The Perth CBD office market is ~~on a recovery….~~BACK

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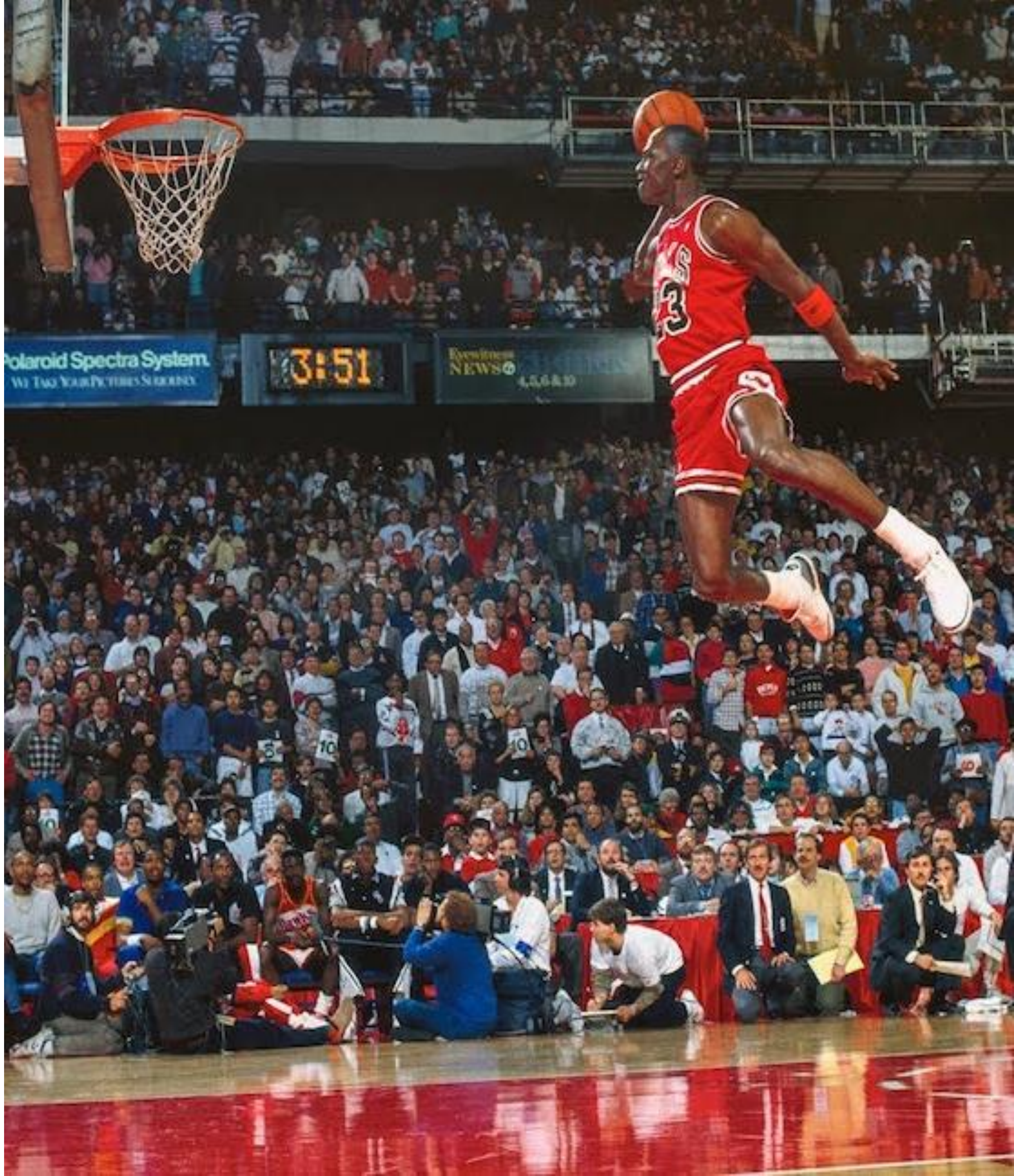


PCA OMR key themes

JLL

Perth CBD Vacancy Rate

%

1.8 pps

15.0%

(7-year low)

Overall Net Absorption

SQM

28,200 sqm

47,853sqm

(10-year high)

Sublease Vacancy Rate

0.4 pps

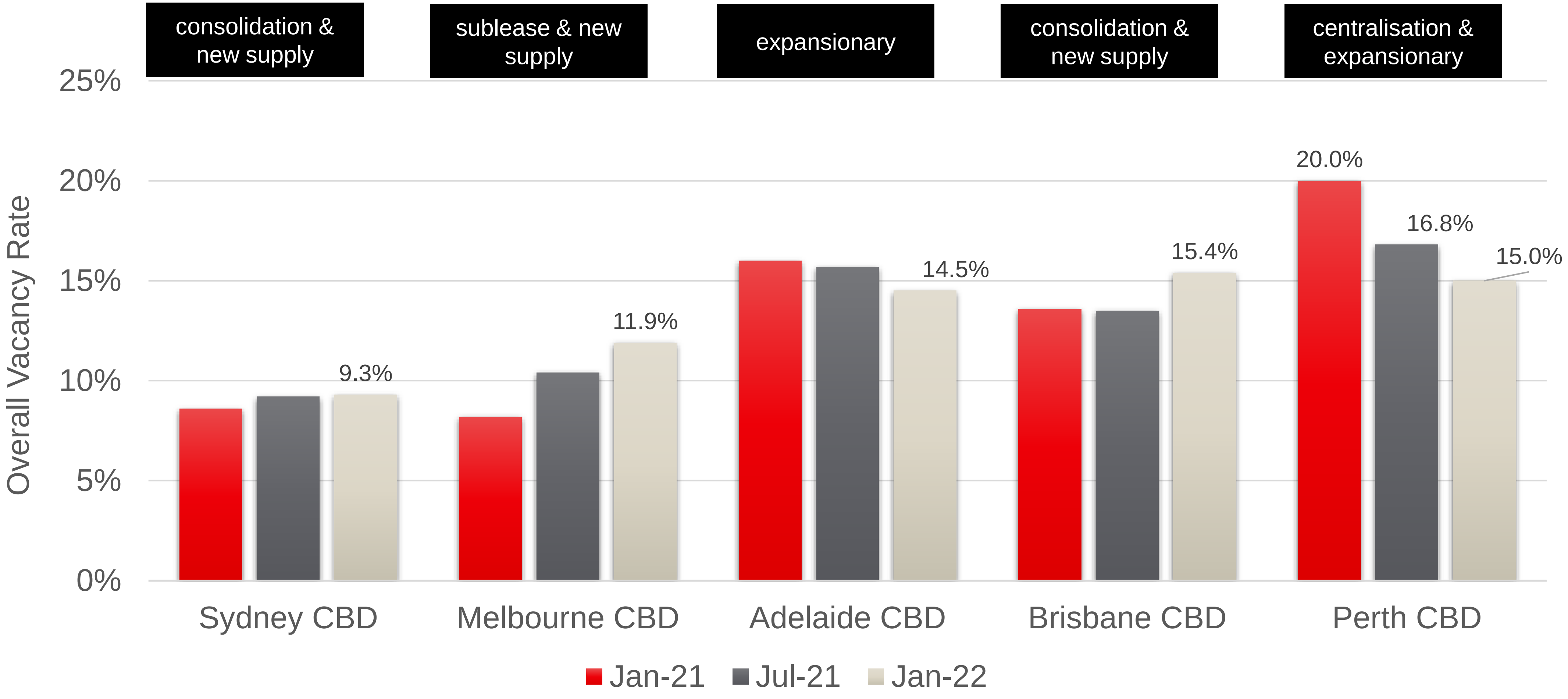
0.9%

(10-year low)

Source: PCA, JLL

We are no longer in the ‘relegation’ zone

Overall Vacancy Rate by Major Capital City CBD Market



Source: PCA, JLL

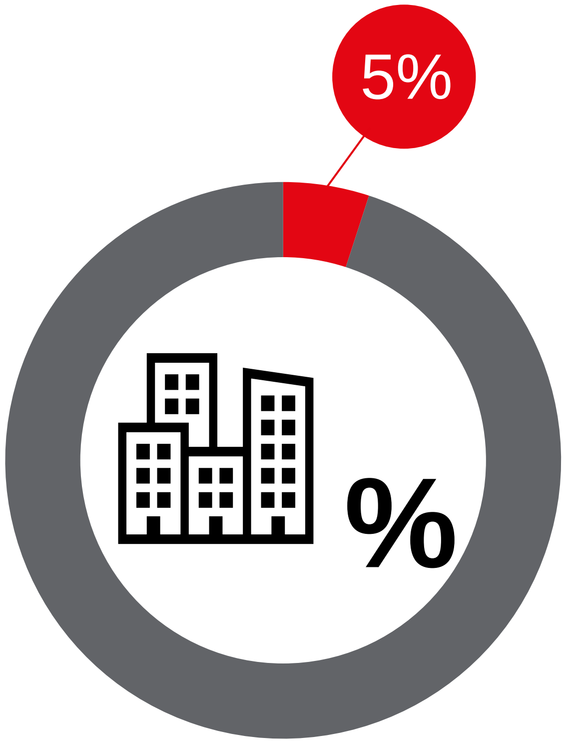
Bifurcation in vacancy alarming for lower grade assets

Market/Grade	6-Months to Jan 2022 Vacancy Rate	Current Spread to CBD Premium Grade	Long-term Spread vs CBD Premium Grade
CBD (A Grade)	14.7%	8.0 pps	5.4 pps
CBD (B Grade)	21.2%	14.5 pps	10.7 pps
West Perth (All)	18.0%	11.3 pps	4.0 pps

Source: PCA, JLL

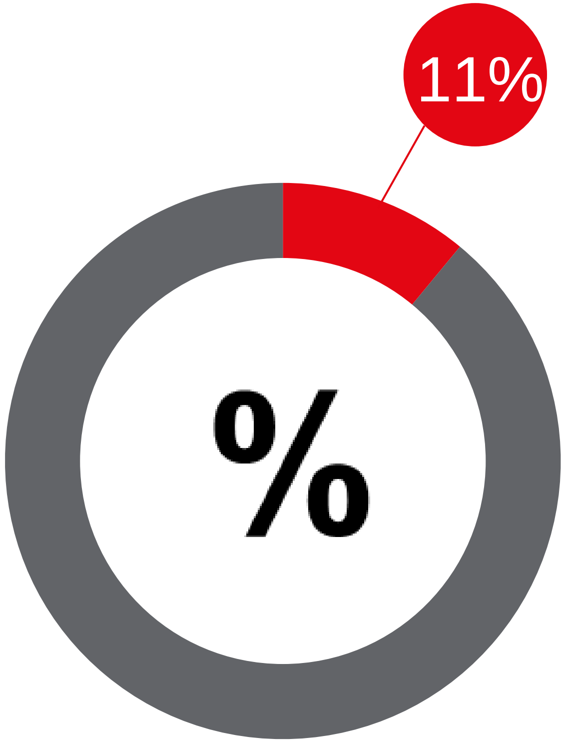
Bifurcation in vacancy alarming for lower grade assets

% of CBD unlettable



No. of buildings not lettable

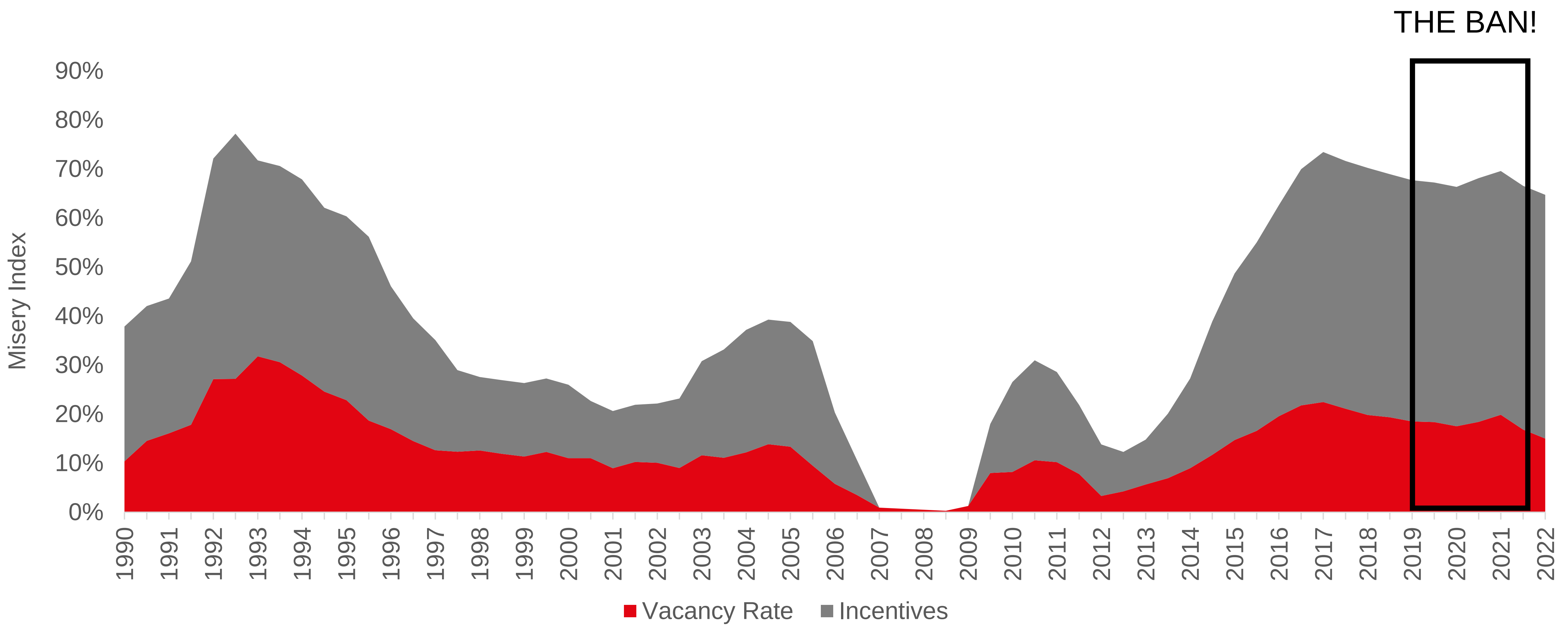
'Real' CBD Vacancy Rate



Source: PCA, JLL

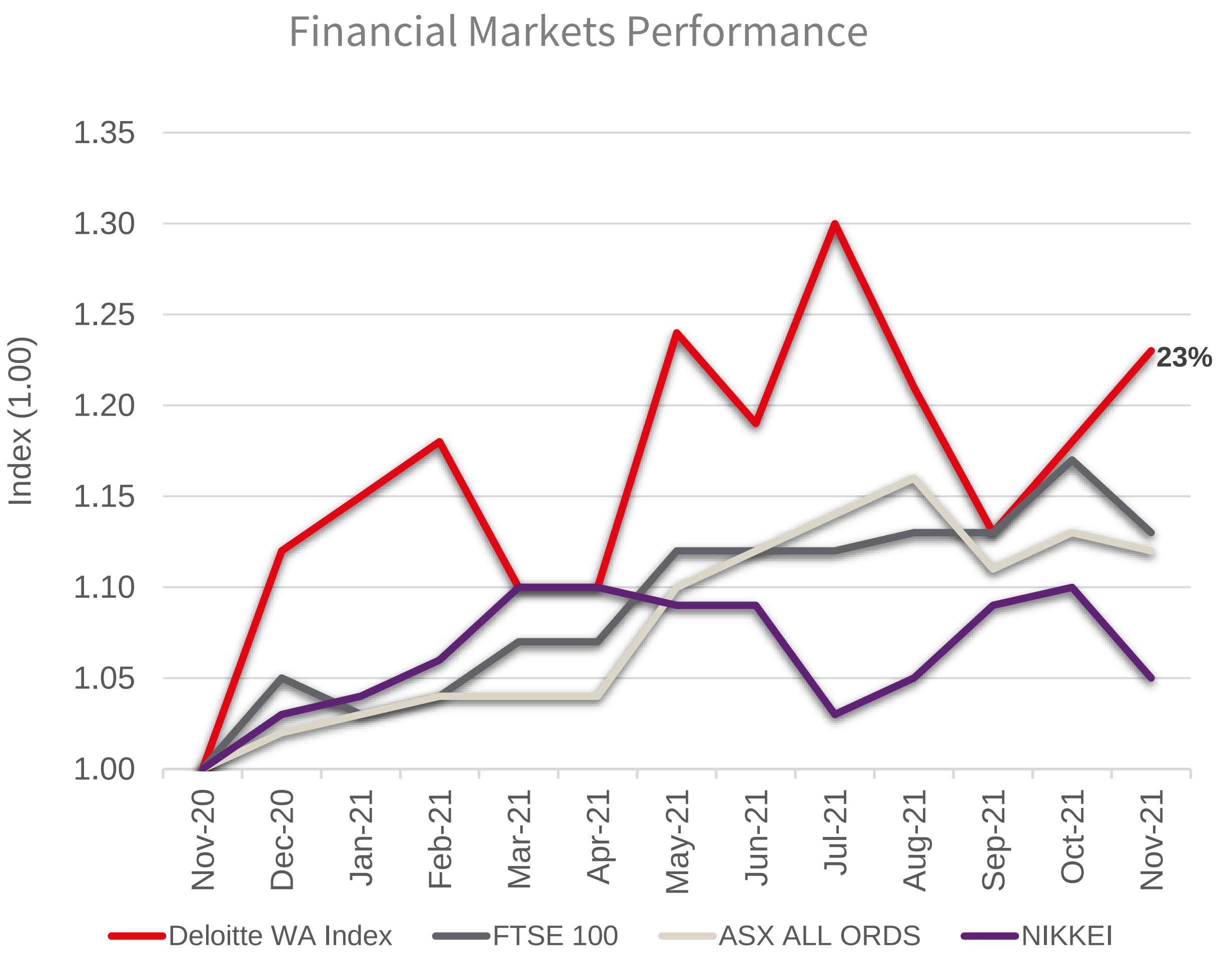
Making amends from 2019… or not

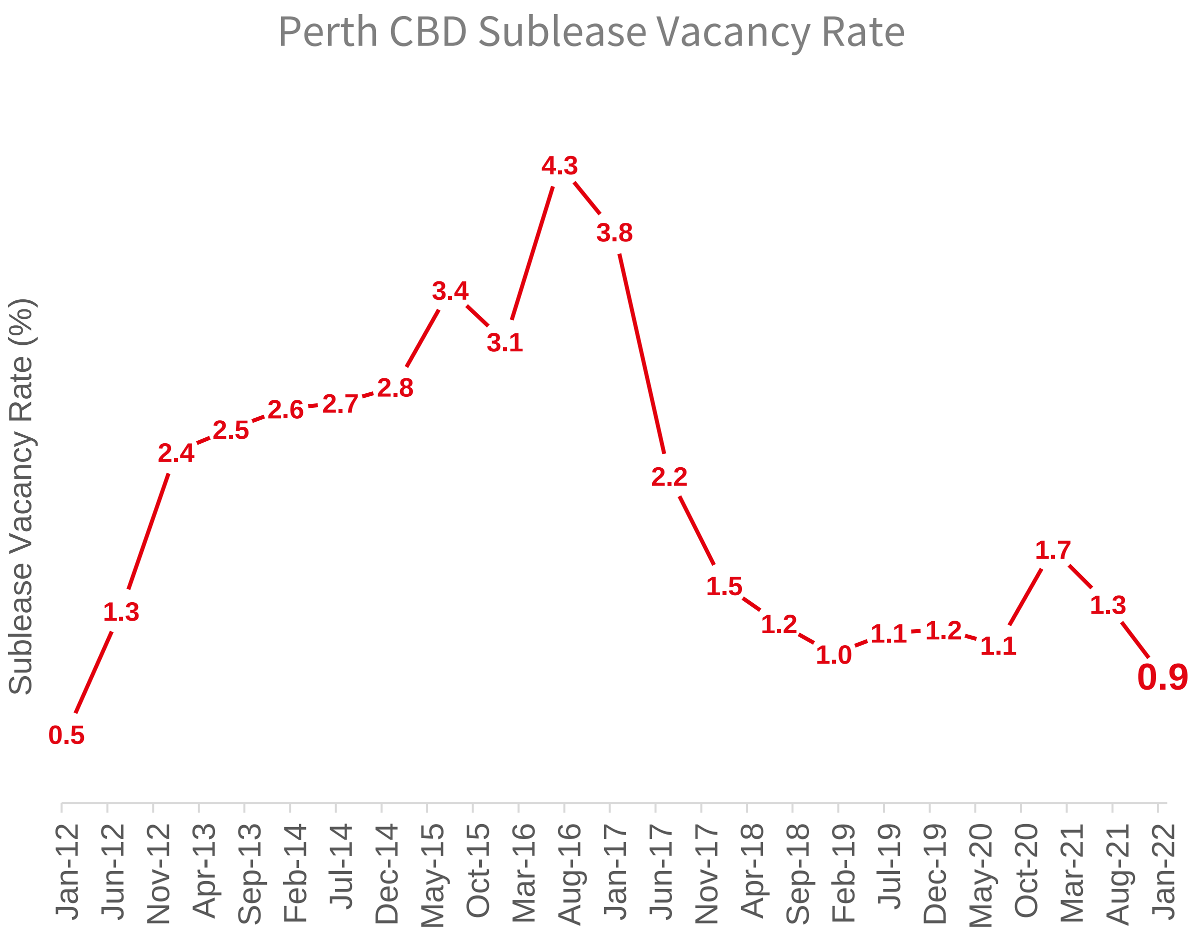
Perth CBD Office Market – Landlord/Agency Misery Index



Source: PCA, JLL

Assessing the reasons for reduced sublease availability

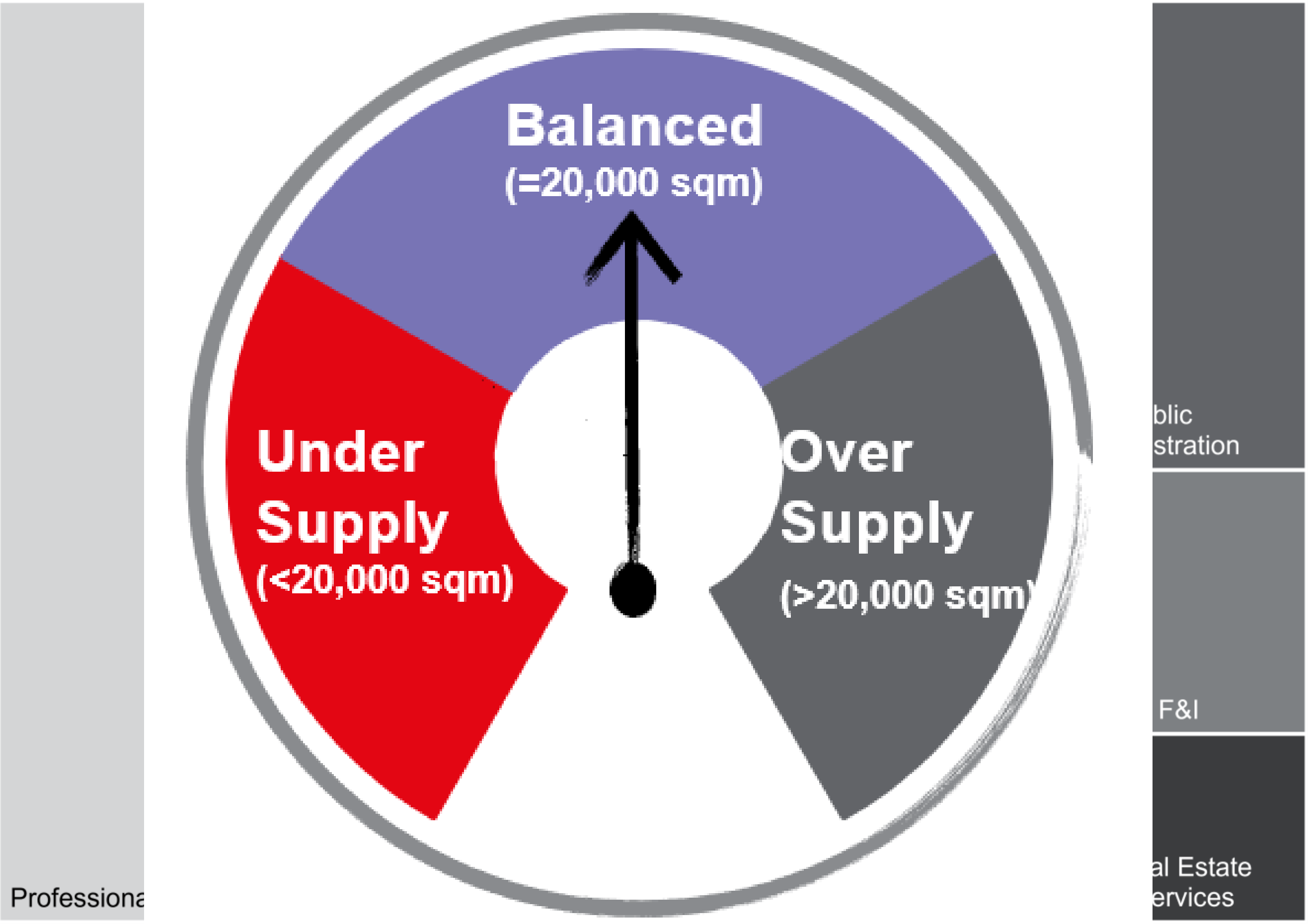




Source: PCA, DAE, JLL

Where is the forward-looking slide?

Key white collar employment industry sectors, 2022 to 2031



CBD Workforce Growth
(annual average **last** 20 years)
2.4%

CBD Workforce Growth
(annual average **next** 10 years)
1.4%
(20,000)

CBD Office **Future** Supply
(**next** 10 years)
200,000
sqm

CBD Office Historical Supply
(annual average **last** 20 years)
40,000
sqm

CBD Office Historical Supply
(annual average **last** 5 years)
17,000
sqm

Source: JLL Research, Oxford Economics, Deloitte Access Economics

Thank you

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