

Media Release



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10 OPPORTUNITIES ON OFFER FOR COMMERCIAL REAL ESTATE OVER 2023

REIA has today (6 December 2022) revealed their inaugural *State of the Industry Report: Australian Commercial Real Estate* powered by Re-Leased.

REIA President, Mr Hayden Groves, said that the State of the Industry Report shows the standouts are Australia's regional areas, which are primed for growth in demand for commercial property, after years of investors focusing on capital cities.

"For commercial property investors, there is certainly opportunity to capitalise on these changing population trends and small business activity in regional areas, notwithstanding the current interest rate environment."

Mr Groves said despite a mixed bag of economic headwinds the OECD is forecasting Australia to outperform many other advanced economies, forecasting GDP to grow around 2.5 per cent.

"On the one hand, you have energy prices which will have a major impact on outgoings; but on the other hand, you have an economy performing relatively well and migration programs expanding.

"Energy prices are set to increase by around 56% as international migration resumes for the second year at significant scale, with an anticipated 235,000 people set to call Australia home next financial year.

"All of these changing factors offer a unique set of opportunities and challenges in the run in to 2023 for the commercial real estate sector be it practitioners, investors or occupiers."

Mr Groves said that Covid had disrupted Australian commercial real estate more so than other sectors of real estate and with that disruption has come opportunity.

"REIA's inaugural State of the Industry report shows ten opportunities across automation and technology, sustainability, supply, changing migration patterns and future development opportunities as monetary policy normalises and construction pipeline constraint eventually eases."

Mr Groves said the State of the Industry Report was the start of a broader research series to support Australian commercial real estate practitioners that will be co-launched with member local Real Estate Institutes in 2023.

"Throughout our consultation over 2022, Australia's \$1.1 trillion-dollar commercial real estate sector told us they are hungry for insights, information, in-person engagement and more tailored tools in the toolbox to position their business for success."

The State of the Industry Report is a key deliverable of [REIA's Commercial Agency Engagement Program](#) powered by Re-Leased.

The key opportunities are:

1. Regional commercial investment
2. Industrial property offered with full automation and logistics solutions
3. Energy efficiency innovations
4. Future proofed buildings

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5. Energy efficient 'green' buildings
6. Revived office opportunities
7. Undersupply to drive industrial rental growth
8. Future development sites
9. In-house automation solutions for occupiers
10. In-house automation solutions providing new value points for investors

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Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit www.reia.com.au