# Retail Commercial Pulse Check | October 2026

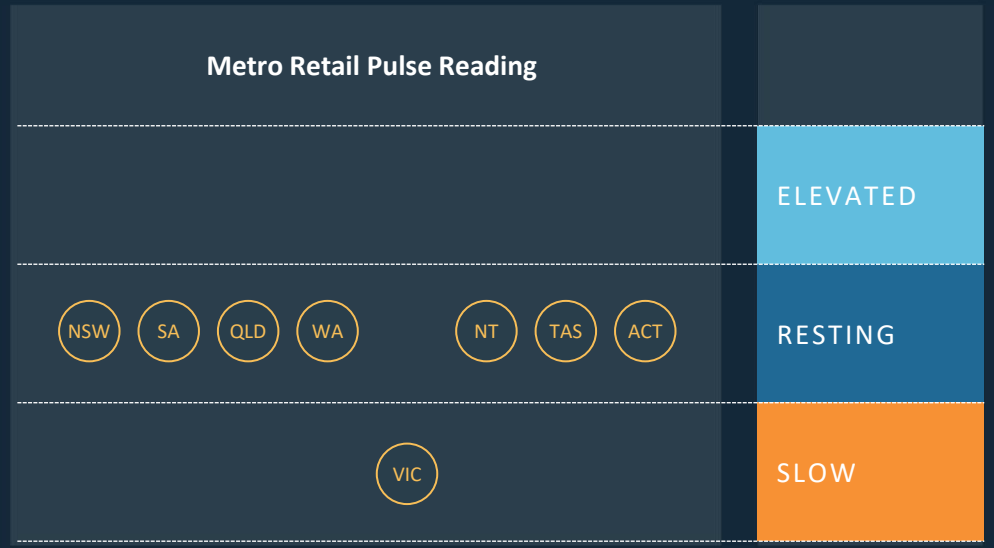


"The Australian retail sector continues to demonstrate resilient underlying performance, supported by ongoing population growth, low vacancy levels across most retail formats and a persistent undersupply of new retail floorspace. Elevated construction and development costs continue to act as a barrier to new supply, maintaining a significant gap between existing rental levels and replacement cost. These structural factors are expected to support continued rental growth and positive re-leasing spreads through 2027.

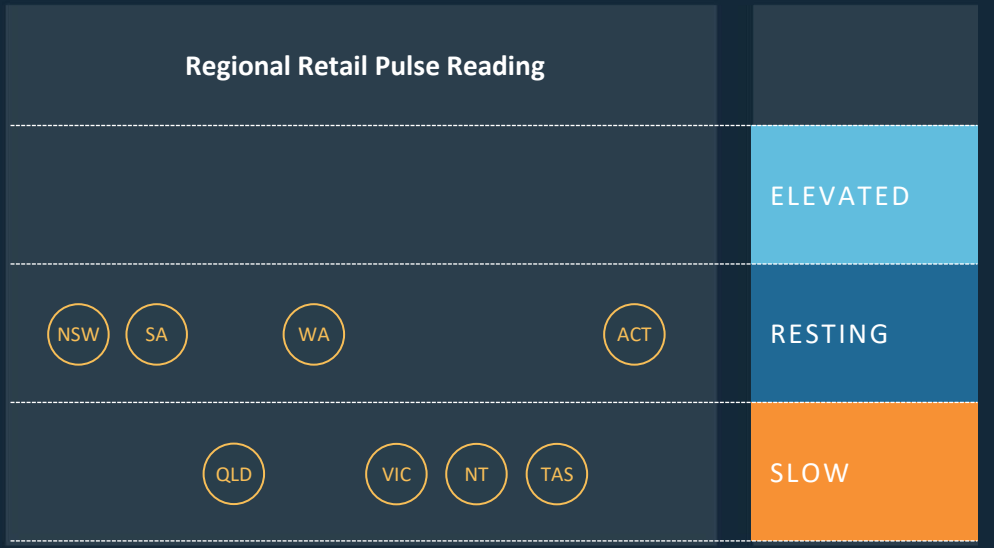
Despite these favourable market fundamentals, consumer confidence remained subdued during the September quarter, reflecting ongoing cost-of-living pressures, higher fuel prices and concerns upcoming future interest rate movements with household discretionary spending likely to continue to be under pressure."

**Dan Hill**
National Director
Commercial Valuations

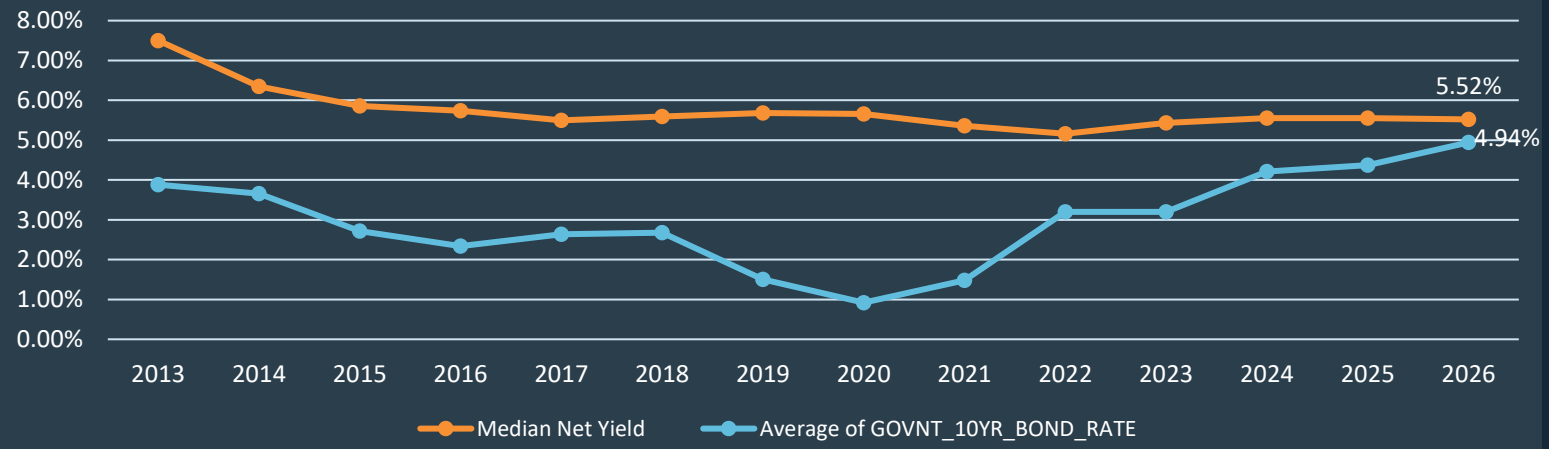
## Metro Retail Pulse Reading




## Regional Retail Pulse Reading




## Retail Median Net Yield vs 10yr Bond Rate




Retail Quarterly **Value Change**



Retail **Supply**



Retail **Demand**



# Office Commercial Pulse Check | October 2026

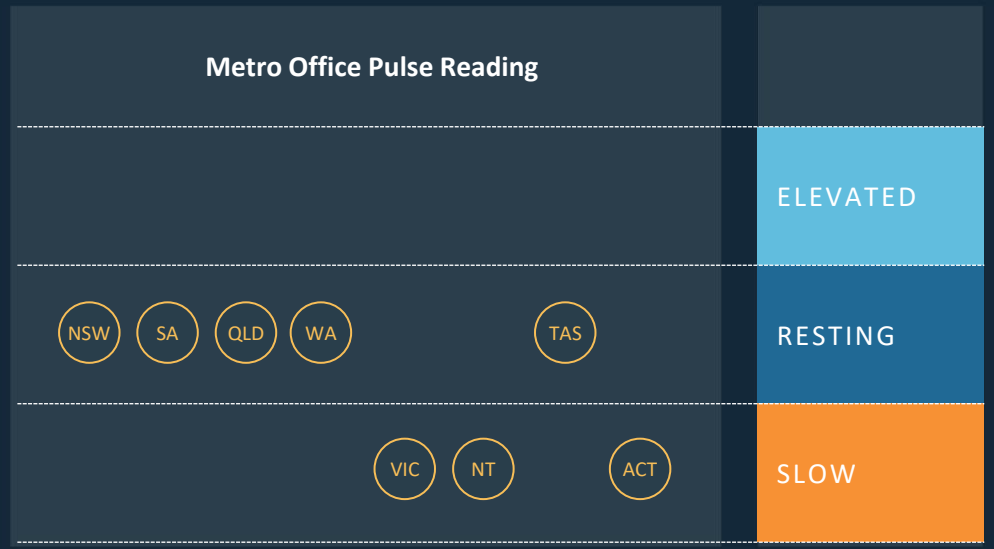
OPTEON

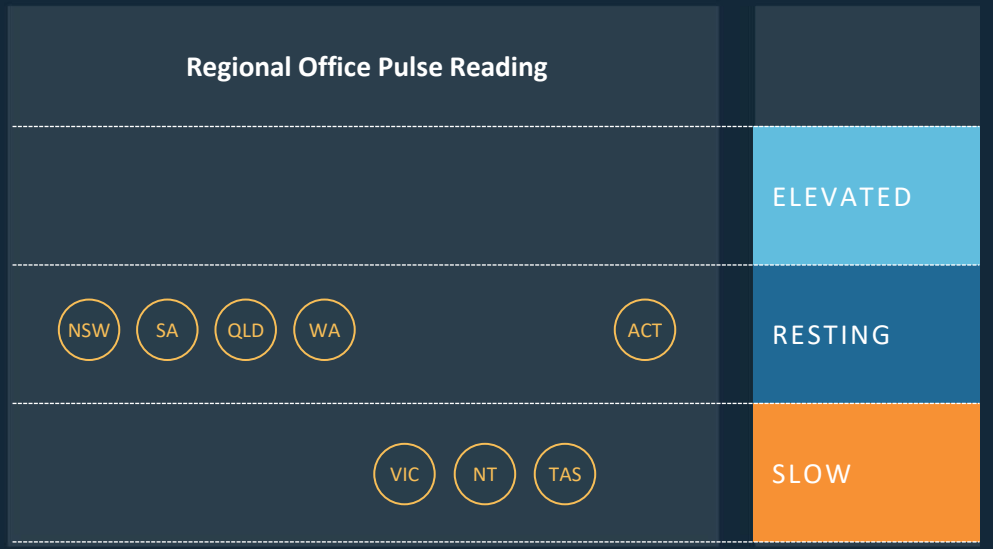


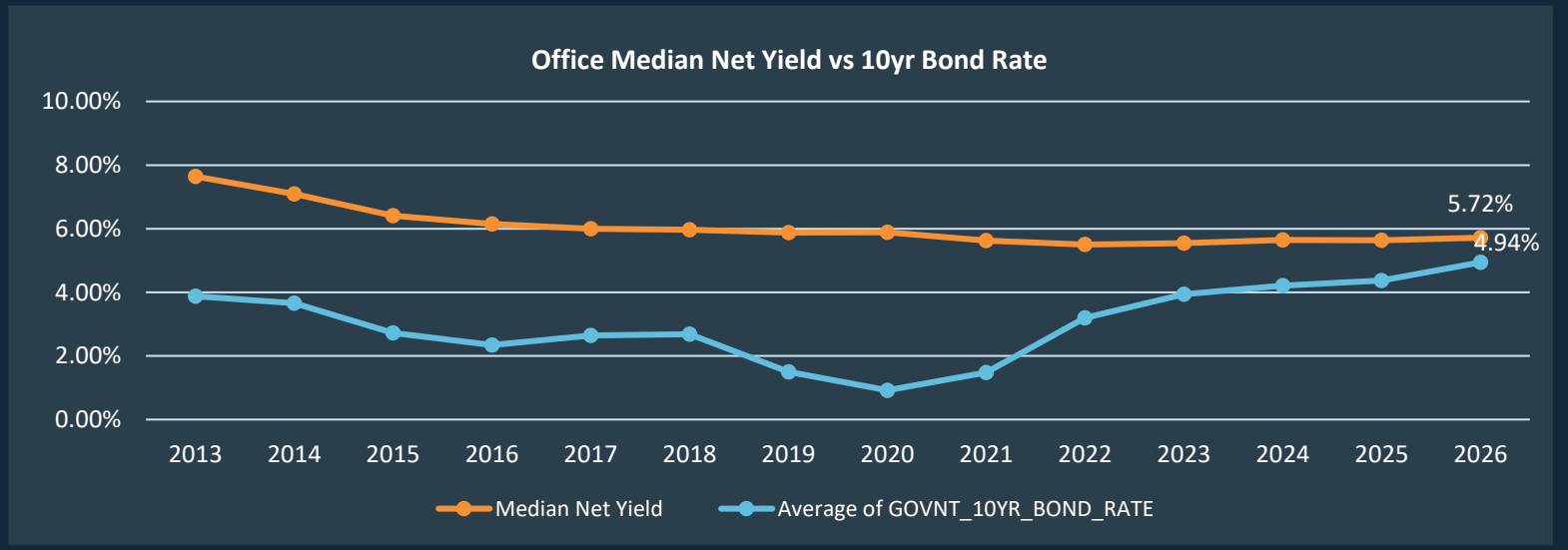
"The Australian office market remains challenged, and conditions continue to vary significantly by asset quality and location. While elevated vacancy rates and subdued activity in secondary assets continue to weigh on the sector, market sentiment has improved as pricing stabilises, investment activity increases and occupier demand shows signs of recovery.

Tenant preference remains firmly focused on high-quality, well-located buildings with strong sustainability credentials, supporting premium assets while older stock continues to face leasing challenges. Capital values have generally stabilised following a prolonged period of repricing and, with future supply constrained by limited development activity, the medium-term outlook is improving for prime office assets."

**Sam Lipshut**
Head of Middle Markets & Portfolio




Office Quarterly **Value Change**

Office **Supply**

Office **Demand**

# Industrial Commercial Pulse Check | October 2026

OPTEON



"The Australian industrial property market is demonstrating positive momentum, supported by strong occupier demand, moderating supply and resilient investment activity. Investment demand remains robust, reflecting continued institutional and private investor appetite, while yields are broadly stable.

Looking ahead, the outlook remains positive, with modern, well-located prime assets expected to outperform secondary stock as vacancy tightens and effective rental growth strengthens."

Paul Bungate
Director
Middle Markets & Advisory

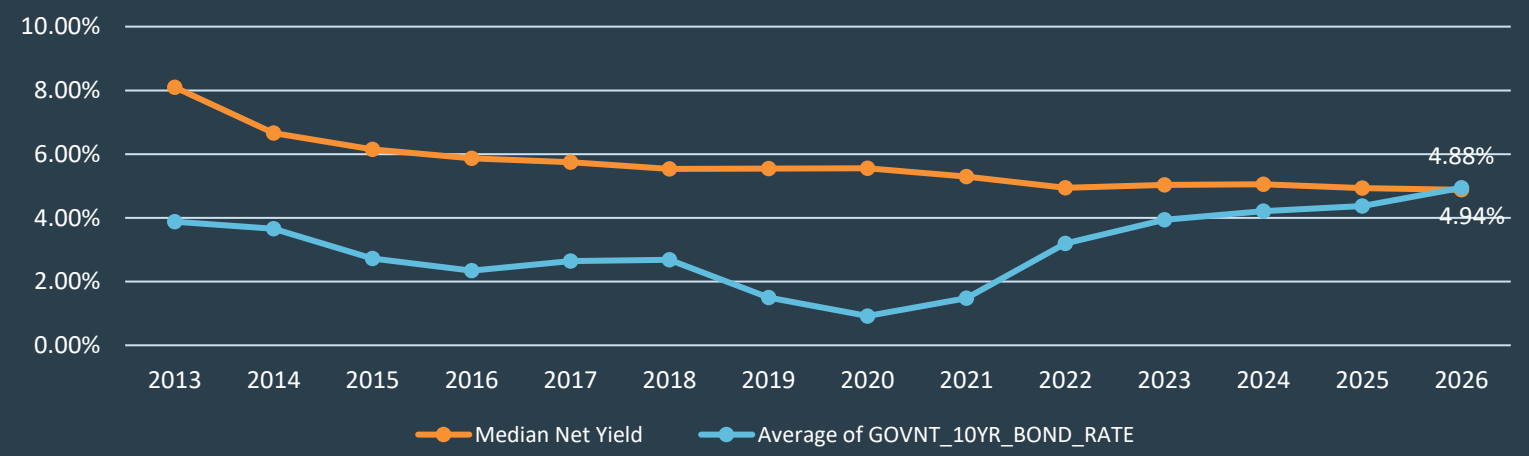
## Metro Industrial Pulse Reading

| | |
|---|---|
| WA | ELEVATED |
| NSW, SA, QLD, VIC, NT, TAS, ACT | RESTING |
| | SLOW |

## Regional Industrial Pulse Reading

| | |
|---|---|
| WA | ELEVATED |
| NSW, SA, VIC, TAS, ACT | RESTING |
| QLD, NT | SLOW |

## Industrial Median Net Yield vs 10yr Bond Rate




Industrial Quarterly **Value Change** —

Industrial **Supply** ▲

Industrial **Demand** ▲

# Residential Pulse Check | October 2026

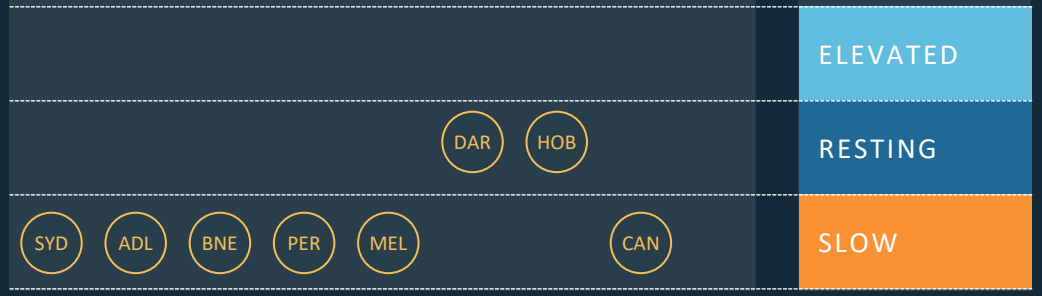


The housing downturn broadened sharply in Q3, with national dwelling values ending September -5.2% below their March peak, driven by reduced borrowing capacity, elevated living costs and weaker buyer sentiment.

National values fell -3.7% over the quarter, with 97% of capital-city suburbs recording declines, although regional markets remained comparatively more resilient.

**Michael McNulty**
National Director, Residential Valuation Operations

**Residential Pulse Reading**




| Capital | Quarterly Value Change | Supply | Demand | Commentary |
|---|---|---|---|---|
| Sydney | ▼ | ▼ | ▼ | From July to September, NSW property moved deeper into correction. Sydney values fell 1.4% in both August and September, taking the quarterly decline to 4.9% and the annual fall to 7.0%. |
| Adelaide | ▼ | ▲ | ▼ | Adelaide's residential property market has shifted from slowing growth to declining values. After record growth in recent years, dwelling values fell 2.7% over the September quarter, while annual growth remained at 6.5%. |
| Brisbane | ▼ | ▲ | ▼ | The Brisbane residential property market entered a clear correction phase. Overcoming years of record-breaking growth, Brisbane dwelling values fell 1.5% in September alone, representing the sharpest monthly decline among Australian capitals. |
| Perth | ▼ | ▲ | ▼ | Perth's residential property market is in a correction phase with dwelling values decreasing -1.2% in September, -4.7% over the September quarter, and 10.1% increase over the past 12 months. |
| Melbourne | ▼ | ▼ | ▼ | Victoria's downturn continued through the quarter, though at a gentler pace than Sydney. Melbourne values fell 0.7% in September and 3.4% over the quarter, leaving them 6.2% lower for the year. |
| Darwin | ▲ | ▲ | ▲ | Darwin's residential market has slowed somewhat with dwelling values increasing 0.4% in September 2026, 0.5% over the quarter, and 11.9% over the past 12 months. The supply of listed properties increased 18.1% from the equivalent period last year and buyer demand has been steady. |
| Hobart | ▼ | ▼ | ▲ | Hobart's housing market is catching its breath and settling into a steady groove. While higher interest rates mean buyers are taking their time, prices haven't budged much. |
| Canberra | ▼ | ▼ | ▲ | Canberra joined the broader correction over the quarter, with values falling 3.2% and 1.1% in September alone. Over the year values are down a more modest 1.6%, a far smaller decline than in Sydney and Melbourne. |

** Q3 2026, information sourced from Cotality and Opteon internal data*