

## **Australia Commercial Real Estate Market Size, Share Analysis and Forecast Report (2025-2034)**

Market Report | 2025-10-26 | 105 pages | EMR Inc.

### **AVAILABLE LICENSES:**

- Single User License \$2999.00
- Five User License \$3999.00
- Corporate License \$4999.00

### **Report description:**

**Australia Commercial Real Estate Market Trends**The growth of the Australia commercial real estate market plays a crucial role in boosting economic development by attracting investment and creating jobs. Properties frequently appreciate, providing long-term returns. A wide range of opportunities in office, retail, and industrial spaces meets various investor requirements. Urbanisation drives demand for commercial properties, while reliable rental income ensures a consistent cash flow for investors. In October 2024, technological innovations, known as PropTech, reshaped the real estate sector. Key trends included the use of AI for data analysis and customer support, virtual property tours, blockchain for secure transactions, IoT in smart buildings for real-time monitoring, drones for property assessments, and the integration of energy-efficient solutions to enhance sustainability and property value. The Australia commercial real estate market revenue is impacted by tax incentives available to investors, such as deductions for depreciation and loan interest. The market's liquidity facilitates smooth transactions between buyers and sellers. Commercial real estate offers capital preservation, making it a secure investment, particularly during periods of economic uncertainty. It also presents diversification opportunities, reducing overall portfolio risk, and provides long-term stability compared to more volatile assets.

**Australia Commercial Real Estate Market Growth**The opportunities in the Australia commercial real estate market are impacted by urban development, improving infrastructure projects, and fostering urbanisation. Retail spaces are evolving to meet the needs of the expanding e-commerce sector, while high-demand areas offer strong returns. The market also attracts international investors looking for stability. Government investments in infrastructure further increase real estate values in key regions. In May 2024, the Federal Government introduced Australia's first national Environmentally Sustainable Procurement Policy (ESPP), focusing on the procurement of construction services, textiles, ICT goods, and furniture. The policy aims to increase local demand for recycled products and promote environmentally sustainable practices that reduce greenhouse gas emissions and provide lasting value. The demand for the Australia commercial real estate market is strengthened by the integration of advanced technology and sustainable practices, which enhance the appeal of commercial properties. The rising need for modern, well-located spaces is driven by businesses seeking prime locations. Limited land availability in major cities drives up property values, while the growing demand for green buildings further boosts their value. The sector demonstrates resilience during economic downturns, positioning it as a secure investment choice.

**Australia Commercial Real Estate Market**

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

Insights- According to the Australian Bureau of Statistics, the approval of 13,078 dwellings in April 2024 signals a positive trend in the Australian commercial real estate market, reflecting continued demand for residential properties. This supports market growth by addressing housing needs, providing stability, and offering opportunities for investors and developers.- As reported by industry sources, Australia's construction sector, valued at over USD 162 billion annually, plays a significant role in the commercial real estate market, contributing around 10% to the national GDP. This strong sector drives job creation, economic stability, and increases demand for both residential and commercial property investments.- The Australian Bureau of Statistics notes a 12.4% increase in the value of non-residential buildings, reaching USD 4.92 billion in January 2024, highlighting growth in the commercial real estate market. This rise reflects increasing investment in office spaces, retail properties, and other commercial real estate, benefiting both developers and investors.- The commercial real estate market in New South Wales is expected to grow at a rate of 33.70% from 2024 to 2032. Industry News November 2024 BESIX Watpac, alongside Barwon Investment Partners and other stakeholders, recently held a topping-out ceremony for a key project aimed at easing regional health service demand. The company expressed satisfaction with the progress, citing their expertise and collaborative approach as vital to the project's success. February 2024 NAB Green Finance for Commercial Real Estate assisted clients in financing projects aimed at reducing greenhouse gas emissions. This initiative aligns with Australia's move towards net zero and changing consumer expectations. Since approximately 10% of the nation's emissions come from commercial buildings, mitigating their environmental impact is crucial. Australia Commercial Real Estate Market Drivers Rise of Remote Work and Hybrid Workspaces The rise of remote and hybrid work models has significantly influenced the Australia commercial real estate market dynamics and trends. There has been a shift in demand for traditional office spaces, with businesses opting for flexible office solutions, co-working spaces, or downsizing. Companies are now prioritising collaborative workspaces that foster team interaction while reducing the need for large, permanent office setups. According to the Australian Bureau of Statistics, as of November 2024, employment rose to 14,544,200, and the employment-to-population ratio remained at 64.4%. This shift has increased demand for flexible leasing options and adaptable spaces, enabling businesses to quickly adjust to evolving workforce dynamics, reshaping the office real estate landscape. Demand for Industrial and Logistics Properties The growth of e-commerce and online shopping has driven significant demand for the Australia commercial real estate market, particularly for industrial and logistics properties. Warehouses and distribution centres have become vital to the supply chain, enabling faster delivery times and efficient goods storage. The expansion of e-commerce giants has made industrial spaces, especially those near transport hubs, highly desirable. According to the Australian Bureau of Statistics (ABS), the e-commerce retail sector contributed to 41.5% of the increase in value added by digital activities in Australia during the 2020-21 period. This shift has led to a rise in the construction of modern, high-tech warehouses, creating long-term investment opportunities, with strong demand expected to continue. Opportunities in the Australia Commercial Real Estate Market Sustainability is a becoming a significant trend in the Australia commercial real estate market, with more businesses focusing on green building standards to reduce carbon footprints and enhance energy efficiency. Buildings with green certifications, such as Green Star or NABERS, are in high demand as tenants seek environmentally responsible spaces. Developers are incorporating solar energy, water-saving technologies, and sustainable materials in new constructions to comply with regulations and meet the growing demand for eco-friendly properties. This trend is driven by both government policies and a wider societal shift towards sustainability in real estate. In February 2024, Saint-Gobain confirmed a final agreement to purchase all remaining shares of CSR Limited via an Australian scheme of arrangement. This acquisition provides Saint-Gobain with a valuable opportunity to enhance its presence in the Australian construction market and further its commitment to sustainable building practices. Market Restraints The Australia commercial real estate market faces several challenges, including economic uncertainty, rising construction costs, and regulatory hurdles. Fluctuating interest rates, inflation, and potential recessions can reduce investor confidence, while increasing building expenses hinder development and raise property prices. Strict zoning laws and evolving government policies complicate development, adding to costs. Additionally, limited prime locations in major cities like Sydney and Melbourne intensify competition, leading to higher prices and limited opportunities for smaller businesses. Market saturation and high vacancy rates in certain sectors, such as retail and office spaces, contribute to slower growth. Environmental pressures, technological disruptions, and restricted access to financing further complicate the market, creating additional barriers to growth. □Australia Commercial Real Estate Market Report and Forecast 2025-2034□ offers a detailed analysis of the market based on the following segments: Market Breakup by Type- Industrial and Logistics- Offices- Multi-family- Hospitality- Retail Market Breakup by Region- New South Wales- Victoria- Queensland- Australian Capital Territory-

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

Western Australia- Others Australia Commercial Real Estate Market Share Market Analysis by Type According to the Australia commercial real estate market analysis, retail properties in prime locations offer attractive investment returns, benefitting from high consumer spending in Australia. As retail evolves to include experiential shopping environments, the sector adapts to e-commerce with mixed-use and omnichannel spaces. This segment is projected to grow at a compound annual growth rate (CAGR) of 5.20% from 2024 to 2032. Government policies, local business support, and vibrant shopping areas ensure sustained demand, while consistent rental income and capital growth potential make retail properties a reliable investment choice. The National Construction Code (NCC) establishes construction standards across Australia, covering areas such as accessibility, fire protection, and energy efficiency. The hospitality sector significantly contributes to Australia commercial real estate market growth by providing stable income streams driven by high demand from both domestic and international tourists. Hotels, resorts, and serviced apartments offer long-term capital appreciation and appealing yields, especially in major tourist destinations. In October 2024, the Australian Bureau of Statistics reported a 11.3% increase in total arrivals and an 11.4% rise in short-term visitor numbers compared to the previous year. As tourism and events continue to grow, hospitality properties offer strong investment potential. Additionally, government incentives such as tax benefits and grants further enhance sector profitability.

Australia Commercial Real Estate Market Regional Insights New South Wales Commercial Real Estate Market Regional Insights According to the Australia commercial real estate market analysis, New South Wales presents strong investment potential, particularly in thriving cities such as Sydney. There is high demand for office, retail, and industrial spaces, driven by a robust economy and infrastructure development. In 2021, warehouse building approvals were the most prevalent, accounting for USD 2.1 billion or 73% of total industrial building approvals, according to the NSW Government. Queensland Commercial Real Estate Market Trends Queensland experiences growing demand in sectors like retail, office, and industrial spaces, with its expanding population, tourism, and regional economic strength driving capital appreciation and steady rental income in prime areas. In November 2024, Manoli Nicolas was named Queensland's Top Commercial Leasing Agent at the REA Group Excellence Awards.

Western Australia Commercial Real Estate Market Dynamics Western Australia benefits from a resource-driven economy, with rising demand for industrial and commercial properties. This segment is expected to grow at a CAGR of 5.40% from 2024 to 2032. The mining sector fuels demand for logistics and warehousing, offering stable returns for investors. In October 2024, Christie's International Real Estate launched in Western and South Australia, aiming to capitalise on the growing demand for luxury properties in the region.

Competitive Landscape The Australia commercial real estate market key players focus on delivering high-quality and innovative projects, with a strong commitment to sustainability and the creation of vibrant, connected communities. Their residential portfolios feature a mix of urban and suburban developments, while commercial assets include office buildings, industrial properties, and retail spaces. These companies adopt a strategic approach that integrates design, sustainability, and technology to generate lasting value for stakeholders. They are also recognised for their dedication to environmentally responsible developments, with many of their projects certified under green building standards.

Key Industry Players Meriton Group : Headquartered in Sydney, Meriton Group, established in 1963, is one of Australia's largest residential property developers. Known for creating high-quality apartments and mixed-use developments, Meriton has built over 75,000 apartments across the country, contributing to Australia's skyline with luxury residential and commercial properties. Frasers Property Australia Pty Limited: Frasers Property was founded in 2001 and is headquartered in Sydney. It is a leading integrated property group, specialising in residential, commercial, and industrial developments. The company focuses on delivering sustainable and innovative properties. As part of the global Frasers Property Group, it operates across major Australian cities. Stockland Corporation Limited : Established in 1952, Stockland is one of Australia's largest diversified property groups, with headquarters in Sydney. Stockland's portfolio includes residential communities, retail centres, and office spaces, and the company is committed to sustainability, delivering quality, master-planned developments across Australia's key urban areas. Mirvac Limited : Founded in 1972 and headquartered in Sydney, Mirvac is a leading Australian property group specialising in development and investment. The company focuses on residential, office, and retail properties and is recognised for its commitment to sustainability and high-quality, innovative developments in major Australian cities.

Other key players in the Australia commercial real estate market report are ABN Group, Knight Frank Australia Pty Ltd., Colliers International, and Gorman Allard Shelton Pty Ltd., among others.

Recent Developments December 2024 Nuveen secured over AUD 400m (€244.5m) in anchor commitments for its inaugural Australian commercial real estate debt strategy from TIAA and Temasek. The strategy targeted institutional senior and junior secured real estate loans, focusing on industrial, logistics, and residential sectors, with a selective approach to retail, office, and

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

alternatives across major Australian cities. August 2024 UAE-based property developer Arada expanded into the Australian market with a new office in Sydney and plans for several projects across New South Wales. The company launched its inaugural project in Castle Hill, investing approximately USD 200 million across five sites. Arada has already built 9,000 homes and manages an additional 21,000 properties in its home country.

## **Table of Contents:**

- 1 Preface
- 2 Report Coverage - Key Segmentation and Scope
- 3 Report Description
  - 3.1 Market Definition and Outlook
  - 3.2 Properties and Applications
  - 3.3 Market Analysis
  - 3.4 Key Players
- 4 Key Assumptions
- 5 Executive Summary
  - 5.1 Overview
  - 5.2 Key Drivers
  - 5.3 Key Developments
  - 5.4 Competitive Structure
  - 5.5 Key Industrial Trends
- 6 Market Snapshot
- 7 Opportunities and Challenges in the Market
- 8 Australia Commercial Real Estate Market Overview
  - 8.1 Key Industry Highlights
  - 8.2 Australia Commercial Real Estate Historical Market (2018-2024)
  - 8.3 Australia Commercial Real Estate Market Forecast (2025-2034)
- 9 Australia Commercial Real Estate Market by Type
  - 9.1 Industrial and Logistics
    - 9.1.1 Historical Trend (2018-2024)
    - 9.1.2 Forecast Trend (2025-2034)
  - 9.2 Offices
    - 9.2.1 Historical Trend (2018-2024)
    - 9.2.2 Forecast Trend (2025-2034)
  - 9.3 Multi-family
    - 9.3.1 Historical Trend (2018-2024)
    - 9.3.2 Forecast Trend (2025-2034)
  - 9.4 Hospitality
    - 9.4.1 Historical Trend (2018-2024)
    - 9.4.2 Forecast Trend (2025-2034)
  - 9.5 Retail
    - 9.5.1 Historical Trend (2018-2024)
    - 9.5.2 Forecast Trend (2025-2034)
- 10 Australia Commercial Real Estate Market by Region
  - 10.1 New South Wales
    - 10.1.1 Historical Trend (2018-2024)
    - 10.1.2 Forecast Trend (2025-2034)
  - 10.2 Victoria

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

- 10.2.1 Historical Trend (2018-2024)
- 10.2.2 Forecast Trend (2025-2034)
- 10.3 Queensland
  - 10.3.1 Historical Trend (2018-2024)
  - 10.3.2 Forecast Trend (2025-2034)
- 10.4 Australian Capital Territory
  - 10.4.1 Historical Trend (2018-2024)
  - 10.4.2 Forecast Trend (2025-2034)
- 10.5 Western Australia
  - 10.5.1 Historical Trend (2018-2024)
  - 10.5.2 Forecast Trend (2025-2034)
- 10.6 Others
- 11 Market Dynamics
  - 11.1 SWOT Analysis
    - 11.1.1 Strengths
    - 11.1.2 Weaknesses
    - 11.1.3 Opportunities
    - 11.1.4 Threats
  - 11.2 Porter's Five Forces Analysis
    - 11.2.1 Supplier's Power
    - 11.2.2 Buyer's Power
    - 11.2.3 Threat of New Entrants
    - 11.2.4 Degree of Rivalry
    - 11.2.5 Threat of Substitutes
  - 11.3 Key Indicators for Demand
  - 11.4 Key Indicators for Price
- 12 Competitive Landscape
  - 12.1 Market Structure
  - 12.2 Company Profiles
    - 12.2.1 Meriton Group
      - 12.2.1.1 Company Overview
      - 12.2.1.2 Product Portfolio
      - 12.2.1.3 Demographic Reach and Achievements
      - 12.2.1.4 Certifications
    - 12.2.2 Frasers Property Australia Pty Limited
      - 12.2.2.1 Company Overview
      - 12.2.2.2 Product Portfolio
      - 12.2.2.3 Demographic Reach and Achievements
      - 12.2.2.4 Certifications
    - 12.2.3 Stockland Corporation Limited
      - 12.2.3.1 Company Overview
      - 12.2.3.2 Product Portfolio
      - 12.2.3.3 Demographic Reach and Achievements
      - 12.2.3.4 Certifications
    - 12.2.4 Mirvac Limited
      - 12.2.4.1 Company Overview
      - 12.2.4.2 Product Portfolio

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

- 12.2.4.3 Demographic Reach and Achievements
- 12.2.4.4 Certifications
- 12.2.5 ABN Group
  - 12.2.5.1 Company Overview
  - 12.2.5.2 Product Portfolio
  - 12.2.5.3 Demographic Reach and Achievements
  - 12.2.5.4 Certifications
- 12.2.6 Knight Frank Australia Pty Ltd.
  - 12.2.6.1 Company Overview
  - 12.2.6.2 Product Portfolio
  - 12.2.6.3 Demographic Reach and Achievements
  - 12.2.6.4 Certifications
- 12.2.7 Colliers International
  - 12.2.7.1 Company Overview
  - 12.2.7.2 Product Portfolio
  - 12.2.7.3 Demographic Reach and Achievements
  - 12.2.7.4 Certifications
- 12.2.8 Gorman Allard Shelton Pty Ltd.
  - 12.2.8.1 Company Overview
  - 12.2.8.2 Product Portfolio
  - 12.2.8.3 Demographic Reach and Achievements
  - 12.2.8.4 Certifications
- 12.2.9 Others
- 13 Key Trends and Developments in the Market

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

**Australia Commercial Real Estate Market Size, Share Analysis and Forecast Report  
(2025-2034)**

Market Report | 2025-10-26 | 105 pages | EMR Inc.

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

| Select license | License             | Price     |
|----------------|---------------------|-----------|
|                | Single User License | \$2999.00 |
|                | Five User License   | \$3999.00 |
|                | Corporate License   | \$4999.00 |
|                |                     | VAT       |
|                |                     | Total     |

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

|               |                      |                               |   |
|---------------|----------------------|-------------------------------|---|
| Email*        | <input type="text"/> | Phone*                        | <input type="text"/>                    |
| First Name*   | <input type="text"/> | Last Name*                    | <input type="text"/>                    |
| Job title*    | <input type="text"/> |                               |   |
| Company Name* | <input type="text"/> | EU Vat / Tax ID / NIP number* | <input type="text"/>                    |
| Address*      | <input type="text"/> | City*                         | <input type="text"/>                    |
| Zip Code*     | <input type="text"/> | Country*                      | <input type="text"/>                    |
|               |                      | Date                          | <input type="text" value="2026-03-02"/> |
|               |                      | Signature                     |   |

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com



**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

[www.scotts-international.com](http://www.scotts-international.com)