SPOTLIGHT
Savills Research

Savills Full Floors

• Availability declines across all CBD precincts • Tightening market fuels strong rental growth

Gaining momentum

Fall in availability fuelling strong rental growth across the CBD

Premium space availability declines further as A Grade joins the party
According to the Savills Prime Full Floor Availability Report, the amount of Prime office space available now or within the next 12 months fell by 11.0% to c.437,700sqm over the year to May 2025.

Premium Grade availability declined by 18.4% to c.108,200sqm, taking availability to just 2.9% of total Prime NLA compared to 3.6% a year ago. As at May, just 70 floors Premium floors were available within the next 12 months, down from 85 one year ago.

Notably, A Grade availability also fell, down 8.2% over the year to c.329,500sqm to be 9.0% of total Prime NLA. There are 20 less A Grade floors to lease, with the number of available floors declining to 261.

These moves point to broadening tenant demand across the Prime CBD office market amid limited availability of Premium space.

Availability declines beyond CBD Core
All CBD precincts recorded lower availability over the year, with notable declines in Midtown (-8.7%), Western Corridor (-21.2%), Walsh Bay & The Rocks (-23.8%). The already tightly held CBD Core recorded a smaller fall in availability, down 1.6% over the year, while availability in the Southern CBD was 6.0% lower.

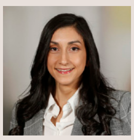
The broad-based decline in availability marks a notable contrast to 12 months ago when availability in major precincts like Midtown and the Western Corridor was still rising.

Tightening market and rising fit out costs driving rental growth
Increasing competition for space and declining availability have driven face rents higher; while rising fit out costs are also contributing to growth. Sydney CBD Prime net face rents have increased by 5.5% on average over the year to June 2025.

Reflecting the decline in availability across the CBD, average incentives have moved in materially, driving further rental growth on an effective basis. Average Prime net effective rents rose by 9.3% over the year to June. Midtown and the CBD Core led the gains, but all precincts recorded strong growth over this period.

Notwithstanding the increase in rents over the past year, Prime net effective rents remain c.6% below Q4 2019 levels, underscoring the ample room for further growth as incentives continue to normalise amid stronger leasing market momentum.

Chris Naughtin
National Director
chris.naughtin@savills.com.au



Barbara Cocca
Research Analyst
barbara.cocca@savills.com.au

Sydney CBD major developments, 2026-29

Developments 10,000sqm+

1 Atlassian
56,200sqm
60% preleased
2026

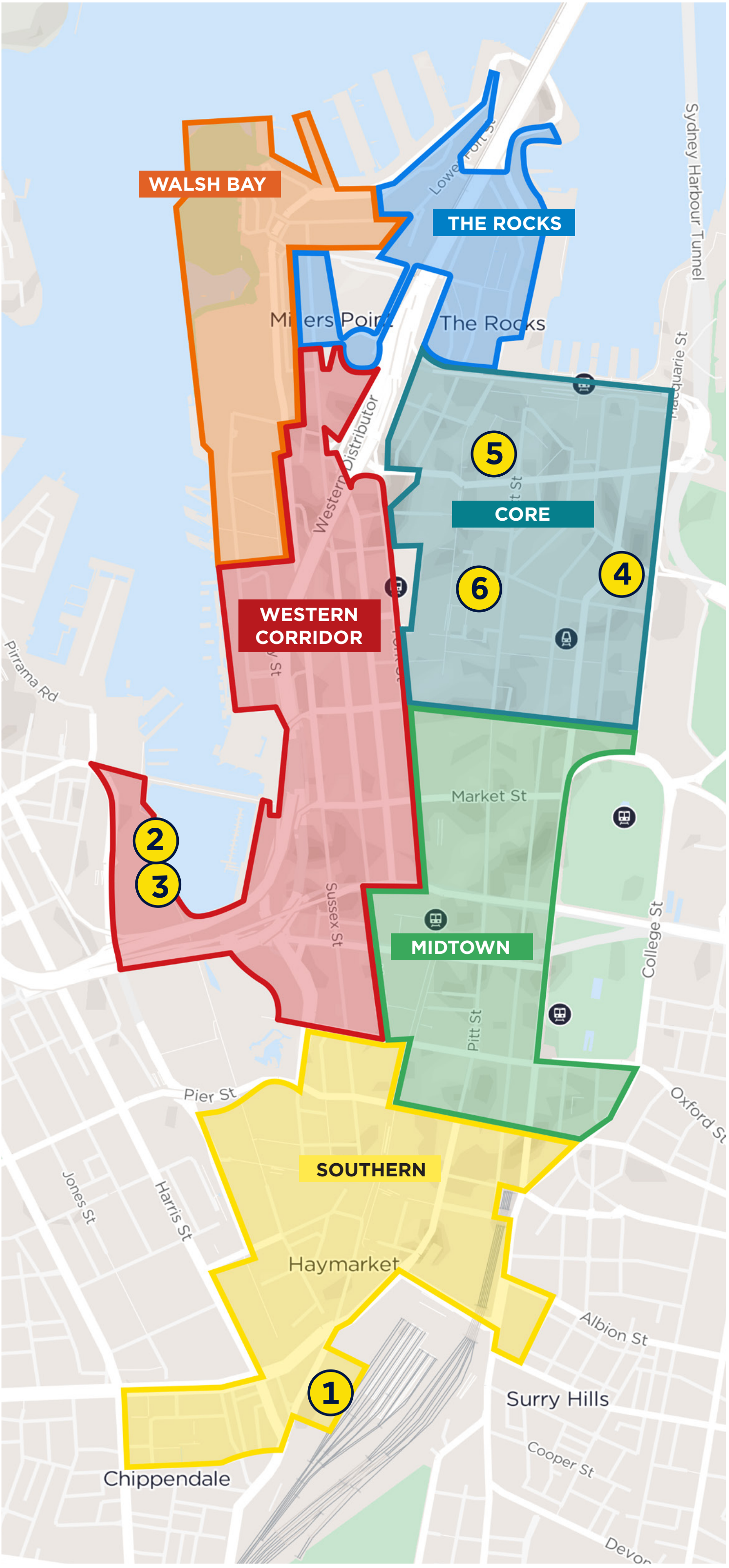
2 Harbourside Stage 2
13,500sqm
31% preleased
2026

3 Harbourside Stage 1
13,500sqm
100% available
2027

4 Chifley South
48,826sqm
54% preleased
2027

5 55 Pitt
62,741sqm
45% preleased
2027

6 Halo
55,000sqm
100% available
2029

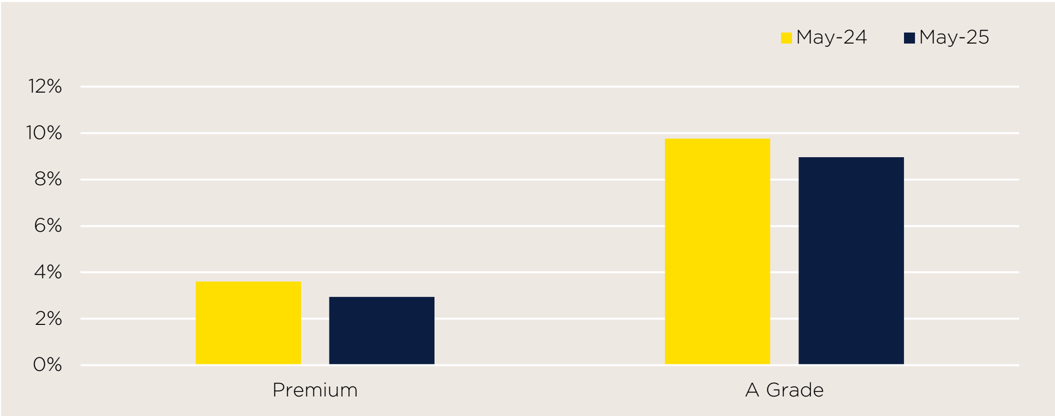


Source Savills Prime Full Floor Availability Report

2026	69,700sqm
2027	125,067sqm
2028	Nil
2029	55,000sqm

Declining availability across Premium and A Grade space

Available space now or in the next 12 months, share of total Prime NLA (%)

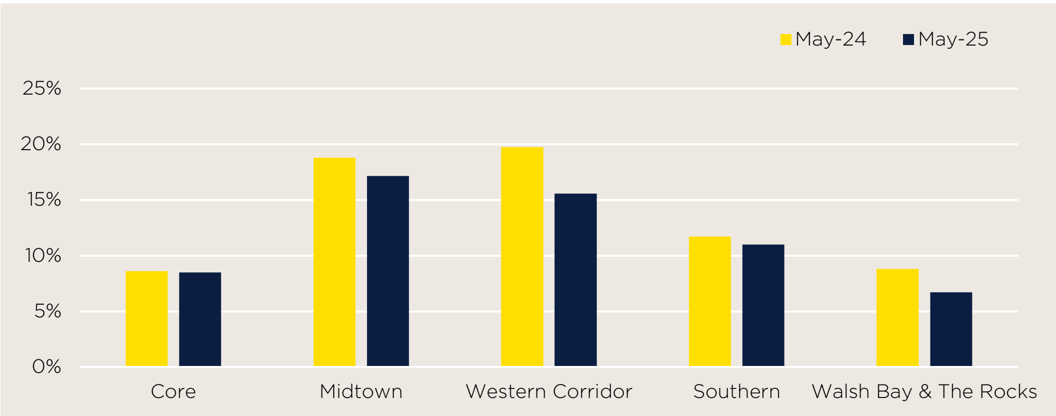


Source Savills Prime Full Floor Availability Report

2024: 3.6%
2025: 2.9%
Premium availability continues to decline reflecting sustained demand for top-tier assets.

Broad-based fall in availability across CBD precincts

Available space now or in the next 12 months, share of total Prime NLA (%)

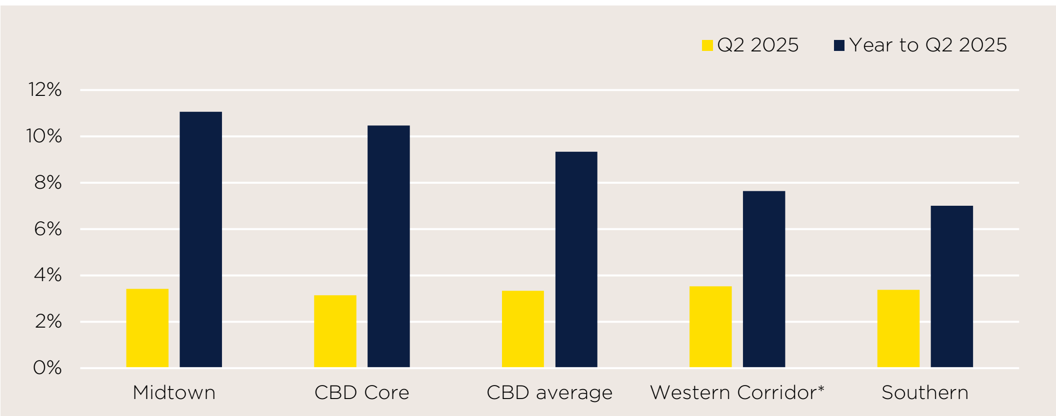


Source Savills Prime Full Floor Availability Report

2024: 9.8%
2025: 9.0%
A Grade availability also fell due to broadening tenant demand and limited Premium Grade options.

Tightening leasing market fuelling strong rental growth

Quarterly and annual growth in Prime net effective rents by precinct (%)



*Including Walsh Bay
Source Savills Research

+9.3% Y/Y
Declining availability and rising fitout costs led to strong growth in Prime CBD net effective rents over the year to Q2 2025.

Methodology

The Savills Prime Full Floor Availability Report assesses the state of the leasing market in a different manner to standard vacancy surveys. The report shows each Premium and A grade building in the city on a floor-by-floor basis highlighting which floors are available for lease, now or in the near future, including those under construction and refurbishment.

While this Spotlight report focuses on space available now or in the next 12 months, the Savills Prime Full Floor Availability Report captures availability over a longer time frame.

Availability Definitions

The Savills availability report has been created to provide a graphical and statistical view of the leasing market that encompasses all prime grade full floors available for lease. Savills believes this report provides a more accurate representation of high quality leasing options available to large tenants than standard vacancy surveys; which provide a snapshot of physically vacant space in the market at a given point in time.

This is due to the Savills Full Floor Availability Report taking into account developments under construction actively seeking tenants and floors that are currently occupied but are, or are soon to be, actively being marketed due to pending tenant relocation. As such, Savills deems available areas as being:

- Space that is presently unoccupied and actively seeking tenants;
- Uncommitted space within developments under construction actively seeking tenants;
- Occupied space where the sitting tenant has a pending relocation or intentions to sublease;
- Prime: Premium and A grade buildings as defined by the Property Council of Australia;
- CBD precincts as defined by the Property Council of Australia;
- Contiguous: Multiple floors in a building that are adjacent to each other and available for lease to a single tenant. These floors are connected and can provide uninterrupted vertical space within the building.

For further information on Savills Prime Full Floor Availability Report, or to discuss, please contact:

Chris Rowe
NSW Head - Office Leasing
+61 415 452 582
crowe@savills.com.au

Savills Research
For more information about this report, please contact us

Research & Consultancy

Katy Dean
Head of Research
+61 2 8215 6079
kadean@savills.com.au

Chris Naughtin
National Director
+61 2 8215 8832
chris.naughtin@savills.com.au

Barbara Cocca
Research Analyst
+61 2 8215 6078
barbara.cocca@savills.com.au

Office Leasing

Tom Mott
National Head
+61 400 259 922
tmott@savills.com.au

Chris Rowe
State Head, NSW
+61 415 452 582
crowe@savills.com.au