



NORTH SHORE

OFFICE MARKET OVERVIEW SEPTEMBER 2018

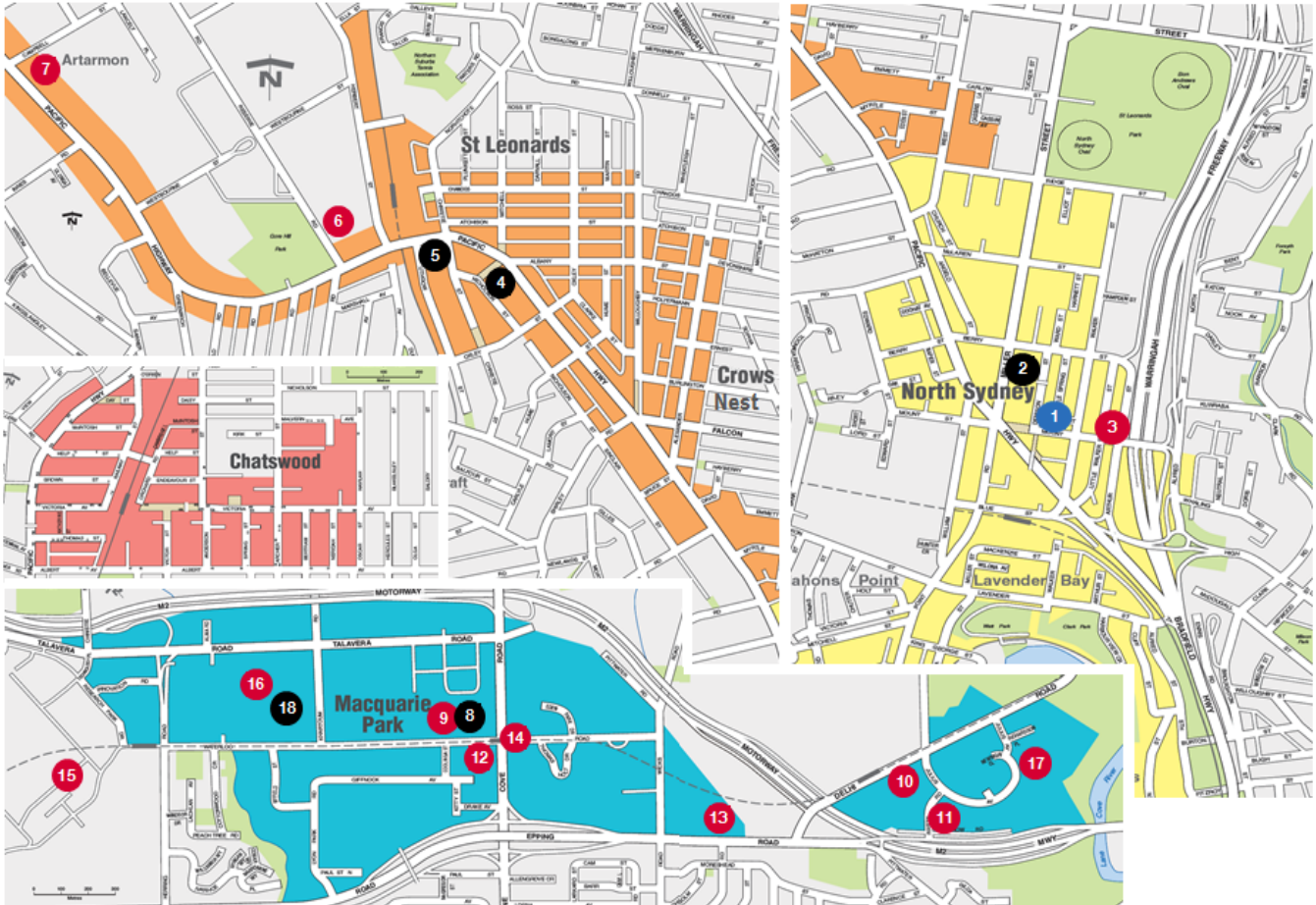
HIGHLIGHTS

Strong tenant demand across the North Shore is expected to see net absorption average 55,000 sq m per annum over the next two years, underpinned by new market entrants and continued employment growth.

Gross face rents in the North Sydney market continued to rise in conjunction with falling incentives over the past twelve months. The short term supply drought will see rental growth remain strong.

Sustained investor demand for North Sydney assets has seen significant yield spread compression between prime Sydney CBD and North Sydney assets, with the gap narrowed to 52bps as at July 2018.

MAJOR OFFICE SUPPLY



Source of Map: Knight Frank

North Sydney


- 1 100 Mount St - 40,600m² [NBN Co][^]
Dexus - Q1 2019 - 66% committed
- 2 1 Denison St - 65,021m² [Nine Entertainment][#]
Winten Property - H2 2020 - 40% committed
- 3 118 Mount St - 21,103m² [Zurich]
Zurich - H2 2020 - 75% committed


Crows Nest/St Leonards


- 4 472-486 Pacific Hwy - 4,600m²
Mirvac - Q4 2019
- 5 88 Christie St (Fronting Pacific Hwy) - 17,000m²**
JQZ - 2020+
- 6 RNS Hospital site - 25,000 m² [NSW Govt. 100%]
NSW Government - H12021
- 7 Gore Hill Technology Park - up to 56,250m²
Owner occupier - Mooted

Macquarie Park/North Ryde

- 8 45-61 Waterloo Road - Bld C - 35,000m² [GPNSW]
John Holland - Q4 2019 - 70% committed
- 9 45-61 Waterloo Road Bld - A,B,D,E,F - 82,000m²
John Holland - Mooted
- 10 39 Delhi Rd - 30,000m²
Stockland - Mooted
- 11 1 Rivett Rd (Stage 2) - 11,380m²
Pathway Property - Mooted
- 12 396 Lane Cove Rd - 74,000m²
Fraser's Property / Winten Property Group - Mooted
- 13 29-35 Epping Rd - 14,500m²
Harvey Norman Holdings - Mooted
- 14 271 Lane Cove Rd - c.34,000m²
Mirvac - Mooted
- 15 8-10 University Ave - c.50,000m² *
Macquarie University - Early Feasibility
- 16 11-17 Khartoum Rd - 52,000m²
Stockland - Mooted
- 17 Epicentre at Riverside, 6-8 Julius Ave - 34,194m²
ISPT - Mooted
- 18 Stage 2 97 Waterloo Rd - 15,000m²
Goodman - H2 2020

 Under Construction/Complete

 DA Approved/Confirmed/Site Works

 Mooted / Early Feasibility

NB. Dates are Knight Frank Research estimates

Office NLA quoted, Major tenant precommitment in [brackets]

[^] Two buildings 25,000m² each^{*} Lang O'Rourke pre-committed[#] SAP pre-committed^{**} Includes 8,045m² of retail

KEY FINDINGS

The North Sydney prime market experienced a substantial decrease in vacancy **falling from 8.4% to 2.1% in the six months to July 2018.**

Over 125,000 sq m of new supply in North Sydney is currently under construction and set to come online by mid 2020, which is set to ease prime vacancy levels.

Prime and secondary markets in St Leonards recorded gross effective rental growth of 16.5% and 15.7% respectively over the past 12 months.

Rental growth from the Sydney CBD has flowed into the North Shore markets, underpinned by the supply drought in the Sydney CBD.



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NORTH SYDNEY

Strong demand for prime office space

The North Sydney market recorded net absorption of 558 sq m over the six months to July 2018, taking the annual absorption to negative 10,325 sq m. However split by grade absorption levels in the prime market were at its strongest levels since July 2016, recording 16,347 sq m. Notable deals driving this include Allianz occupying 101 Miller Street (5,657 sq m) relocating from the Sydney CBD in addition to Flight Centre commencing its lease at 60 Miller Street (6,566 sq m).

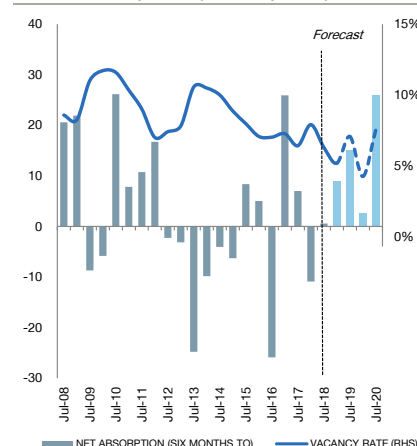
The strong absorption levels in the prime market were counterbalanced by the negative absorption in the secondary market of 15,789 sq m. The residential conversion of 61 Lavender Street (9,847 sq m) and withdrawal of 118 Mount Street (3,705 sq m) for the new Zurich head office were the main catalysts for the negative absorption levels.

Positive absorption in the prime market to continue

The pre-commitment market remains active with software company SAP agreeing to 5,700 sq m at 1 Denison Street to join Nine Entertainment (15,500

sq m). Additionally, Zurich has committed to 75% of its new tower at 118 Mount Street which will see it occupy c15,000 sq m. Nokia Solutions has agreed to 4,879 sq m at 111 Pacific Highway relocating from Pyrmont and Rhodes with occupation in September. Net absorption is forecast to be strongest in the North Sydney market over the next two years (26,400 sq m per annum on average), largely due to the above mentioned tenant movements.

FIGURE 1
North Sydney Net Absorption & Vacancy
Per six month period (000's sq m, %)



Source: Knight Frank Research/PCA

TABLE 1
North Shore/North Ryde Office Market Indicators as at July 2018

Market	Grade	Total Stock (sq m) [^]	Vacancy Rate (%) [^]	Annual Net Absorption (sq m) [^]	Avg Net Face Rent (\$/sq m)	Outgoings (\$/sq m)	Average Incentive (%) [*]	Average Core Market Yield (%)
North Sydney	Prime	262,215	2.1	11,304	764	132	22.4	5.00 - 5.50
North Sydney	Secondary	548,215	8.3	-21,629	629	129	20.0	5.25 - 5.75
North Sydney	Total Market	810,430	6.3	-10,325	672	130	20.8	5.00 - 5.75
Crows Nest/St Leonards	Prime	102,699	14.8	174	587	130	21.7	5.75 - 6.25
Crows Nest/St Leonards	Secondary	204,182	7.4	2,070	522	110	22.8	6.00 - 7.00
Crows Nest/St Leonards	Total Market	306,881	9.9	2,244	543	120	22.8	5.75 - 7.00
Chatswood	Prime	157,412	6.6	9	524	128	23.0	6.00 - 6.50
Chatswood	Secondary	121,507	6.3	1,129	457	107	23.7	5.75 - 6.25
Chatswood	Total Market	278,919	6.5	1,138	494	119	22.8	5.75 - 6.75
Macquarie Park/North Ryde	Prime	644,824	3.4	12,977	398	100	23.0†	6.00 - 6.50
Macquarie Park/North Ryde	Secondary	224,210	11.7	8,402	335	100	23.0†	6.75 - 7.00
Macquarie Park/North Ryde	Total Market	869,034	5.4	21,379	381	100	23.0†	6.00 - 7.00

Source: Knight Frank Research/PCA

^{*} Incentives are on a Gross basis

[†] Incentives are on a Net basis

[^] As at January 2018

Note: Average data is on a weighted basis. Yield ranges reflect the average lower and upper yields for a select basket of office assets in each market and grade. Grade: Prime includes modern and A-Grade stock whilst Secondary includes B, C and D quality Grade.

In conjunction with the pre-commitments there are a number of large tenant enquires in the market which will have positive implications for absorption in the next 24 months. Tenants currently seeking options in North Sydney and the Greater North Shore region include Toyota (6,000 sq m), The Iconic (8,000 sq m), Microsoft (10,000 sq m) and SG Fleet (3,500 sq m).

Vacancy records 16 year low

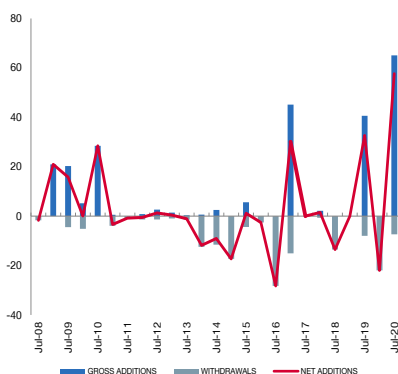
The North Sydney overall vacancy rate had a significant decline from 7.9% to 6.3% in the six months to July 2018 and is currently sitting at its lowest point in 16 years. Driving the decline was the strong absorption in the prime market and no new supply added over the period.

The prime market experienced a substantial decrease in vacancy falling from 8.4% to 2.1% in the six months to July 2018. The secondary market however increased from 7.7% to 8.3% in the six months to July 2018 following the negative absorption levels.

Welcome addition of new supply

With no new supply additions this year, the North Sydney market awaits the completion of two major developments currently under construction which are set to ease pressure on the market upon completion. The major projects include 100 Mount Street (41,600 sq m 60% pre-committed to NBN Co and Laing O'Rourke - Q1 2019) and 1 Denison Street (65,021 sq m 40% pre-committed to Nine Entertainment and SAP - Mid 2020).

FIGURE 2
North Sydney Office Supply
Per six month period ('000' sq m)



Source: Knight Frank Research/PCA

More recently 118 Mount Street owned by Zurich Insurance has commenced ground works for its new head office (21,103 sqm 75% pre-committed to Zurich - late 2020).

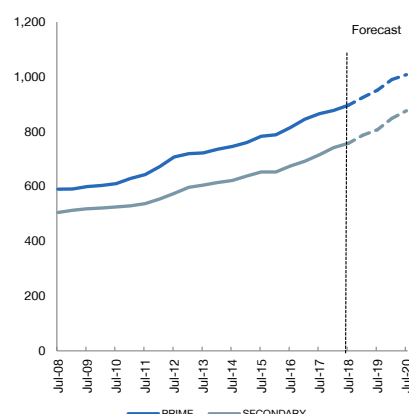
Over the next 24 months as the new developments reach completion and residential conversions slow there will be a healthy supply of new stock to the market which is set to ease vacancy pressure.

Strong demand pushes rents

Following strong absorption in the prime market and falling vacancy levels, rents in the North Sydney market continued to rise. In the 12 months to July 2018 average prime gross face rents have increased by 3.6% to \$896/sq m (\$764/sq m net face). In addition, prime incentives declined further to 22.4% from 23.6% a year ago, resulting in gross effective rental growth of 6.3% YoY.

In the secondary market, average gross face rents have risen by 5.9% YoY to \$757/sq m (\$629/sq m net face) as at July 2018. The average secondary incentive level decreased from 24-25% in July 2017 to 19-20% in July 2018 boosting gross effective rents by 13.1% YoY. The strong growth has been driven by the supply drought and limited availability in the prime market. With this set to continue for the next 12 months, we anticipate secondary rental growth to outpace the prime market.

FIGURE 3
Average Gross Face Rents
Prime & Secondary, North Sydney



Source: Knight Frank Research

Foreign capital drives investment activity

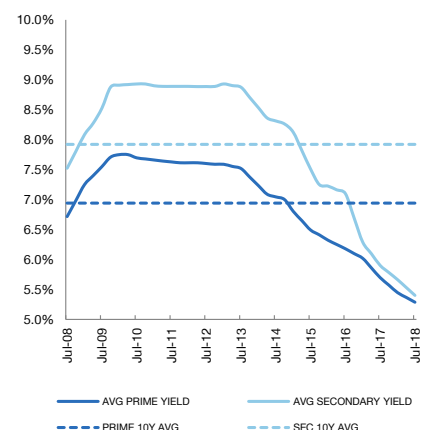
North Sydney continues to see strong demand from investors, recording \$1.26 billion (\$10 million+) of transactions in the 12 months to July 2018. This being primarily driven by foreign investment accounting for \$1 billion or 80% of all transactions, more specifically Hong Kong has poured \$523.55 million into the North Sydney Market.

The standout sale for 2018 has been the 50% stake at 100 Miller Street (Northpoint Tower) purchased by Hong Kong based Early Light holdings for \$300 million on a core market yield of 4.73% and 3.4 year WALE. This is the first investment sale to record a sub 5% yield and highlights the strength of the market and confidence investors have in North Sydney as a safe investment option outside the Sydney CBD.

Yield spread tightening to Sydney CBD

As at July 2018, prime assets in North Sydney average 5.29%, 41bps lower than 12 months prior. In the secondary market, a lack of stock in conjunction with increased demand from offshore groups and rising rents has seen secondary assets achieve an average yield of 5.40%, taking the yield spread to just 11bps. Additionally, reflected in recent prime sales and strong investor demand for North Sydney assets, the yield spread between prime Sydney CBD and North Sydney has compressed to 52bps.

FIGURE 4
Average Core Market Yields
North Sydney



Source: Knight Frank Research

CROWS NEST/ST LEONARDS

Stable tenant demand

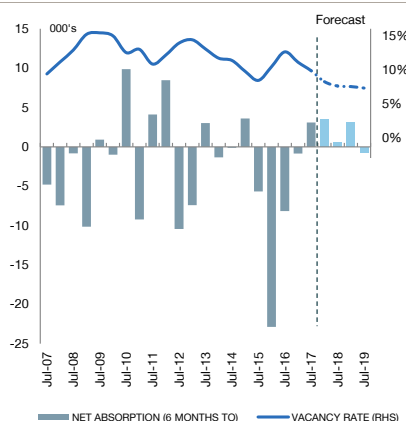
Despite continued negative net supply within the Crows Nest/St Leonards market, which saw a further 850 sq m withdrawn from the market over the past six months, tenant demand, as reflected by net absorption figures was positive for the first time since late 2015. Over the six months to July 2018, net absorption totalled 3,090 sq m and was largely the result of tenant occupations within the secondary market as net absorption measured 2,145 sq m.

For the prime market, net absorption for the six month period measured 945 sq m and predominately stemmed from Space 207 where several new lease deals were recorded.

Stock withdrawals and positive absorption levels have reduced the overall vacancy rate to 9.9% (from 11.1% since months prior) as at July 2018. With a number of lease deals yet to crystallise into absorption figures including MasterCard (11,259 sq m at 72 Christie Street) and Primary Healthcare (1,300 sq m at Space 207), the vacancy rate is expected to decline sharply over the next 12 months. Partly offsetting this however is the Clemenger BDO backfill space at 120 Pacific Highway (5,100 sq m) which will come to market in late 2018.

Split by grade, the prime vacancy rate has reduced from 15.7% to 14.9%, while secondary vacancy has declined from 11.5% to 8.8% over the past six months.

FIGURE 5
Net Absorption & Vacancy
Per six month period (000's sq m, %)



Source: Knight Frank Research/PCA

Rental growth accelerating

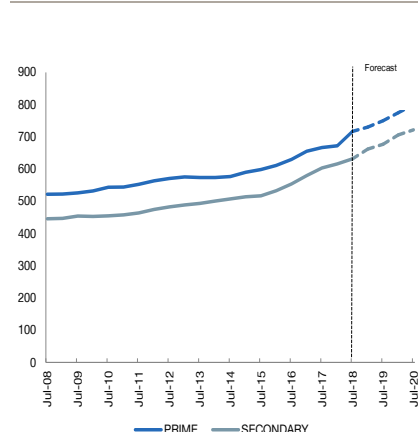
Taking into consideration recently leased space, the vacancy rate for the prime market in Crows Nest/St Leonards is materially tighter than what the PCA suggests. As a result, prime net face rental growth have increased 8.1% YoY - the largest annual increase since mid 2007. As at July 2018, prime net face rents measured \$587/sq m (\$717/sq m gross face). In combination with prime incentive levels declining to 21.7% (from 25.8% a year ago), prime net effective rents have surged 16.5% over the past year and currently total \$431/sq m.

Despite a tighter vacancy rate, rental growth in the secondary market has been more subdued as tenant preferences have been weighted towards the prime market. Secondary net face rents increased 4.0% YoY to measure \$522/sq m as at July 2018 while on an effective basis, secondary rents increased 6.7% YoY as incentives dropped to 23.3% from 25.0%.

Limited future supply

The supply pipeline remains considerably benign in the Crows Nest/St Leonards office market. Supply over the medium term will stem from the under construction Royal North Shore Hospital site which is due for completion in mid 2021. However, given it has been 100% pre-committed to the NSW Government, the impacts on the market will be minimal.

FIGURE 6
Average Gross Face Rents
Prime & Secondary (\$/sq m)



Source: Knight Frank Research

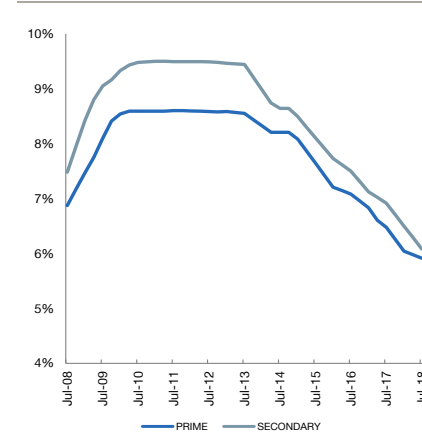
Additionally, the Gore Hill Technology Park (lot 6—219-247 Pacific Highway – c56,000 sq m of masterplan space) has recently been sold to a Data centre Operator reflecting approximately \$1,500/sq m of potential GFA. Beyond this, supply additions will occur as part of mixed use developments including St Leonards Square (4,200 sq m).

Investment activity remains strong

Investment volumes in the Crows Nest/St Leonards office market remains strong with \$305.9 million over the last 12 months, almost 2.5 times larger than the prior corresponding period. The largest asset to trade over the past 12 months was the acquisition of 201 Pacific Highway in late 2017 for \$171.6 million (50% stake). Bought by Centuria Property, the sale reflected a core market yield of 6.6%.

On average, prime yields average 5.92% (range of 5.75% to 6.0%), representing firming of 67 basis points over the 12 months to July 2018. Yield firming has been more pronounced in the secondary market, supported by the recent sale of 154 Pacific Highway. As at July 2018, average core market yields average 6.08% (range of 5.75% to 6.50%), indicating firming of 84 basis points over the past year. The outperformance has partly been a result of strong competition from developers for secondary assets.

FIGURE 7
Average Prime Core Market Yields
Prime & Secondary, Crows Nest/St Leonards



Source: Knight Frank Research

CHATSWOOD

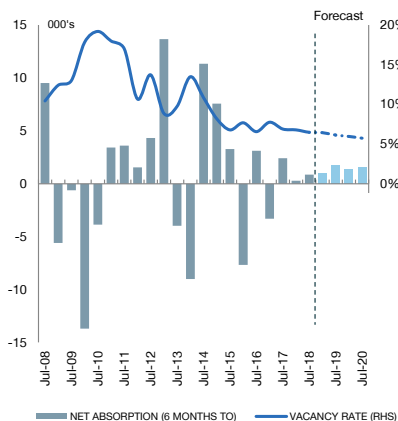
New market entrants driving demand

The Chatswood office market has remained stable over the past six months, underscored by a lack of supply and a steady flow of lease deals. Since the beginning of 2014, Chatswood has experienced a demand driven fall in the vacancy rate (as opposed to withdrawal driven) with the vacancy rate falling to 6.5% as at July 2018. This is the tightest the market has been since 2007 and is a result of modest net absorption.

Over the six months to July 2018, net absorption within the Chatswood market totalled 857 sq m (1,138 sq m for the year) and largely stemmed from new market entrants including Platform Consolidated Group (708 sq m - from North Sydney) and AARNet (1,140 sq m from Macquarie Park). By grade, tenant demand over the past six months was led by the secondary market which saw net absorption of 1,074 sq m while negative net absorption was recorded in the prime market over the same period (-217 sq m).

Recent lease deals recorded over the first half of 2018 was strengthened by the TMT sector (54% of deals by area), underscored by AARNet (1,140 sq m) and NCR (1,115 sq m) at 799 Pacific Highway.

FIGURE 8
Chatswood Net Absorption & Vacancy
Per six month period (000's sq m, %)



Source: Knight Frank Research/PCA

Vacancy to tighten further

The Chatswood prime vacancy rate saw a moderate uptick to 6.6% in July 2018 (from 6.5% in January 2018), whilst the secondary vacancy rate fell from 7.2% to 6.3% over the same period.

With no supply in the pipeline, the Chatswood vacancy rate is forecast to trend towards 5.5% by mid 2020 off the back of continued employment growth.

Development pipeline remains subdued

There are currently no major commercial projects in the pipeline for the Chatswood market with any supply expected to consist of refurbishments stemming from tenant turnover. There is however the potential for small increments of supply as part of mixed use formats, however the impact on the market will be minimal.

Chatswood has been less impacted by change of use stock withdrawals than other Sydney markets with no withdrawals occurring since the second half of 2015. While several owners have mooted potential residential re-development of existing buildings, the slowing residential market is likely to halt their progression over the short to medium term.

Prime Strong net effective rental growth

Recent rental growth in Chatswood has been relatively firm given the reducing vacancy rate and continued office

demand. In the 12 months to July 2018, average prime net face rents increased by 5.0% to \$524/sq m (\$651/sq m gross). With prime incentives falling from 25.8% a year ago to 23.0%, net effective rents have grown 10.5% YoY (\$374/sq m). Similar rental growth is being experienced in the secondary market with net face rents up 5.8% over the year to \$457/sq m (\$563/sq m gross). On a net effective basis, rental growth of 9.7% YoY has been recorded with secondary incentives falling to 23.7% (from 25.5% a year ago).

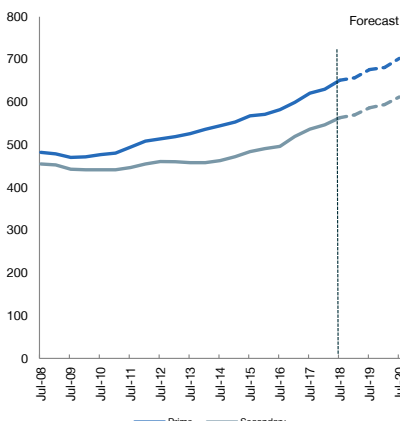
Looking forward, rental growth is expected to average 4.0% per annum for prime and secondary over the next two years.

Prime yield firming outpaces secondary market

Being relatively thinly traded, the Chatswood office market has not recorded sales thus far in 2018 with the last asset to trade being 815 Pacific Highway (\$55 million—June 2017) and 1-5 Railway Street (\$115 million—June 2017). Recently coming to market is RF CorVal's 67 Albert Street in Chatswood which is 97% leased and has a three year WALE, with sale expectations in excess of \$150 million, this will provide a clearer indication for prime yields in Chatswood.

Nevertheless, core market yields are estimated to range on average from 6.00% to 6.50% for prime and 5.75% to 6.25% for secondary. The tighter yield metrics being experienced in the secondary market reflect development potential. After an extended period of lagging firming in the secondary market, prime yields firmed 60 basis points on average over the past 12 months, compared to 37 basis points over the same period.

FIGURE 9
Average Gross Face Rents
Prime & Secondary, Chatswood (\$/sq m)



Source: Knight Frank Research

MACQUARIE PARK/NORTH RYDE

Tenant expansion and relocation fuels absorption

Macquarie Park recorded net absorption over the first half of 2018 of 8,061 sq m taking annual absorption to 21,379 sq m. The strong absorption levels were driven by tenant expansion and relocation. Both the prime and secondary markets experienced positive absorption recording 4,254 sq m and 3,807 sq m respectively. Notable tenant activity includes Nokia moving into 16 Giffnock Avenue (1,145 sq m) and Wolters Kluwer (CCH) moving from 101 Waterloo Road into 66 Talavera Road (2,200 sq m).

Vacancy lowest level on record

The overall vacancy rate has continued to decline to its lowest level on record of 5.4% as at July 2018 following another period of strong absorption. The prime vacancy rate has dropped to 3.4% as at July 2018 down from 4.0% six months prior, while the secondary vacancy rate had slight decline to 11.4% down from 11.7%.

Strong demand drives rental growth

The declining vacancy and strong tenant demand over the past six months has fuelled rental growth in both the prime and secondary markets.

Average prime gross face rents have risen by 7.6% YoY to \$498/sq m (\$398/sq m net face), whilst average prime incentives have fallen from 25-24% to 24-23% over the year. In the secondary market, average gross face rents increased 4.8% YoY to \$435/sq m (\$335/sq m net face) and the average incentive decreased from 26% net in July 2017 to circa 24-23% in July 2018.

Office withdrawals ease

There were no office withdrawals for the first time since July 2013 in the Macquarie Park market as an easing residential market in Sydney has led to a select number of developers halting the progression of their sites. Similarly, additions were minimal over the six months to July 2018 with 3,552 sq m of refurbished space coming back online, taking the total office stock base to 869,034 sq m as at July 2018.

The only development currently under construction is John Holland's 45-61 Waterloo Road which will see 35,000 sq m added to the market in late 2019 with the NSW Government pre-committing to 25,000 sq m. Additionally Stage 2 at Goodman's 97 Waterloo Road has recently gained DA approval for 15,000 sq m with construction pending pre-commitments which we believe are imminent.

Beyond this, there is over 200,000 sq m of office developments earmarked for potential progression pending pre-commitments including Macquarie University's Innovation Hub (50,000 sq m), Mirvac's 271 Lane Cove Road (34,000 sq m), ISPT 6-8 Julius Avenue (34,000 sq m), Winten/Frasers site at 396 Land Cove Road (30,000 sq m) and Stockland's 11-17 Khartoum Road (52,000 sq m). These projects are all pending development approval or tenant pre-commitments.

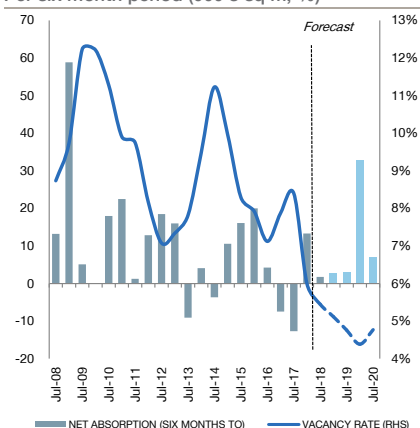
Diverse buyer pool

Following a sustained period of investment activity in Macquarie Park which has seen close to \$2 billion traded in the past five years, activity has slowed in 2018 with owners opting to hold assets.

The last major sales in Macquarie Park was Goodman's sale of 8 Khartoum Road for \$93.5 million to Ogen Nominees over 12 months ago, the building was sold fully leased to Fuji Xerox on a 10 year term. Additionally 54 Waterloo Road was purchased by Goodman Group for \$40.5 million with two existing vacant buildings which have now been leased to Macquarie University.

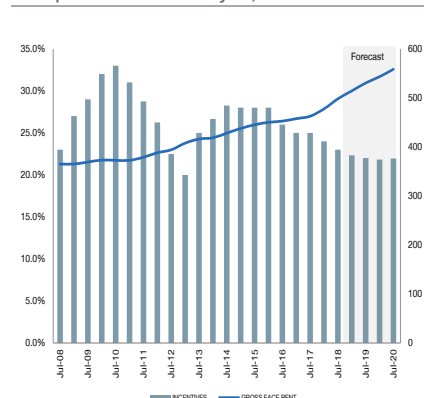
Whilst there has been limited sales evidence, yields continue to compress in the market following rental growth and tenant demand. Prime yields are now averaging circa 6% as at July 2018. In the secondary market yields have firmed to average 6.50%, 38bps tighter than 12 months prior.

FIGURE 11
Macquarie Park/North Ryde Net Absorption & Vacancy
Per six month period (000's sq m, %)



Source: Knight Frank Research/PCA

FIGURE 12
A-Grade Net Rents & Incentives
Macquarie Park/North Ryde, Prime



Source: Knight Frank Research

RECENT TRANSACTIONS

TABLE 2

Recent Leasing Activity North Shore and North Ryde/Macquarie Park

Address	Region	Area (m ²)	Face Rent Net (\$/m ²)	Term (yrs)	Lease Type	Tenant	Start Date
207 Pacific Highway	St Leonards	1,206	U/D	7	Renewal	UBS AG	Jan-19
124 Walker Street	North Sydney	612	630	5	Renewal	Nuance Communications	Oct-18
821 Pacific Highway	Chatswood	340	585	5	New	Pilot Energy/Orient	Sep-18
111 Pacific Highway	North Sydney	4,879	715	5	New	Nokia	Sep-18
101 Miller Street	North Sydney	1,400	850	5	New	Experian	Sep-18
201 Pacific Highway	St Leonards	2,882	570	4	New	IQVIA	Jul-18
799 Pacific Highway	Chatswood	1,140	480	5	New	AARNet	Jul-18
32 Walker Street	North Sydney	502	650	5	New	McGrath Foundation	Jul-18
123 Epping road	Macquarie Park	1,322	330	7	New	TJS Services	Jul-18
101 Miller Street	North Sydney	5,657	747	10	New	Allianz	Jun-18
2-4 Lyonpark Road	Macquarie Park	592	370	5	New	NuVasive	Jun-18
80 Pacific Highway	North Sydney	3,017	725	10	New	Broadspectrum	May-18
207 Pacific Highway	St Leonards	1,300	640	7	New	Only About Children	May-18
141 Walker Street	North Sydney	1,241	690	7	New	The Forum Group	May-18

TABLE 3

Recent Sales Activity North Shore and North Ryde/Macquarie Park

Address	Region	Price (\$ mil)	Core Market Yield (%)	NLA (m ²)	\$/m ² NLA	WALE (Yrs)	Vendor	Purchaser	Sale Date
88 Walker Street	North Sydney	32.2	VP	3,064	10,509	VP	Marprop	Billbergia	Jun-18
154 Pacific Highway	St Leonards	60.2	6.0	6,427	9,367	2.1	Property Bank Aust	Private	May-18
27 Albert Street	Chatswood	14.1	3.5*	870	16,299	2.0*	Develotek	Private	May-18
123 Walker Street	North Sydney	21.3	-	1,989	10,709	4.6*	Restifa	One Smarter Pty Ltd	Apr-18
54 Miller Street	North Sydney	59.4	5.88	6,954	8,541	1.8	Aqualand	AEW	Mar-18
77 Pacific Highway	North Sydney	112.35	5.4	9,379	11,979	2.1	Stockland	AMA	Mar-18
100 Miller Street	North Sydney	300.0	4.73	31,697	18,929	3.4	Redefine	Early Light Holdings	Mar-18
157 Walker Street	North Sydney	79.05	5.80	8,928	8,854	1.7	Epsom Nominees	Marprop	Jan-18
201 Pacific Highway	St Leonards	171.6	6.5	16,499	10,401	3.3	Abacus Property	Centuria	Dec-17
75 Miller Street	North Sydney	51.80	5.71	4,930	10,507	3.0	Property Bank	Offshore	Nov-17
56 Berry Street	North Sydney	62.0	5.48	5,175	11,981	6.0	Christie Corporate	Dexus	Oct-17
1 Pacific Highway	North Sydney	114.50	c. 5.0	7,642	14,983	2.7	AMP Capital«	Offshore Private	Sep-17
657 Pacific Highway	St Leonards	22.15	c. 6.1	3,534	6,268	2.8	Charter Hall	Private	Aug-17
8-22 West Street	North Sydney	59.00	5.5	6,023	9,796	2.5	Property Bank	Maville	Jul-17

Source: Knight Frank Research

n refers net

g refers gross

*Approximate

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Definition:

Core Market Yield: The percentage return/yield analysed when the assessed fully leased net market income is divided by the adopted value/price which has been adjusted to account for property specific issues (i.e. rental reversions, rental downtime for imminent expiries, capital expenditure, current vacancies, incentives, etc).

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