



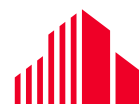
2019

OFFICE LEASING TRENDS & OUTLOOK

Navigating what tenants want and what
landlords are offering

OCTOBER 2018

**CITIES
INTO
ACTION**



**CUSHMAN &
WAKEFIELD**

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2018 KEY FACTS SUMMARY

- 1 The Melbourne office market is heating up with the current vacancy rate of 3.6% falling well below the 6% that survey respondents expected a year ago.
- 2 The low vacancy has pushed negotiating power in Melbourne firmly toward landlords with 85% of Melbourne respondents viewing Melbourne as landlord favourable.
- 3 Information, Media and Technology was the top driver of tenant demand in Sydney in 2018, while Government was the top driver in both Melbourne and Brisbane.
- 4 The recovery of Brisbane's office market is gathering pace with 50% of Brisbane tenant reps now expecting prime effective rents to increase by 5-10% in the year ahead.
- 5 Flexible space is becoming an increasingly important building attribute with 77% of all respondents agreeing that tenants will first look to their landlords, in preference to third party providers, to provide flexible space options.
- 6 In term of office design, 28% of respondents indicated that open plan offices would further improve staff productivity if additional private spaces were provided.

EXECUTIVE SUMMARY

In the third annual Cushman & Wakefield Office Leasing Trends and Outlook Survey, landlord and tenant representatives' views of the Sydney, Melbourne and Brisbane office markets were measured. The report highlights both the latest thinking on markets and notes how opinions have evolved over the past 12 months.

KEY CHANGES FROM LAST YEAR

- 85% of respondents think Melbourne is Landlord favourable, up from 50% in 2017, and 33% in 2016.
- Rental growth is expected in Brisbane.
- Sydney tenants have become less flexible while landlords have become slightly more flexible.
- End of trip facilities and natural light elevated to tier one leasing attributes

MARKET CONDITIONS AND OUTLOOK

- Melbourne respondents from last year's survey expected effective rental growth of 5-10%, but in the year to October 2018, Melbourne prime gross effective rental growth was 13.8%, and 14.8% on a net effective basis.
- Vacancy is expected to decline in Sydney and Brisbane, but in Melbourne it is expected to rise marginally.
- 90% of Sydney respondents expect rental growth in the year ahead.
- 50% of Brisbane tenant reps expect prime effective rents to increase by 5-10%.

NAVIGATING THE DIVIDE

- In Sydney, outside of face rents, neither side considers themselves flexible.
- In Melbourne apart from lease term, landlords are not flexible. Tenants have become less flexible on incentives and face rent.
- Brisbane is still the most flexible market.
- Natural light and End of Trip facilities are now Tier One leasing concerns for tenants.

INTRODUCTION

The report comprises 4 sections covering

1. Market Conditions and Outlook
2. The Negotiation Process
3. Hot Topics for The Sector
4. Tenant Insights

Respondents spanned both sides of the market, with Cushman & Wakefield surveying tenant representatives and landlords active in Australia's Eastern seaboard office markets of Sydney, Melbourne and Brisbane.

SURVEY METRICS

In total there were 103 respondents, of whom 35 were tenant representatives and 68 were landlords. Respondents were active in the Sydney (43%) and Melbourne (36%) markets, with a smaller proportion active in Brisbane (21%).

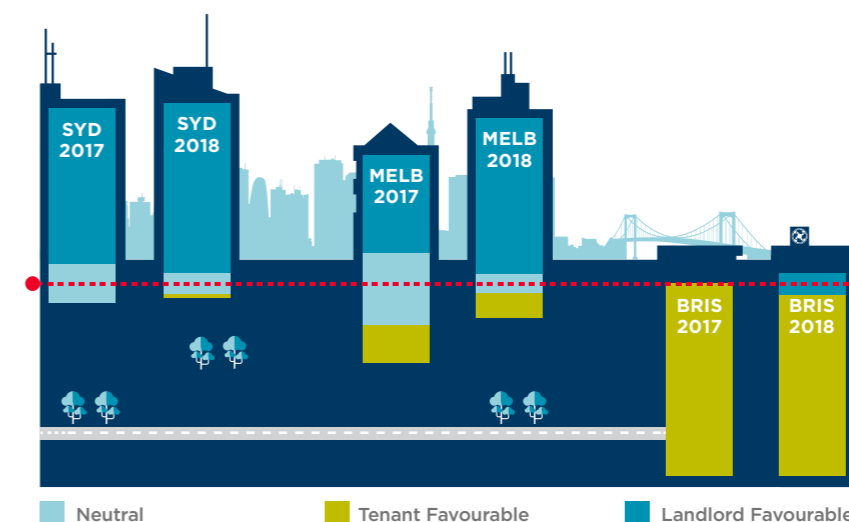
MARKET CONDITIONS AND OUTLOOK

85%

OF RESPONDENTS
THINK MELBOURNE
IS LANDLORD
FAVOURABLE,
UP FROM 50% IN 2017,
AND 33% IN 2016.

Perceptions of the state of the Australian economy improved over 2018. While respondents from Sydney and Melbourne posted a small uplift in their perception of national business confidence, it was those from Brisbane that made a significant lift from a year ago to bring them in line with their Sydney and Melbourne counterparts.

This positive sentiment from Brisbane respondents carried over into the perception of their capital city market. Market confidence in that capital city took a large leap forward, up 10 points year-on-year. Sydney remained stable, while Melbourne increased 4 points to pip Sydney for the highest business confidence of the three cities.



“Market confidence in Brisbane took a large leap forward, up 10 points year-on-year”

2018 INDUSTRY SECTOR DEMAND

The depth of demand differentiated Melbourne from Sydney and Brisbane.

Melbourne displayed the greatest depth of demand in 2018, with five industry sectors including Government, Professional Services, Information Media and Technology (IMT), Finance and Insurance (F&I) and Education rated by most respondents to have had ‘strong’ or ‘very strong’ demand. In Sydney there were three main industries driving demand including IMT, F&I and Professional Services, while in Brisbane the Government was the major standout, followed by F&I.

GOVERNMENT THE TOP DRIVER OF DEMAND IN MELBOURNE AND BRISBANE

The Government sector was the leading source of office demand in Melbourne over the year to October 2018, beating expectations of last year’s respondents. According to Cushman & Wakefield Research leasing evidence, government bodies were responsible for more than 45,000 sq m of lease commitments in the Melbourne CBD over the first three quarters of 2018.

In Brisbane, the Government sector makes up 20% of white collar employment and was also the most dominant demand sector. In total, 90% of respondents classified its demand as ‘strong’ or ‘very strong’ over the past year. F&I beat last year’s expectations, with 90% of tenant reps reporting demand as ‘strong’.

In Sydney, IMT was again the top driver of demand, with 85% of respondents reporting demand as ‘strong’ or ‘very strong’. International tech companies such as Facebook, Twitter, Uber, and Snapchat have recently secured space in the Sydney CBD, firming Sydney’s mantle as Australia’s gateway city.

SYDNEY	MELBOURNE	BRISBANE
IMT	Government	Government
Finance and Insurance	Professional services	Finance and Insurance
Professional Services	IMT	Professional services
Government	Finance and Insurance	IMT
Education	Education	Scientific and technical services
Scientific and technical services	Scientific and technical services	Education
Mining	Mining	Mining
WEAKER DEMAND		STRONGER DEMAND



CHAS KEOGH
Joint Head of Department, Office
Leasing Victoria

Whilst Government demand is at an all-time high, Government infrastructure spend, with projects such as the level crossing removal project, metro train upgrades and the metro tunnel, is also resulting in significant office demand from the private sector

“Melbourne displayed the greatest depth of demand in 2018”

2019 EXPECTED INDUSTRY SECTOR DEMAND

Looking to next year, Melbourne’s broad-based demand is expected to continue with the same six sectors maintaining their strength exhibited in 2018.

Expectations are for Sydney and Brisbane to remain reliant on a narrower range of industry sectors to drive tenant demand in 2019.

In Brisbane, the Government sector is again forecast to be the leading source of demand with the start of phase 2 of Queensland Government’s relocation strategy. The Professional services sector, however, is expected to offer increased demand in 2019 with nearly two thirds of respondents anticipating strong demand. F&I demand is projected to soften, perhaps due to Suncorp committing to 80 Ann Street. Demand expectations from Brisbane’s Mining sector, while anticipated to remain somewhat modest, have the largest year-on-year expected improvement of any industry sector across Sydney, Melbourne and Brisbane.

In Sydney, IMT is anticipated to remain the top driver, with 80% of respondents expecting strong demand, while F&I and Professional Services are again expected to round out the top 3. There are multiple large scale IMT requirements still in the market, which should drive ongoing demand. F&I is expected to soften slightly in Sydney, perhaps due to Allianz, ANZ, Deutsche Bank, NAB and Westpac all securing leases in the 12 months to October 2018, although CBA now has a circa 30,000sqm brief in the market.

SYDNEY	MELBOURNE	BRISBANE
IMT	Professional Services	Government
Professional Services	Government	Professional Services
Finance and Insurance	IMT	Mining
Scientific and technical services	Finance and Insurance	Scientific and technical services
Government	Education	Finance and Insurance
Education	Scientific and technical services	IMT
Mining	Mining	Education
WEAKER DEMAND		STRONGER DEMAND



JOSH LANGDON
Director, Tenant Advisory Group
Victoria

The Melbourne market is currently experiencing low vacancy and will likely be Landlord favorable until we see the new developments completed and the refurbishment of back fill options.

“Expectations are for Sydney and Brisbane to remain reliant on a narrower range of industry sectors”

VACANCY

Unlike last year, Melbourne landlords suggest vacancy will remain stable, while tenant reps anticipate a slight uptick in vacancy to 4.6% as Melbourne's supply pipeline builds.

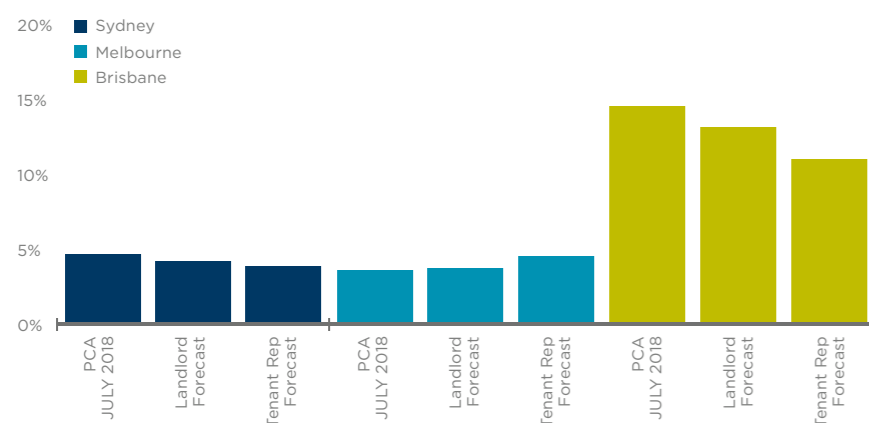
MELBOURNE'S

3.6%

VACANCY RATE HAS DROPPED WELL BELOW SURVEY EXPECTATIONS OF 6%.

Sydney's vacancy rate of 4.6% also dropped below 2017 survey expectations of 4.8%, although it wasn't that far off. The outlook for the year ahead still suggests further compression, with a 4% vacancy rate now forecast by both landlords and tenant reps.

In Brisbane, survey hopes of 12% failed to eventuate, with vacancy still at the relatively high rate of 14.6%.



Despite this, respondents again have a positive outlook for Brisbane. Tenant reps expect a 3.6% tightening over the year ahead, although this would require either significant stock withdrawal or more than four times the average annual net absorption. Landlords also expect a decline in the vacancy rate, albeit a more moderate one to 13.2%.



GENNA MCCARTHY
Director, Tenant Advisory Group,
Victoria

In 2018, tenants have experienced the tightest commercial market in Melbourne CBD since 2009. Fortunately, most tenants with expiries in the next couple of years have made decisions to enable them to deal in a market beyond 2021, when the market is forecast to be in a more balanced state.

RENTAL OUTLOOK

EXPECTATIONS FOR PRIME EFFECTIVE RENTS



**5-10%
SYDNEY**



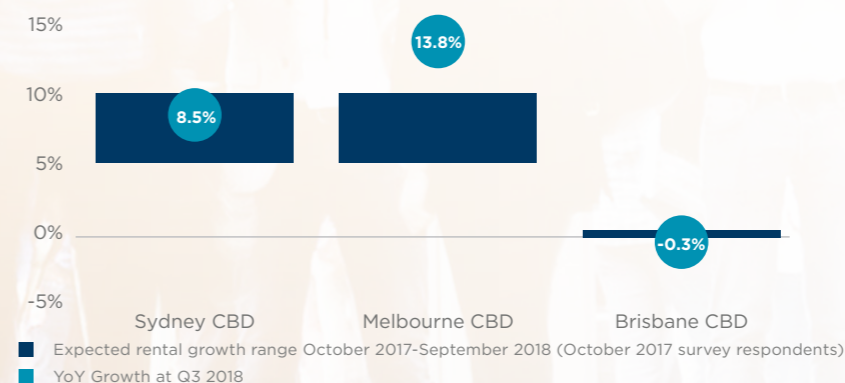
**5-10%
MELBOURNE**



**0%
BRISBANE**

Expectations for Sydney and Melbourne rental growth are for moderate to strong rental growth of between 5 and 10%; consistent with last year's survey forecast. Around 90% of Sydney respondents believe effective rental growth will be positive.

In Melbourne, the previous year's expectations for 2018 were for 5-10% effective rental growth. According to Cushman & Wakefield Research, Melbourne's Prime-grade CBD rents beat this, achieving effective growth of 14.8% on a net basis and 13.8% on a gross basis in the year to October 2018.



In Brisbane sentiment has shifted from last year. Prime effective rents were forecast to remain stable, and according to C&W Research data they did exactly that, with zero growth over the 12 months to September 2018. Both tenant reps and landlords anticipate rental growth in 2019 - 50% of respondents expect 0-5% growth, with around half of Brisbane's tenant reps predicting 5-10% effective rental growth. Landlords are not as optimistic, with 70% expecting 0-5% growth.

50%

OF BRISBANE TENANT REPS EXPECT PRIME EFFECTIVE RENTS TO INCREASE BY 5-10%



TIM MOLCHANOFF
Head of Office Leasing
Australia and New Zealand

In Sydney, the market fundamentals suggest that incentives could further compress, however tenants are negotiating hard to maintain fit out contributions. We expect Sydney face rents to continue to rise in the order of 6-9% as we have seen in the past year, and Melbourne face rents are forecast to increase through to 2020/21.



MICHAEL KEARINS
Managing Director, Tenant Advisory
Group Australia and New Zealand

Whilst rents have stabilized in Brisbane over the last 12 months, market conditions suggest that there is scope for an increase in effective rents towards 2020. There is a limited development pipeline and as such general demand will see the vacancy rate decline over this period.

NEGOTIATING THE DIVIDE

For the past two years low vacancy rates in Sydney and Melbourne have allowed landlords to become less flexible in their negotiations. In Brisbane, landlords retained a flexible approach to negotiations given the tenant-friendly market. However, there are differences between the markets and their respondents in where the relative flexibilities lie.



BEN WARD

Joint Head of Department, Office
Leasing Victoria

Organic growth from existing occupiers is putting further pressure on an already tight vacancy in Melbourne's CBD. As a result the market is experiencing its strongest rental growth since pre GFC with prime net effective rents up around 15% over the 12 months to September 2018.

FACE RENT THE NEGOTIATING POINT IN SYDNEY

Unsurprisingly, landlords are not flexible on face rents, while tenants are flexible. Outside of face rents, neither side considers themselves flexible.

Year-on-year Sydney tenants have become less flexible, particularly on lease term and make goods, closely followed by incentives. Landlords have become slightly more flexible, possibly due to a reduction in number of larger tenants in the market and an increase in the number of speculatively fitted suites.



TIM COURTNALL

NSW Head of Office Leasing

The Sydney CBD market has turned more landlord-favourable over the past year. As a result they have hardened their position on most aspects of lease negotiation.

LEASE TERM IS NEGOTIABLE IN MELBOURNE

In Melbourne, tenants are flexible on face rent, and both landlords and tenants are relatively flexible on lease term. Year-on-year Melbourne tenants have become marginally more flexible overall, perhaps in response to accommodate the further elevation of landlord favourable conditions. They have become more flexible on lease term, and less flexible on incentives and face rent, perhaps in response to double digit rent growth in much of the CBD. Landlords have become less flexible on make goods and review structure.

BRISBANE LANDLORDS DIG THEIR HEELS IN ON FACE RENT & REVIEW STRUCTURES

Brisbane is still the most flexible of the three cities. Year-on-year, Brisbane landlords have become less flexible, particularly on face rent and review structures, while Brisbane tenants are more flexible than a year ago. Landlords want to maintain their face rents, their least flexible variable, while tenants are least flexible on make goods, followed by lease term and review structure.



PETER DODD

QLD Head of Office Leasing

Large contiguous options in Brisbane are drying up quickly with little new supply in the next 6 to 12 months. This will allow landlords the opportunity to drive effective rents.



ATTRIBUTES

Once again, the survey sought the views of landlords and tenant reps on what tenants were looking for when leasing office property.

Financial affordability was ranked #1 by both landlords and tenant reps. Views then diverged with tenant reps retaining focus on costs, placing value-for-money at #2. Landlords instead opted for building and locational attributes. It remains clear that NABERs and Wellness Score are still viewed as less important to tenants than other attributes.

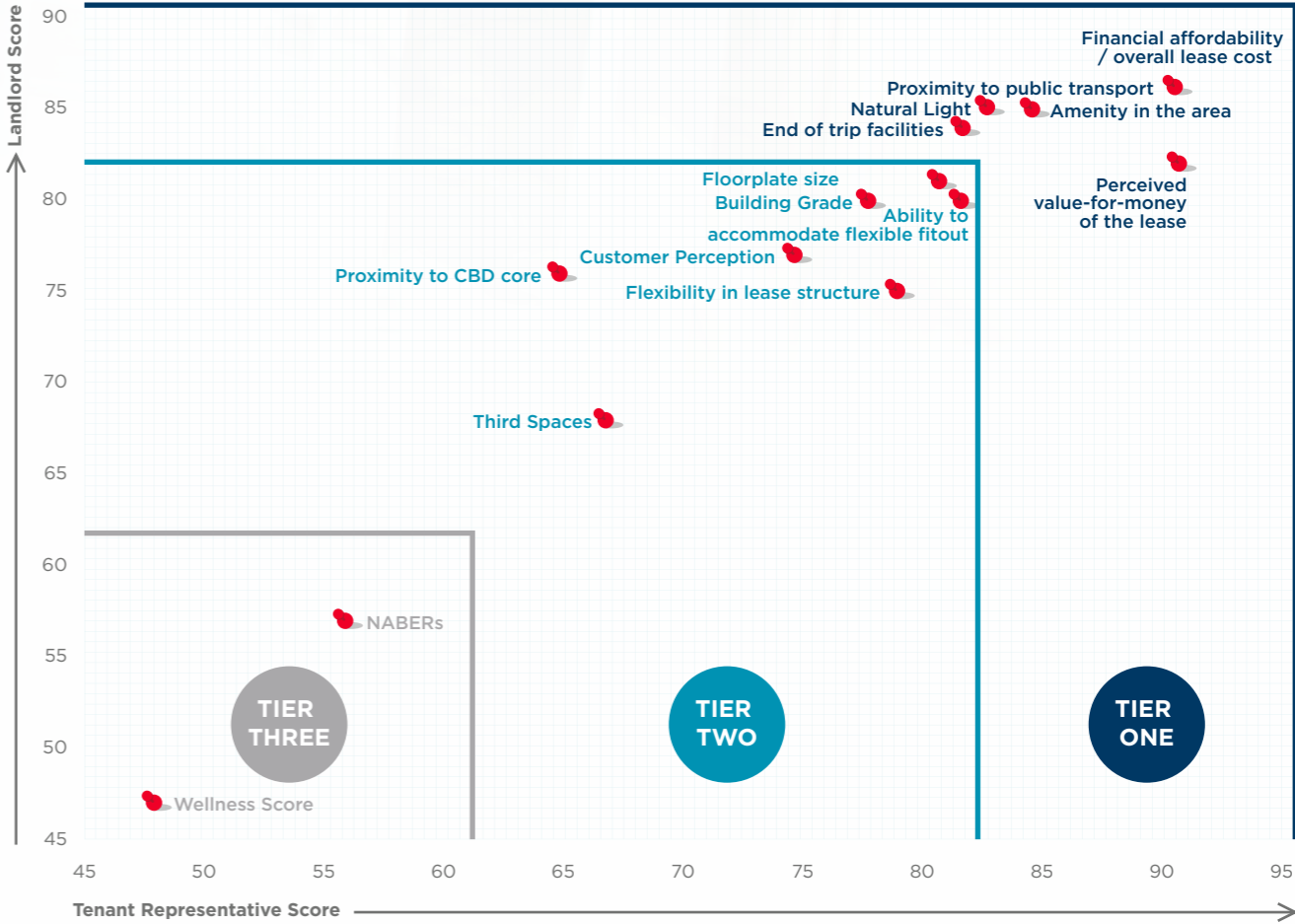
For tenant reps, End of Trip facilities saw the biggest increase in importance, while Proximity to CBD core, Wellness score, Customer perception and Third spaces all declined in importance. Third Spaces and Floorplate size were the two attributes that saw the biggest year-on-year jump in importance according to landlords

Proximity to CBD core was where landlords and tenant reps views diverged most. Landlords considered it important, while tenant advisors viewed it as relatively unimportant. Landlord favourable conditions (in Sydney and Melbourne) may have influenced this result, but there was no discernible theme of CBD decentralisation in Sydney, Melbourne or Brisbane.

The divide between the views of landlords and tenant reps was most pronounced in Melbourne where the top seven variances in attribute importance were recorded.

“
End of trip facilities saw the biggest increase in importance
”

ATTRIBUTE	MARKET	VARIANCE POINTS BETWEEN LANDLORDS AND TENANT REPS	HIGHER IMPORTANCE SCORE
Proximity to CBD Core	Melbourne	24	Landlords
NABERs	Melbourne	12	Landlords
Value for Money	Melbourne	12	Tenant Reps
Wellness Score	Melbourne	11	Landlords
Building Grade	Melbourne	10	Landlords
Flexibility in lease structure	Melbourne	10	Tenant Reps
End of Trip Facilities	Melbourne	8	Landlords
Wellness Score	Brisbane	8	Tenant Reps
Natural Light	Sydney	7	Landlords
Wellness Score	Sydney	7	Tenant Reps
NABERs	Brisbane	7	Tenant Reps
Value for Money	Sydney	6	Tenant Reps
Proximity to CBD Core	Sydney	6	Landlords
End of Trip Facilities	Brisbane	6	Landlords
Value for Money	Brisbane	6	Tenant Reps
Customer Perception	Sydney	5	Landlords
End of Trip Facilities	Sydney	5	Tenant Reps
Customer Perception	Brisbane	5	Tenant Reps



TENANT INSIGHTS

CBD CENTRALISATION PREVAILING

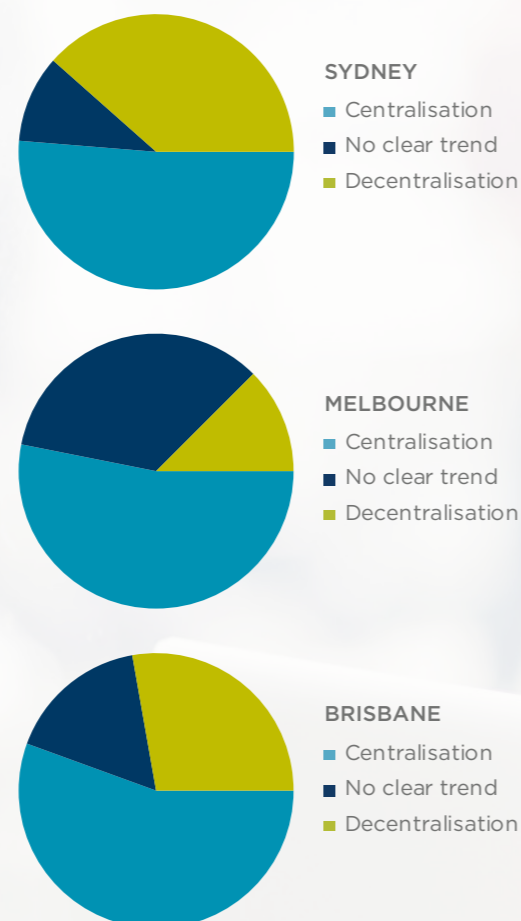
Trends of CBD centralisation (tenants moving from outer markets into the CBD) and CBD decentralisation (CBD tenants moving to outer markets) are usually directly linked to cost and space availability. The Sydney and Melbourne CBDs have both experienced considerable rental growth in recent years, however, there has been evidence of tenants moving both to and from the CBD. In Sydney, Pfizer and Roche have moved into the CBD, while Mastercard has moved further from the CBD. In Melbourne, some larger tenants are seriously considering Richmond and Cremorne as options. In Brisbane the elevated vacancy rate has led to tenant favourable terms which have made the CBD attractive. Origin recently relocated from the Fringe to the CBD, however Flight Centre, Aurecon and Aurizon have all recently relocated from the CBD to the Fringe, though into newly completed buildings.

Sydney, Melbourne and Brisbane respondents all provided similar responses on the topic of whether tenant locational strategies were supporting CBD centralisation or decentralisation. Melbourne had a higher proportion of respondents indicate that there was no clear trend.

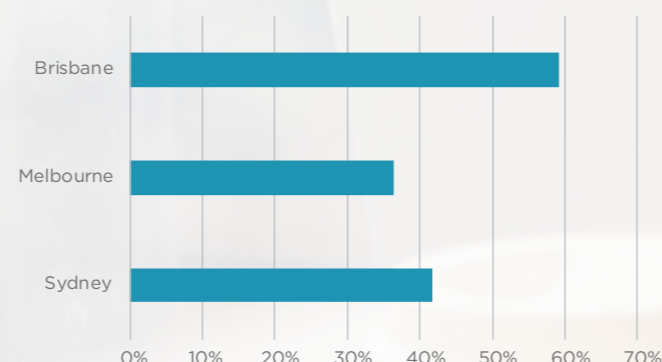
RELOCATION

As confirmation that the Brisbane CBD market is tenant favourable, over the past twelve months, Brisbane tenants have been the most open to relocating. 80% of Brisbane respondents suggested that at least half of tenants have chosen to relocate. Melbourne and Sydney were both much lower, indicative of the tighter vacancy and landlord favourable fundamentals of those markets.

WHICH THEME IS STRONGER,
CENTRALISATION OR DECENTRALISATION



PROPORTION OF TENANTS WHO
HAVE CHOSEN TO RELOCATE



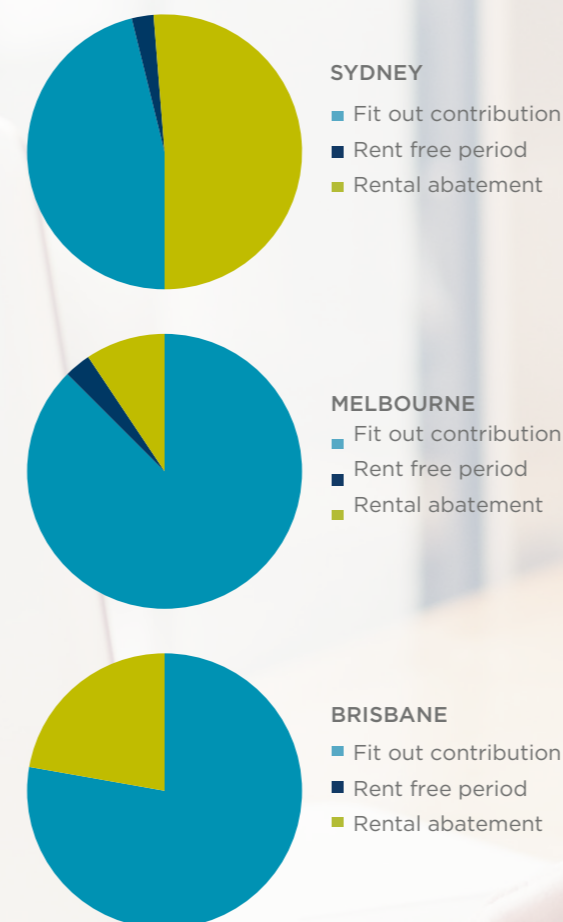
PREFERRED INCENTIVES

Respondents in Melbourne and Brisbane were clear that tenants are most likely to opt for a fit out contribution over the next twelve months; likely in order to minimise the cost of relocation.

Sydney was a clear exception to this, with the majority indicating that rental abatement is likely to be the top preference over the year ahead; an indicator that Sydney rents are putting financial pressure on (some) tenants.

Respondents noted that tenants who choose to relocate are taking capital contributions, while those choosing to renew are taking rental abatements. This can be dependent on whether there is an existing fit out in place, and as such it is a case by case scenario.

PREFERRED FORM OF INCENTIVE

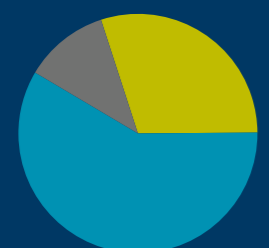


HOT TOPICS

WELL CERTIFICATION

As the building attributes section of this report shows, building wellness, or WELL Certification, is a Tier 3 tenant concern. But despite that, tenant reps and landlords alike anticipate that it will be important factor in the future. While 30% of respondents considered the importance of building Wellness over-stated, the vast majority felt that it would be important for both tenants and landlords alike within ten years.

WELL CERTIFICATION IMPORTANCE



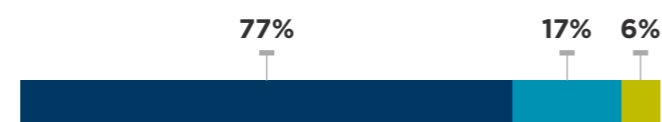
■ Over-stated
■ Important within ten years
■ Under-stated

THIRD SPACES

Operators such as WeWork have been active lease takers in 2018, however it is still true that third space providers (such as coworkers) only make up around 2% of the Sydney, Melbourne and Brisbane CBDs.

It is unclear in the current market whether landlords have actively recruited external third space providers into their buildings, or whether they have simply offered the most commercially attractive lease terms.

Third spaces as they exist in today's market are typically operated by a third-party operator, however Dexu's 'SpaceX', GPT's Space&Co, Lendlease's 'The Porter', and ISPT's 'Flex' and 'Dialogue' are examples of landlords moving into the sector.



77%

OF ALL RESPONDENTS AGREED THAT IN THE FUTURE, TENANTS WILL LOOK TO THEIR LANDLORDS TO PROVIDE FLEXIBLE SPACE (POSSIBLY OUTSIDE THEIR PRIMARY BUILDING) PRIOR TO SEEKING FLEXIBLE SPACE FROM A THIRD-PARTY PROVIDER.

Third spaces have typically been aimed at smaller enterprises but are now often marketed as expansion/overflow space. Historically, larger firms with bargaining power have usually negotiated expansion rights within a building.

Relative to other building attributes, third spaces are relatively unimportant (low TIER 2). Last year tenant reps and landlords did not equally rate third spaces, however this year their results were in unison. One respondent commented that third spaces are 'extras' that tick boxes that didn't originally exist, sometimes giving that property an edge over the competition. An additional view was that landlords need to set aside permanent short-term project space for tenant use, perhaps like Dexu, GPT, Lendlease and ISPT have ventured into.



BREAKING DOWN THE FACILITIES

Meeting rooms and conference facilities were the most important of the three types of third spaces. 70% of respondents considered them important, including all tenant reps. Nearly half of Melbourne tenant reps considered these facilities 'very important'.

Food, beverage and entertainment (F, B & E) was not quite as important as meeting and conference facilities, however about three quarters of respondents still said that they were important in attracting and retaining tenants. Sydney tenant reps were the exception, where nearly half considered these facilities unimportant.

Additional desk space was less important than meeting/conference, and F, B & E facilities. Tenant reps considered additional desk space relatively more important than their landlord counterparts, however landlords in Brisbane were neutral on the importance of additional desk space.

Year-on-year, third spaces are less important to tenant reps, but more important to Landlords.

OPEN PLAN OFFICES

40% Improve the productivity of some staff while reducing the productivity of others.

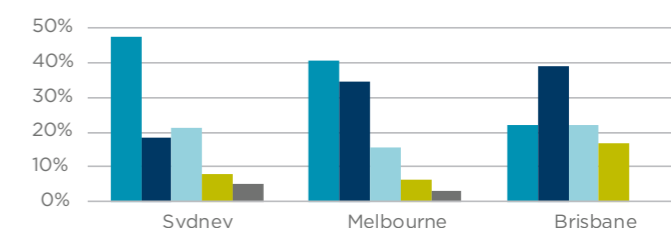
28% Would further improve staff productivity with additional private spaces.

19% Improve staff productivity.

9% Have no impact on productivity.

3% Hinder the productivity of staff.

TENANTS FEEDBACK SUGGESTS OPEN PLAN OFFICES:



■ Improve the productivity of some staff while reducing the productivity of others
■ Would further improve staff productivity with additional private spaces
■ Improve staff productivity
■ Have no impact on productivity
■ Hinder the productivity of staff



CHRIS HANLEY
Head of NSW Tenant
Advisory Group

A number of modern workplaces have overemphasised collaboration at the expense of focussed work. Many of our clients are seeking to rebalance this equation.

BLOCKCHAIN

WHEN WILL BLOCKCHAIN WILL BE WIDELY AVAILABLE AS AN OPTION?

1	5 TO 10 YEARS	35%
2	UNLIKELY TO EVER BE ADOPTED	30%
3	10+ YEARS	20%
4	1 TO 5 YEARS	15%

HOW COULD BLOCKCHAIN IMPACT OFFICE LEASING?

If adopted by CRE, blockchain has the potential to revolutionise the industry. Digital ledgers (a likely hybrid blockchain) or a decentralised database, could house information on all buyers, sellers, title work, reporting, lease comps and vendor work on any individual commercial property.

A constantly expanding inventory of financial payment records, termed blocks, would be timestamped and linked to a previous block, of which authorised users; including parties to the transaction and government taxing bodies will be able to view. The data will be protected against alteration and adjustment. While bitcoin is a global phenomenon, blockchain in CRE is likely to be more localised.

“Smart contracts” could operate automatically, set-up according to pre-defined rules to collect rent payments, on time, every time, and fully traceable for audit. This information could reduce paperwork, improve transparency, and speed up transaction time from days/weeks/months to minutes or seconds.



ACCURATE DATA

The property registry should be as accurate as possible before it is put on to an unchangeable platform. Site size, GLA, building height, number of floors etc.



DIGITISED RECORDS

A property registry needs to be completely digital before the blockchain is integrated.



SECURED IDENTITY

Such as my.gov, for users to log in with to prove their identity.



MULTISIGNATORY WALLETS

A consensus escrow service. E.g; when Natasha wants to pay John rent, she sends a transaction to a multisignature address, which requires at least two signatures from the group "Natasha, John and Dominic" to redeem the money. If Natasha and John disagree on how much the rent is, they can appeal to Dominic. Dominic grants his signature to Natasha or John.



A TRAINED PROFESSIONAL COMMUNITY

All parties will need to be trained on blockchain and how to use it.



A CONNECTED AND TECH-AWARE POPULATION

A blockchain registry may not be optimal in places where connectivity is limited or where consumers are not comfortable with digital transactions.



A PRIVATE OR HYBRID BLOCKCHAIN

Hybrid blockchains are better suited to highly regulated enterprises and governments. Multiple private (rather than public) decentralised ledgers secure the data but allow the flexibility and control over what data is kept private versus shared on a public ledger.

WHAT'S NEEDED BEFORE FOR BLOCKCHAIN CATCHES ON

CONCLUSION

The results from the survey have provided insights into the current state of play of the office leasing markets across Australia's eastern seaboard.

Key changes over the year include Melbourne's continued shift into landlord favourable territory, driven by the stronger than anticipated drop in the vacancy rate, and in Brisbane, market confidence is increasing with expectations of stronger rental growth in 2019.

On the negotiation front, tight market conditions have meant landlords in Sydney remain inflexible and have become increasingly inflexible in Melbourne, particularly with regard to face rents and review structures. Tenants in Sydney and Melbourne are also adopting a tougher negotiating position, although those in Melbourne are more willing to negotiate on lease term. Brisbane tenants have reportedly become more flexible, making Brisbane the most flexible city for negotiating an office lease.

Financial affordability, value for money and geographical location are primary considerations for tenants. Second tier factors relate to the quality of the building, including grade, floorplate size and services, however natural light and end of trip facilities have risen to Tier One concerns. Additional factors such as sustainability and wellness are still relatively unimportant.



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APPENDIX

The Office Leasing Trends and Outlook survey was conducted over a three week period in August/September 2018 via an online questionnaire.

In total there were 103 respondents, of whom 35 were tenant representatives and 68 were landlords. Respondents were active in the Sydney (43%) and Melbourne (36%) markets, with a smaller proportion active in Brisbane (21%).

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value by putting ideas into action for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with 48,000 employees in approximately 400 offices and 70 countries. In 2017, the firm had revenue of \$6.9 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

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