

Australian Macroeconomic & Property Outlook Spring Edition 2026

A detailed review of Australia's
macroeconomic performance and
outlook for property sectors.

South Australia &
Western Australia Edition



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I am pleased to introduce this edition of the Ark Urbis Market Outlook, produced once again in partnership with Urbis, and our first to look closely at just two markets: South Australia and Western Australia.

This issue reads differently to the national surveys that came before it, and that is by design. We see real value in deep diving into the places and sectors where we are investing and believe opportunity (or risk) is taking shape, rather than surveying the whole country lightly. The partners who build alongside us deserve that depth of thinking.

The wider backdrop is familiar to everyone reading this. Interest rates remain elevated, construction costs are high, and affordability continues to shape where and how Australians choose to live. Yet the foundations that matter to us hold firm. Population growth stays resilient, the economy is steady, and unemployment remains low. Real demand endures beneath the noise.

It is against that backdrop that Adelaide and Perth stand out to us. Both are markets where industrial land has become genuinely scarce, where housing supply is struggling to keep pace with the people arriving, and where

demand rests on investment that will play out over many years, in defence across South Australia and in resources and energy across Western Australia. These conditions are why both markets have our full attention this time.

For those who build and borrow alongside us, I hope this outlook does more than inform. I hope it shows the care we take to understand a market before we back it. I encourage you to explore the pages that follow, and to reach out at any time.

— Sincerely, Peri.

CEO STATEMENT



Peri Macdonald
Chief Executive Officer
& Managing Director

ACKNOWLEDGEMENT OF COUNTRY

Urbis acknowledges the Traditional Custodians of the lands we operate on. We recognise that First Nations sovereignty was never ceded and respect First Nations peoples continuing connection to these lands, waterways and ecosystems for over 60,000 years.

We pay our respects to First Nations Elders, past and present.

“The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.”

Urbis is committed to incorporating our respect for First Nations cultures, peoples and storytelling in our work across the Country. We are proud to have partnered with Darug Nation artist, Hayley Pigram, and to profile her artwork - Sacred River Dreaming.

Artwork:
Hayley Pigram
(Darug Nation),
*Sacred River
Dreaming*,
Sydney, NSW.



Executive Summary

South Australia



Migration-led growth

- SA population growth has accelerated to ~1.4% p.a. between 2021–25, led by overseas migration, with population projected to reach ~2.1 million by 2036.
- This migration-led profile is likely to keep the population base younger and more diverse over time, sustaining demand across a broader range of housing types than a purely local-growth market would.
- A deep, federally-backed defence and energy pipeline is diversifying the economy and anchoring long-term jobs growth, pointing to measured, durable expansion rather than a repeat of prior boom-bust cycles



Adelaide's industrial market remains tight

- Adelaide's effective industrial land supply stands at only 1–2 years based on recent take-up trends, with a structural ~2,980 ha shortfall against forecast demand to 2051.
- The scarcity is structural rather than cyclical, driven by limited new precincts and infrastructure servicing constraints in the highest-demand inner regions, and is expected to persist absent a material release of new zoned supply.
- This has directly driven rents, land values and capital values higher, with year to 2026 transaction volumes rebounding sharply as investor confidence returns.

Overview

- SA's growth is being anchored by a step-change in Federal investment, with AUKUS, naval shipbuilding and the energy transition underwriting a multi-decade employment pipeline that did not exist a decade ago.
- Migration is the primary driver of demand, keeping the population younger and broadening housing demand beyond what natural increase alone could sustain.
- The principal risk is construction capacity. Labour and cost constraints mean supply is unlikely to catch up with this demand in the near term, irrespective of the trajectory of national interest rates.



Housing market in structural imbalance

- Post-COVID population growth has outpaced new housing supply, and completions are likely to moderate further given elevated costs and labour capacity constraints in construction.
- Supply and demand conditions are highly uneven across Greater Adelaide: infill-constrained inner regions remain the most sought-after but the least able to respond, while outer growth areas such as Outer North have absorbed most new stock.
- This mismatch is expected to keep inner-Adelaide conditions tight through the medium term, positioning outer greenfield precincts as the primary release valve for population-driven demand.



Commercial market driven by a flight to quality

- Commercial vacancy has eased from its 2024 peak, but the recovery is concentrated in higher-grade stock, meaning the improving headline figure understates how uneven conditions remain across the market.
- Effective rents remain materially below headline rents, a gap likely to close only gradually as landlord pricing power catches up with the improvement in vacancy.
- While structural undersupply of modern, quality stock points to a widening opportunity for well-located developments, feasibility remains reliant on government, defence and technology precommitment given the narrow tenant base able to afford new space.

Executive Summary

Western Australia



Diversified investments driving growth

- WA's population is set to grow from ~3.0 million to ~3.6 million by 2036, with growth easing to a steadier pace but holding above pre-COVID levels.
- Because this growth is underpinned by private-sector investment in mining and renewables rather than a speculative cycle, the outlook is for durable, measured demand rather than boom-bust dynamics.
- Large-scale defence, LNG and renewables projects (Henderson Defence Precinct, Scarborough/Pluto 2) are securing export capacity while generating high-value jobs across metropolitan and regional WA.



Perth industrial market remains resilient

- Greater Perth's industrial vacancy has remained below 2% despite ongoing development activity.
- Demand remains driven by logistics, warehousing, mining services and transport, sustaining upward pressure on land values, sale prices and rents.
- The timing of rezoning, servicing and infrastructure delivery will be critical in determining when this future land can actually respond to demand, making near-term upside more reliant on existing stock than new supply

Overview

- WA's recent growth is characterised by a broadening of its economic base rather than reliance on a single anchor project, with defence, LNG, renewables and infrastructure all expanding concurrently. This has reduced the state's reliance on the resources sector as the sole driver of economic growth.
- This diversification is producing a more resilient employment base, with growth now distributed across a mix of strategic growth sectors, such that a downturn in any single sector is less likely to flow through to the broader economy.
- Most of the state's capital investment in the pipeline is located outside Perth's CBD, across ports, industrial precincts and regional centres, underpinning the strength observed in residential and industrial demand across the state.



Perth-wide housing shortfall

- The shortfall has persisted across Perth for the past five years, marking a stark turnaround from 2018/19, when the market saw oversupply, high rental vacancy and declining prices.
- Undersupply is broad-based but more pronounced in established, land-constrained areas such as Metro Central and Metro South-East.
- Demand is easing unevenly across segments and geographies, with top end softening with stable prices over the past 12 months, while mid and bottom segments seeing easing in prices over the past 3-4 months. Meanwhile, greenfield projects are still drawing on average ~3 buyers per lot, down from 8-10 six months ago.
- New investor loans commitments have moderated over the past year, whilst new owner occupier loans growth has remained strong.



Regional markets tied to project and investment cycles

- Port Hedland/ Karratha remain resource-led markets, with population and workforce demand closely tied to major mining, port and energy investment, creating greater exposure to project cycles.
- Greater Geraldton, Greater Bunbury and Albany have more diversified economies, providing a broader demand base than the more resources-dependent markets. As such, additional upside in these markets depend more influenced by factors such as Perth-wide market dynamics, as well as the agricultural sector.

Introduction This report has been prepared on behalf of Ark Capital. It supplements the Autumn Edition (April 2026) of the Australian Macroeconomic & Property Outlook report and presents Urbis’ view of the population, demographic and broader economic conditions and key drivers shaping the South Australian and Western Australian markets. It considers the key demand/supply metrics and market performance across Greater Adelaide, Greater Perth and selected regional Western Australian markets.

The report examines:

- Economic and population drivers influencing demand across Greater Adelaide and Greater Perth.
- Residential market conditions, including housing demand, supply, delivery trends and affordability.
- Industrial market performance, including land supply constraints, development activity and investment trends.
- Commercial office market conditions in Adelaide and the recent shift in trends.
- Selected regional Western Australian markets, including Karratha/Port Hedland, Greater Geraldton, Greater Bunbury and Albany.

Note: Information presented in this report is based on the most up-to-date data where possible and available, referencing a mix of public (such as the ABS, RBA, etc.) and Urbis’ proprietary data sources. Certain demographic data still references the 2021 ABS Census as the most recent available dataset, noting the 2026 Census was conducted on 11 August 2026, with first results due June 2027 and employment data anticipated in October 2027.

This report provides an evidence-based view of the key opportunities, constraints and emerging trends across both states. Alternative living (build-to-rent, student accommodation, affordable and social housing, land lease), retail and data centres are not considered in this document.



SOUTH

AUSTRALIA

01

SA ECONOMIC & POPULATION DRIVERS

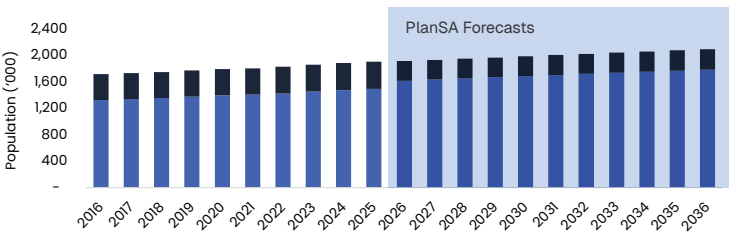
1.1 Population Growth

South Australia's population has grown steadily, from around 1.7 million in 2016 to around 1.9 million as at June 2025. It is anticipated to reach approximately 2.1 million by 2036 as per the state's official PlanSA projections (medium band growth scenario).

- Population growth has accelerated since 2021, growing at ~1.4% p.a. between 2021–25, up from ~1.0% p.a. over the preceding five years (2016–21).
- Adelaide has led the state's recent growth with an average annual increase of 1.6% 2021–25.
- Growth is expected to continue being led by net overseas migration, with natural increase remaining modest (ageing population, lower birth rates) and interstate migration contributing less over the longer term.
- Overall, South Australia's population outlook is positive but measured. This points to steady demand for housing, infrastructure and services, particularly in Greater Adelaide, which is expected to continue to accommodate the majority of the state's future population increase.

Historical and Forecast Population South Australia

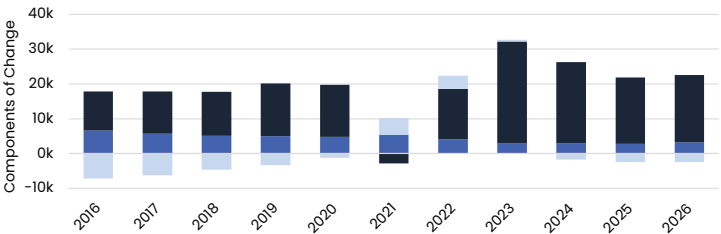
- Greater Adelaide
- Rest of SA



Note: Historical (ABS) uses the ABS GCCSA Greater Adelaide definition; forecasts (PlanSA) use the broader Greater Adelaide planning region (Cape Jervis–Murray Bridge, incl. Barossa). The 2026 split shift reflects this definitional change, not a population shift.
Source: ABS ERP, June 2025; PlanSA; Urbis

Population Change by Component South Australia

- Natural Increase
- Net Overseas Migration
- Net Interstate Migration



Note: Financial Year, 2026 figure based on Centre for Population projections.
Source: ABS; Urbis

1.2 Demographics

Over the past 10–15 years, South Australia has continued its transition from a traditional manufacturing base to a service-oriented economy. The adjacent table summarises the latest available demographics data from various ABS datasets at a state level. It provides a more current view of South Australia's demographic profile:

- South Australia's older age profile has remained despite recent intake of overseas migrants, with estimated average age being slightly above the national average.
- Despite lower incomes relative to the national average, South Australia has seen stronger growth in recent years, as detailed further overleaf.
- A higher proportion of home purchasers underpins the state's population growth and active housing market.
- Employment profiles are broadly aligned with national levels, with white-collar employment accounting for more than 70% of workers.
- Increasingly diverse population base driven by overseas migration, whereas internal movement remains relatively modest.

Key Demographic Characteristics
2025

*Based on the ABS Census 2021. New data will be made available from the 2026 Census, anticipated to be released in June 2027.
** SA share of total national net overseas migration 2021–25.
Source: ABS; Urbis

	South Australia	Australia	% Variance
Population (June 2025)	1,902,670	27,614,400	N/A
Average Age	41.3	39.5	+4.6%
Income			
Est. Average Personal Income (employed persons)	\$75,300	\$81,600	-7.7%
Households			
Avg. Household Size	2.4	2.5	-4.1%
Owned Outright*	34.2%	32.1%	+2.1% pts
Under Mortgage*	37.1%	36.2%	+0.9% pts
Rented*	28.7%	31.7%	-3.0% pts
Employment			
White collar	72.2%	73.7%	-1.5% pts
Unemployment	4.3%	4.3%	-0.1% pts
Migration			
Overseas Born*	25.2%	29.3%	-4.1% pts
Net Interstate Migration (2021–25)	4,900	N/A	N/A
Net Overseas Migration (2021–25)	83,500	1,392,700	6.0%**

Supplementing the 2021 ABS Census data, additional analysis on income and age profile changes are presented here, referencing other more up-to-date datasets where available.

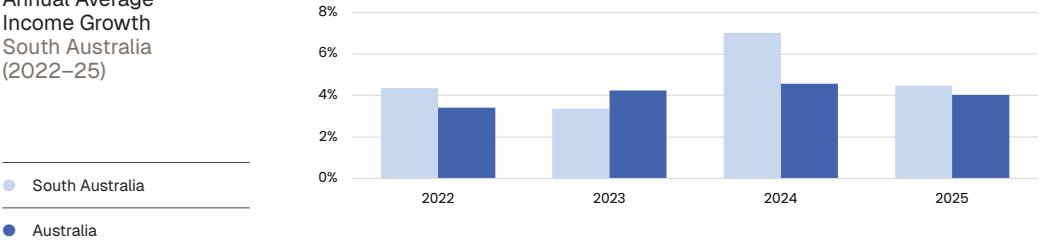
As per the latest ABS data, incomes in SA have seen strong growth between 2022 and 2025.

- Personal income growth in SA has materially outpaced the national average in 3 of the past 4 years. This growth has supported the overall capacity to pay, offsetting a more modest population base as a driver of demand.

Indicatively, the ageing trends in SA, which remained a key factor impacting the state's ability to regain growth momentum, may have continued, despite sustained overseas migration which typically draws younger residents.

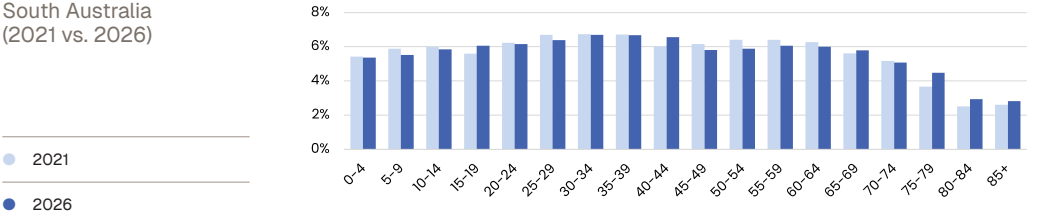
- According to PlanSA age breakdown projections for 2026, the working age cohorts (15–64) may have declined further, contributing to a tight labour market.
- Family formation cohorts may have held up, with 35–44 year-olds likely edging up in proportion, sustaining detached housing and middle-ring demand.
- The older age cohorts (65+) may have increased, pointing to downsizer and seniors living as a potential standout housing segment.

Annual Average
Income Growth
South Australia
(2022–25)



Notes: Seasonally adjusted, personal income (mean) to November of each year. The significant increase in 2024 indicates a possible series break.
Source: ABS; Urbis

Age Profile
South Australia
(2021 vs. 2026)



1. 2026 data based on PlanSA projections and provide an indication only.
Source: PlanSA; Urbis

1.3 Employment Trends

South Australia's labour market expanded significantly between 2021 and 2026, adding more than 124,000 jobs, while unemployment has continued to decline. At just 4.3% currently, the state holds a tight jobs market, implying an effective labour shortage (as a guide, 5% unemployment suggests the jobs market is at equilibrium).

The state's structural shift in employment is illustrated by ABS Labour Force data between 2021 and 2026 (as at February half-quarter).

- Net jobs increase has been recorded across all industry sectors except Retail Trade, reflecting lower spending growth and the impact on retailers.
- Health care, already the largest employment sector, has seen the strongest growth over the past five years, driven by strong population growth, an older age profile and major state-led investments into the health sector.
- Meanwhile, the state's traditional blue-collar employment base has continued to contract in general, with the exception of transport/logistics sector jobs

More recently, growth in high value manufacturing has been supported by AUKUS-related defence investment and renewable energy, although as a share manufacturing employment has continued to decline.

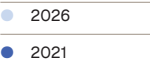
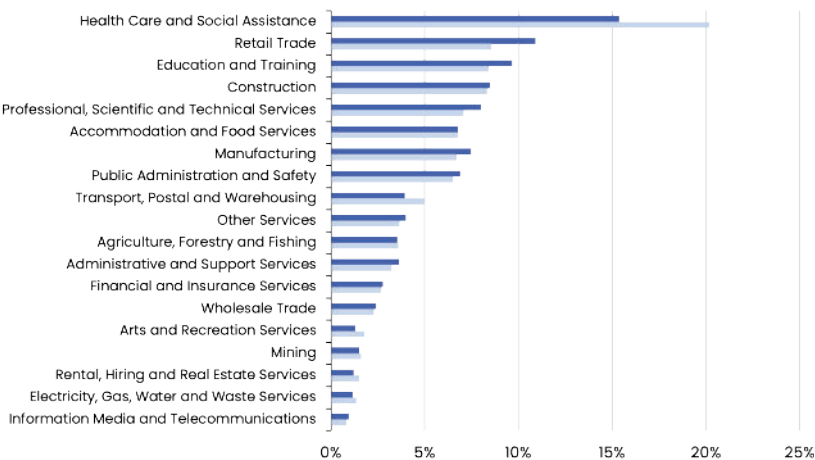
Jobs
South Australia



Unemployment Rate
South Australia



Share of Jobs
by Industry,
South Australia
2021 vs. 2026 (Feb.
Half-Quarter)



Source: ABS; Urbis

1.4 Major Capital Investment Pipeline

Underpinning the state's most recent economic expansion has been significant capital investments, backed by both the Federal and the state governments, into multiple key strategic sectors of national significance:

- Defence and energy investments are key supports for the state's latest wave of economic transformation, backed by substantial Federal Government policy and funding through AUKUS, naval shipbuilding and the energy transition towards Net Zero by 2050.
- Major defence projects are supporting long-term advanced manufacturing capability and supply chain activity, creating large volumes of high-value employment opportunities.
- Renewable energy, health/medical and infrastructure projects further strengthen and diversify the state's investment pipeline, supporting the modernisation and upgrade of the state's critical social services capability.

Note: The list provided is not exhaustive. The Collins-class Life-of-Type Extension program was valued at \$4-5 billion in June 2024 and up to \$11 billion in a May 2026 Defence Ministers Media Release, including sustainment, workforce and infrastructure costs.

Source: Urbis Research

Project	Location	Sector	Value	Start	Anticipated Completion
● Collins-class Life-of-Type Extension	Osborne	Defence	\$11bn	2026	2030s
● Edinburgh Defence Precinct	Edinburgh	Defence	Multi-bn	2026	2030s
● Hunter-class Frigate Program	Osborne	Defence	\$45bn	2024	2032
● AUKUS Submarine Construction Yard	Osborne	Defence	~\$30bn	Feb 2026	2040s
● Bungama BESS/Solar	Bungama	Energy	\$2bn	2024	2026
● Reeves Plains Energy Hub	Reeves Plains	Energy	\$450m	2026	2028
● Goyder Renewables Zone	Burra	Energy	Multi-bn	2026	Late 2020s
● Cape Hardy Green Iron/Hydrogen Precinct	Cape Hardy	Energy	~\$250m	TBC	TBC
● Whyalla Magnetite Expansion	Middleback Ranges	Resources	\$275m	2026	20 years +
● New Mount Barker Hospital	Mount Barker	Health	~\$364m	2024	Late 2020s
● New Women's and Children's Hospital	BioMed City	Health	\$3.2bn	2024	2031
● Adelaide BioMed City	North Terrace	Health	~\$3.6bn	2018	2030s, ongoing
● Greater Adelaide Freight Bypass	Monarto to Truro	Infrastructure	\$202m	2026	Late 2020s
● Northern Water Project	Mullaquana Station	Infrastructure	\$7bn	2026	~2031
● River Torrens to Darlington	South Road Corridor	Infrastructure	\$15.4bn	2025	2031

1.5 SA Economic & Population Drivers Key Implications & Outlook

Population & Demographics

Sustained population growth, led by overseas migration, sustains long-term demand for housing, infrastructure and services across Greater Adelaide.

Migration-led growth is likely to keep the population base younger and more diverse over time, supporting demand across a broader range of housing types.

Rising household incomes strengthen the market's capacity to absorb price growth, though affordability pressures will continue to steer a large share of demand toward outer greenfield areas.

Overall outlook is for measured, migration-driven growth rather than a repeat of prior boom-bust cycles

Labour Market & Employment

A tight labour market reflects a maturing, services-led economy with limited slack, reinforcing steady underlying housing demand.

Growth in higher-value manufacturing, particularly AUKUS and renewables-linked activity, is generating blue collar, high-value employment.

Not all of this employment growth will translate into CBD office demand, since these roles are largely based outside traditional office environments. This has implications for the CBD office market, expanded on later in this report.

Constrained labour capacity is likely to remain a handbrake on construction activity and new housing completions in the near term.

Public & Private Investment

Defence and energy anchor the pipeline, backed by Federal funding through AUKUS, naval shipbuilding and the energy transition.

Major defence projects (Hunter-class Frigate \$45bn, AUKUS submarine yard ~\$30bn, etc.) support long-term jobs and advanced manufacturing.

Renewables, health and infrastructure projects (\$15.4bn River Torrens to Darlington, \$7bn Northern Water) further diversify growth.

A deep, federally-backed defence, energy and infrastructure pipeline anchors long-term growth and diversifies the economy amidst sustained transition towards higher value activities.

Note

Investment in defence and infrastructure is the driving economic force in South Australia, with the Hunter-class Frigate Program (\$45bn), the AUKUS submarine construction yard (~\$30bn) and the Northern Water Project (\$7bn) supporting jobs, incomes and migration. However, much of this pipeline builds slowly, extending into the 2030s and 2040s, while an ageing population and shrinking working-age cohorts limit the available labour pool. If major projects are delayed and rates remain elevated, population growth could fall to the lower end of, or below the recent ~1.4% p.a. trend, slowing dwelling absorption and moderating price and rent growth. Supply pressures may ease, although labour and delivery costs would remain elevated.

02

SA RESIDENTIAL MARKET

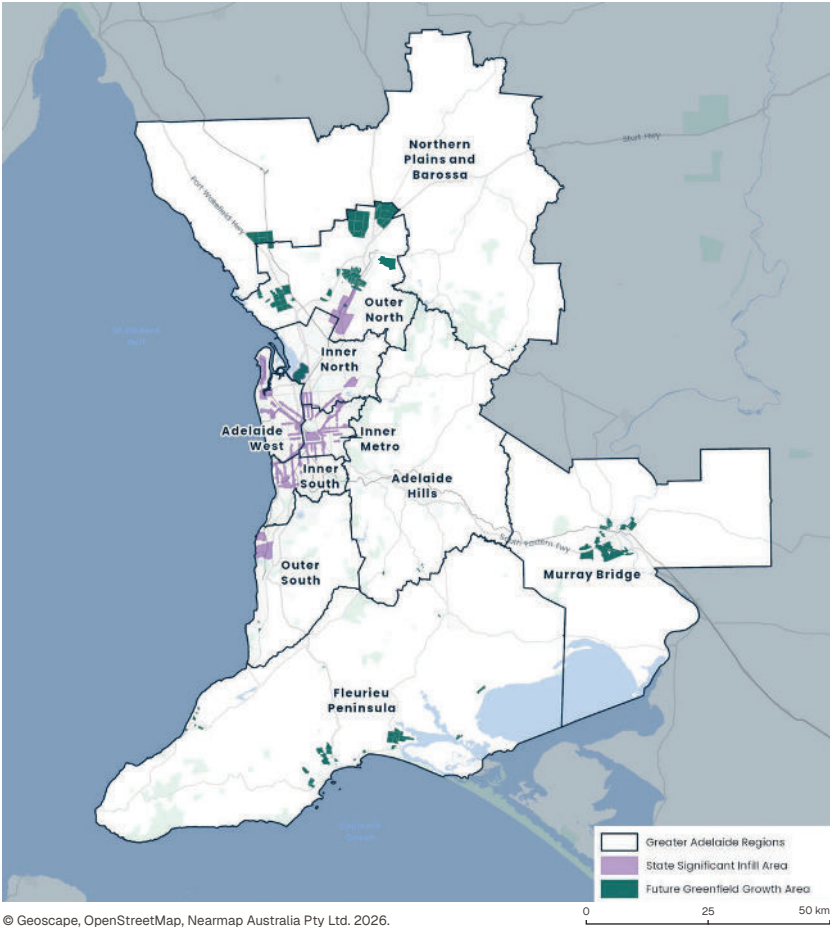
2.1 SA Residential Land Overview

The Greater Adelaide Regional Plan (April 2026 release) (GARP) is the overarching strategic planning document that provides guidance to Adelaide's long-term growth. As shown adjacent, Adelaide's residential land supply is largely spread across its northern growth corridor, in particular the Outer North region encompassing parts of Playford, Gawler, the Barossa and Light Council areas.

Meanwhile, major infill sites are also identified along key transport corridors across the inner suburbs and at former industrial/port sites (e.g. Lefevre, Dry Creek).

GA Region	Zoned Lots	Future Unzoned Lots
Outer North	49,116	65,327
Inner North	2,580	10,000
Outer South	7,002	200
Inner South	1,539	-
Adelaide West	6,826	-
Inner Metro	995	-
Adelaide Hills	8,823	341
Fleurieu Peninsula	5,916	17,579
Northern Plains and Barossa	3,809	382
Murray Bridge	7,512	24,000

Source: PlanSA; Urbis



2.2 SA Housing Demand vs. Supply Balance

South Australia's housing market has experienced a strong surge in demand post-COVID, driven by sustained overseas migration.

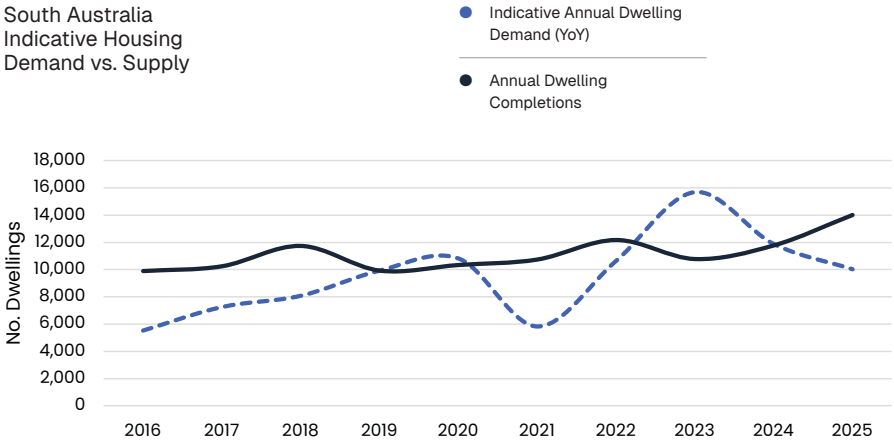
Prior to 2021, Adelaide was generally characterised as a low growth market that had struggled to transition from its traditional manufacturing past.

Strong population growth since 2021, however, has transformed Adelaide and South Australia more broadly into one of the country's most active housing markets. This has been supported by:

- Strong Federal government commitment to investment into the defence sector, primarily driven by the AUKUS deal, in modernising Australia's defence and military manufacturing capability.
- Growth in the renewables sector supported by the government's ambition to achieve Net Zero by 2050 has continued to attract private investments.
- Other Federal government funding commitments, including housing, healthcare, skills training, etc. that have provided the much-needed resources to kick-start South Australia's transformation.

As a result, Adelaide has emerged as one of Australia's strongest-performing housing markets.

South Australia
Indicative Housing
Demand vs. Supply



Source ABS; PlanSA; Urbis

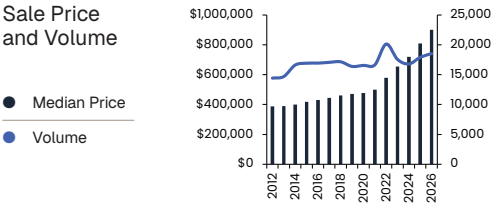
2.3 Greater Adelaide Housing Market Key Performance Metrics

South Australia's residential market has strengthened materially in recent years.

- Median sale prices have continued to rise steadily, and sales volumes have remained healthy.
- Based on sales data for settled transactions, Greater Adelaide's house price reached a median of \$900,000 in the 12 months to Q1 2026, up from \$720,000 two years earlier. This reflects resilient buyer demand and ongoing supply constraints.
- Rental conditions have also remained tight, with house and unit rents lifting moderately since 2021.
- This is also reflected in Adelaide's tightening vacancy rate, sitting at just 0.7% in March 2026. The lack of rental property has caused overall rental vacancy to remain at historically low levels.
- While rental yields have softened, this reflects price growth outpacing rental growth rather than weak tenant demand.

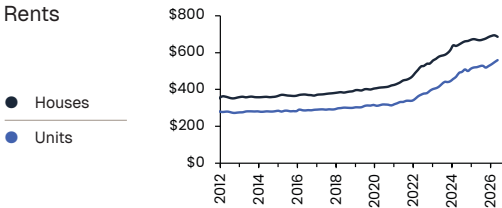
Overall, the market remains demand-led and supply-constrained.

Sale Price and Volume



Note: 12 months to Q1 of each year (settled transactions). Settled-transaction medians run below hedonic index measures; CoreLogic reports ~\$1m at Jun-26 on an index basis.
Source: Pricefinder; Urbis

Rents



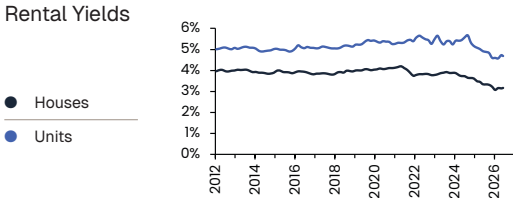
Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

Rental Vacancy



Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

Rental Yields



Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

2.4 SA Lending & Financing Conditions Overview

SA Debt & Financing Conditions

Lender sentiment in SA is broadly positive toward well-structured residential projects with experienced developers and adequate equity. Major banks remain active where presales and sponsor track records are strong, while non-bank lenders have taken a meaningful share of deals falling outside standard bank credit criteria, including first-time developers, partially pre-sold schemes and smaller duplex or townhouse projects able to proceed on equity and experience without formal presales.

Indicative terms sit at 65 to 70% LVR on completed value for residential stock and 60 to 65% for commercial. Larger apartment schemes generally still require 80 to 100% presale cover to secure bank debt, materially heavier than the non-bank alternative. SA is generally considered as a smaller, thinner lenders’ market than the eastern seaboard,

which typically attracts modest pricing premiums and places greater weight on sponsor track record than in Sydney or Melbourne. Construction cost escalation is expected to persist through 2026 amid sustained demand on a limited contractor base, with defence programs and infrastructure pipeline adding further pressure on trade labour and contractor capacity.

On the purchaser front, new dwelling lending has grown in large part by investors, though total investor lending value remains moderate relative to owner occupier loans. Over the five years to June 2026, Adelaide investor commitments to new loans for the purchase of new dwellings grew by around 152%, well ahead of the 62% increase recorded by owner occupiers (Appendix C3). While SA new investor loans growth moderated over the past 12 months, growth rate remained above national average, suggesting sustained investor appetite.

Indicative Feasibility Benchmarks
South Australia
(as at Q4 2025)

Note: Adelaide land pricing (+23% YoY to Q4 2025, +131% since 2021 on a \$/sq.m basis) is the standout risk to greenfield feasibility — construction cost growth is comparatively contained, so land cost inflation is compressing residual land value headroom even as end values firm. Lot sales volumes are down 15% YoY and 55% below the 2021 peak, consistent with an affordability-constrained but supply-short market.
Source: RBA; Pricefinder; EY; API Magazine; UDIA; Urbis

Project	Land / lot benchmark	Indicative margin (on cost)
Detached – greenfield	<ul style="list-style-type: none">Median lot price ranges ~\$360,000 –380,000 (as at Q4 2025, +23% YoY, strongest of any capital) or ~\$980/sq.m.Median lot size at 385 sq.m	<ul style="list-style-type: none">Target range 18–20% (based on Urbis experience)
Townhouse/medium density	<ul style="list-style-type: none">N/A - infill sites; open space contributions apply for projects >4 dwellings	<ul style="list-style-type: none">Rule-of-thumb 20%, but many small 2025–26 projects reported running at 10–18% given cost conditions, suggesting tight feasibility
Apartments	<ul style="list-style-type: none">N/A - site value dependent	<ul style="list-style-type: none">Standard 15–25% band;80–100% presale typically required to clear bank debt approval

2.5 Greenfield vs. Infill Housing Delivery Trends

South Australia's housing delivery has swung between greenfield and infill supply, driven less by steady growth than by a series of demand and cost shocks, before settling into a more structurally greenfield-weighted pattern.

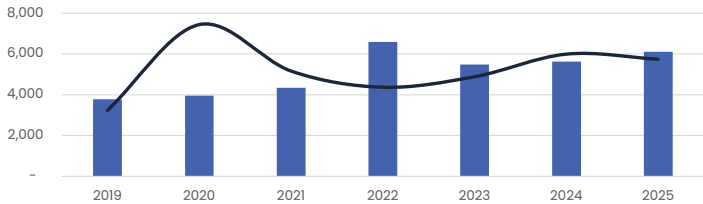
- The 2020 greenfield spike reflects COVID-era stimulus hitting the greenfield pipeline, while infill, reliant on more complex multi-dwelling construction, was disrupted by pandemic labour and supply constraints.
- The 2022 reversal reflects reopened borders and a migration surge boosting demand in established infill regions, just as rising rates and construction costs slowed greenfield delivery.
- Since then, softer population growth in infill regions has reduced underlying infill demand, while elevated cash rates, high labour costs and construction capacity constraints continue to weigh on infill feasibility.
- Redevelopment of former industrial sites is emerging as a partial offset, delivering detached and semi-detached stock in infill-adjacent locations.

The net effect is a housing system increasingly reliant on greenfield release areas to absorb population growth, as demand pressure continues to build in established inner regions.

Greater Adelaide Dwelling Approvals and Completions Greenfield

- Est. Greenfield Approvals
- Est. Greenfield Completions

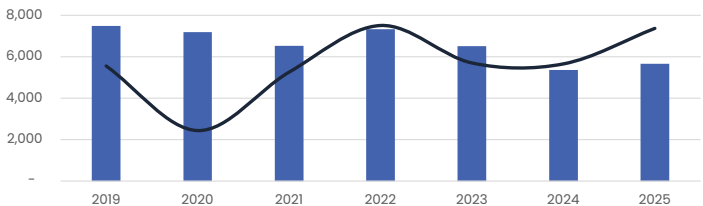
Note: Calendar Year.
Source: ABS; PlanSA; Urbis



Greater Adelaide Dwelling Approvals and Completions Infill

- Est. Infill Approvals
- Est. Infill Completions

Note: Calendar Year.
Source: ABS; PlanSA; Cordell; Urbis

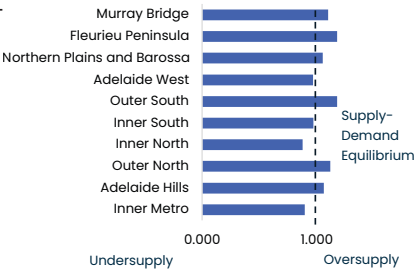


2.6 Supply & Demand Gaps Across Key Regions

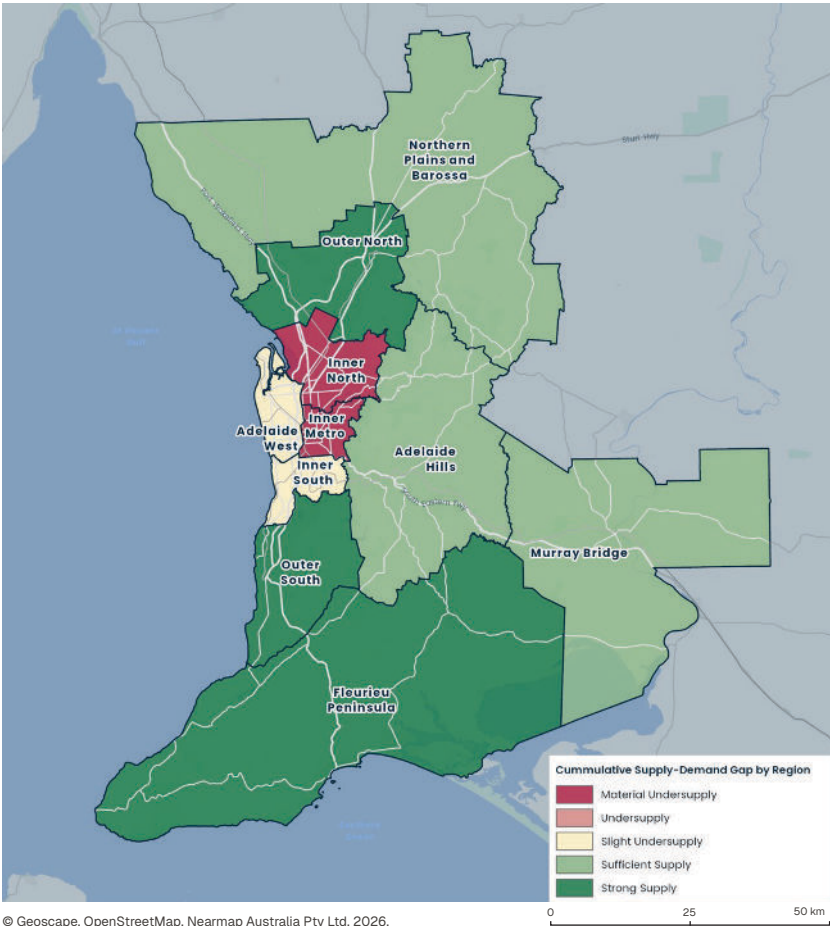
Undersupply is concentrated in the inner, established core, particularly Inner Metro and Inner North, the regions that have absorbed the strongest population growth, with feasibility pressures limiting the supply response.

Outer growth corridors have largely kept pace with or outperformed demand, buoyed by the greenfield-weighted delivery pattern seen recently. This points to a locational rather than structural constraint, suggesting supply is not landing where demand is most concentrated. Adelaide West and Inner South sitting in slight undersupply hint this pressure is beginning to spill outward from the inner core.

Indicative Supply-Demand Ratio



Note: The map classifies regions by their indicative cumulative dwelling supply-to-demand ratio from 2016-2025, with the methodology detailed in the appendix.
Source: ABS; PlanSA; Cordell; Urbis



2.7 SA Residential Market Key Implications & Outlook

Short-term Supply Constraint Remains

The surge in population growth post-COVID driven by overseas migration has generated significant demand for new housing supply.

This has caused a relative shortage of available homes in Adelaide overall, pushing up sale prices and rents.

While Adelaide has seen strong growth in new housing stock delivery over the past 2-3 years, Urbis is of the view that completions are likely to moderate in the short to medium term following declining approvals, due to elevated costs, labour shortage/capacity constraint in the construction sector.

While SA's construction cost index has grown marginally over the past 5 years, slightly below the national (6.0% vs. 6.1% p.a), cost escalation remains elevated in absolute terms and continues to weigh on feasibility

While growth in investor activity in Adelaide's housing market has supported demand, proposed reforms to Capital Gains Tax (CGT) and Negative Gearing rules may alter investor behaviour. Rather than reducing overall housing demand, these changes are likely to redirect investment away from established dwellings toward new housing stock, supporting new development while potentially easing competition for existing homes.

Uneven Supply vs. Demand across Regions

Supply and demand conditions are highly uneven across different regions of Greater Adelaide.

This has given rise to a relative mismatch between where supply has been directed and where growth has been observed.

Adelaide's inner regions (e.g. Inner North, Inner South, Adelaide West, etc.) remain the most sought-after for many new residents due to access to established infrastructure and services, however, supply has yet to keep up with demand due to a general lack of developable infill sites and increasingly feasibility challenges for medium/high density projects.

In comparison, outer growth regions such as Outer North have delivered most of new housing stock on greenfield land in recent years. While this has supported growth, overall supply conditions are healthier.

Stable Long-term Growth Opportunity

Despite the short-term challenges highlighted earlier (and indeed these are more or less nation-wide challenges rather than specific to Adelaide or SA), the Adelaide and South Australian housing market is anticipated to remain active in the long term.

Sustained population and employment growth supported by federal government commitment into investing in the state's defence, high-tech/advanced manufacturing and renewables sectors will generate long-term growth opportunity.

Looking forward, it is anticipated Adelaide's designated greenfield growth areas will accommodate most of the future population growth (in particular overseas migrants), given the ample residential land supply, the lower price points thus greater affordability for first home buyers.

A deep, federally-backed defence, energy and infrastructure pipeline anchors long-term growth and diversifies the economy amidst sustained transition towards higher value activities.



03

SA INDUSTRIAL MARKET

3.1 Adelaide Industrial Land Supply Overview

Greater Adelaide's industrial and employment precincts are concentrated through the Inner North, Adelaide West and Outer North regions, reflective of the city's industrial legacy as a traditional manufacturing hub centred around established manufacturing capabilities near major transport infrastructure.

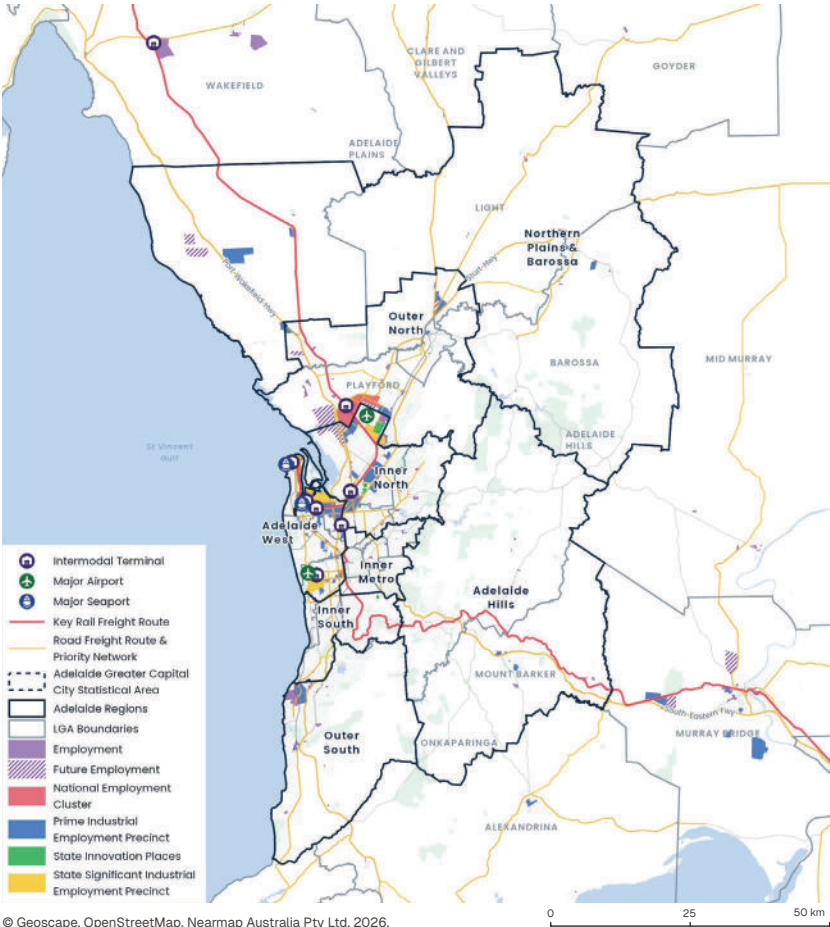
The Inner North is forecast to record the strongest employment land demand to 2051, while the Outer North is expected to accommodate the greatest future supply, reflecting major planned precincts around Edinburgh Parks, Penfield, Direk and the Northern Adelaide Food Park. Adelaide West also remains a key industrial market, supported by port, airport and metropolitan freight access, although future growth is likely to be more constrained by established urban conditions.

By contrast, the Northern Plains and Barossa region as a peri-urban region currently has a smaller employment land base and lower forecast demand.

While there are no major employment precincts earmarked for Adelaide's outer regions in general, smaller local employment land will be planned as part of the greenfield structure planning process for new growth areas. This creates opportunities to support local employment where population growth is expected to occur.

More information on supply and forecast demand for each region is shown overleaf.

Source: Greater Adelaide Regional Plan (GARP); Urbis



3.2 Industrial Land Supply vs. Forecast Demand

According to data sourced from the Greater Adelaide Regional Plan (GARP), and shown in the adjacent table,

- Across Greater Adelaide, most of the remaining zoned land is within Adelaide West (e.g. around major port precincts such as Osborne, Gillman, etc.) and Inner North (e.g. Edinburgh Parks).
- These two regions are also likely to see the strongest demand over the next three decades or so to 2051, as per GARP forecasts, albeit a lack of long-term supply could re-direct demand towards other nearby regions where future supply capacity is earmarked (e.g. Outer North).
- Outer North is another region anticipated to see significant employment land needs, driven by strong population growth as Adelaide's key greenfield growth front.

Overall, there is an undersupply of zoned vacant industrial land across Adelaide relative to demand. In addition, not all zoned land is development ready; constraints in infrastructure services remain a key issue in unlocking more effective land supply to support elevated demand levels. Urbis' research indicates there is just around up to 2 years of effective supply capacity remaining across Adelaide based on recent land take-up trends. This highlights the extremely tight market conditions.

Greater Adelaide Industrial Land Supply vs. Forecast Demand 2021

Note: Occupied and vacant zoned land data as at 2021.
Source: Greater Adelaide Regional Plan (April 2026 release); Urbis

Region	Occupied, 2021 (ha)	Vacant Zoned, 2021 (ha)	Forecast Demand to 2051 (ha)	Supply/ Demand Gap	Future Supply
Outer North	1,235	94	956	-862	2,814
Inner North	3,810	439	1,752	-1,313	196
Outer South	773	361	317	44	-
Inner South	271	18	89	-71	-
Adelaide West	3,280	846	1,303	-457	-
Inner Metro	213	7	48	-41	-
Adelaide Hills	329	36	116	-80	-
Fleurieu Peninsula	315	33	114	-81	262
Northern Plains and Barossa	1,375	61	184	-123	675
Murray Bridge	1,530	50	46	4	900
Total	13,131	1,945	4,925	-2,980	4,847

1,500 ha
Remaining vacant zoned land 2025

122 ha
Development-ready supply 2025

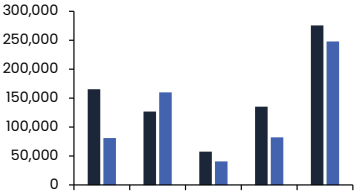
60-70 ha
Annual land consumption 2021-25

1-2 years
Effective supply capacity remaining

3.3 Recent Development Activity

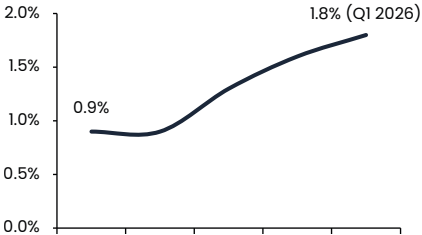
Est. Floorspace
Take-up (sq.m)

- Gross Take-Up
- Total Supply Added



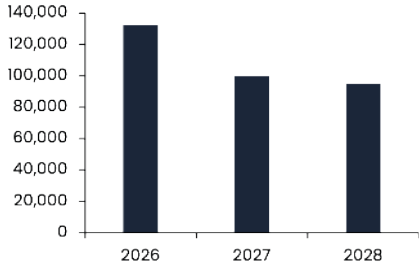
Note: data for take-up of prime assets >3,000 sq.m, for year ending Q1.
Source: CBRE; Urbis

Average Vacancy



Note: vacancy for prime assets >3,000 sq.m. 2026 data as at Q1.
Source: CBRE; Urbis

Development Pipeline
(sq.m)



Note: indicative data for all industrial development.
Source: Agency Consensus; Urbis

Industrial demand across Greater Adelaide has remained resilient. As an indication, for major transactions of assets of above 3,000 sq.m, some 761,000 sq.m of total floorspace was taken up over the past 4 years. This compares with a total addition of just 612,300 sq.m floorspace.

2026 so far has seen even stronger demand on the back of major supply capacity uplift. This indicates a historical under-provision of available industrial space.

While vacancy has edged up recently on the back of added supply, Adelaide's prime-grade industrial vacancy (assets > 3,000 sq.m) remains tight at 1.8% (CBRE, Q1 2026).

On whole-of-market measures, Adelaide sits mid-pack nationally, with JLL reporting 4.5% overall vacancy across all Adelaide precincts as at Q1 2026. The binding constraint is therefore the shortage of well-located, development-ready supply rather than a market-wide vacancy low.

Development activity is expected to remain relatively modest, with around 327,000 sq.m of floorspace of major warehouses (larger than 3,000 sq.m) in the pipeline between 2026 and 2028.

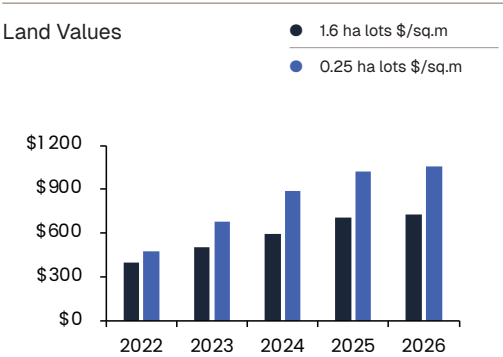
3.4 Key Performance Metrics

Strong occupier demand and limited industrial supply have continued to support robust market fundamentals across Greater Adelaide.

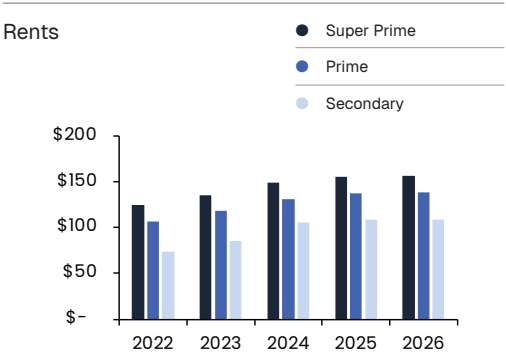
This has driven sustained growth in industrial land values, rents and capital values, while transaction activity has strengthened as investor confidence returned.

Industrial land values have increased significantly across both large and small format assets, reflecting ongoing competition for development-ready sites.

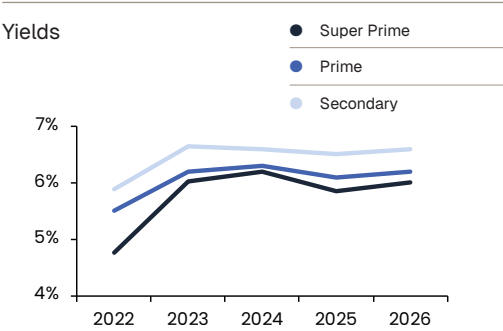
Rental growth has also remained positive across super prime, prime and secondary assets, while yields have stabilised following the repricing experienced during the higher interest rate environment.



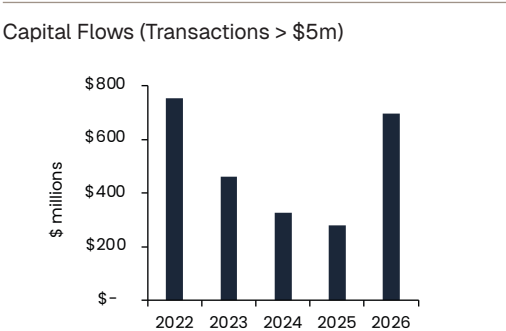
Note: Calendar year, 2026 data up to March.
Source: CBRE; Urbis



Note: Calendar year, 2026 data up to March.
Source: CBRE; Urbis



Note: Calendar year, 2026 data up to March.
Source: CBRE; Urbis



Note: data for 12 months to Q1 of each year. 2026 is part-year and not annualised.
Source: RCA; Urbis

3.5 Market Transaction Evidence

Port Adelaide Distribution Centre, Gillman



Purchaser	Centuria
Price	\$216m
Land area (sq.m)	319,600
Sale rate (\$/ sq.m of land)	\$676
Date Sold	Q3 2025
Sector use	Linked to AUKUS defence partnership

Source: Centuria; Urbis.

281–301 Grand Junction Rd, Ottoway



Purchaser	Westbridge Funds Management
Price	\$41m
Land area (sq.m)	45,800
Sale rate (\$/ sq.m of land)	\$895
Date Sold	Q4 2025
Sector use	Logistics, warehousing, manufacturing, defence

Source: Westbridge Industrial Opportunity Fund; Urbis.

37 Caribou Drive, Direk



Purchaser	Private investor
Price	\$31m
Land area (sq.m)	56,000
Sale rate (\$/ sq.m of land)	\$554
Date Sold	Q3 2025
Sector use	Logistics, transport and warehousing

Source: The Industrialist; Urbis.

3.6 SA Industrial Market
Implications & Outlook

Supply
Constraints

Adelaide remains the tightest prime-grade industrial market of any major capital city, with effective supply capacity of only 1–2 years remaining based on recent land take-up trends (~60–70 ha p.a.).

The undersupply is structural rather than cyclical: a ~2,980 ha shortfall in zoned vacant land against forecast demand to 2051, compounded by infrastructure servicing constraints that leave much nominally-zoned land not development-ready.

This scarcity has directly driven rent, land value and vacancy trends, and is expected to keep conditions tight through the medium term absent a material release of new zoned supply.

Government
Initiatives

Inner North and Adelaide West carry the largest forecast demand to 2051 (1,752 ha and 1,303 ha respectively) but also have large supply gaps, given limited remaining zoned land and few new precincts earmarked in these established areas.

Outer North is comparatively better placed, with 2,814 ha of future supply identified against more modest demand, positioning it as the primary release valve for demand displaced from the inner regions.

Without new supply released in the established northern and western precincts, occupiers reliant on port, airport or metropolitan freight access may increasingly be pushed toward outer greenfield locations, extending supply chains and adding to logistics costs.

Development
Feasibility

Sustained absorption has pushed land values, rents and capital values higher across super prime, prime and secondary grades, while vacancy has stayed near record lows despite recent supply additions.

Capital flows rebounded in the year to Q1 2026 (~\$700m in transactions, up from ~\$280m in the year to Q1 2025), signalling renewed investor confidence despite the higher-rate environment of recent years.

Yields have stabilised after earlier repricing, with the market now trading more on underlying fundamentals than financing conditions. This assumes the cash rate holds near its current 4.35%; a higher-for-longer or further-tightening scenario would place renewed pressure on yields and feasibility.

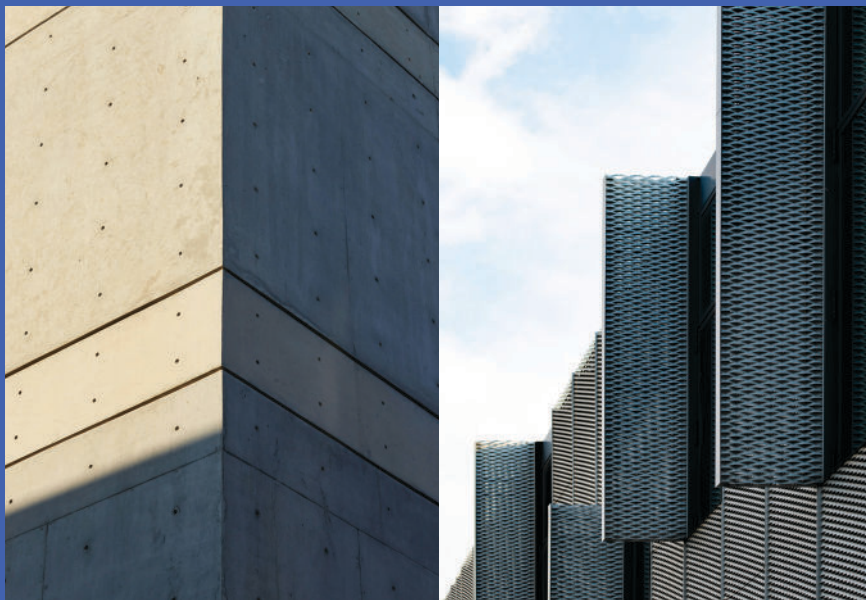
Long-term
Opportunity

Although the land supply pipeline identified (p.25) is largely sufficient to meet long term demand, the binding constraint is the State's capacity to bring this land into development-ready condition in a timely manner.

Most future supply will still need to progress through the state code amendment process, which can take considerable time, meaning nominally zoned land will continue to overstate what is realistically available to occupiers in the near term.

In addition, delay in infrastructure delivery further adds to the supply constraint.

Outer North will likely see stronger demand, given its status as the state's fastest growing greenfield growth front with the greatest future industrial land supply capacity (around the Greater Edinburgh Parks).



04

SA COMMERCIAL MARKET

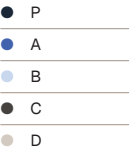
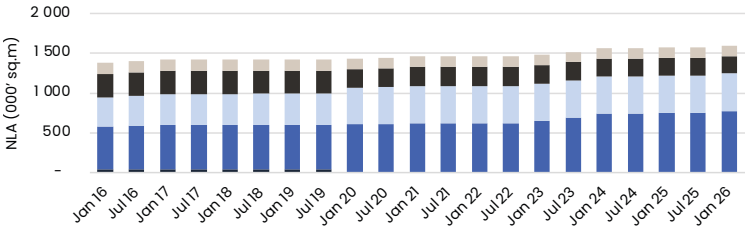
4.1 Historical and Current Supply

Adelaide’s CBD office stock has grown steadily over the past decade, outpacing non-CBD supply, with development concentrated toward the top of the grade spectrum.

- CBD stock has grown from approximately 1.4 million sq.m in 2016 to around 1.6 million sq.m currently, up around 15%, driven by sustained development and refurbishment activity that has shrunk the share of lower-grade space.
- Growth has been concentrated in A-grade stock specifically, reflecting the broader flight-to-quality dynamic already evident in vacancy and absorption trends.
- Non-CBD stock has remained flat at 200,000–220,000 sqm across the period, with grade composition showing little structural change, pointing to limited development activity and subdued demand outside the CBD. B and C-grade stock continues to dominate the non-CBD market, in contrast to the CBD’s shift toward higher-grade space.

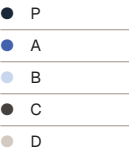
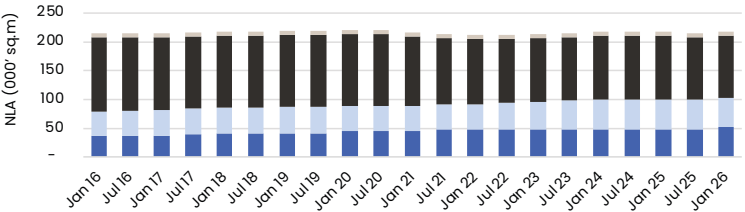
This divergence points to constrained occupier choice outside the CBD, but correspondingly lower competitive pressure on existing non-CBD assets, reinforcing the CBD’s position as the primary market for occupiers seeking quality space.

Adelaide CBD
Office Stock
by Grade



Source: Property Council of Australia; Urbis

Adelaide Non-CBD
Office Stock
by Grade

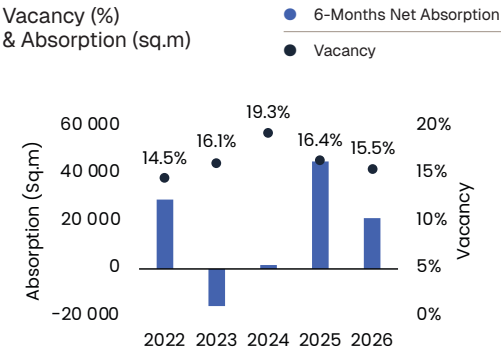


Source: Property Council of Australia; Urbis

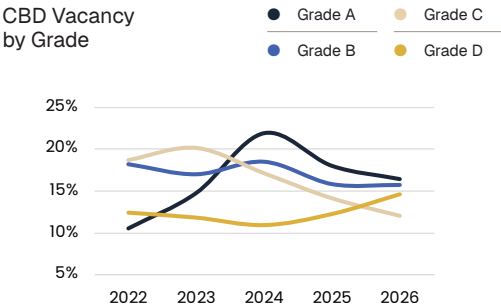
4.2 CBD Office Vacancy & Supply

Adelaide's CBD office market is undergoing a structural stock restructuring, as a flight to quality reshapes both vacancy and investment patterns.

- Vacancy has eased from a peak of 19.3% in 2024 to 15.5% currently, as net absorption returns to positive territory, though levels remain elevated relative to historical levels.
- Performance has diverged sharply by grade: Grade A assets have absorbed strongly and seen vacancy fall, while Grade D vacancy has continued trending upward, reflecting sustained tenant flight to quality.
- Newly proposed developments are responding directly to this shift, placing significant emphasis on build quality, user experience, worker wellbeing and sustainability/ESG credentials. All developments in the pipeline are A-grade and above, explored further overleaf.
- The development pipeline remains modest, at around 80,000 sq.m across three new builds, Festival Tower Two (~45,000 sq.m), The Market Square Development (~20,000 sq.m) and the Innovation Centre at Lot 14 (~15,000 sq.m), limiting near-term competition for existing quality stock.
- Defence-related investment, evidenced by the Innovation Centre at Lot 14, is reinforcing demand for premium space as the sector's footprint in the state economy grows.

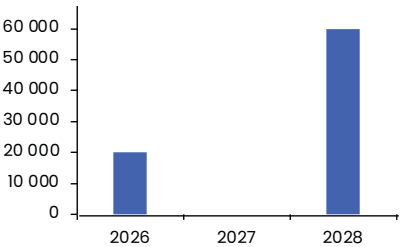


Note: 6-months to January of each year.
Source: PCA; Urbis

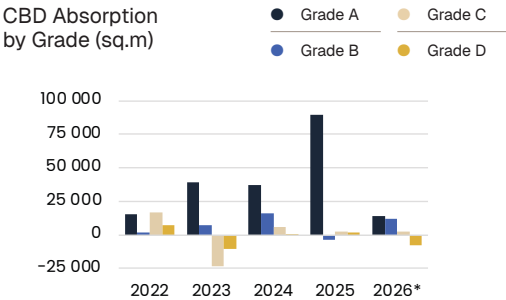


Note: Vacancy as of January of each year.
Source: PCA; Urbis

CBD Office Development Pipeline (sq.m)



Note: Indicative data for commercial development.
Source: PCA; Urbis



Note: Data represents 12-months to July of each year. *2026 is 6-month data only (Jan. 26). Source: PCA; Urbis

4.3 Key Commercial Pipeline Projects

Festival Tower Two Development



Developer	Walker Corporation
Address	Station Road
Est. Cost	\$800m
Grade	Premium
GLA (sq.m)	~45,000
Anchor Tenant	ATO
Completion	Late 2028

Developed by Walker Corporation at Festival Plaza in Adelaide's Riverbank Precinct, this 38-storey, 160-metre office tower will become the city's tallest commercial building and the final stage of the \$2 billion Festival Plaza redevelopment. Designed by JPW and built by Built, it will hold around 45,000 sq.m of office space and 3,000 sq.m of other service amenities for some 5,000 workers, targeting a 6-Star NABERS Energy rating, and is due for completion around 2028.

Source: Walker Corporation, Renewal SA, Built; Urbis

The Market Square Development

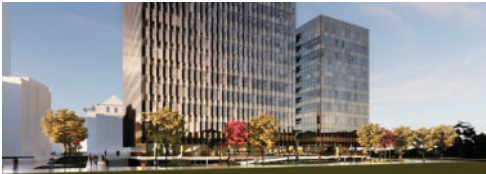


Developer	ICD Property
Address	21 Grote Street
Est. Cost	\$600m
Grade	A-Grade
GLA (sq.m)	~20,000
Anchor Tenant	South Australian Government, Thomson Geer Lawyers
Completion	Second half of 2026

A mixed-use redevelopment of the former Central Market Arcade between Grote and Gouger Streets, delivered by Melbourne developer ICD Property in partnership with the City of Adelaide and built by Multiplex (with architecture by Woods Bagot). Valued at around \$600 million, it expands the Adelaide Central Market and adds a nine-storey office tower, roughly 234 apartments, Australia's first treehouse hotel (248 keys), retail and dining, with completion expected in 2026.

Source: Multiplex, ICD Property, Adelaide Central Market Authority; Urbis

The Innovation Centre – Lot 14



Developer	Renewal SA
Address	Lot 14, Frame Rd/Nth Terrace
Est. Cost	\$400m
Grade	A-Grade
GLA (sq.m)	~15,000
Anchor Tenant	BAE, ADTA
Completion	2028

The first new building at Lot 14 on the former Royal Adelaide Hospital site will be a 16-storey defence, space and hi-tech hub delivered by the South Australian Government through Renewal SA. With around 77 per cent of space pre-committed, including major tenants BAE Systems Australia, the Australian Defence Technologies Academy (ADTA), an innovation hub and a Space Assembly facility, construction is set to begin in 2026, with tenants expected to move in by late 2028.

Source: Lot 14, Renewal SA, Defence SA; Urbis

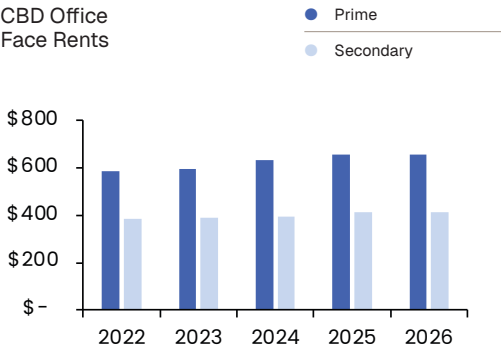
4.4 Key Performance Metrics

Adelaide's CBD office performance metrics reflect a favouring of prime stock as broader conditions improve.

- Prime face rents have grown steadily since 2022, reaching the mid-\$600/sqm range in 2026, widening the premium over secondary stock, which remains anchored closer to \$400/sqm.
- Incentives have stayed elevated at 35–40% across the period, meaning effective rents have lagged well behind face rent growth, a gap that has yet to narrow materially.
- Capital flows rebounded in 2026 to near \$300 million, following a soft 2024–2025, signalling investors are re-entering ahead of a broader occupier recovery.
- Yields have held largely stable, with prime expanding toward the high-7% range while secondary sits closer to 9–10%, a spread that reflects investor caution toward lower-grade assets in a higher cash rate environment.

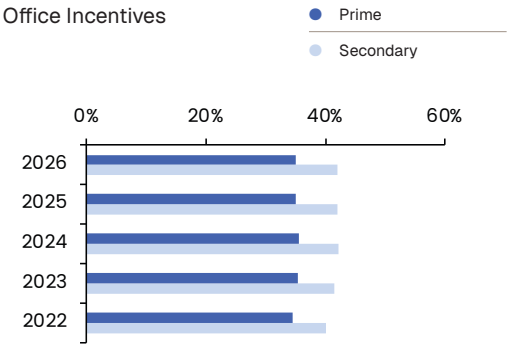
The widening rent and yield spread between prime and secondary stock reinforces the flight-to-quality dynamic already evident in vacancy and absorption trends, with capital increasingly following occupier demand toward the top of the market.

CBD Office Face Rents



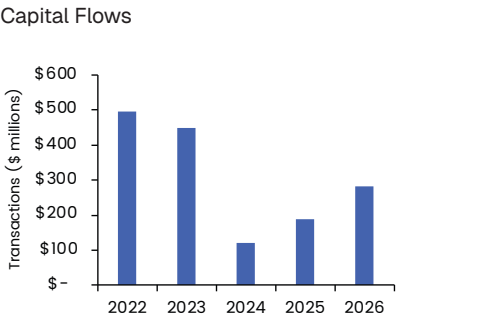
Note: Calendar year, 2026 data up to March. 'Prime' refers to A-grade buildings.
Source: CBRE; Urbis

Office Incentives



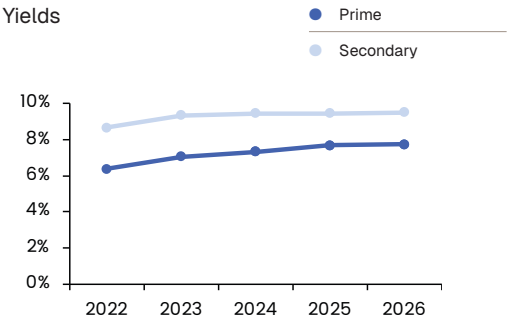
Note: Calendar year, 2026 data up to March. 'Prime' refers to A-grade buildings.
Source: CBRE; Urbis

Capital Flows



Note: 2 months to Q1 of each year. 2026 is part-year and not annualised.
Source: RCA; Urbis

Yields



Note: Calendar year, 2026 data up to March. 'Prime' refers to A-grade buildings.
Source: CBRE; Urbis

4.5 SA Commercial Office Market Implications & Outlook

Subdued Market Post-COVID

Vacancy has eased materially from its 2024 peak as absorption returns to positive territory, though levels remain above historical norms, pointing to a genuine but partial recovery rather than a market back at equilibrium.

Effective rents remain materially below headline rents, meaning landlord pricing power hasn't caught up with the improvement in vacancy, a gap likely to close only gradually.

Recovery is concentrated in higher-grade stock specifically, rather than broad-based, meaning the improving headline vacancy figure understates how uneven conditions remain across the market.

Diverging Asset Performance

A-grade assets have performed better in more recent times relative to lower grade office as tenant demand continues to be underpinned by 'flight to quality' post-COVID.

Lower grade assets face growing pressure to retain tenants, as suggested by high incentives currently offered.

There is a lack of modern, quality office space capable of catering to new market trends.

This is evidenced by the pipeline developments that emphasise build quality, user experience, worker wellbeing and sustainability/ESG measures.

Development Feasibility

The modest development pipeline, concentrated in only three new builds, reflects the difficulty of achieving feasibility for new stock in a market where effective rents remain suppressed by high incentives.

New projects are differentiating on quality, sustainability and worker experience rather than scale, indicating developers are targeting the flight-to-quality segment specifically rather than broad-based demand.

Government, defence and technology anchored precommitment is emerging as a key enabler of feasibility, however, it also points to the relatively narrow tenant base capable of affording new, quality space.

Long-term Opportunity

Structural undersupply of modern, quality stock, combined with a shrinking pool of premium options, points to a widening opportunity for well-located, high-quality developments as the flight to quality persists.

Sustained defence, technology and public sector investment provides a durable source of anchor tenant demand, reducing leasing risk for new premium developments.

Owners of existing lower-grade stock face a clear choice between refurbishment to compete for quality-driven demand, or risk of prolonged vacancy as the market's requirements structurally shift upward.



WESTERN AUSTRALIA

05

WA ECONOMIC & POPULATION DRIVERS

5.1 Population Growth

Western Australia's population has grown strongly, from around 2.56 million in 2016 to more than 3.04 million as at June 2025. Population is forecast to reach around 3.6 million by 2036, as per WA Tomorrow 12's population projections.

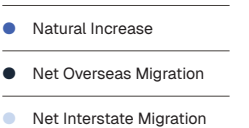
- Population growth peaked at 3.5% p.a. in 2023 before moderating to 3.0% in 2024 and 2.2% in 2025 (based on ERP as at June of each year). Medium-scenario projections indicate growth stabilising at around 1.6–1.7% p.a. through to 2036, still above pre-COVID levels of 1.2–1.6% for 2017–2019.
- Greater Perth has led the state's recent growth, supported primarily by net overseas migration, which saw a strong post-COVID surge in 2023 and 2024, moderating only over the past 2 years.
- Interstate migration has also improved from the weaker conditions recorded in the mid-to-late 2010s, reflecting WA's stronger labour market, resource-driven economic opportunities, and better housing affordability relative to the eastern seaboard states (Appendix C1).
- WA's population outlook is underpinned by private-sector-led investment activity in key growth industries including mining and renewables, which have supported the state's economic transition and diversification.

Historical and Forecast Population
Western Australia



Note: Calendar Year
Source: ABS ERP, June 2025; WA Tomorrow; Urbis

Population Change by Component
Western Australia



Note: Financial Year, 2026 figure based on Centre for Population projections
Source: ABS; Urbis

5.2 Demographics

WA is characterised by a relatively young, high-income and increasingly diverse population base, supported by strong migration intake and an employment profile that is reflective of an economy supported predominantly by the resource sector and its ability to generate wealth for the population.

Based on the latest available demographics data from various ABS datasets, WA population is characterised by:

- Slightly younger population base than the national average, more so in metropolitan Perth.
- Materially higher personal incomes, reflecting the wage premium attached to the resources sector and related industries.
- Improving employment market, supported by renewed investments into the key resource sectors driven by strong global demand for critical minerals but also domestic needs in building up Australia’s renewables/advanced manufacturing capability.
- Higher proportion of home purchasers and fewer renters than nationally, underpinning an active owner-occupier market.
- Strong overseas migration alongside positive net interstate migration, in particular post-COVID.

Key Demographic Characteristics
2025

*Based on the ABS Census 2021. New data will be made available from the 2026 Census, anticipated to be released in June 2027.
** WA share of total national net overseas migration 2021–25.
Source: ABS; Urbis

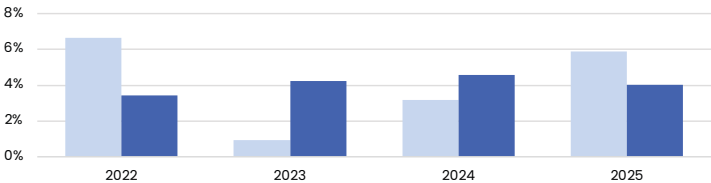
	Western Australia	Australia	% Variance
Population (June 2025)	3,045,100	27,614,400	N/A
Average Age	38.9	39.5	-1.6%
Income			
Est. Average Personal Income	\$89,400	\$81,600	+9.7%
Households			
Avg. Household Size	2.52	2.5	+1.61%
Owned Outright*	30.2%	32.1%	-1.9% pts
Under Mortgage*	41.4%	36.2%	+5.2% pts
Rented*	28.3%	31.7%	-3.4% pts
Employment			
White collar	68.0%	73.7%	-5.7% pts
Unemployment	4.2%	4.3%	-0.1% pts
Migration			
Overseas Born*	34.2%	29.3%	+4.9% pts
Net Interstate Migration (2021–25)	67,100	N/A	N/A
Net Overseas Migration (2021–25)	178,400	1,392,700	+12.8%**

5.2 Demographics
(cont'd)

WA pairs the highest household incomes in the country with strong population growth, meaning demand is underpinned by both scale and capacity to pay.

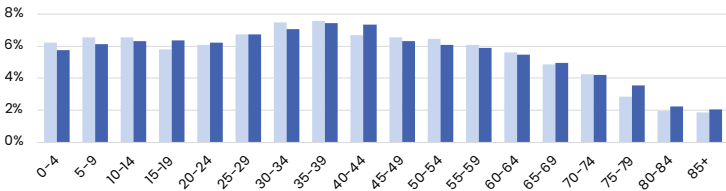
- Personal income growth outpaced the national average in 2025, off the back of strong investment and jobs creation within high-earning sectors such as resources, energy and defence.
- According to WA Tomorrow age breakdown projections for 2026, working age residents (15-64) may have grown by around 10% in volume from 2021, while as a share they could have declined by 0.2 percentage points. This suggests the state's tight labour market.
- Family formation cohorts may have grown, with 40-44 year-olds up 21% in volume (~0.7 percentage points increase) between 2021 and 2026, pointing to sustained family housing demand.
- Meanwhile, the state's older age groups (75+ years) may have further increased in both volume and as a share.

Annual Average
Income Growth
Western Australia
(2022–25)



Note: Seasonally adjusted, personal income (mean) to November of each year.
Source: ABS; Urbis

Age Profile
Western Australia
(2021 vs. 2026)



1. Based on ERP as at June of each year. 2026 data based on WA Tomorrow projections and provides an indication only.
Source: WA Tomorrow; Urbis

5.3 Employment Trends

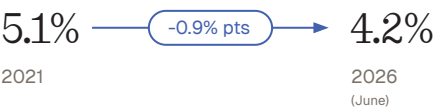
Western Australia’s labour market expanded strongly over the past five years, adding around 261,200 jobs in total since 2021, while unemployment declined from 5.1% to 4.2%, suggesting a tight jobs market and indeed a shortage of skilled labour.

- Employment growth has been broad-based, supported primarily by major investments into mining/resources, renewable energy, transport, defence, health and infrastructure.
- Health care remains WA’s single largest employing sector, contributing to close to 14% of all jobs supported, despite a decline in share.
- Construction and retail trade jobs have seen the strongest growth, reflecting the state’s significant investment pipeline and an expanding spending market supported by high income growth.
- Business and population services such as professional, scientific and technical services, education and training, etc. also gained ground, reflecting Perth’s expanding population and business services base.
- Meanwhile, accommodation and food services recorded the largest decline in employment share, due to a severe talent shortage as workers move across to other higher paying sectors (such as resources) as well as a significant drop in vocational training and traineeships.

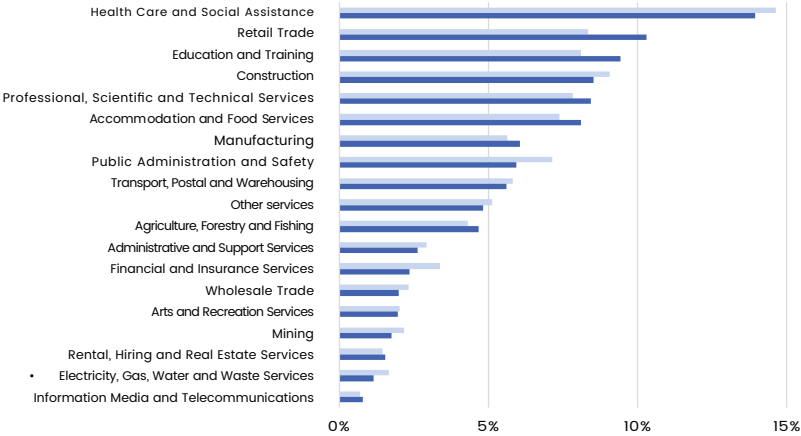
Jobs
Western Australia



Unemployment Rate
Western Australia



Share of Jobs
by Industry,
Western Australia
2021 vs. 2026 (Feb.
Half-Quarter)



Source: ABS; Urbis

5.4 Major Capital Investment Pipeline

Similar to South Australia, Perth and wider Western Australia are benefiting from significant capital investment across several strategically important sectors.:

- Defence, energy and resources investment are central to the state's next phase of economic development, supported by Federal and State Government funding for AUKUS, the Henderson Defence Precinct, critical minerals processing and the transition to Net Zero.
- Major mining, LNG and renewable energy projects are supporting long-term export capacity, industrial development and supply chain activity, while creating high-value employment across metropolitan and regional WA.
- Large-scale transport, water, health and education projects are further diversifying the investment pipeline, strengthening Perth's infrastructure base and modernising critical social services across the state.

Note: The list provided is not exhaustive. Scarborough field development and Pluto Train 2 suggest combined total capital cost.
Source: Urbis research

Project	Location	Sector	Value	Start	Completion
● Henderson Defence	Henderson	Defence	~\$25bn	2026	2030s
● HMAS Stirling Expansion	Rockingham	Defence	~\$8bn	2023	Early 2030s
● Collie BESS Projects	Collie	Energy	\$bn+	2023	Late 2020s
● AREH	East Pilbara	Energy	~\$55bn	2028	2030s
● Western Green Energy Hub	Eucla	Energy	~\$100bn	N/A	2030s
● Women & Babies Hospital	Murdoch	Health	\$1.8bn	2025	2029
● Bunbury Hospital Redev.	Bunbury	Health	\$471.5m	2025	Late 2020s
● Mandurah Hospital	Mandurah	Health	~\$558m	2026	2029
● Perth Airport Redev.	Perth Airport	Infrastructure	~\$5bn	2024	Late 2020s
● Alkimos Desalination	Alkimos	Infrastructure	\$2.8bn	2024	2028
● Tonkin Hwy Extension	Oakford, Mundijong	Infrastructure	\$1bn	2026	2028
● Westport	Kwinana	Infrastructure	\$7.2bn	Late 2020s	Late 2030s
● Rhodes Ridge	Newman	Resources	\$bn+	TBC	2030s
● Scarborough/Pluto 2	Pilbara/Karratha	Resources	~\$17.7bn	2021	Late 2026
● Browse LNG	Browse/Karratha	Resources	\$bn+	TBC	TBC

5.5 WA Economic & Population
Drivers Key Implications & Outlook

Sustained Population-
Led Demand

WA's population is set to grow from around 3 million today to roughly 3.6 million by 2036, and with growth easing to a steadier 1.6–1.7% p.a. but holding above pre-COVID levels, it points to sustained rather than spiking housing demand.

Overseas-migration-led, younger population growth, concentrated in Greater Perth and backed by recovering interstate inflows, locks in structural demand for a broad mix of housing, infrastructure and services.

Because this growth is underpinned by private-sector investment in mining and renewables rather than a speculative cycle, the outlook is for durable, measured demand and steady absorption rather than boom-bust dynamics.

Diversified
Investment Pipeline

A deep, federally-backed pipeline across defence, energy, resources, transport, health and education, anchored by the ~\$25bn Henderson Defence Precinct and AUKUS, is diversifying WA well beyond its traditional mining base.

Large-scale LNG and renewables such as Scarborough/Pluto 2 and the ~\$55bn Australian Renewable Energy Hub, plus METRONET, Perth Airport and new hospitals, secure export capacity while generating high-value jobs across metropolitan and regional WA.

Sustained investment should keep driving jobs and population inflows and sustain long-term housing demand, though much of this activity sits outside the CBD.

Resilient Labour
Market & Incomes

With around 261,200 jobs added between 2021 and 2026, unemployment easing to ~4.2% and incomes now above the national average, WA's labour market gives households solid capacity to absorb price and rent growth.

Employment is broadening into health care, mining and professional services as manufacturing, construction and traditional retail continue to recede, marking a shift toward higher-value, more diversified and better-paid activity.

Tight labour capacity, however, is likely to remain a bottleneck on construction thus the ability to deliver new housing capacity in the near term, adding to the supply-side pressures covered later in the report.

Note

Defence and resources investment is the key swing factor, with the Henderson Precinct, AUKUS and Scarborough/Pluto 2 supporting jobs, incomes growth and migration. However, global competition has already pushed several lithium and nickel mines into care and maintenance, alongside Albemarle's Kemerton closure. If major projects are delayed and rates remain elevated, population growth could fall to the lower end of, or below, the 1.6–1.7% p.a. forecast range, slowing dwelling absorption and moderating price and rent growth. Supply pressures may ease, although labour and delivery costs would remain elevated.



06

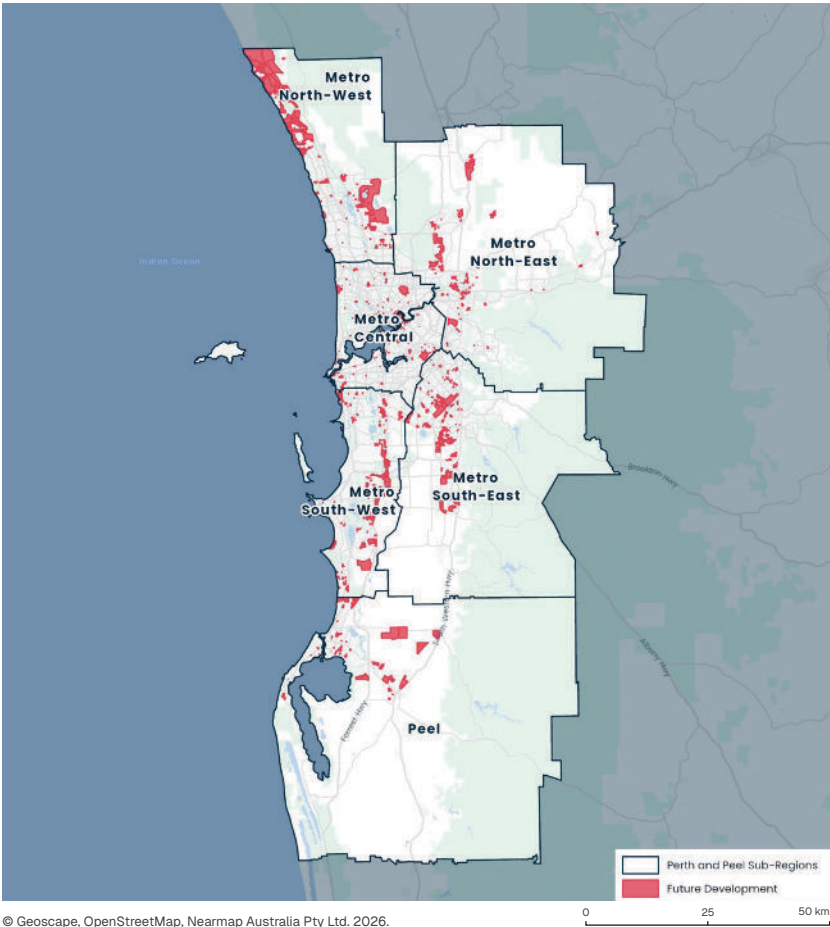
WA RESIDENTIAL MARKET

6.1 Perth Residential Land Supply Overview

WA's Urban Growth Monitor operated by the Department of Planning, Lands and Heritage tracks zoned land supply across the Greater Perth and Peel metropolitan region. All land in the table below is zoned for urban development, split between urbanised land (existing residential, public purpose and commercial uses, plus low-density development likely to transition to higher-density residential) and undeveloped land (zoned land yet to be developed). Urbanised land is concentrated in Metro Central, North-West and North-East, while the largest pockets of undeveloped zoned land sit in Metro North-West and South-East.

Greater Perth & Peel	Urbanised Area (ha)	Undeveloped Area (ha)
Metro Central	28,920	880
Metro North-West	14,880	7,830
Metro North-East	12,390	3,190
Metro South – East	10,100	4,860
Metro South – West	11,590	2,850
Peel	6,550	2,580

Source: Development WA; Urban Growth Monitor 17; Urbis



6.2 WA Housing Demand

Western Australia’s housing demand has strengthened materially post-COVID, following a more balanced period through the late 2010s and a temporary moderation during the COVID period.

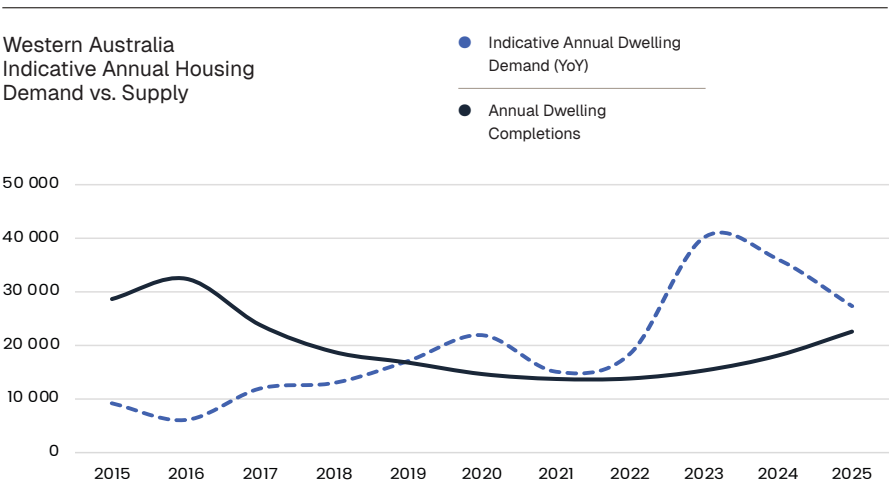
Underlying dwelling demand rose sharply in 2023, driven by unprecedented overseas migration intake. 2023 alone saw a total net population increase of more than 97,000 people, triple the amount typically recorded annually over the past decade.

While population growth has been moderating since the recent peak and dwelling completions have clearly accelerated over the past 2-3 years, in general, demand levels remain well above actual supply.

Such indicative demand and supply gaps suggest the severe capacity constraint in the state’s housing sector to deliver enough homes for WA’s growing population. This is primarily due to a mix of factors:

- Supply constraints affecting infrastructure-ready residential land due to insufficient infrastructure investment and fragmented ownership, delaying land assembly thus supply activation.
- Elevated construction costs, financing conditions and limited proven builder capacity impacting project feasibility, particularly for medium/higher-density.
- Labour shortage limiting the construction sector’s capacity to deliver.

Without a sustained uplift in both greenfield and infill supply, strong population-driven demand is likely to continue placing pressure on rental availability, affordability and broader housing market conditions



Source: ABS; WA Tomorrow; Urbis

6.3 Greater Perth Housing Market Key Performance Metrics

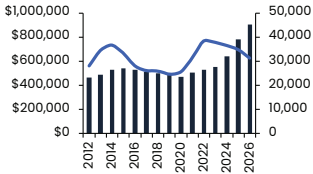
The housing supply crisis in Western Australia has seen the state's residential market strengthen materially in recent years.

- Median sale prices have risen significantly alongside a recovery in sales volumes post-COVID, following modest growth in the decade prior.
- Price growth has been supported by strong population growth, limited housing supply and comparatively affordable entry prices relative to the eastern states, with modest house price-to-income ratio (Appendix C1).
- Rental conditions remain extremely tight, with vacancy near historical lows as per the latest SQM data.
- Rents have continued to rise across both houses and units, reflecting the ongoing supply-demand imbalance.
- Rental yields have softened slightly as dwelling values have increased more, though they remain above major eastern states due to relatively lower prices (while rents are more comparable).

Overall, the market has performed strongly, characterised by elevated demand, limited available stock and ongoing rental pressure.

Sale Price
and Volume

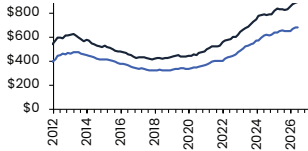
- Median Price
- Volume



Note: 12 months to Q1 of each year (settled transactions).
Settled-transaction medians run below hedonic index measures;
CoreLogic reports ~\$1.05m at Jun-26 on an index basis.
Source: Pricerfinder; Urbis

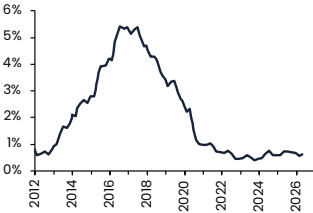
Rents

- Houses
- Units



Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

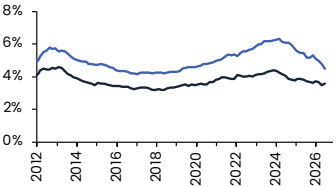
Rental
Vacancy



Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

Rental Yields

- Houses
- Units



Note: Calendar year, 2026 data up to March.
Source: SQM; Urbis

6.4 WA Debt & Financing Conditions Overview

WA Debt & Financing Conditions

WA lending conditions mirror SA in structure - smaller, thinner lender presence than on the east coast. Non-bank/private credit has increasingly become the marginal source of construction funding outside of major bank deals.

Similar to SA and other markets, elevated cash rate and severe labour shortage have continued to weigh in on build costs. This is evidenced by WA's construction cost index growth continuing to outpace the national average over the last 5 years (6.7% p.a. vs. 6.1% p.a.).

The practical consequence of tight feasibility and expensive finance is reflected in the current presale market, most notably in the Perth apartment sector. There has been evidence (API Magazine, Aug. 2026) about apartment developers re-negotiating or re-pricing off-the-plan contracts mid-project. This is considered a reasonably direct signal that development margins on a portion of current WA

apartment stock may be running at below feasibility threshold levels at commencement, and that buyers (and by extension financiers relying on presale cover) are increasingly underwriting development feasibility risk rather than pure market/comparable sales risk. This dynamic is considered more of a WA-specific risk factor, distinct from the SA market.

Meanwhile, greenfield developments have also seen growing feasibility pressure, off the back of trade-labour competition, high build costs and elevating land costs. While target margin remains 18-25% (on total cost), such feasibility pressure is compressing headroom for both developers and lenders.

In terms of purchaser financing, growth in new dwelling lending has been strongly investor-led. Over the five years to June 2026, Perth investor commitments to new loans for the purchase of new dwellings grew by around 180%. While owner occupier loan commitments continue to account for a larger share, growth has remained broadly flat over the past five years (Appendix C3), reflecting in part the cyclical nature of the WA market. Investors have also led loan growth over the past 12 months.

Indicative Residential Feasibility Benchmarks
Western Australia
(as at Q4 2025)

Project	Land / lot benchmark	Indicative margin (on cost)
Detached – greenfield	<ul style="list-style-type: none">Median lot price ranges \$370,000 – \$390,000 (as at Q4 2025, +15% YoY), with average prices exceeding \$1,000/sq.m, first time in over 4 years);Median lot at 375 sq.m	<ul style="list-style-type: none">Target range 18–25% based on Urbis experience, but land cost trend (+66% over 4 years to Q4 2025) and elevated build costs are compressing headroom
Townhouse/medium density	<ul style="list-style-type: none">N/A – infill under R30/R40 codes	<ul style="list-style-type: none">Rule-of-thumb 20%;Directionally likely at the tighter end (10–18%) given peak-capacity trade market
Apartments	<ul style="list-style-type: none">N/A – site value dependent	<ul style="list-style-type: none">Rule-of-thumb 20–25% band;Evidence of margin erosion below feasibility on a portion of current stock

Source: RBA, PricewaterhouseCoopers; EY; API Magazine, UDIA, Urbis

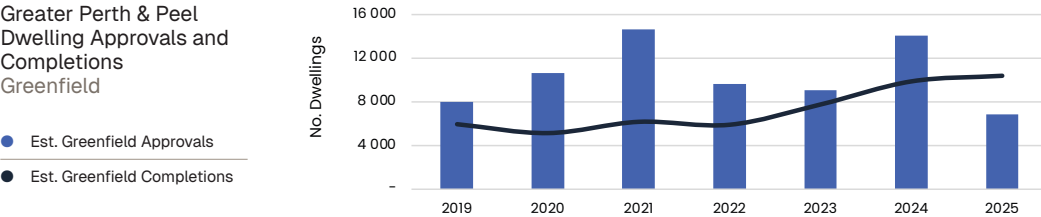
6.5 Greenfield vs. Infill Housing Delivery Trends

Western Australia's housing delivery has been structurally weighted towards greenfield supply, with approval and completion patterns pointing to a persistent lag between planning decisions and delivery on the ground.

- Greenfield approvals lifted sharply in 2021 and again in 2024, reflecting strong underlying demand and a pipeline consistently favouring outer growth areas, while completions have risen more gradually, highlighting the lag between approval and actual delivery.
- Infill approvals softened after 2021 and have remained subdued, pointing to growing feasibility challenges and weaker underlying demand in established areas.
- While infill completions recovered between 2023 and 2024, this likely reflects projects approved in earlier years working through the pipeline, rather than a sustained uplift in new approvals.
- The decline in both infill approvals and completions in 2025 highlights the greater challenges facing the infill markets.

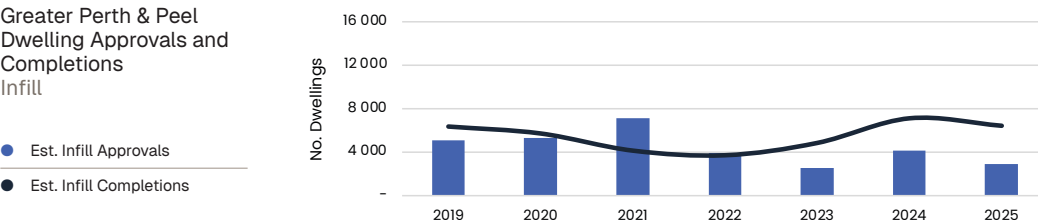
Western Australia's housing pipeline remains reliant on greenfield supply, while fragmented land ownership, slower infill approvals, increasing feasibility risk and limited builder capacity continue to constrain the speed at which new housing can respond to demand.

Greater Perth & Peel Dwelling Approvals and Completions
Greenfield



Note: Calendar Year. Completions data for 2025 based on Urbis estimate.
Source: ABS; Government of Western Australia; Urbis

Greater Perth & Peel Dwelling Approvals and Completions
Infill



Note: Calendar Year. Completions data for 2025 based on Urbis estimate.
Source: ABS; Government of Western Australia; Urbis

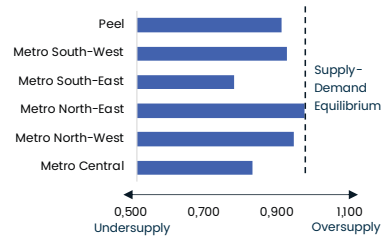
6.6 Supply & Demand Gaps Across Key Regions

At a metropolitan region level, indicatively, undersupply is more pronounced in regions that are:

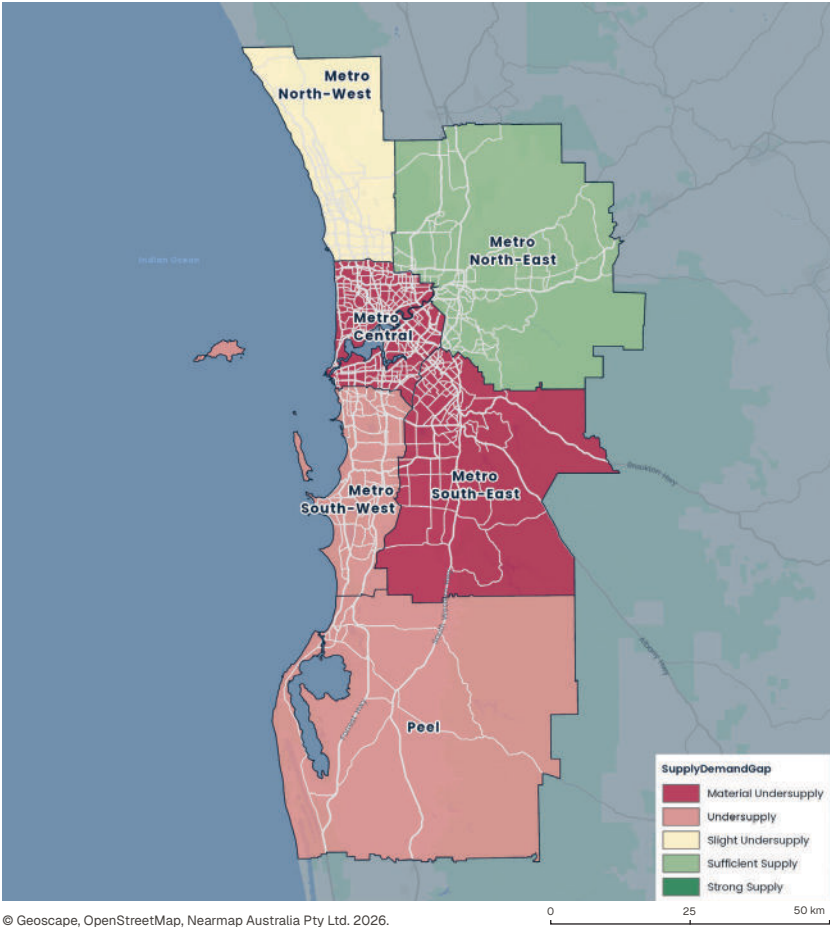
- More established, land-constrained parts of Perth, particularly Metro Central and Metro South-East that are also close to services and amenities.
- More affordable middle-ring to outer growth areas to the south such as South-West, Peel and also the greenfield parts of South-East (e.g. Armadale, Serpentine-Jarrahdale, etc.).

Outer growth corridors in the north have fared relatively better in general supply, due in part to higher prices thus lower affordability/demand

Indicative Supply-Demand Ratio



Note: The map classifies regions by their indicative cumulative dwelling supply-to-demand ratio from 2016-2025, with the methodology detailed in the appendix.
Source: ABS; WA Tomorrow; Cordell; Urbis



6.7 WA Residential Market Key Implications & Outlook

Short-term Supply Constraint Remains

Underlying dwelling demand has run well ahead of completions since 2022, peaking in 2023

The lag between new dwelling approvals and finished stock means supply cannot respond quickly, particularly where fragmented ownership delays land assembly.

With delivery still weighted towards greenfield and approvals running ahead of completions, the pipeline's capacity to convert demand into finished homes remains structurally constrained.

Subdued infill approvals and moderating infill completions in recent years suggest feasibility rather than demand is the binding constraint, pointing to continued reliance on outer greenfield supply.

Elevated costs remain a bottleneck for supply, with construction cost index growth in WA continuing to outpace the national average over the last 5 years (6.7% vs. 6.1% p.a.).

Uneven Supply vs. Demand across Regions

WA's housing supply shortfall is broad rather than localised, with no region keeping pace with demand over the past decade.

Undersupply is concentrated more in established, land-constrained areas where access to quality services and amenities is more convenient, such as Metro Central and Metro South-East.

Even outer growth corridors such as Peel and Metro South-West, typically the main release areas for new supply, remain in undersupply. Lower price points have driven demand into these areas, though constrained land availability has more recently pushed prices higher.

In the above context, house prices will likely continue to rise across Perth in the short term. Outer growth regions are anticipated to grow at a higher pace relative to the more established central/inner markets, albeit growth will also likely start to moderate from the recent high levels due to growing affordability pressures.

Stable Long-term Growth Opportunity

Strong price growth, recovering sales volumes and record-low rental vacancy reflect structural undersupply and support a durable investment case, although negative-gearing and CGT changes may weigh more heavily on established-house investment and redirect some demand towards new stock.

Comparatively affordable entry prices and elevated rental yields relative to the eastern states (Appendix C1) should keep attracting interstate buyers and investors, even as yields compress modestly as dwelling values rise.

Without a sustained uplift in both greenfield and infill supply, population-driven demand is likely to keep pressuring affordability and rental availability.

07

WA INDUSTRIAL MARKET

7.1 Perth Industrial Land Supply Overview

Greater Perth's industrial precincts are concentrated across the Metro Central, South-West and North-West sub-regions, which together form the metropolitan area's principal industrial, freight and logistics network.

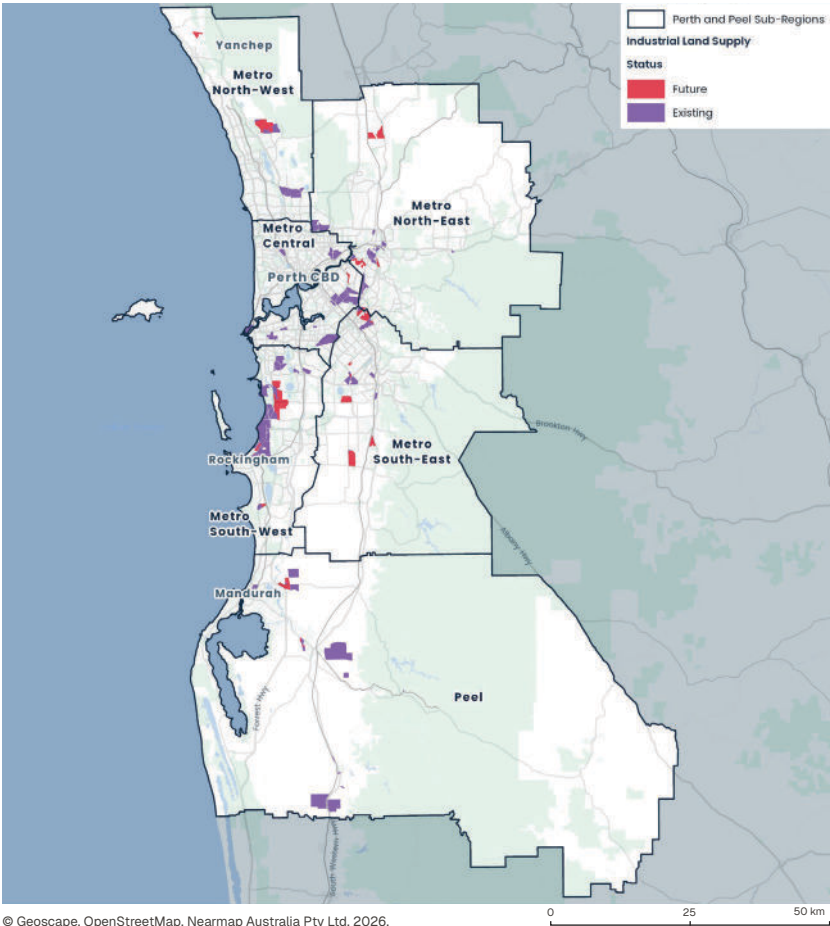
Existing precincts benefit from proximity to Fremantle Port, Perth Airport and major road and rail corridors, supporting efficient access to key employment areas and trade gateways.

Future industrial land is more dispersed across the outer metropolitan area, with notable supply identified in the North-West, North-East, South-East and Peel sub-regions.

This provides substantial capacity to accommodate longer-term industrial and employment growth, particularly as established inner and middle-ring precincts become more constrained.

However, the timing of rezoning, servicing and infrastructure delivery will remain important in determining when this future land can respond to market demand.

Source: Perth and Peel Urban Development Outlook; Urbis



7.2 Perth Industrial Land Supply & Demand

According to data sourced from the Perth and Peel Urban Development Outlook, and shown in the adjacent table,

- Across Greater Perth, the largest shares of existing industrial land sit within Metro South-West (3,600 ha) and Metro Central (3,000 ha), reflecting established precincts close to the metropolitan core and the Kwinana/Rockingham corridor.
- Future supply is more evenly spread, led by Metro South-East (1,265 ha) and Metro South-West (1,245 ha), with Metro Central's allocation comparatively minimal given it is largely built out.
- Peel holds the largest existing supply outside the core metro regions. However, circa 3,000 ha of the existing 4,055 ha stock is comprised of two Alcoa Corporation (major aluminium manufacturer) facilities, reducing capacity suitable for general industrial uses.

Of the 13,985 ha of existing stock, only around 860 ha remains vacant zoned land (2025), of which 220 ha is development-ready. The balance of approximately 640 ha is zoned land yet to be serviced with enabling infrastructure (roads, power, water). Against consumption of 100-110 ha per annum, up from a pre-COVID 60-70 ha, this equates to only 2-3 years of effective supply, contingent on infrastructure delivery to the remaining zoned land.

A further 870 ha of potential capacity will likely be unlocked within the next five years, most of which within the North-East region. However, servicing of this additional capacity will likely remain a key challenge.

Greater Perth & Peel Region
Industrial Land Supply
2025

Source: Government of Western Australia; Perth and Peel Urban Development Outlook; Urbis

Region	Existing Stock (ha)	Future Supply
Metro Central	3,000	100
Metro North-West	1,050	780
Metro North-East	1,480	750
Metro South-East	800	1,265
Metro South-West	3,600	1,245
Peel	4,055	340
Total	13,985	4,480

860 ha

Remaining vacant zoned land 2025

100-110 ha

Annual land consumption 2021-25

220 ha

Development-ready supply 2025

2-3 years

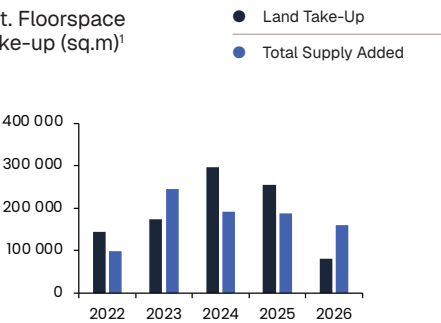
Effective supply capacity remaining

~870 ha

Potential capacity to be unlocked within 5 years

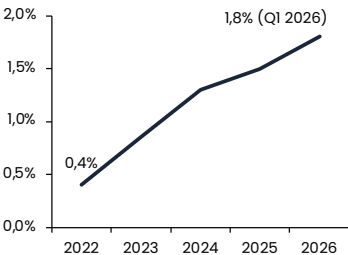
7.3 Recent Development Activity

Est. Floorspace
Take-up (sq.m)¹



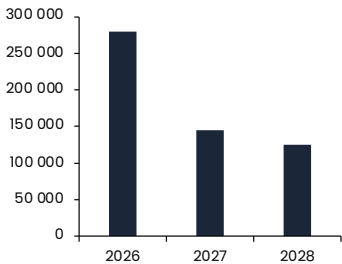
1. For transactions of assets larger than 3,000 sq.m, for year ending Q1.
Source: CBRE; Urbis

Average Vacancy



Note: Vacancy for prime assets >3,000 sq.m. 2026 data as at Q1.
Source: CBRE; Urbis

Development Pipeline
(sq.m)



Note: Indicative data for all industrial development.
Source: Agency Consensus; Urbis

Industrial demand across Greater Perth has remained robust despite a moderation since 2024. Transactions of assets of above 3,000 sq.m, roughly 952,000 sq.m of total floorspace was taken up over the past 4 years. This compares with a total addition of roughly 884,000 sq.m floorspace.

Take-up has trailed demand in Q1 of 2026, however consistent excess demand from previous years suggests that the gap will close in subsequent quarters.

Perth's industrial vacancy has risen gradually from 0.4% in 2022 to 1.8% in 2026, and remains the tightest of any Australian capital city (CBRE 1.0%, H1 2026), reflecting sustained occupier demand across key industrial precincts.

Development activity is expected to remain elevated, with around 550,000 sq.m of industrial floorspace anticipated to be delivered between 2026 and 2028.

Importantly, approximately 74% of the forward pipeline is pre-committed, limiting speculative supply and reflecting continued occupier demand for new industrial accommodation.

7.4 Key Performance Metrics

Western Australia's industrial market remains supported by strong occupier demand, tight supply and the State's broader economic resilience.

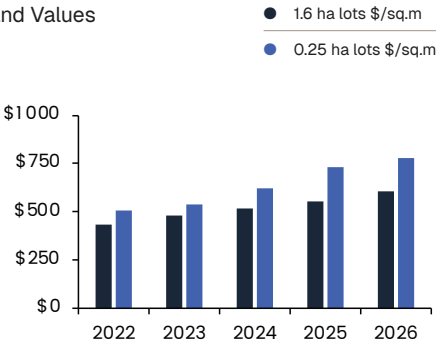
Sale price and land values have continued to rise, with smaller lots achieving a premium due to strong owner-occupier, trade and last-mile logistics demand.

Rental growth has also been recorded across super prime, prime and secondary stock, reflecting limited availability and sustained demand from mining services, transport, warehousing and logistics occupiers.

While capital flows softened after the 2022 peak amid higher interest rates, valuation uncertainty and weaker transaction activity, recent years indicate a gradual recovery in investment appetite.

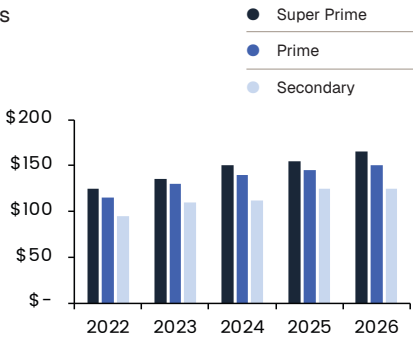
Overall, the market remains supply-constrained, income-supported and well positioned, with investor confidence underpinned by ongoing rental growth.

Land Values



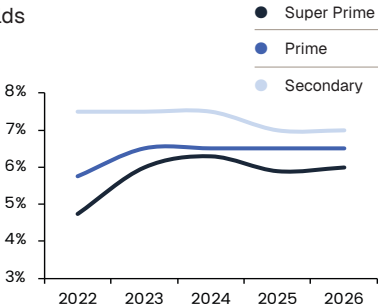
Note: Calendar year, 2026 is part-year and not annualised.
Source: CBRE; Urbis

Rents



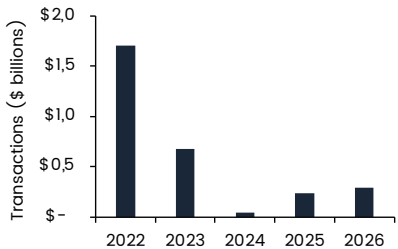
Note: Q4 of each year except 2026, Q1.
Source: CBRE; Urbis

Yields



Note: Q4 of each year except 2026, Q1.
Source: CBRE; Urbis

Capital Flows



Note: 12 months to Q1 for each year.
Source: RCA; Urbis

7.5 Market Transaction Evidence

25 Delawney Street, Balcatta



Purchaser	AGEM Property Group
Price	\$21.5m
Land area (sq.m)	8,590
Sale rate (\$/ sq.m of land)	\$2,500
Date Sold	Q4 2025
Location	Balcatta, 10km north of CBD
Sector use	Industrial, pharmaceutical manufacturing

Source: RWC, The Industrialist; Urbis.

2–10 Kewdale Road, Welshpool



Purchaser	Leyton Funds
Price	\$20.6m
Land area (sq.m)	18,200
Sale rate (\$/ sq.m of land)	\$1,132
Date Sold	Q1 2026
Location	Welshpool, 12km from cbd
Sector use	Industrial, warehousing (mining & engineering services)

Source: Leyton Funds; Cushman & Wakefield, The Industrialist; Urbis

7-11 & 25-27 Gauge Circuit, Canning Vale



Purchaser	Centuria Capital Group
Price	\$38.6m
Land area (sq.m)	41,400
Sale rate (\$/ sq.m of land)	\$932
Date Sold	Q1 2025
Location	Canning Vale, 22km south of CBD
Sector use	Industrial, warehouse & distribution

Source: Centuria Capital Group, Colliers; Urbis.

7.6 WA Industrial Market Implications & Outlook

Supply Constraints

Existing industrial supply is concentrated in the established Metro Central and Metro South-West precincts, while future supply is more dispersed across the outer metropolitan area, positioning these outer sub-regions as the primary release valve as inner precincts become increasingly constrained.

Metro Central's future allocation is minimal given the precinct is largely built out, meaning its role in meeting future demand will diminish over time relative to the outer sub-regions.

While there is still significant future supply earmarked across the outer growth regions, bringing this future supply to market is contingent on the timing of rezoning and infrastructure servicing, without which the headline land bank overstates what is genuinely available to occupiers.

Market Performance

Sustained occupier demand has kept vacancy levels in Perth the tightest of any major capital cities, rising only gradually from 0.4% in 2022 to 1.8% in 2026 (Q1 26).

This scarcity continues to sustain rising land values and rents across super prime, prime and secondary grades, reflecting strong owner-occupier, trade and logistics demand.

The capital flow recovery that began in late 2025 was underpinned by expectations of continued rate cuts, a view that shifted once the RBA returned to hiking in February, lifting the cash rate to 4.35% by May (on hold since June).

A prolonged cash rate hold at the current level will likely lead to a slower, more gradual rebuild in investment appetite with yields holding broadly steady. Should the RBA return to rate cuts later this year or into 2027, the market would likely see capital flows accelerate back toward pre-2022 levels and potentially support renewed yield compression.

Industrial Pipeline

Effective supply capacity sits at only 2–3 years based on recent consumption trends, pointing to tighter conditions in the short term.

Development activity is expected to remain elevated through to 2028, though take-up has consistently outpaced additions in recent years, meaning new supply is likely to be absorbed quickly rather than easing the current imbalance.

Sustained demand suggests the recent gap between take-up and supply is a timing issue rather than a shift in underlying demand, supporting a constructive medium-term outlook for existing stock.



08

REGIONAL WESTERN AUSTRALIA MARKETS

8.1 Selected Regional WA Markets

Regional WA's major centres present distinct economic and development profiles.

Port Hedland/Karratha, Greater Geraldton, Greater Bunbury (including the Greater Bunbury, the Shire of Capel, the Shire of Dardanup, and the Shire of Harvey) and Albany have been selected as prominent non-metropolitan markets that have gained traction in recent years.

- Port Hedland/Karratha are resource-led markets supported by high incomes, a more seasonal employment base driven predominantly by major mining projects.
- Greater Geraldton, Greater Bunbury and Albany have more diversified local economies, benefiting from a mix of activities involving tourism, regional services, agriculture, and increasingly renewables.

This section assesses population and demographic trends across these regional markets, alongside their employment, visitation and investment market profiles. Together, these indicators provide insights into each market's resilience and future growth outlook.



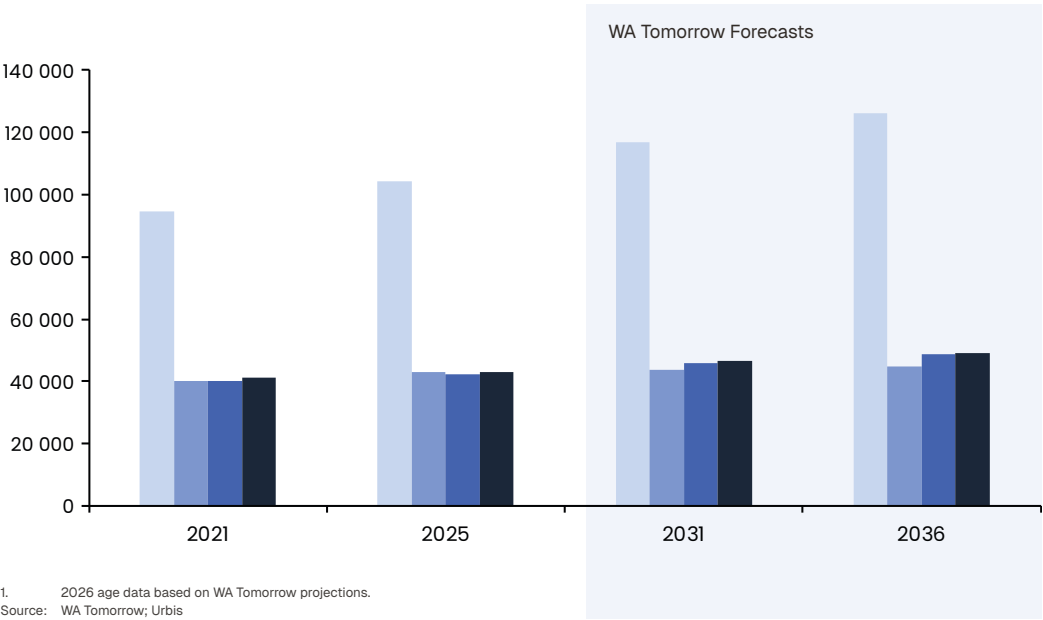
8.2 Population

Population is forecast to continue growing steadily across all selected regional centres over the next decade, although the pace will vary by market.

- Greater Bunbury as a city-region comprising four local government areas has the largest resident population base across the four regional markets. It is also projected to record the strongest growth over the next decade, supported by its diversified economy and its role as the South West's primary regional centre.
- Albany and Greater Geraldton are also expected to grow steadily as established regional service hubs.
- Port Hedland/Karratha are forecast to experience more modest growth, reflecting the cyclical nature of resource-sector investment and employment.

Historical & Forecast Population

- Greater Bunbury
- Port Hedland/Karratha
- Albany
- Greater Geraldton



8.3 Demographics

Port Hedland/Karratha stand out as a younger, higher income and rental-heavy market, reflecting its strong exposure to the resources sector and a highly mobile workforce with a significant proportion of FIFO (Fly-in, Fly-out) workers in supporting major mining projects.

Its lower home ownership and high share of residents living at a different address five years ago also point to a transient employment-driven population.

Meanwhile, Greater Geraldton has the profile of a more established regional service centre, with lower incomes, higher unemployment and a more stable owner-occupier base.

Bunbury appears more diversified, supported by its larger regional city role, proximity to Perth, lifestyle appeal and broader employment base.

Albany has an older and more settled demographic profile, with higher outright ownership and lower incomes, consistent with a lifestyle, retirement and service-based regional economy.

Source: ABS; Urbis

Key Demographics
2021

	Port Hedland/ Karratha	Greater Geraldton	Greater Bunbury	Albany	Non-Metro WA
Population (2025)	43,170	42,880	104,390	42,310	591,620
Average Age	31.4	39.4	40.1	43.2	40
Income					
Est. Average Personal Income	\$188,700	\$104,100	\$107,500	\$91,300	\$110,000
Average personal income (15+)	\$74,100	\$48,200	\$60,900	\$44,200	\$50,900
Households					
Avg. Household Size	2.7	2.4	2.4	2.3	2.4
Owned Outright	7.8%	32.2%	31.8%	38.0%	34.1%
Under Mortgage	23.1%	36.8%	41.8%	33.8%	33.7%
Rented	69.1%	31.0%	26.4%	28.2%	32.2%
Employment					
White collar	50.8%	61.7%	57.3%	64.3%	58.3%
Unemployment	3.1%	5.3%	4.7%	3.9%	4.2%
Migration					
Overseas Born	23.0%	14.9%	20.7%	19.6%	19.8%
Different Address 5 Years Ago	65.2%	40.6%	39.8%	41.9%	42.4%

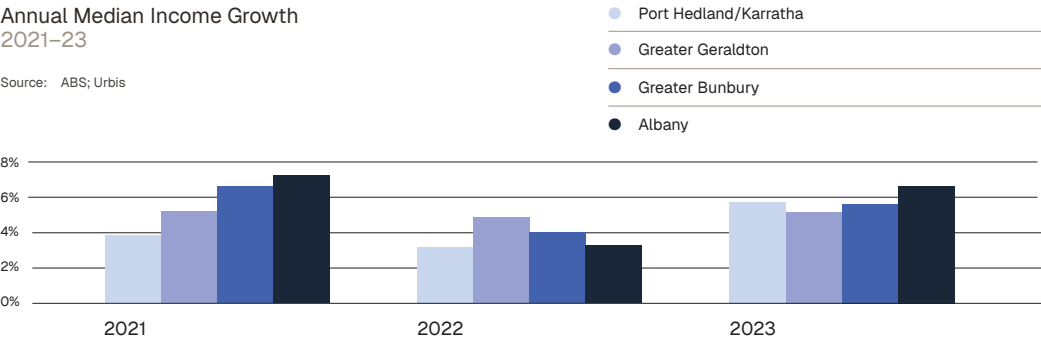
More recent data reinforces the 2021 profiles for the four regional markets. Incomes have risen across all four regions while the age structure has skewed further towards older cohorts.

- Port Hedland/Karratha recorded the lowest income growth of the four markets in 2021, off a significantly higher income base, before rebounding to 5.9% by 2023. Such rebound points to potential flow-through from energy and resource sectors, suggesting exposure to project cycles.
- The relative stabilisation of income growth across the remaining three regional markets points to a more diversified employment base.
- Potential age profile changes as per WA Tomorrow projects suggest that over-75s may have grown significantly over the past 5 years across all regions.
- Meanwhile, the under-10s cohorts may have seen either minimal change or decline in share while 40–44-year-olds rose 10–20% over the same period, suggesting that growth is anticipated to be more relocation-driven rather than from local family formation.
- Note that smaller population base in regional areas makes older cohorts prone to large percentage swings from modest changes, as exemplified in Port Hedland/Karratha with the 80+ age groups.

In summary, the above trends would support seniors living and health infrastructure investment as an opportunity, most pronounced in Albany's already older population base.

Annual Median Income Growth
2021–23

Source: ABS; Urbis



Population Change by Age
2021–26

1. 2026 age data based on WA Tomorrow projections.
Source: WA Tomorrow; Urbis

Age	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	75–79	80–84	85+
Greater Geraldton	-6%	-4%	4%	15%	3%	7%	1%	5%	13%	-3%	-1%	4%	3%	19%	11%	36%	25%	18%
Greater Bunbury	4%	-3%	2%	19%	10%	8%	1%	8%	15%	4%	0%	7%	5%	22%	10%	45%	29%	28%
Albany	1%	-2%	-2%	14%	4%	2%	2%	9%	14%	-2%	-1%	4%	3%	13%	11%	36%	22%	20%
Port Hedland /Karratha	-12%	-1%	12%	27%	9%	3%	-2%	4%	20%	5%	4%	4%	13%	31%	10%	48%	-5%	50%

8.5 Employment

The resident worker profile shows the industries which residents of each area are employed. It highlights the varying economic specialisation and employment bases across the regional centres

- Port Hedland/Karratha have a specialised workforce, with mining accounting for 27% of local workers, well above the Western Australia average of 8%. This is not accounting for seasonal mining FIFO workers who do not reside in the region.
- Greater Bunbury, Albany and Greater Geraldton have more diversified, service-oriented employment profiles, driven by population services such as health care and social assistance, retail trade, education and training, and construction.
- Agriculture accounts for a greater share of employment among Albany residents, while manufacturing is more prominent among Greater Bunbury residents.

Resident Worker Profile
2021

Source: ABS; Urbis

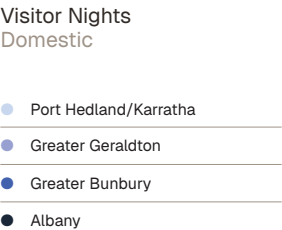
		Port Hedland/ Karratha	Greater Bunbury	Albany	Greater Geraldton	Western Australia
Pop. Services	Retail Trade	6%	10%	12%	11%	9%
	Accommodation & Food Services	5%	6%	9%	8%	7%
	Education & Training	8%	9%	10%	11%	9%
	Health Care & Social Assistance	9%	15%	18%	16%	14%
	Public Administration & Safety	6%	5%	6%	7%	6%
	Arts & Recreation Services	1%	1%	1%	1%	2%
	Other Services	4%	4%	4%	5%	4%
Business Services	Information Media & Telecommunications	0%	1%	1%	0%	1%
	Financial & Insurance Services	0%	1%	1%	1%	2%
	Rental, Hiring & Real Estate Services	2%	1%	1%	1%	1%
	Professional, Scientific & Technical Services	2%	3%	4%	4%	7%
	Administrative & Support Services	4%	3%	3%	3%	3%
Primary & Industrial	Agriculture, Forestry & Fishing	0%	3%	5%	3%	2%
	Mining	27%	8%	2%	7%	8%
	Manufacturing	3%	10%	5%	3%	6%
	Electricity, Gas, Water & Waste Services	2%	2%	1%	1%	1%
	Construction	9%	11%	10%	10%	9%
	Wholesale Trade	2%	2%	3%	3%	3%
	Transport, Postal & Warehousing	8%	4%	4%	7%	5%

8.6 Visitation Market
— Visitor Nights

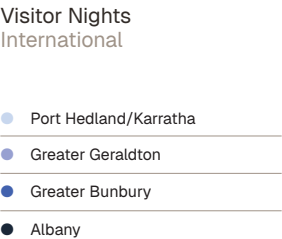
Domestic visitor nights remain the primary source of visitation across the selected regional centres, with Port Hedland/Karratha accounting for the largest share, supported by the Pilbara’s significant resources-sector activity.

International visitor nights have been lower and more variable. Following a sharp pandemic-related decline, activity began to rebuild from 2022 and recorded a more pronounced rebound from 2023 onwards, with 2025 showing the strongest uplift.

Growth was broad-based across the four regional WA markets, led by Greater Bunbury, while Port Hedland/Karratha, Greater Geraldton and Albany also strengthened.



Note: 2024 is the last reporting year for domestic visitor nights by region.
Source: TRA; Urbis



Note: 2021 data unavailable due to COVID-19 disruptions.
Source: TRA; Urbis

8.7 Visitation Market Composition — Domestic

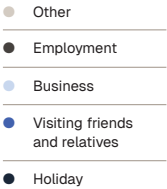
Domestic visitor demand reflects each area's core market base. Port Hedland/Karratha are strongly business-driven, reflecting the Pilbara region's mining, port and industrial activity. This departs significantly from the rest of the state which has a larger share of holiday-goers and those visiting friends and relatives.

Greater Geraldton has a more balanced profile, supported by holiday travel, visiting friends and relatives, and its role as a Mid West service centre that generates sizeable business-related travel.

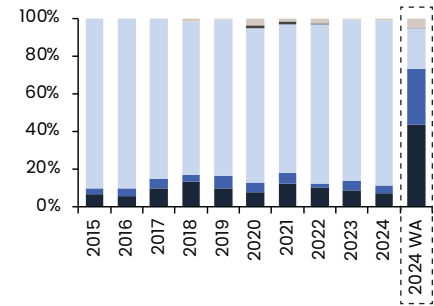
Greater Bunbury is mainly driven by visiting friends and relatives and holiday travel, reflecting its regional population, proximity to Perth and role as a South West hub.

Albany is the most leisure-oriented market, with strong holiday demand tied to its natural attractions, heritage and touring appeal, closely aligning with WA's overall visitor profile.

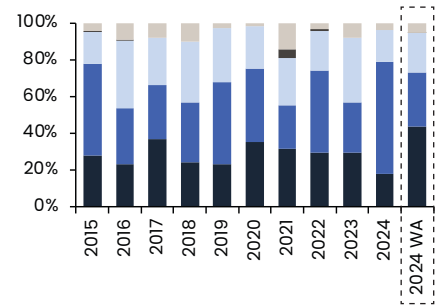
Visitation Purpose



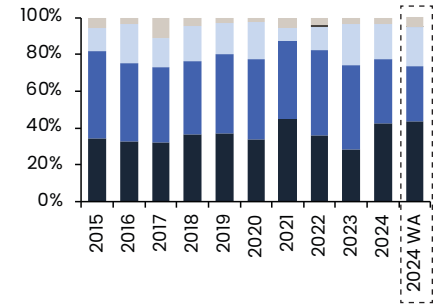
Port Hedland/Karratha



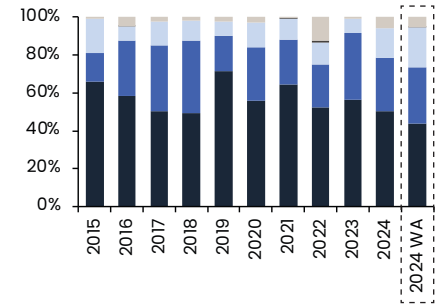
Greater Geraldton



Greater Bunbury



Albany



Source: TRA; Urbis

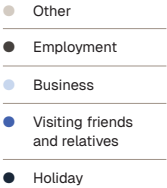
8.8 Visitation
Market Composition
— International

When looking internationally, Port Hedland/Karratha remain workforce-oriented markets, with visitation largely shaped by employment and business travel linked to the resources sector.

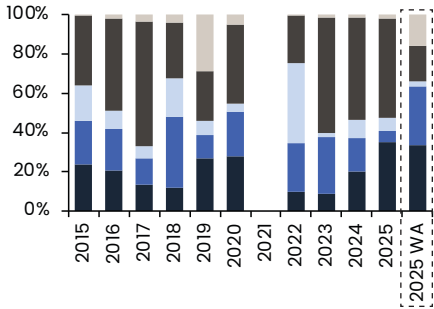
Similar to their domestic visitation profile, Greater Geraldton and Greater Bunbury are more community and leisure-oriented, with visiting friends and relatives forming a substantial share of visitation purpose.

Albany retains its leisure focus, supported by holiday travel and its established appeal as a regional tourism destination.

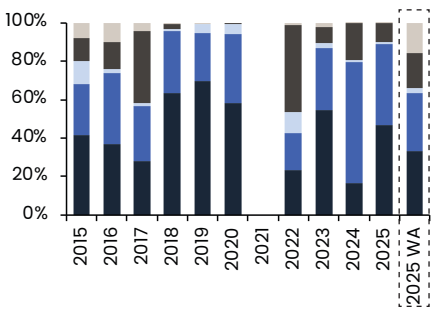
Visitation Purpose



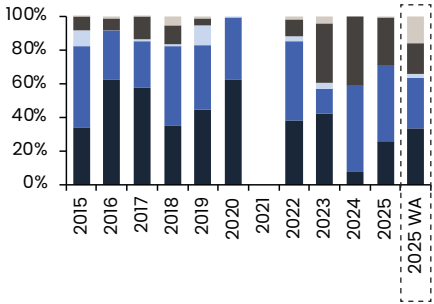
Port Hedland/Karratha



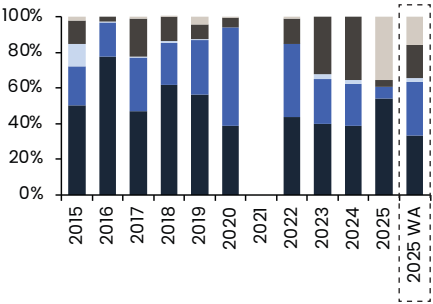
Greater Geraldton



Greater Bunbury



Albany



Note: 2021 data unavailable due to COVID-19 disruptions.
Source: RA; Urbis

8.9 Capital Investment Drivers

As regional markets with smaller population base, the four cities rely on external investments to drive economic activity and growth. The types of investment also reflect their different role and in a sense market specialisation.

- Port Hedland/Karratha have the largest identified pipeline, led by major renewables, resources and infrastructure projects such as Pluto 2, Perdaman, Yara Green Ammonia, the Port Hedland Iron Project, AREH and BHP Port Debottlenecking. These projects are expected to sustain construction and operational workforce demand through to late 2020s and beyond.
- Accommodation investment is correspondingly concentrated in the Pilbara and is predominantly worker-focused. Projects such as The Ranges Stage 2, Bayview, South Hedland Village, Waypoint Village and South Hedland Regional Accommodation will provide a mix of worker villages, modular rooms, short-stay accommodation and employee housing.
- Greater Geraldton, Greater Bunbury and Albany have smaller pipelines, with investment more heavily focused on infrastructure and renewable energy. These projects will support regional employment, improve enabling infrastructure and strengthen the role of each market as a regional service centre.

Indicative Investment Pipeline¹

Port Hedland /Karratha	\$122.4B ²	Renewables:	\$62.2B
		Resources:	\$51.2 B
		Infrastructure:	\$3.9B
		Mining:	\$4B
		Accommodation:	\$1.1B
Greater Geraldton	\$4.7B	Renewables:	\$4B
		Resources:	\$557M
		Infrastructure:	\$71M
		Accommodation:	\$50M
Greater Bunbury	\$2.2B	Infrastructure:	\$2.1B
		Renewables:	\$100M
		Accommodation:	\$12M
Albany	\$208M	Infrastructure:	\$160M
		Accommodation:	\$26M
		Residential:	\$22M

1. Data captures all known approved and proposed projects (including projects in feasibility, pre-FID, exploration and other early planning stages) with an estimated value of \$1 million or above. Projects without an attributed value are excluded from the totals shown, which may understate the pipeline in markets with large projects at early planning stages. Refer to the appendix for a list of major projects in each region.

2. Includes ~\$92.1bn of projects at pre-Final Investment Decision (FID) or earlier; committed and under-construction value is ~\$30.2bn.

Source Urbis Research

8.10 Regional WA Markets
Key Implications & Outlook

Port Hedland/Karratha

Population growth is likely to remain closely tied to major resources, port and energy investment, supporting demand but also creating greater exposure to project cycles.

A workforce-oriented population profile should sustain rental and short-term accommodation demand.

Mining, construction, transport and supporting services will remain the key employment engines, with the major capital pipeline expected to maintain elevated workforce requirements through the medium term.

Greater Geraldton

Greater Geraldton's role as the Mid West's principal service centre should support continued population growth and a more stable expansion in residential demand.

Its mix of families, workers and lifestyle residents provides a broader demand base than the more resources-dependent Pilbara markets.

Port expansion, renewable energy and green industry projects could materially strengthen employment growth, although the timing and scale of this uplift will depend on projects progressing through approvals and investment decisions.

Greater Bunbury

Population growth is expected to be strong, supported by lifestyle appeal, proximity to Perth and Greater Bunbury's role as the major service centre for the South West.

A diversified mix of health, education, retail, construction and manufacturing should support relatively resilient housing demand and reduce reliance on any single industry.

Greater Bunbury is emerging as relatively affordable coastal alternative within convenient reach of Perth, supported by improving transport links and its gateway role to the South West.

Albany

Albany's established resident base and lifestyle appeal should support solid population growth over the next decade.

An older, settled population and employment concentrated in health, education, retail, tourism and agriculture should sustain consistent demand with comparatively lower cyclical exposure.

Albany's strong nature, coastline and heritage offering is likely to support continued visitation and demand for accommodation, hospitality and tourism services.

APPENDICES

Appendix A: Methodology, definitions & assumptions

Residential Supply & Demand Gap Methodology

The regional housing supply-demand gap analysis assesses the balance between new dwelling supply and indicative housing demand across Western Australia (6 metropolitan regions) and South Australia (10 metropolitan regions). Indicatively, this methodology enables identification of regions with structural undersupply or oversupply conditions. Key calculation steps are outlined below:

Step	Calculation	Description
1. Population Change	Year-on-year population change	Derived from ABS Estimated Resident Population (ERP) dataset at SA2 and LGA levels, aggregated to regional boundaries.
2. Household Size	Year-on-year household size change	Uses average household size derived at the SA2 level from ABS Census data (2011, 2016, 2021) for each region, with trend forecasts to 2026 applied to more recent years, adjusted to reflect household formation patterns in infill vs. greenfield areas. Household size varies by region and year and is aggregated to regional boundaries for this calculation.
3. Indicative Housing Demand	Population Change ÷ Average Household Size Assumptions	Translates population growth into dwelling unit demand. Uses regional household size assumptions that vary by area and may trend over time. Occupancy factor also considered to account for unoccupied/vacant stock as part of overall demand.
4. Dwelling Supply	Annual dwelling completions	Sourced from building completion data from the ABS at a state and SA2 levels where available, aggregated by region. WA 2025 completions data at a local SA2 level is based on Urbis' estimates, considering new dwellings approval trends, reconciled with overall state level completions.
5. Cumulative Demand	Running total of annual demand	Accumulated from base year (2016) to most recent year (2025).
6. Cumulative Supply	Running total of annual completions	Accumulated from base year (2016) to most recent year (2025).
7. Supply-Demand Gap	Cumulative Supply – Cumulative Demand	Positive = indicative oversupply; Negative = indicative undersupply
8. Supply-Demand Ratio	Cumulative Supply ÷ Cumulative Demand	<0.90 (dark red): Material undersupply 0.90–0.95 (pink): Undersupply 0.95–0.975 (yellow): Slight undersupply 0.975–1.1 (light green): Sufficient supply >1.1 (dark green): Strong supply

Note: The 2026 Census is conducted on 11 August 2026, with first results due June 2027. The calculations above therefore rely on the ABS Estimated Resident Population (ERP) data.

Appendix A: Methodology, definitions & assumptions

Industrial Land Definitions

Key Factors	Urbis Comment
Consumption	Industrial land consumption is the process of land use status changing from being vacant to occupied. This typically follows development activity on vacant land.
Vacant Land	Land is vacant with no development occurring.
Zoned & Vacant Industrial Land	Land currently vacant and available for development and zoned for industrial land use. Zoned supply might or might not be serviced for utilities (road, drainage) depending on the region being reviewed. Zoned and Vacant land figures for South Australia are derived from the Greater Adelaide Regional Plan, April 2026 release. Figures for Western Australia are sourced from the Perth and Peel Urban Development Outlook (2025).
Effective Vacant Land Supply	<p>Effective land supply includes but is not limited to zoned industrial land that is serviced and unencumbered by development barriers such as:</p> <ul style="list-style-type: none">• Lack of servicing contamination or environmentally impacted land such as flood zones• Inundation or topography• Restrictions in land use due to lease structures• And is included in the metropolitan boundaries. <p>For the purpose of estimating effective supply, the underlying assumption is that supply is within or in proximity to existing industrial estates.</p> <p>Effective land supply is expected to be considerably lower compared to Govt. estimates, due to lack of stakeholder engagement and land developability constraints.</p>
Years of Effective Supply Remaining	Calculated by applying the 5-year average annual consumption rate to the volume of effective supply in a region. The calculated remaining years of supply is more of an indication for the short term supply capacity of strategically located, development ready land within a region, and does not suggest the lack of or adequacy of longer term supply.
Proposed Future Industrial Land	Future industrial land supply identified in state strategic planning documents, such as the Greater Adelaide Regional Plan, etc. but yet to go through the formal planning process.

Appendix A: Methodology, definitions & assumptions

Industrial Land Consumption
Forecast Methodology

Projections for industrial land consumption are based the key factors noted below that influence demand for industrial land:

Key Factors	Urbis Comment
Population Growth	Considered the key driver of industrial land consumption, with demand being directly driven by population increase.
Macro-Economic Trends	The RBA returned to tightening in February 2026, lifting the cash rate to 4.35% by May. Elevated funding costs continue to weigh on development feasibility.
Discretionary Spending	Spending levels have held up better than expected, but elevated rates and cost-of-living pressure continue to weigh on discretionary categories. A sustained recovery is not assumed until rates ease.
E-commerce	While the surge in e-commerce levelled off post the COVID-19 pandemic, it will remain as a key demand driver as the online retail spending market continues to expand.
Land Availability	Adelaide and Perth both face acute short-term constraints. Servicing of already-zoned land, rather than rezoning, is the binding constraint on near-term availability.
Future Development	Although the actual timelines for delivery largely depend on the planning process, the existing industrial development pipeline offers insights into the strong future activity in the market.
Asset Allocation	The emergence of alternative industrial land applications such as data centres and renewables will generate new demand in addition to demand from the more conventional users.
Cost Pressures	While there are already indications of improvement, cost levels remain high with minimal chances of reverting back to historical averages.
Competitive Landscape	Factors including rental differential, incentives and taxes would also influence demand for industrial space across the key markets.

Appendix B1: Port Hedland major future projects

Note: The list provided is not exhaustive
Source: Urbis research

Project Name	Industry	Value	Start	Completion
Australian Renewable Energy Hub (export via Lumsden Point)	Renewables	~\$55 billion	2028	2030s
Pilbara Hydrogen Hub – Boodarie common-user infrastructure (Cth + State)	Renewables	\$140 million	2024	TBC
POSCO Port Hedland Iron Project	Resources	Up to ~\$27 billion	TBC	2030s+
BHP Port Debottlenecking Project 2	Infrastructure	\$1.4 billion	2025	2028
Lumsden Point General Cargo Facility	Infrastructure	\$662 million	2023	Late 2026
BHP Port Hedland Community Package (Hedland SHS, aquatic centre, housing – RCII)	Infrastructure	\$160 million	2026	2029
South Hedland Village Mixed Use Development	Accommodation	\$500 million	2027	2032
44–46 Anderson Street Hotel	Accommodation	\$80 million	2027	2029
Waypoint Village Worker Accommodation Expansion	Accommodation	\$79 million	2027	2032
BHP 12 Dempster Street Grouped Dwelling Development	Accommodation	\$63 million	2027	2033
South Hedland Regional Accommodation (SHRA)	Accommodation	\$60 million	2028	2033
Seven Cities GROH Housing (Port Hedland)	Accommodation	Part of \$419 million statewide	2026	2030
Port Hedland Modular Hotel (302 rooms, SIBS)	Accommodation	TBC	2026	Late 2026

Appendix B2: Karratha major future projects

Note: The list provided is not exhaustive. Scarborough field development and Pluto Train 2 suggest combined total capital cost.
Source: Urbis research

Project Name	Industry	Value	Start	Completion
Scarborough/Pluto 2	Resources	~\$17.7 billion	2021	2026
Perdaman Urea Plant	Resources	\$6.5 billion	2023	2027
Yara Green Ammonia Phase 2 & 3	Renewables	\$4.44 billion	2028	2030
Hexagon Phase 1–3 (WAH2 Hydrogen Project)	Renewables	\$1.6 billion	2028	TBC
Pilbara Solar & Storage Project – Phase 1	Renewables	\$600 million	2025	2026
Woodside Solar Project	Renewables	\$300 million	2027	TBC
Yuri Renewable Hydrogen and Ammonia	Renewables	\$87 million	2022	2027
Andover Lithium Project	Mining	\$1.7 billion	2028	2030
Mardie Salt & Potash Project	Mining	\$1.4 billion	2023	2027
Eramurra Solar Salt Project	Mining	\$850 million	2027	TBC
Rio Tinto Parker Point Desalination Phase 2	Infrastructure	\$606 million	2026	2027
Rio Tinto Parker Point Desalination Plant Phase 1	Infrastructure	\$400 million	2024	2026
CCS – Santos	Infrastructure	\$335 million	2027	TBC
CCS – Project Angel (Lambert West)	Infrastructure	\$200+ million	2027	TBC
Burrup Maitland Pipeline	Infrastructure	\$166 million	2027	2030
The Ranges Stage 2 at 166 De Witt Road	Accommodation	\$150 million	2025	2027
Bayview redevelopment at 275 Bayview Road	Accommodation	\$120 million	2025	2027

Appendix B3: Greater Geraldton
major future projects

Note: The list provided is not exhaustive
Source: Urbis research

Project Name	Industry	Value	Start	Completion
Murchison Green Hydrogen	Renewables	Multi-billion	TBC	2030s
Oakajee Green Hydrogen & Ammonia	Renewables	Multi-billion	TBC	2030s
Green Ammonia Plant Narngulu Industrial Estate	Renewables	\$3 billion	2027	2030
Project GERI (Greater Geraldton Export-Scale Renewable Investment)	Renewables	\$1 billion	2029	2033
Greater Geraldton Port Maximisation (PMaxP)	Infrastructure	\$350 million	2026	2030s
Greater Geraldton Health Campus Redevelopment	Infrastructure	\$123 million	2024	2026 (oncology 2027)
Oakajee Industrial Area Activation	Infrastructure	\$60 million (State, to date)	Ongoing	Late 2020s
Champion Bay Senior High School Gymnasium	Infrastructure	\$24 million	2028	2030
65 Wilcox Road Caravan Park	Accommodation	\$50 million	2027	2029
Hackett Road Urban Village	Residential	\$60 million	TBC	TBC
Batavia Motor Inn Site Redevelopment	Residential	\$6 million	2025	2026
Mahomets Flats Dwellings	Residential	\$4.7 million	2025	2027

Appendix B4: Albany major future projects

Note: The list provided is not exhaustive
Source: Urbis research

Project Name	Industry	Value	Start	Completion
Great Southern Offshore Wind Farm – Proposed 1 GW	Renewables	Multi-billion	TBC	TBC
M4 Wave Energy Demonstration / Marine Energy Research Australia	Renewables	TBC	2024	2025 – trial complete
Flat Rocks Wind Farm – Stage 1 76 MW and Proposed Stage 2	Renewables	TBC	Stage 1 built; Stage 2 TBC	TBC
Albany Grasmere Wind Farm Repowering – 35.4 MW	Renewables	TBC	TBC	TBC
Port of Albany Offshore Wind Turbine Manufacturing Facility	Renewables	TBC	TBC – feasibility	TBC
Southdown Magnetite Project – Grange Resources / SRT–Sojitz JV	Mining	Multi-billion	TBC – pre-FID	TBC
Australian Silica Quartz Albany Project – Silica Sand	Mining	TBC	TBC – exploration	TBC
Allup Silica Pink Bark – Kaolin and Critical Minerals	Mining	TBC	TBC – exploration	TBC
Chester Pass Road Flyover – Albany Ring Road Final Stage	Infrastructure	\$60 million	2026	Late 2026
Albany Health Campus Expansion – 32-Bed Modular Ward	Infrastructure	~\$60 million	2026	Late 2020s
Albany Airport Runway Upgrade	Infrastructure	\$40 million	2026	2028
Albany Bicentenary 2026 Program – Including Spirit of Soldiers	Infrastructure	TBC	2026	2026
Hilton Garden Inn Hotel Stage 2	Accommodation	\$26 million	TBC	TBC
Middleton Beach Activity Centre – Hotel and Stage 1 Residential	Accommodation	TBC	Staged from 2021	Late 2020s
36–40 Spencer Street and 28 Stirling Terrace Grouped and Multiple Dwellings	Residential	\$22 million	2025	2027

Appendix B5: Greater Bunbury major future projects

Note: The list provided is not exhaustive
Source: Urbis research

Project Name	Industry	Value	Start	Completion
Bunbury Offshore Wind – Three Feasibility-Licensed Projects including Westward Wind	Renewables	Multi-billion	TBC – post-feasibility	2030s
Palmer Renewable Energy – Collie Solar and Battery, 66 MW Solar and 200 MW BESS	Renewables	TBC	TBC – approved 2025	TBC
HARRIS ROAD BATTERY ENERGY STORAGE SYSTEMS	Renewables	\$100 million	2027	2032
Greenbushes Lithium Expansion – Talison, Tianqi, Albemarle and IGO	Mining	TBC – multi-billion	TBC – PER/ERD 2025–26	TBC
Bunbury Outer Ring Road – Wilman Wadandi Highway	Infrastructure	~\$1.46 billion	2021	2024 – open; finishing works to 2026
Bunbury Regional Hospital Redevelopment	Infrastructure	\$471.5 million	2025	2020s
Transforming Bunbury's Waterfront – Stage 3.1	Infrastructure	\$76 million	2024	2026
Transforming Bunbury's Waterfront – Stage 3.2	Infrastructure	\$89.1 million	TBC	2029
Greenbushes–Bunbury Rail Recommissioning – Lithium Concentrate Haulage	Infrastructure	TBC	TBC – feasibility	TBC
Ocean Drive Holiday Accommodation Units Stage 1	Accommodation	\$7 million	2027	2029
Edith Cowan University South West Bunbury Campus Student Accommodation Development	Accommodation	\$5 million	2026	TBC

Appendix C1:
Residential Market
Metrics & Relative
Affordability

Comparison of Key Residential
Market Metrics (as at Q1 2026)

Unit	SA	WA	VIC	NSW	QLD
Median Unit Price	\$700,000	\$651,000	\$630,000	\$840,000	\$790,000
Median Unit Rent	\$560	\$680	\$605	\$755	\$650
Indicative Rental Yield (Unit)	4.2%	5.4%	5.0%	4.7%	4.3%
Unit Price-to-Income Ratio (as at 2025)	9.3	7.4	5.8	7.5	7.3

House	SA	WA	VIC	NSW	QLD
Median House Price	\$900,000	\$906,000	\$872,000	\$1,510,000	\$1,130,000
Median House Rent	\$685	\$895	\$820	\$1,135	\$845
Indicative Rental Yield (House)	4.0%	5.1%	4.9%	3.9%	3.9%
House Price-to-Income Ratio (as at 2025)	11.9	10.3	8.1	13.5	10.4

Note:

1.

Residential market metrics (prices, rents, yields) based on settled transactions for the 12 months to Q1 2026. Settled-transaction medians run below hedonic index measures; CoreLogic reports ~\$1m of median house prices for Adelaide and ~\$1.05m for Perth as at Jun-26 on an index basis.

2.

Price-to-income ratio indicates the relative affordability of housing. It is calculated based on median price and annual average personal income. The higher the ratio, the less affordable housing is within a geography.

3.

Income data used in the calculation of price-to-income ratios is a seasonally adjusted mean, as at November 2025.

4.

Income figures are derived from the Total Earnings (all earners) series.

Source: ABS; Pricerfinder, SQM; Urbis

Appendix C2: Construction
Cost Index Growth

Annual & Total Growth in Residential
Construction Costs (Index growth to June
2026, 2016 as base year)

Annual Growth	Adelaide	Perth	Australia
1 year	1.5%	1.4%	1.2%
3 years	2.5%	2.7%	2.2%
5 years	6.0%	6.7%	6.1%
10 years	4.4%	4.0%	4.3%
Total Growth	Adelaide	Perth	Australia
3 years	7.8%	8.3%	6.6%
5 years	34.0%	38.2%	34.2%
10 years	53.9%	47.6%	51.7%

Note: data is for the construction of residential dwellings in general, including both detached and unit/semi-detached dwellings.
Source: ABS Producer Price Index, June 2026 release; Urbis

Appendix C3:
Growth in New Loan
Commitments (Housing)

Annual & Total Growth in
New Loan Commitments to
the Purchase of New Dwellings
– Investors (% change on loan
amount)

Annual Growth (CAGR)	Adelaide	Perth	Australia
1 year to June 2026	18.2%	31.2%	12.3%
3 years to June 2026	29.6%	23.4%	10.5%
5 years to June 2026	20.3%	22.9%	5.4%
Total Growth	Adelaide	Perth	Australia
3 years to June 2026	117.7%	88.0%	34.9%
5 years to June 2026	151.9%	180.1%	30.2%

Annual & Total Growth
in New Loan Commitments to
the Purchase of New Dwellings
– Owner Occupiers (% change
on loan amount)

Annual Growth (CAGR)	Adelaide	Perth	Australia
1 year to June 2026	37.4%	18.2%	6.8%
3 years to June 2026	36.5%	9.5%	3.0%
5 years to June 2026	10.1%	-0.1%	-5.3%
Total Growth	Adelaide	Perth	Australia
3 years to June 2026	154.4%	31.1%	9.3%
5 years to June 2026	62.0%	-0.6%	-23.6%

Annual & Total Growth in
New Loan Commitments to
the Purchase of New Dwellings –
Total (% change on loan amount)

Annual Growth (CAGR)	Adelaide	Perth	Australia
1 year to June 2026	33.0%	22.2%	8.7%
3 years to June 2026	35.0%	13.4%	5.4%
5 years to June 2026	11.8%	4.8%	-2.3%
Total Growth	Adelaide	Perth	Australia
3 years to June 2026	146.0%	45.8%	17.0%
5 years to June 2026	74.7%	26.5%	-10.8%

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