

Brisbane CBD – Q2 2025

Market Report

The Brisbane's CBD vacancy rate remains comparatively low at 10.7%, outperforming other CBD office markets nationally, though this represents a 0.5% increase since January 2025. The market's resilience continues to be underpinned by strong demand for prime-grade office space.

While Brisbane has recorded healthy transaction volumes over the past year, much of this activity has been driven by completed government deals. Smaller transactions, by contrast, have slowed as many tenants opt to renew existing leases rather than relocate.

All new supply entering the market over the past six months has been A Grade stock, reflecting ongoing demand for quality office space. With limited new developments in the pipeline and the continued flight-to-quality trend, conditions are expected to tighten further.

Nationally, demand for sub-500 sqm spaces remains strong; however, Brisbane has seen a softening in this segment as tenants adopt a more cautious approach in response to broader macroeconomic pressures.

Typical Gross Rental Comparison



Grade	Typical Gross Face Rental (\$/sqm)		Gross Incentive (%)	Gross Effective Rental (\$/sqm)	
	Low	High	Average	Low	High
Premium	\$850	\$1000	38%	\$527	\$620
A	\$550	\$850	38%	\$341	\$527
B	\$425	\$575	37%	\$267	\$362

Note - Vacancy and absorption statistics sourced from Property Council of Australia and other third-party sources.

Occupier's Perspective



Rental growth has continued over the past 12 months and is expected to remain steady with several new buildings completing later this year and into next. However, with limited new supply forecast for 2026 and 2027, rents are likely to rise further during that period. Prime gross effective rents have already increased by 14% year-on-year.



Strong demand and limited supply are expected to place downward pressure on incentives for the rest of 2025.

Market Trends

Secondary office stock is increasingly being retrofitted or repurposed to meet higher environmental standards, with green credentials now a key driver in tenants' accommodation decisions.

The supply outlook remains constrained, with only two new buildings scheduled for completion through to the end of 2028. 350 Queen Street is expected to be delivered in late 2025 and is already 66% pre-committed, while Dexu's Waterfront Brisbane, due in 2028, has secured pre-commitments above 50%. This limited pipeline underlines the tight supply environment. **Tenants with upcoming lease expiries should act early to maximise negotiation power and leverage.**