Industrial outperforms other sectors
Occupier demand remains solid and is set to improve
Attractive pre-lease offers buoy new supply
“We want to be exceptional”

“We are pushing boundaries, doing whatever it takes to be the best in commercial real estate with our customers at the centre of everything we do.”

ljhcommercial.com.au
<table>
<thead>
<tr>
<th>Location</th>
<th>Leasing Market</th>
<th>Investment Market</th>
<th>Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>8</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Melbourne</td>
<td>14</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Brisbane</td>
<td>20</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>Perth</td>
<td>26</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>Adelaide</td>
<td>32</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Canberra</td>
<td>36</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>Hobart</td>
<td>40</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td>Darwin</td>
<td>44</td>
<td>45</td>
<td>45</td>
</tr>
</tbody>
</table>
Industrial continues to outperform

Industrial property has delivered strong returns for investors since the GFC, outperforming office and retail property in most major markets.

The performance was underpinned by firming yields, the result of falling interest rates and associated strong investor demand. Remarkably, it occurred in an environment of little, if any, rental growth.

Investor demand shows few signs of diminishing, with weight of money continuing to push yields down. This is particularly the case in the prime sector, where yields for assets with very long leases have now reached levels that were previously the domain of CBD office markets at the peak of their cycles!

WALE remains the prime determinant of price/yield, with investors discounting properties with short term leasing risk. Yet, in the strongest markets the yield firming has spread to secondary property as many investors were priced out of the more expensive prime market.

Occupier demand remains solid in the Sydney and Melbourne markets, underpinned by strongly performing state economies. Meanwhile, affordable rents and attractive incentives are underwriting demand for new premises across most markets.

The short term outlook is for business as usual. Investment yields are expected to firm a little further this year, with pools of investable funds looking for exposure to industrial property in Australia. As a result, most industrial property markets are fully to slightly over-valued.

The question is whether the double-digit investment returns of the past five years can be sustained in the medium term.

The main issue is what happens to interest rates and, more accurately, long interest rates. Bond rates are unsustainably low in the longer term and will have to rise eventually. Property yields and bond rates are highly correlated. When interest rates go up, industrial property yields soften.

Already, we have witnessed a step-up in bond rates following the US election, but we think that there is more to come. Our forecasts are for an increase of another 150 to 170 basis points in the 10-year bond rate over a period of two to three years. However, we do not expect this to happen until the turn of the decade. In the interim, bond rates are forecast to remain relatively low.

Accordingly, investment returns will be more moderate over the coming three years. Stable interest rates means property yields will no longer firm, i.e. the main growth driver will drop out.

In the meantime, access to low interest rates allows gearing up to improve return on equity. Moreover, the sensible strategy is to lock in interest rates for as long as possible—if only as an insurance policy against the risk of an earlier and more extensive rise in interest rates.

Leasing demand will play a crucial role in determining prospective investment returns, particularly if and when bond rates rise. There will be marked differences in the performance between industries, regions and cities. Sydney offers the best prospects for short to medium term rental growth, whilst the cities affected by the mining downturn still face near term difficulties.
The Sydney market continues to go from strength to strength. The much improved economic growth has led to a pick-up in tenant demand and rental growth. While the high level of competition between investors and owner-occupiers has seen the values grow and push yields lower.

Sydney Outer West industrial market

- Average prime net face rent: $113 psm pa
- Average prime incentive: 10%
- Average prime capital value: $1,760 psm
- Average prime yield: 6.4%
Leasing market

The Sydney industrial market recorded solid demand through 2016. We estimate that around 630,000 square metres was absorbed over the 12 months to December, well above the average for the past seven years.

Industrial market strength is being underpinned by a strong NSW economy and continuing structural change in the retail industry. The underlying demand created by growth was complemented by demand from the retailing and logistics industries. The outsourcing of supply chains remains a major driver of demand, with new, larger premises required to achieve the desired advances in efficiency.

Reflecting the concentration of industrial land supply in the Outer region, most of Sydney’s net absorption took place in estates between Marsden Park in the North and Smeaton Grange in the South.

At the smaller end of the market, strong population growth in the South West Priority Growth Area is underpinning demand for industrial units at Smeaton Grange and Gregory Hills. However, demand has picked up across the entire metropolitan area, partly because of a long pause in unit construction and resulting pent-up demand.

With new supply closely matching net absorption, Sydney’s vacancy rate remained largely flat through 2016. As a result, industrial rents barely changed in three out of Sydney’s four major industrial regions. At December 2016, average prime rents in the Outer region stood at around $113 per square metres, $133 in the Inner West and $168 in the North. Secondary rents also barely moved through 2016. Meanwhile, firming investment yields allowed developers to absorb rising construction costs without the need to pass them onto tenants in the form of (pre-lease) rents.

The exception was the traditional South, where the withdrawal of many secondary properties for residential conversion saw a sharp decline in available space. The resulting competition for space saw a strong lift in prime rents of 9% to $161 per square metre, while secondary rents surged by 10%, the strongest growth for over 20 years.
Leasing outlook

The outlook for demand over the next two years is solid. Growth will be underpinned by the residential construction cycle, public investment in infrastructure projects, the lower A$ boosting the state’s tradeables sector and solid household expenditure growth.

At the larger end of the market, the transport/logistics sector will continue to be the main source of demand for warehouse space. Global trends in supply chain outsourcing, including contract warehousing, the continued rise of e-commerce and the expansion of global retailers/brands into Australia will require the most efficient and most well located premises available.

Demand for smaller premises and industrial units will be underpinned by growth in the state economy. Hotspots will be areas servicing the areas of strongest population growth, primarily around the Southwest and Northwest growth centres, but also locations with infill development.

Users of large premises will continue to favour the estates along the M7, particularly around the M7/M4 interchange. Eastern Creek remains the most sought after location, while Marsden Park and Prestons will gain in stature.

Metropolitan vacancies are forecast to remain low in the short term. Market-wide, there is sufficient industrial land to enable supply of industrial space to rise to any given level of demand within a short period of time. Accordingly, our forecasts are for modest growth in rents, except in the South. Average prime net face rents in the North, Inner and Outer West are expected to grow by 5.5% over the three years to June 2020. In contrast, prime rents in the South are like to grow at twice that rate.

The outlook for secondary rents is similar to the prime market. Vacancies are not substantially higher and most of the expected stock withdrawals concern lower grade premises.

In the unit market, the steady addition of new, speculative stock will likely contain rental growth as well, particularly in the more active precincts. The exception is the South, where conversions are likely to continue to reduce available stock.

### Sydney Outer West industrial rents and capital values

<table>
<thead>
<tr>
<th>Year ended June</th>
<th>Value $/psm</th>
<th>Rents $/psm</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1,100</td>
<td>90</td>
</tr>
<tr>
<td>2005</td>
<td>1,300</td>
<td>100</td>
</tr>
<tr>
<td>2006</td>
<td>1,500</td>
<td>110</td>
</tr>
<tr>
<td>2007</td>
<td>1,700</td>
<td>120</td>
</tr>
<tr>
<td>2008</td>
<td>1,900</td>
<td>130</td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: LJ Hooker Commercial, BIS Shrapnel
Investment market

Sydney’s industrial investment market continues to perform strongly and it remains Australia’s most desirable capital destination. During 2016, around $2 billion worth of industrial property changed hands; down slightly on 2015 due to large portfolio sales which occurred in the prior year.

The strong performance of the prime investment market and low vacancies across all grades of space led to increasing investor demand for secondary property. There are signs that the yield spread between prime and secondary yields has started to narrow in the Inner West. In contrast, average secondary yields in the South firmed by a massive 100 basis points through 2016, reducing the spread to prime properties from 210 basis points at December 2015 to 150 basis points a year later. It reflects a view that investors are pricing in substantial short term rental growth as a result of declining vacancies.

Investment outlook

Based on existing investment intentions and numbers reputedly mentioned in sales negotiations, we expect average prime yields to firm by another 15 to 20 basis points to 6.4% through the first half of 2017. Thereafter, the momentum is forecast to stall until we see a decisive upward movement in bond rates.
Supply

Construction picked up strongly in 2016, with an estimated 560,000 square metres of new supply added to stock, a 25% increase over 2015. Stock withdrawals have eased to around 60,000 square metres, mostly for conversion to residential uses and located in the Southern region.

At the larger end, development activity is dominated by institutional players, with Goodman, Frasers Property and Dexus the most active developers. The outer industrial region accounted for 56% of total stock additions, followed by the South-West with 18%. Reflecting its popularity, Eastern Creek alone made up 28% of the total, with Greystanes in second place (14%), and Ingleburn and Banksmeadow (7.8% each) in equal third place.

After a decade-long pause, 2016 witnessed a big lift in the construction of industrial units. Large multi-unit estates were completed in Minto, Greystanes, Mataville and Caringbah, satisfying pent-up demand as well as accommodating businesses displaced after their old premises made way for residential construction.

**Supply outlook**

New completions in 2017 are expected to set a new post-GFC record of 720,000 square metres, a 28% lift over 2016. Not all of the projects are set in stone, with some still requiring pre-commitment before proceeding. However, speculative construction activity will continue at similar levels to this year, with institutional developers targeting tenants needing space at short notice such as supply chain operators.

Stocks of zoned and ready-to-build land have stabilised over the past 12 months, with developers servicing new estates in time for anticipated demand. Importantly, private landowners have started to sell land to developers, a move that looked unlikely until recently. Without such sales, the Sydney market would have run the risk of experiencing temporary bottlenecks in land supply, which would have caused land prices to surge.

**Sydney warehouse demand and new supply**

![Chart 3: Sydney warehouse demand and new supply](image-url)
Melbourne

Despite losing its mantle of strongest growing state, Victoria recorded robust economic growth in 2016. This has boded well for the industrial property sector in the state. Leasing markets have seen an up-tick in tenant demand and investment markets continue to attract strong levels of domestic and offshore buyers.

Melbourne South-East industrial market

- Average prime net face rent: $81 psm pa
- Average prime incentive: 26%
- Average prime capital value: $1,073 psm
- Average prime yield: 6.6%
Melbourne

Leasing market

Demand for industrial property was strong across Melbourne during 2016, buoyed by the strength of the pre-lease market. The strength of demand is a reflection of how well the Victorian economy has performed in recent times.

At the larger end of the market, tenant demand has been dominated by transport and logistic operators and retailers and wholesalers, with activity facilitated by favourable leasing deals which allow companies to move into new, more efficient facilities at little to no rental premium. At the smaller end of the market, good enquiry has been reported across the regions. Available measures of take-up show the South-East and the West were the most active in 2016, with much lower demand in the North and City-Fringe.

The strong competition for tenants in the West, South-East and North has kept a lid on rents, with stated rents unchanged through 2016, averaging between $74 and $81 per square metre at December. It was only the City-Fringe where rents increased modestly to an average $141 per square metre. Secondary rents in the benchmark South-East were stable at $62 per square metre. Prime leasing incentives edged up slightly in the last 12 months, to an average 26% in the South-East and West, lowering effective rents. At the same time, incentives in the City-Fringe and secondary market are much lower and have remained stable.

Stated rents have remained broadly stable in the Melbourne industrial market over the last 12 months despite rising vacancies (concentrated in the West, South-East and North). The reason is that major owners have been able to support stated rents using higher incentives, the cost of which is offset by firming yields/rising property values.
Leasing outlook

State Domestic Demand for Goods and demand for warehousing in particular are expected to soften over the next two years as state-wide and national growth, whilst still positive, soften. Lower economic growth will lead to lower demand for goods and less demand for warehouses.

The biggest positive driver for demand of industrial property will come from rising public infrastructure investment—funded by the Port of Melbourne sale; and positive consumer spending—underpinned by recent robust employment growth. The largest public investment project is the Metro Rail, which will also be joined by major road and bridge construction projects. However, these positives will be outweighed by a softening in residential construction, joining lower non-residential construction and falling engineering construction. The end of manufacturing by Ford in late 2016, followed by Holden and Toyota in late 2017, will have a significant negative impact not just on manufacturing but on the whole state economy.

Superimposed on the underlying drivers of industrial property demand is “upgrader demand” for more efficient warehouses and distribution centres. This demand is likely to continue in the short term while the investment market facilitates attractive pre-lease deals.

Beyond the next two years, we expect demand will start to recover as national and state economic growth improves, underpinned by rising investment and consumer spending. The outlook for average net stated rents across Melbourne will be influenced by continued strong competition in the pre-lease market, slowing demand and increasing vacancies. Over the next two years, we forecast rent growth across the regions to remain flat, before improving a little in 2019–20. Increasing competition to attract tenants to the secondary market will also weigh on rents in the short term, with little to no growth forecast in the South-East. Leasing incentives are expected to increase moderately over the next 18 months, causing prime and secondary rents in the South-East to decline by around 5% before stabilising.

Melbourne South-East industrial rents and capital values

[Diagram showing Melbourne South-East industrial rents and capital values with data from 2004 to 2020, indicating trends in rents and capital values over the period.]
Major sales included Blackstone’s near $650 million eastern seaboard portfolio from Goodman, Charter Hall’s $100 million purchase of Coles 69,000 square metre distribution centre at Truganina, Mapletree’s $74 million portfolio acquisition of three Melbourne properties and the Victorian Government’s $130 million purchase of Holden’s manufacturing site at Fisherman’s Bend.

Major Australian funds and foreign investors were the most active in the investment market in Melbourne during 2016, but a whole range of other investors were also acquiring properties. Competition for assets continues to push yields lower. Over the last 12 months, we estimate prime yields across the regions have firmed by about 40 basis points to sit around 6.6%, underpinning solid price gains. In the secondary market, yields firmed at a more modest pace of 10 basis points.

Investment outlook
The outlook for industrial yields in Melbourne is highly dependent on forecast movements in long interest rates (i.e. 10-year Australian Government bonds). Over the last six months, bond rates have started to rise, off the back of an increase in US interest rates (and expectation of more to come this year). Nevertheless, the increases have been fairly modest so far and our view is any further increases over the next few years will also be modest and slow to come through.

We expect the flow of funds into the industrial property markets will push prime yields a little lower before stabilising. We forecast a further firming of 10 basis points across the regions by June 2018, with the market average for prime yields to sit around 6.5%. Unless bond rates fall sharply again, there will be little impetus for yields to firm further.
Supply

The value of industrial construction in Melbourne remains at historically high levels. Over the year to September, the value of work done was close to $1 billion. More than 80% of the total work done was for warehouses.

Close to 500,000 square metres of new industrial property was completed across Melbourne in 2016, well below the 800,000 square metres completed in 2008. Most completions were added to the West, followed by the South East and the North.

Speculative construction remains a notable feature of the Melbourne industrial market, with estimates of around 20%, or 100,000 square metres of completions commenced without a tenant pre-commitment, which has added directly or indirectly (through tenant upgrading) to rising vacancies in the market. Major developers including Goodman and Frasers are developing a limited number of speculative projects in an effort to secure tenants who need space with limited notice. Nevertheless, the amount/volume of speculative construction is less than two years ago.

A shortage of serviced retail lots in the West, North and parts of the South-East has flowed through to strong rises in land values in the last 12 months. The strongest price growth has been recorded for lots in close proximity to transport links and underpinned by owner occupier and developer demand. Nevertheless, these shortages are yet to have a material impact on rents.

Supply outlook

Based on the number of buildings underway, the value of construction work done is expected to remain high over the next 12 months, with warehouses dominating new supply. Major pre-commitments to Woolworths, Target, the Reject Shop and Spectrum Brands will combine with a number of other warehouse projects to hold up activity.

Major infrastructure projects underway or planned in Melbourne, such as the Western Distributor, the widening of City Link and the Tullamarine Freeway are designed to add additional capacity to the existing transport network.

Melbourne warehouse demand and new supply

[Diagram showing warehouse demand and new supply trends from 2004 to 2020, with projections to 2021.

Source: LJ Hooker Commercial, ABS, BIS Shrapnel]
Brisbane

Brisbane industrial market

Brisbane’s industrial property market continues to show a divergence between investment and leasing markets: the former being swept along by the global demand for secured cash flow, the latter slowing because of the downturn in resources investment, although it has picked up compared to this time last year.

Brisbane TradeCoast industrial market

- Average prime net face rent: $123 psm pa
- Average prime incentive: 13%
- Average prime capital value: $1,720 psm
- Average prime yield: 7.0%
Leasing market

Net absorption of industrial space has been surprisingly strong over the past two years. However, absorption fell back into negative territory in the second half of 2016. Nonetheless, net absorption for 2016 was still positive at around 105,000 square metres.

The transport and logistics sector remains the dominant source of demand. However, affordability of space is also playing an important role. At the end of a long lease, tenants are paying substantially above-market rent, meaning they can get a similar amount of new/better space at a lower rental expense, or they can lease bigger premises for the same outlay as before. The situation has enabled a share of the industrial user base to bring forward decisions that would most likely have had to wait for a significant increase in business profitability.

Developers have been a willing partner in the “acceleration” of demand. The strength of investor demand for new product suggests developers build as much and as fast as possible, including speculative space. The resulting competition for tenants has led to a fall of around 15% in (face) pre-lease rents over the past three years, accompanied by increasing leasing incentives.

Prime face rents declined by an average of just 0.5% over the 12 months to December 2016, but the accompanying rise in incentives from an average of 11% to 14% saw effective rents fall by around 5%. At December, average net face rents ranged from $106 per square metre in the Southern region to $123 per square metres on the TradeCoast.

Rental movement amongst secondary grade properties mirrored those of the prime market, with face rents declining by 0.5% through the year. Average net face rents stood at $80 per square metre in the Southern and Northern regions, while the cost of secondary accommodation on the TradeCoast was around $94 per square metre.
Leasing outlook

The industrial leasing market will remain challenging in the short to medium term. Our forecasts are for the Queensland economy to recover from the bust in the resources investment over the remainder of this decade.

Progress will be slow initially, as the inner city high-rise apartment boom turns down. On the other hand, the lower $A, if it is maintained, will continue to boost Queensland’s tradeable sectors.

The transport and logistics sector will remain the main source of demand in the short term, but with the economic recovery will come a broadening of the demand base. Occupiers will continue to favour prime properties in locations offering quick access to the major road network and the latest technology, in order to achieve significant efficiency gains.

Prime face rents across all three major regions are forecast to remain flat over the coming three years. There is still a risk of further small falls, but it is more likely that owners will use higher incentives in order to meet the market.

Secondary face rents are likely to remain under pressure, continuing to drift lower over the coming two years. The weakness in face rents will be accompanied by a further upward movement in incentive levels, causing a more pronounced setback to effective rents compared with prime space.

At the smaller end of the market, the lack of construction since the GFC has seen the large surplus of industrial units absorbed and the emergence of the first signs of pent-up demand. While rents have shown little movement, pockets of under-supply may appear in the short term that could support rental growth.

Brisbane Trade Coast industrial rents and capital values

For Sale - 81 Stradbroke Street, Heathwood. LJ Hooker Commercial Brisbane.
Investment market

The Brisbane industrial investment market remains strong, swept along by global and domestic investor demand. Both the total value and number of properties changing hands in 2016 were lower compared with 2015, which admittedly set a new post GFC record.

Part of the reason is the shortage of large, investment grade assets for sale, as owners hang on to their properties. In total, around $970 million worth of assets changed hand last year, ranking Brisbane third behind Melbourne and Sydney in terms of sales.

Overall, prime investment yields across the Brisbane market are now back at, or fractionally above, their pre-GFC boom levels. At December 2016, average prime yields across Brisbane’s three main industrial regions were closely grouped at 7.0% on the TradeCoast and 7.1% in the North and the South. In contrast to their prime counterparts, there was virtually no movement in average yields on secondary assets through the entire year. At December, averages stood at 8.25% on the TradeCoast and 8.5% in the North and the South, the same as 12 months earlier.

Over the 12 months to December 2016, average prime capital values increased by 2 to 3%, or 0.5 to 1.5% when leasing incentives are taken into account. In the secondary market, there was virtually no change in prices over the same period, although prices showed negative growth of 2 to 3% after correction for leasing incentives. Regardless of grade, capital values remain below their previous peak levels set in 2007.

Investment outlook

As in the other major industrial markets, we expect to see average yields firm a little further this year, though the magnitude is likely to be relatively small. Prime investment yields across all three of Brisbane’s major industrial regions are forecast to firm by 5 to 10 basis points over the coming 12 months, before levelling out.
Supply

At 245,000 square metres, supply additions in 2016 were down by one third compared with the post-GFC high of 360,000 square metres set in 2015. Both figures are still short of the 625,000 square metres added during the peak of last decade’s boom.

Estates in the Gold Coast and Southern Corridors (Yatala/Stapylton, Berrinba/Larapinta/Parkinson) dominated new supply, followed by the traditional South. Most new properties are located on major arterial roads. Around one third of new projects (by size) were commenced on a speculative basis.

The largest projects were a 30,400 square metre speculative twin-units at 96–106 Export Street, Lytton; a 25,500 square metre factory for owner/occupier G. James at Kingsford Smith Drive, Eagle Farm; and two speculative projects by Dexus at Larapinta (23,000 square metres) and Charter Hall at Berrinba (19,100 square metres).

Supply outlook

Mirroring demand, construction activity is expected to remain relatively subdued over the coming three years. Based on projects already under construction or having received pre-commitment, we estimate that completions in 2017 will add to around 260,000 square metres, with the following two years showing similar levels of stock additions.

In contrast to the recent past, construction is expected to include new unit estates. Rents and prices are close to replacement costs, while investors and owner occupiers alike are facing a lack of stock for sale.

Brisbane warehouse demand and new supply

![Brisbane warehouse demand and new supply chart]

For Sale - 81 Stradbroke Street, Heathwood. LJ Hooker Commercial Brisbane.
Perth

Perth industrial market

Perth’s industrial market continues to track the performance of the broader state economy. Leasing activity has been more positive than last year, although this has come from those looking to consolidate space. Investment markets continue to see good enquiry and demand, especially from owner-occupiers.

Perth Eastern industrial market

- **Average prime net face rent**: $89 psm pa
- **Average prime incentive**: 10%
- **Average prime capital value**: $1,185 psm
- **Average prime yield**: 7.5%
The Western Australian economy is in the third year of a five-year downturn in investment. Demand for industrial property in Perth is closely linked to the strength of the economy. State Final Demand has fallen as major resources projects are completed and not replaced by projects of a similar value.

State Domestic Demand for Goods has continued on a downward trajectory over the last 12 months, hit by weak consumer spending and falls in dwelling and non-dwelling construction, declining public investment and equipment spending. We estimate that manufacturing Gross Value Added also fell during 2016, curtailing demand for factories.

The leasing market reflects the weakness in the state economy. Leasing enquiry remains slow with deals taking a long time to be finalised. Gross take-up levels remain below the long run average, with minimal contribution coming from the pre-lease market. Most businesses that are moving are taking advantage of favourable leasing deals to consolidate or rationalise their leasing requirements.

The most active companies over the last 12 months were from the engineering sector followed by the wholesale and transport and logistic operators. The rationalisation of facilities has pushed vacancies higher during 2016, with most options concentrated amongst secondary stock in the South and the East.

The high levels of vacancy and the weakness in the leasing market continued to place downward pressure on rents last year—with average declines in the benchmark Eastern region of 7% for prime rents with a similar fall for secondary space, to $89 and $76 respectively at December. A few years ago, leasing incentives were not prevalent in the Perth industrial market, but they have now risen to an average 10% in the East, reflecting owners’ eagerness to secure/retain tenants. Even so, incentives remain well below prevailing levels amongst most of the eastern seaboard markets.
Leasing outlook

The short to medium term outlook for the Perth industrial leasing market remains soft. We expect further softness in demand as the downturn in resources investment runs its course and overwhelms the few positive economic drivers for WA.

Our forecasts are for engineering construction to fall by a further two thirds over the three years to 2018–19 as the three massive LNG (Gorgon, Prelude and Wheatstone) projects wind up. The recent rebound in some commodity prices is unlikely to change investment decisions, with most mining companies focused on cost cutting.

Government investment in major infrastructure projects such as NorthLink WA and the Perth Freight Link will benefit the Perth industrial market over the longer term by improving efficiencies in freight distribution and influencing where companies choose to locate (i.e. demand); however, the full benefit will not be realised until the Western Australian economy and total investment eventually recover.

Whilst domestic demand (as measured by State Final Demand) is expected to contract further in the short term, Gross State Product should remain positive, boosted by rising exports from new mining capacity.

Over the next three years, we expect substantial excess capacity will continue to build in industrial properties in Perth, which will need to be absorbed first before there is a recovery in net new demand.

Ongoing soft demand means there is likely to be further downward pressure on rents and/or upward pressure on leasing incentives. Businesses, particularly those servicing the resources industry, are likely to focus on cost cutting and rationalisation for some time yet and will look to reduce occupancy costs, particularly if they are paying well above market rents on an existing lease nearing expiry.

Perth warehouse demand and new supply

![Perth warehouse demand and new supply chart](chart.jpg)

Source: LJ Hooker Commercial, ABS, BIS Shrapnel

For Sale - 318-330 Charles Street. LJ Hooker Commercial Perth.
Perth

Investment market

Investment activity in the Perth industrial market was moderate during 2016, with most transactions occurring in the sub $10 million range. Investor demand for prime properties with long WALEs is still strong; however, these have been tightly held.

Private investors and owner-occupiers were the most active buyers over the last 12 months, with few institutional grade assets offered to that market. The largest sale reported in the last six months was 310 Selby Street, Osborne Park, which was sold as part of a portfolio of properties for about $30 million. Also, 123–129 McDowell Street, Welshpool was recently acquired by a private investor for close to $10 million. A couple of other properties were recently sold around the $5 million mark, but few yields were reported.

Based on transaction and valuation data, prime industrial yields range between 6.5 and 8.75%, with the variation reflecting the premium paid for long term leases to secure tenants compared to short term WALEs. This range reflects a modest tightening over the last 12 months, with average yields firming by 20 basis points. Yields for secondary properties have remained unchanged over the last 6 to 12 months, sitting 50 to 110 basis points higher than prime property, depending on the region.

Investment outlook

In the near term, the flow of funds seeking exposure to industrial property is likely to continue to support yields at current levels, particularly for prime stock with long WALEs. However, we expect further falls in rents will put pressure on yields to rise, particularly if interest rates rise faster and further than expected.
Supply

Industrial property completions in Perth were significantly boosted during 2016 courtesy of the completion of Aldi’s 48,000 square metre and Kmart’s 42,000 square metre distribution centres at Jandakot.

These projects account for more than half of the new completions added to stock last year—marking the highest level of completions since 2008.

Currently, the largest project underway is Bunnings new 30,000 square metre distribution centre in Maddington. Fortunately for the market, there is little speculative construction underway to add to vacancies, with developers needing to secure pre-commitment to fund projects.

Supply outlook

Based on projects under construction and the latest approvals data, the volume of new industrial construction in Perth looks set to remain steady in the near term. The latest approvals data shows annual approvals running at about $400 million.

Given the weakness in the leasing market, a rebound in industrial construction does not look likely, unless underpinned by unforeseen major pre-commitments. This upgrader activity is difficult to anticipate as it can occur regardless of the state of the leasing market and economic conditions.

Major new road infrastructure projects funded by the state and federal governments, such as NorthLink WA and the Perth Freight Link will all contribute to the more efficient movement of freight around Perth. However, any significant influence on the distribution of industrial supply from this infrastructure will only become evident once the projects are completed and demand starts to recover.

For Sale - 318-330 Charles Street. LJ Hooker Commercial Perth.
Despite a number of economic headwinds, industrial property markets across Adelaide continue to remain active. Leasing demand and enquiry activity robust, despite a lack of stock on the market for sale.

Adelaide inner north industrial market

<table>
<thead>
<tr>
<th>Average prime net face rent</th>
<th>$110 psm pa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average prime yield</td>
<td>8.1%</td>
</tr>
<tr>
<td>Average prime incentive</td>
<td>15%</td>
</tr>
<tr>
<td>Average prime capital value</td>
<td>$1,360 psm</td>
</tr>
</tbody>
</table>

Adelaide
Leasing market

The manufacturing sector plays a more important role in demand for industrial space in Adelaide than in most other major capital city markets. It is dependent on car manufacturing, as well as government spending, particularly on shipbuilding for the Department of Defence.

Most leasing activity has been at the smaller end of the market, focused on the North West and Inner West. Nonetheless, there were a few larger leasing deals in the second half of 2016. Chemist Warehouse took 11,000 square metres in Gillman, while there were several deals in Regency Park in the 2,000–3,000 square metre range. After no pre-commitments of note in the first half of 2016, Northline committed to 10,440 square metres in Regency Park and Incitec Pivot to 13,630 square metres in Port Adelaide, both in the third quarter.

Average prime face rents have been flat to falling over the last year, but have stabilised somewhat in the last six months. As at December 2016, we estimate that average prime face rents in the Inner North were unchanged from June at $110 per square metre. Secondary rents are also generally flat across the city, while leasing incentives have been stable.

Leasing outlook

The Adelaide market is expected to see no material change in overall underlying demand for industrial space over the next year as a slow pick-up in business stocks tries to offset the weakening in the manufacturing output.

However, demand for warehouse property should enjoy a slight boost as stocks build. In addition to new demand, there is likely to be an element of relocation demand as companies take advantage of further road infrastructure improvements to relocate to sites with superior accessibility. The dampener here is that rents required to underpin new pre-committed development are higher than passing rents on existing stock.
Investment market

Sales activity in 2016 started slowly with activity picking up later in the year with two sizeable transactions in Edinburgh, each around $15 million.

Propertylink bought 103–109 West Avenue from Charter Hall and Blackstone acquired 122–132 Purling Avenue from Goodman. In addition, Goodman sold a vacant building at 76–86 West Avenue, also in Edinburgh, to an owner-occupier for just under $10 million.

Investment yields firmed again in 2016. The key Inner North region shows an average of 8.1%. Yield levels for individual buildings are highly dependent on WALE, with the top end of the prime category achieving an average of 7.7%.

At the smaller end of the market transaction activity has been robust and sustained. Owner-occupiers have been attracted by the chance to buy while interest rates are low.

There were a couple of significant land sales in the second half of 2016. Asciano sold a 29,400 square metre site in Regency Park ($143 per square metre) to Gibb Group, and 107 Mooringe Avenue in Camden Park (6,190 square metres, $222 per square metre) was sold to TheoAgelis Constructions.

Investment outlook

In the investment market, we could see some more cap rate compression near term, though this would be limited to prime properties with long WALEs and is likely to be limited in extent. Falling bond rates in recent years were instrumental in driving down property investment yields.

Supply

New supply was very modest in 2016, with all projects below 10,000 square metres. New development doesn’t generally stack up unless pre-committed. The low level of industrial building has helped to keep vacancy levels in check.

As and when demand picks up, there is no shortage of industrial land available for future development to cater to that demand. For instance, the closure of Holden leaves a 124 hectare site for re-use/redevelopment. A proposal by the Australian Cannabis Corporation to grow medical cannabis could potentially use half the existing buildings but requires state regulatory changes to progress.

Other land reserves in the North include the 15 hectare East Grand Trunkway adjacent to the ACP site, and the 100 hectare Vicinity Industrial Base in Direk.

Meanwhile, a 40 hectare site at Parafield Airport has been selected to become a Food Park, aimed at creating opportunities in the food processing industry by allowing the co-location of food industry tenants and related service providers. The site is development ready, having received dozens of expressions of interest from potential users.

Overall, land values were steady over the year to September, except in the Outer North. This is already the region with the cheapest industrial land, averaging around $60 per square metre. By contrast, in the site-constrained Inner region lots can command in excess of $500 per square metre.

Adelaide warehouse demand and new supply

![Adelaide warehouse demand and new supply chart](chart.png)

Source: LJ Hooker Commercial, ABS, BIS Shrapnel
Canberra

Canberra industrial market

The Australian Capital Territory economy posted a solid result over 2016. Employment growth was sustained throughout the year and private and government consumption expenditure also picked up. The pick-up in economic drivers also helped the ACT’s industrial precincts. Leasing has shown signs of growth and investment demand remains buoyant.

Canberra industrial market

- Average prime net face rent: $95 psm pa
- Average prime incentive: 9%
- Average prime capital value: $1,270 psm
- Average prime yield: 7.5%
Canberra

Leasing market

Demand has started to receive a strong boost from construction associated with the Canberra Light Rail project, while work continues on residential projects, the new CSIRO Building, ACT Supreme Court, Canberra University Public Hospital and Tuggeranong Office Park.

Mitchell continues to experience the strongest demand of the three major precincts. Hume has been successful in attracting occupiers requiring larger, new facilities, particularly in the transport and distribution sector. Sites tend to be larger and offer good access to the major road network. Fyshwick remains attractive for business service operators and is seeing some re-development activity, while possibly accommodating users who have been unable to obtain space in Mitchell.

Building vacancies remain highest in Fyshwick, due to both the age of existing stock and competition from Majura Park, though inquiries have picked up over the last three months. In contrast, Mitchell features the tightest submarket, with new development relying on the recycling of existing premises. Hume also has little vacancy and a string of recent sales has greatly reduced the availability of ready-to-build land.

Rents have been flat since the start of 2016. At December, net rents for larger prime warehouses ranged from $100 to $115 per square metre, while top rents for small office/warehouse space stood at $130 to $140 per square metre. Smaller secondary properties typically achieved between $80 and $100 per square metre in terms of net face rent.

Leasing outlook

Underlying demand for industrial space is set to improve in the short term, primarily because of the light rail project. Upgrader demand for new space will continue to underwrite (limited) construction of new premises. Supply chain outsourcing, including transport and storage for (new) retailers are the most likely source of demand, with contribution also from records management companies.

The popularity and associated growth in the northern suburbs will benefit Mitchell. However, expansion space will remain limited unless planning regulations are changed. If not, new demand is likely to flow into one or both of the other main precincts. Fyshwick’s older stock will offer opportunities for redevelopment.
Investment market

Last year saw three major industrial property sales in Canberra. In August, Goodman sold the multi-unit Hume Industrial Estate at 34–42 Sheppard Street for approximately $24.8 million, while a nearby data centre at 98 Sheppard Street sold for $4.05 million on a net yield of 7.75% in May.

The third sale involved a 3,200 square metre facility at 149 Flemington Road/26 Darling Street in Mitchell which also sold in May for $6.5 million, equivalent to a yield of 7.3%.

In June, a 1,680sqm mixed-use retail/showroom/warehouse building at 119–121 Wollongong Street, Fyshwick was sold for $2.2 million on an equivalent yield of 7.5%; tenants are Jaycar, Bursons Automotive and Duratech Industries.

We estimate that average prime yields remained unchanged from June 2016 at around 7.5% across all submarkets. Secondary assets showing any kind of risk or short term lease tails are typically at circa 9% and higher.

Industrial land values were stable through the second half of 2016. At Hume, blocks of less than 2,000 square metres have most recently sold for around $180 per square metre, though asking prices are closer to $200 per square metre. The latest sale (August 2016) of a 1.4 hectare block at Couranga Crescent achieved a price per square metre of $128. With most of the serviced land at Hume now sold, there are expectations that land values will to start to improve.

Investment outlook

The investment market is expected to continue to operate in a similar manner to 2015 over the coming two to three years, with low interest rates the key driver. Securely leased properties will command a significant premium over those featuring short WALEs, (almost) regardless of grade. Our forecasts are for bond rates to rise modestly in the short term, but for prime yields to remain around current levels.

Supply

After a strong 2015, industrial construction activity slowed during 2016. Completions included a small number of facilities of 1,000 to 1,500 square metres in size, three of which are located in Hume.

A fourth one is under construction, featuring dual entry/exit from Couranga Crescent. Also underway is a 6,500 square metre project involving multiple units at 48 Vicars Street, Mitchell, which is being built in stages.

Several more projects are in the pipeline that have a reasonable probability of going ahead in the short term. They include another three properties on Couranga Crescent.

Nonetheless, given that industrial building approvals have fallen to their lowest level in over 10 years, the short term outlook for construction activity is modest and the magnitude of activity will remain well below previous peak levels. The upside is that vacancy rates should remain relatively stable.

Canberra warehouse demand and new supply

![Chart](chart.png)
In our last report, we highlighted the steady improvement in Tasmania’s economy in 2015–16 flowing through to increase underlying demand for industrial property. That trend has continued.

The latest data shows solid growth in State Final Demand, underpinned by household and government expenditure as well as non-dwelling building (as work on several major projects progressed). Part of this economic growth flows through to State Domestic Demand for Goods and demand for industrial properties.

Hobart industrial market

- Average prime gross face rent: $110 psm pa
- Average prime yield: 8.25%
- Average prime incentive: 5%
Hobart

Leasing & Investment markets

Over the second half of 2016, enquiry levels picked-up, particularly from owner-occupiers looking to acquire warehouse units, with most activity centred on Cambridge and the northern suburbs, such as Derwent Park. Owner-occupiers continue to take advantage of the low interest rate environment to buy their own premises.

Most activity has come from boutique operators, such as distilleries as well as suppliers to the NBN and the hospital and university redevelopments. Cambridge is well located for industrial occupiers who are looking to take advantage of opportunities afforded by the current extension to the Hobart Airport runway.

The strength of demand/take-up of industrial properties has seen a significant reduction in the vacancies at Cambridge, although limited new supply across the other precincts has kept their vacancies contained.

There has been no discernible movement in rents over the past year. Higher quality space is available to rent in the northern and eastern industrial precincts from $100 to $140 per square metre net, while secondary space is leasing from $60 to $80 per square metre.

The investment market has been reasonably active in pockets over the last six months—particularly in Cambridge—with owner-occupier demand underpinning deals. In contrast, there have been far fewer sales to investors with existing owners preferring to hold properties.

Based on the limited sales evidence, modern tenanted warehouse units would sell on a yield of 8 to 8.5%, a range that has not changed in the last six months.

Land values have also remained stable over the 6 to 12 months, with sufficient land available—particularly in Cambridge and Brighton—that is serviced, or can be brought to the market relatively quickly, to satisfy demand. In the Cambridge area, land values are around $115 per square metre. There is limited demand and hence need for new development of industrial zoned land in Brighton, with no pressure on land values to rise.
Leasing & Investment market outlook

The outlook for demand for industrial space in Hobart is dependent on the future performance of the Tasmanian economy, which is expected to continue to perform well over the rest of 2016–17.

We expect Hobart to continue to benefit from a range of growth drivers in the near term, particularly public and private investment, and agricultural and tourism exports boosted by the low $A.

On the downside, there are few projects in the pipeline that will replace the multi-million dollar Royal Hobart Hospital and University of Tasmania projects or the NBN roll-out. With work winding down on these projects, public sector construction and investment is forecast to fall in from 2017–18.

Moreover, new dwelling building activity appears to have peaked after the boost from the Government’s First Owner Grants, with recent completions adding to existing oversupply in the market, which will set in train a two to three year downturn until excess capacity is absorbed.

In the medium term, the extension of the Hobart Airport runway offers the potential to provide a significant boost to the local economy, by allowing time-sensitive exports direct to Asian markets as well as enabling direct connection for Asian tourists. In terms of industrial demand, it could be expected to further underpin demand for warehouse space in those industrial precincts near to the airport. More broadly, we expect demand for industrial space in Hobart to be sustained around current levels in the short term before weakening in 2017–18.

Supply

Building approvals data points to low activity for new industrial supply across Hobart, with no individual project exceeding $4 million in value approved since mid-2015.

In all, around $17 million worth of factories and warehouses were approved over the year to November 2016, of which $12 million was for warehouse space - spread across the North East and North West areas. All activity comprises unit-style development as there are no major briefs currently in the market that could underpin major industrial development.

The availability of industrial zoned land—and hence the ability for supply to rise to meet any given level of demand—is likely to keep a lid on rents and property prices in Hobart’s key industrial precincts in the short term. Over the medium term, the risk is that prices will start to fall as rising bond rates put pressure for yields to soften.

Approvals data suggests little risk of substantial oversupply developing across the Hobart industrial precincts in the near term, but vacancies could start to rise if businesses rationalise their requirements in the post 2017–18 downturn.

Hobart warehouse demand and new supply

Source: LJ Hooker Commercial, ABS, BIS Shrapnel
Darwin

Darwin industrial market

The Darwin industrial property market comprises a number of precincts, most of which stretch out to the East along the Stuart Highway towards Yarrawonga. The other prime area is East Arm, which is controlled by the government and zoned for the development of strategic industry, such as oil & gas.

Darwin industrial market

- Average prime net face rent: $170 psm pa
- Average prime incentive: 10%
- Average prime capital value: $2,125 psm
- Average prime yield: 8.0%
Darwin

One bright spot for the economy is household consumption. However, this was offset by substantial falls in dwelling and non-dwelling construction.

The weakness in underlying demand for industrial space has translated to the leasing market, with few occupants in the market for space and ample supply of vacant properties to choose from (particularly for those looking for less than 1,000 square metres).

Only a handful of industries have benefited from the massive Ichthys LNG project, whose surges in activity have underpinned the Northern Territory economy over the last few years. Most notably logistic providers received much of the boost, with most other users missing out, due to much of the plant and equipment being imported and the construction workforce consisting of fly-in fly-out workers.

Because of the weakness of demand and relatively high level of vacancies, rents for industrial property trended downward over the last six to 12 months. Prime rents fell by more than 10% during 2016 to sit within a range of $120 to $220 per square metre, with secondary rents under even more pressure at $80 to $100 per square metre.

Leasing outlook

The outlook for the industrial property market in Darwin is linked to the prospects for the Northern Territory economy, which will perform strongly for the remainder of this financial year as activity at Ichthys surges again towards its completion in September. However, there isn’t likely to be any additional stimulus to demand from the last leg of Ichthys as the companies servicing this investment are already geared up for this demand.

The only areas of strength for the economy will be public investment as work continues on the Palmerston and Royal Darwin Hospitals as well a number of defence force projects. The lower $A will also provide a boost to the Northern Territory’s tourism industry and food exports over the next few years.

Leasing market

Underlying demand for industrial space has been slow over the past 6 months in Darwin. This is the result of the weakness of the Northern Territory economy. Positively, the latest ABS data for the Northern Territory shows State Final Demand improved slightly during the September 2016 quarter.
Investment market

The industrial property investment market remained quiet over the course of 2016, due to the concerns around the future strength of the Northern Territory economy. The largest reported sale involved future industrial land at 1157 and 5122 Stuart Highway, Holtze for over $13 million.

This 74-hectare parcel was previously used by the Commonwealth government but is likely to be rezoned for industrial uses based on surrounding existing uses. Darwin Port operator Landbridge also acquired a 34-hectare site at East Arm for an undisclosed price with plans for an industry and logistics park.

With no major building sales to provide guidance, yields have remained stable over the past 12 months. Prime yields sit within a range of 7.5 to 8.5%, with WALE the prime determinant of price. Agents report high investor appetite for buildings with long WALEs, but few have been offered to the market in recent times.

Investor interest in the Darwin market is likely to remain subdued in the short to medium term. There is the potential that yields will start to soften as bond rates start to rise, but any notable softening in yields will take time to come through. Future leasing risk means investors will continue to focus on properties with long WALEs.

Supply

On the supply side, industrial building activity in Darwin has fallen significantly since early 2015, with no major $10 million+ projects approved since then. There are a handful of small warehouses currently underway, mostly concentrated at Berrimah, but not to the extent that will significantly add to supply or vacancies.

It has been reported that Landbridge plans to construct a number of buildings to support its Darwin Port operations at its recently acquired Landbridge Industry and Logistics Park at East Arm. Nevertheless, no development pre-commitment has been made to date and we understand site works are needed for development to proceed.

Industrial development is being held back in Darwin by a lack of demand and low rents, which make construction for lease financially unfeasible. There is plenty of serviced vacant land, with more in the pipeline. The only areas where land is constrained is in the traditional industrial precincts close to the city centre, such as Winnellie. Ready-to-build land is available in Berrimah, Tivendale and East Arm. Land values for industrial zoned land across the regions have held up well over the last 12 months as existing owners are under no immediate pressure to sell lots.

The short term outlook for industrial construction is weak. Approvals of new warehouses and factories have dropped by almost 80% since the peak in early 2015. While proving challenging for the construction industry, the lack of new construction will ensure that vacancy rates do not blow out significantly.

Darwin warehouse demand and new supply

![Chart 11: Darwin warehouse demand and new supply](image)

- **Total approvals (RHS)**
- **NT domestic demand for goods (LHS)**

Source: LJ Hooker Commercial, ABS, BIS Shrapnel
Commercial property services that stack up.

You may know us for commercial property, but we offer much more, ranging from property auctions, sales and lease negotiations to property management, portfolio appraisal and customised services.

If you’re planning to sell, lease or buy commercial property, or want someone to manage it all for you, call us today or visit ljhcommercial.com.au to see how we can put the pieces together for you.
Leasing demand drives vacancy rates lower
Brighter prospect for rental growth
Withdrawals help to offset new supply

Investors push transactions to record high
Residential development drives demand for new shops
Multi-tier retail turnover growth
Opportunity for divestment remain strong

Visit ljhcommercial.com.au or contact your local LJ Hooker Commercial office today!
More people, more places.
Partner with Australia’s most iconic real estate brand.

LJ Hooker Commercial NSW
Bankstown
8 French Street
Bankstown NSW 2200
T 02 9790 1111

Blacktown
Unit 6, 51 Owen Street
Glendenning NSW 2761
T 02 9622 8111

Canterbury
202-204 Canterbury Road
Canterbury NSW 2193
T 02 9569 8000

Central Coast
Level 4, Suite 401
1 Bryant Drive
Tuggerah NSW 2259
T 02 4353 7700

Coffs Harbour
40 Harbour Drive
Coffs Harbour NSW 2450
T 02 6651 6711

Inner West
151 Victoria Road
Drummoyne NSW 2047
T 02 9181 5533

Macarthur
Suite 5.02/171-179 Queen Street
Campbelltown NSW 2560
T 02 4620 6111

Macquarie Park | Hornsby
16 George Street
Hornsby NSW 2077
T 02 9476 5222

North West
Suite 108/29-31 Lexington Drive
Bella Vista NSW 2153
T 02 8814 1588

Parramatta
Suite 601
Level 6, 35 Smith Street
Parramatta NSW 2150
T 02 9687 5588

Penrith
16 Lawson Street
Penrith NSW 2750
T 02 4731 3399

Silverwater
Suite 503,
Level 5, 63-79 Parramatta Road
Silverwater NSW 2128
T 02 9748 4448

South Sydney
191 Botany Road
Alexandria NSW 2015
T 02 9669 4402

Sutherland Shire
Unit 1, 20 Mela Street
Caringbah NSW 2229
T 02 9525 3300

Sydney
Level 6, 9 Castlereagh Street
Sydney NSW 2000
T 02 8354 1180

Sydney City Fringe
144 King Street
Newtown NSW 2042
T 02 9595 1899

Tamworth
237 Peel Street
Tamworth NSW 2340
T 02 6766 6400

Wollongong
69 Kembla Street
Wollongong NSW 2500
T 02 4229 8600

LJ Hooker Commercial ACT
Canberra
Level 6, 28 University Avenue
Canberra ACT 2601
T 02 6248 7411

LJ Hooker Commercial NT
Darwin
Suite 1, 25 Parap Road
Parap NT 0820
T 08 8924 0977

LJ Hooker Commercial QLD
Brisbane
6/3370 Pacific Highway
Springwood QLD 4127
T 07 3115 7128

Brisbane North
326 Old Cleveland Rd
Coorparoo QLD 4151
T 07 3146 5400

Gold Coast
Shop 1 & 2
3131 Surfers Paradise Bvd
Surfers Paradise QLD 4217
T 07 5592 0555

Toowoomba
111 Herries Street
Toowoomba QLD 4350
T 07 4688 2266

LJ Hooker Commercial SA
Adelaide
2a Portrush Road
Payneham SA 5070
T 08 8232 8844

LJ Hooker Commercial TAS
Hobart
119 Harrington Street
Hobart TAS 7000
T 03 6238 4800

LJ Hooker Commercial WA
Perth
58 Kings Park Road
West Perth WA 6005
T 08 9220 2200

LJ Hooker Business Broking
Sydney Central
Shop 333/71 Jones Street
Ultimo NSW 2007
T 02 9552 1111

LJ Hooker Commercial International
New Zealand
Indonesia
USA
China
India
Hong Kong

ljhcommercial.com.au