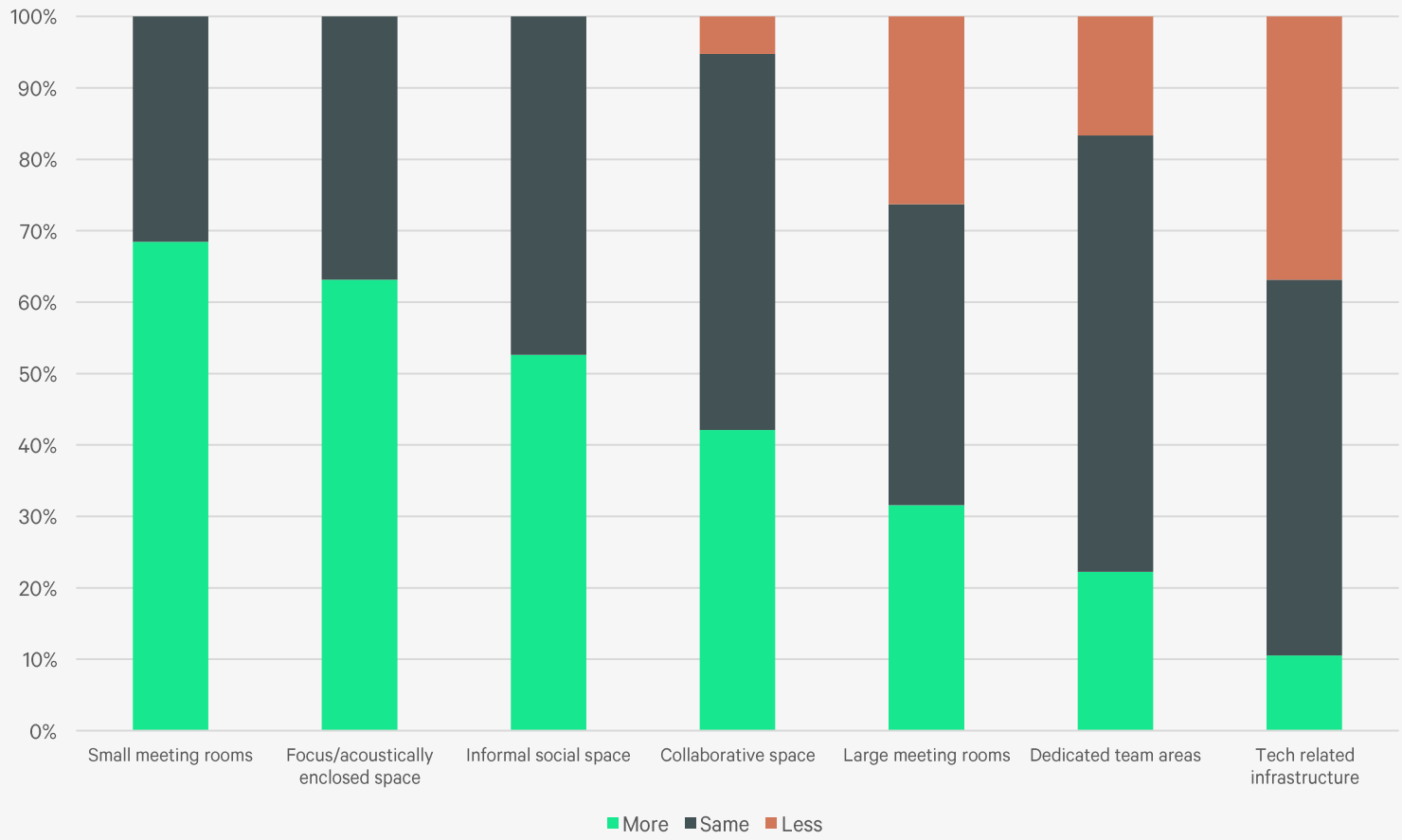

Source: CBRE Research


© 2026 CBRE, INC.

# Occupiers require more focus spaces in the future

When asked how their workplace settings will evolve over the next three years, occupiers have consistently prioritised small meeting rooms, a trend reinforced in previous surveys. There is also a marked emphasis on focus areas and acoustically enclosed spaces, a direct response to the new way of working which involves more virtual meetings. Interestingly, tech-related infrastructure was identified most frequently as a category slated for reduced investment. Having funneled significant capital into communication tools over the past five years to support hybrid meetings, many occupiers now signal they have reached an equilibrium, or perhaps over-invested, leading to a shift in future capital allocation.

**How do you anticipate workplace settings to change in the next three years?**




Source: CBRE Research


© 2026 CBRE, INC.

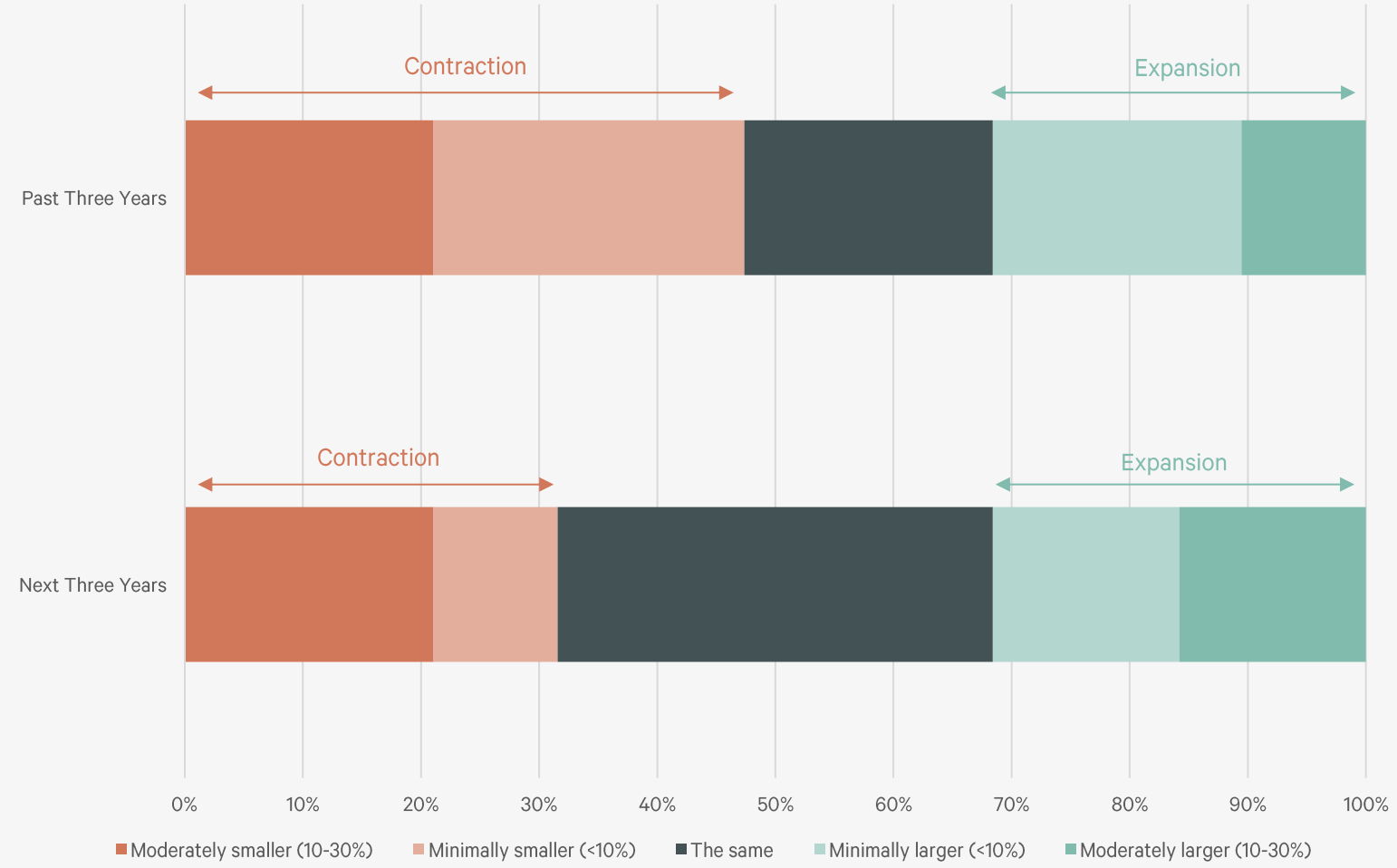
02

# Occupiers still want flexibility for the future

# Contractionary phase is coming to an end

Office footprint strategies are clearly shifting as the post-pandemic contractionary phase reaches its conclusion. Over the past three years, 47% of respondents reported reducing their physical footprint, while 32% opted to expand. However, looking forward to the next three years, these dynamics are set to rebalance, with only 32% of occupiers planning further reductions. This pivot signals that the market is returning to equilibrium given that office attendance rates are stabilising and occupiers have a better understanding of their future needs.

**What is the recent and anticipated change in your real estate portfolio, assuming only organic movement?**




Source: CBRE Research

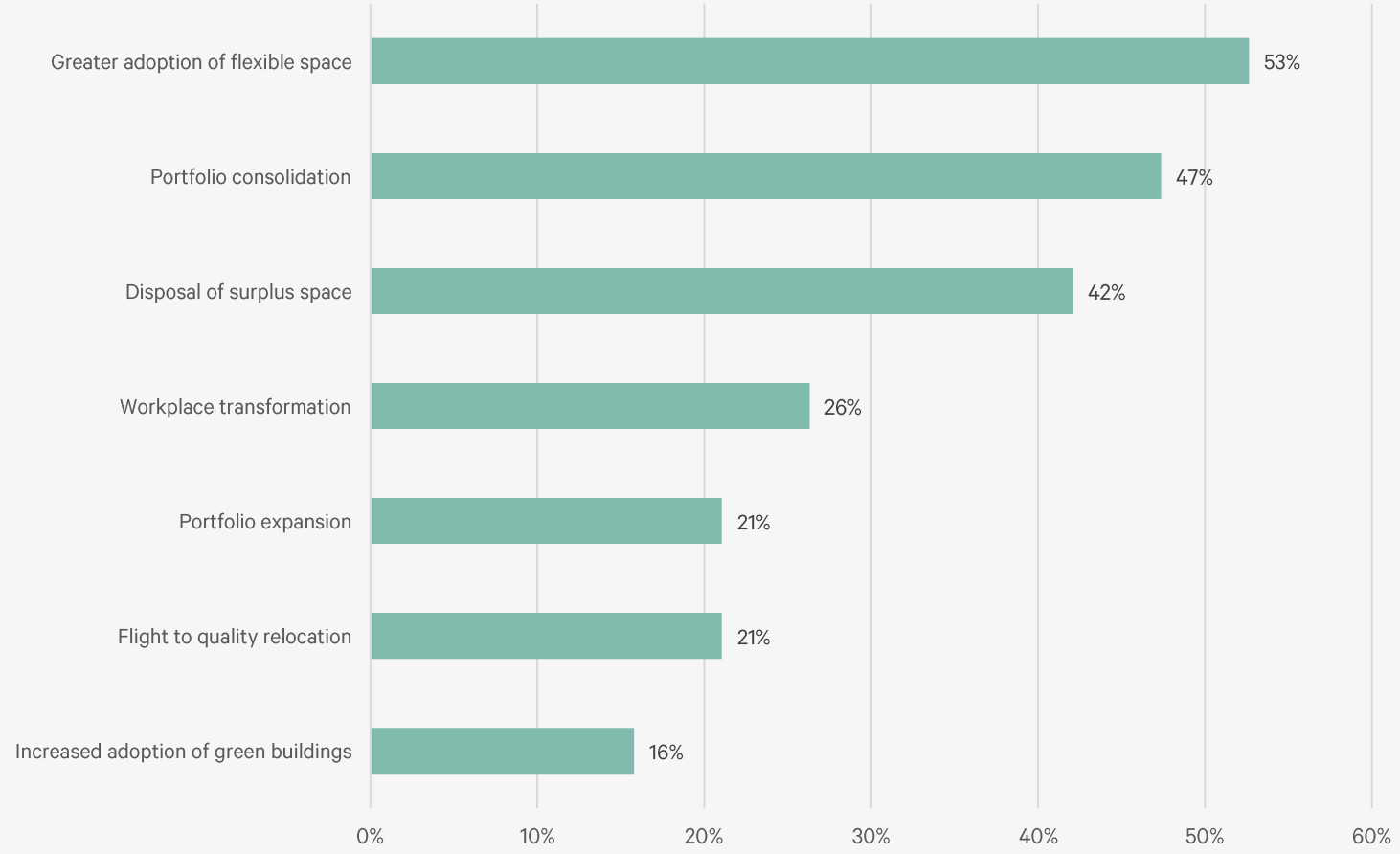

© 2026 CBRE, INC.

# Occupiers continue to prioritise flexibility and consolidation

Despite stabilising attendance rates, significant uncertainty persists regarding long-term headcount requirements for some occupiers. As a result, securing greater flexibility has become a primary strategic directive for occupiers over the next three years. When asked which mechanisms they intend to prioritise to mitigate future volatility, 74% of respondents cited the negotiation of expansion and contraction rights within traditional lease structures. Furthermore, 68% identified the inclusion of early termination rights as a critical component of their leasing strategy.

Beyond individual lease terms, portfolio consolidation has also emerged as a key priority. Occupiers are increasingly looking to streamline their physical footprint by reducing the number of locations in favour of more efficient, centralised assets.

**Which real estate portfolio strategy is your organisation likely to prioritise in the next three years?**




Source: CBRE Research


© 2026 CBRE, INC.

# Affordability important for renewals, amenity remains priority for relocation

The 2026 Australian Occupier Survey highlights a nuanced evolution in tenant decision-making compared to the previous year. For those evaluating lease renewals, cost efficiency has moved to the forefront, with 58% of respondents prioritising lower rental bills. This is evidenced by a higher proportion of renewals in some Australian office markets due to the significant cost of relocation. In addition, occupiers who renew are able to use existing fit-outs and take the majority of their incentive as rental abatement to reduce overall costs.

For organisations actively seeking to relocate, the strategic focus has sharpened toward experience and environmental performance. Amenities and services tailored to employee preferences remain a dominant driver for 63% of occupiers, while sustainability targets have become a critical benchmark, cited by 53% as a primary relocation driver.

**When you decide to renew a lease, which of the following factors typically influences this decision?**



| Cost Landlord to lower rents | Asset Preferred Location | Flexibility Landlords offer more flexible lease terms | Cost No CapEx budget to relocate | Asset Supported by amenities | Asset Preferred by employees |
|---|---|---|---|---|---|
| 58% | 53% | 37% | 32% | 32% | 26% |

**When you decide to relocate, which of the following factors typically influence this decision?**



| Amenities and services that suit employee experience | Asset suits sustainability goals | Better lease terms – rental rate or flexibility | Implement modern workplace design | Location that improves employees commute | Downsize space but upgrade amenity |
|---|---|---|---|---|---|
| 63% | 53% | 53% | 37% | 26% | 16% |

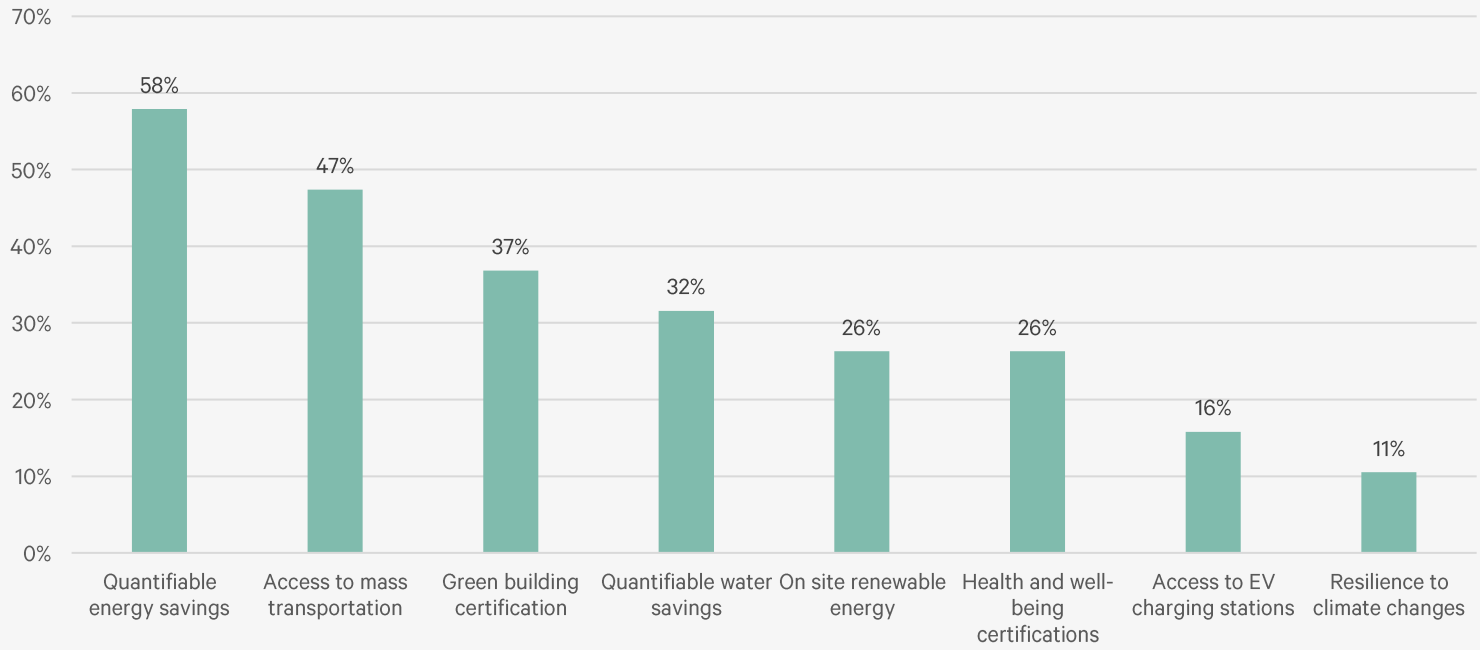
Source: CBRE Research


© 2026 CBRE, INC.

# Quantifiable energy savings are the key sustainability consideration

Sustainability has transitioned from a boardroom aspiration to a tangible financial priority. When asked which features warrant a premium, occupiers identified quantifiable energy savings as the primary driver, cited by 58% of respondents. This focus on measurable ROI suggests that energy efficiency is now viewed as both an ESG target and a mechanism to mitigate rising operational costs. Access to mass transportation remains a secondary priority for 47% of organizations, likely linked to broader talent and mobility strategies. Meanwhile, 37% of respondents are willing to pay for green building certifications, which serve as essential benchmarks for corporate reporting and asset performance.

**Which sustainability features are your organisation willing to pay a premium for?**




Source: CBRE Research


© 2026 CBRE, INC.

03

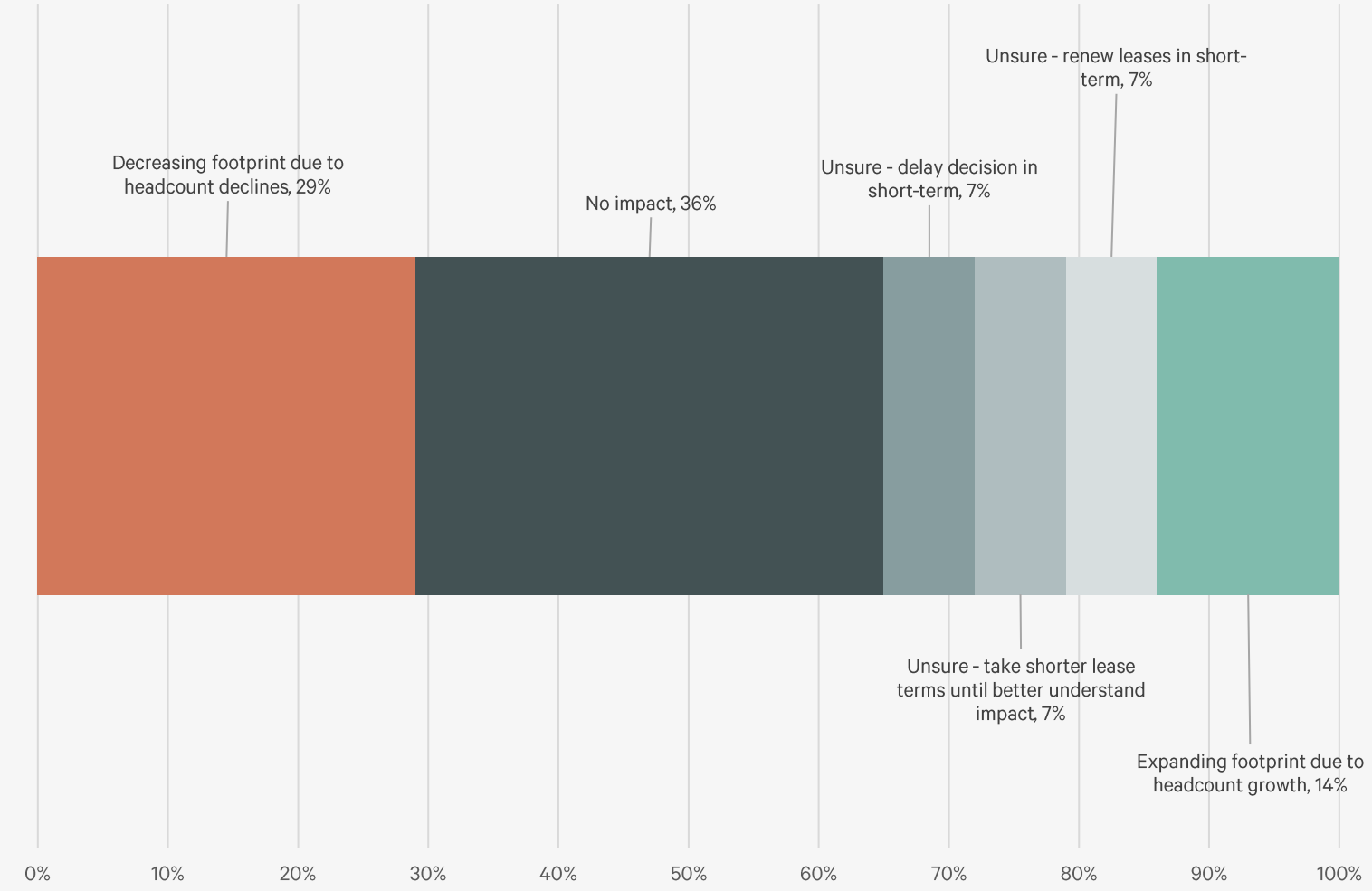
# AI is starting to reshape corporate real estate

# About 21% of occupiers are unsure on AI impacts to office footprint

The integration of AI remains a significant variable in office strategy, yet its impact on footprint appears moderate. Only 29% of occupiers anticipate reducing their space due to AI-driven headcount changes, a contraction partially offset by 14% of firms planning expansion. A notable 36% of respondents expect no material impact over the next 3 years.

Approximately 21% of occupiers remain uncertain, signaling a period of hesitation. This group is likely to favour short-term lease commitments or delay major real estate decisions until the long-term productivity and labor implications of AI become clearer and more predictable.

**What best describes AI-related impacts to your organisations office decisions over the next three years?**




Source: CBRE Research


© 2026 CBRE, INC.

# AI being deployed in various ways for corporate real estate

Occupiers see significant potential for AI to drive efficiency across their corporate real estate portfolios. Portfolio planning and forecasting emerged as the leading application, cited by 45% of respondents, indicating a strong desire to utilise data-driven insights for long-term strategic decision-making.

Space utilisation management follows closely at 38%, as firms seek to optimise footprint density and hybrid work patterns. Meanwhile, 28% of occupiers identified facilities and maintenance as a key area for AI intervention. These priorities suggest that the next wave of real estate innovation will focus heavily on operational precision, predictive modeling, and proactive management of built environments.

**In which areas do you see the most potential for applying AI to your corporate real estate operations?**



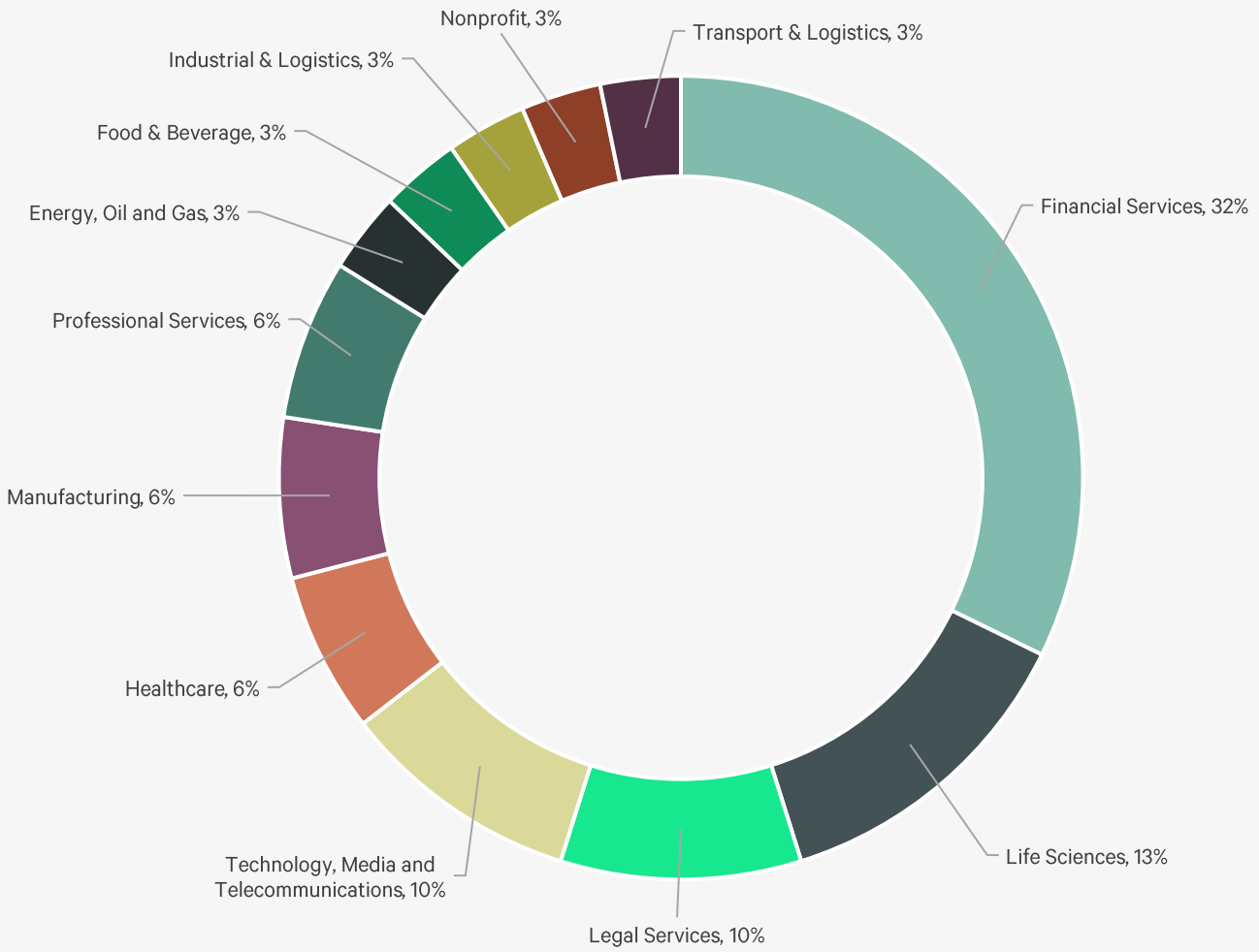

Source: CBRE Research


© 2026 CBRE, INC.

# Survey Profile

- CBRE's 2026 Australian Office Occupier Survey was conducted between May 26 and July 10 2026.
- A total of 651 responses were received across APAC. A total of 31 responses were received from occupiers with offices in Australia.

## Respondents by industry




Source: CBRE Research

# Contacts

## Research


**Tom Broderick**

Head of Office & Capital Markets Research, Australia
tom.broderick1@cbre.com


## Advisory Services


**Dean Hunt**

Executive Managing Director
Head of Leasing, Pacific
dean.hunt@cbre.com

**Amrita Vilkhu**

Director Workplace Consulting, Pacific
amrita.vilkhu@cbre.com

**Genna McCarthy**

Regional Director
Head of Office Tenant Representation, Pacific
genna.mccarthy@cbre.com