

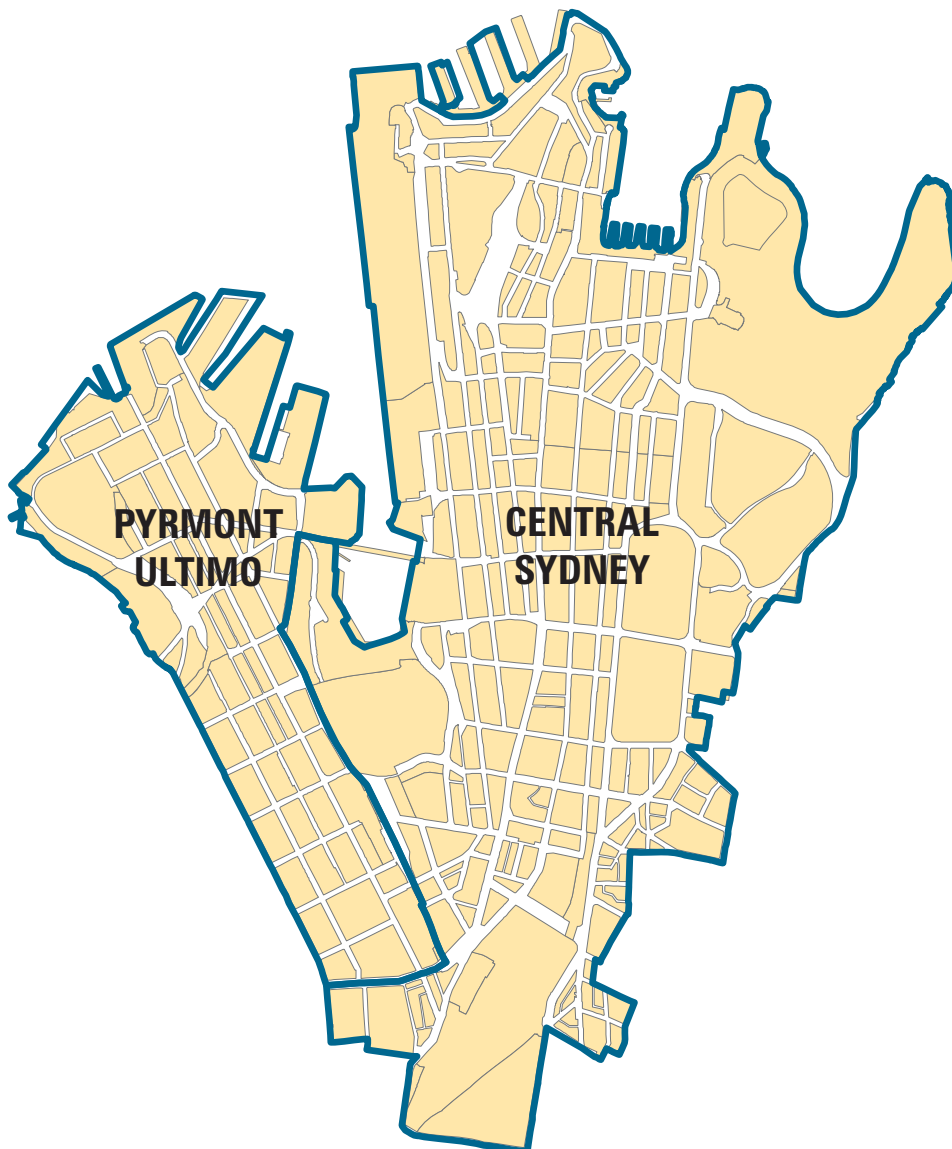
commercial development monitor

June 05

The City Commercial Development Monitor provides up to date information on commercial development in the Sydney LGA precincts of Central Sydney and Pyrmont Ultimo. It complements the City Residential and City Visitor Accommodation Monitors which cover the residential and visitor accommodation markets in these precincts of the City.

Updated every six months, the monitor provides details of commercial projects in the Sydney CBD and Pyrmont Ultimo according to their current status (under consideration, approved, commenced or completed).

Trends in approvals, completions, office vacancies and absorption of office space are also provided.



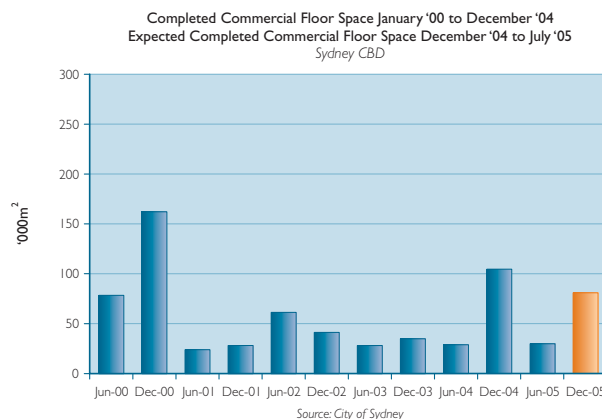
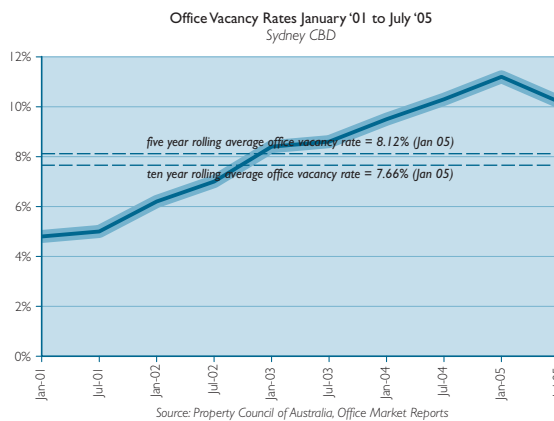
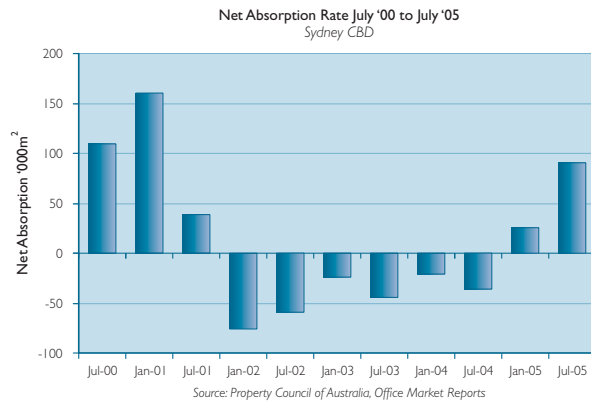
In the reporting periods between January 2001 and June 2004, commercial floor space completed in the City of Sydney precincts of Central Sydney and Pyrmont-Ultimo remained relatively stable, averaging just over 35,000m² (gross floor space area) added every six months. The second half of 2004 saw completed floor space jump to 105,000m², with completion levels returning to just below 30,000m² in the first half of 2005.

The next six months should see approximately 80,000m² due to complete, including BT Tower and the refurbished commercial portion of the Hilton Hotel. Over the next few years another two major towers currently under construction in Central Sydney - KENS Site, and the final stage of Darling Park - will add nearly 140,000m² of commercial floor space to the City's stock.

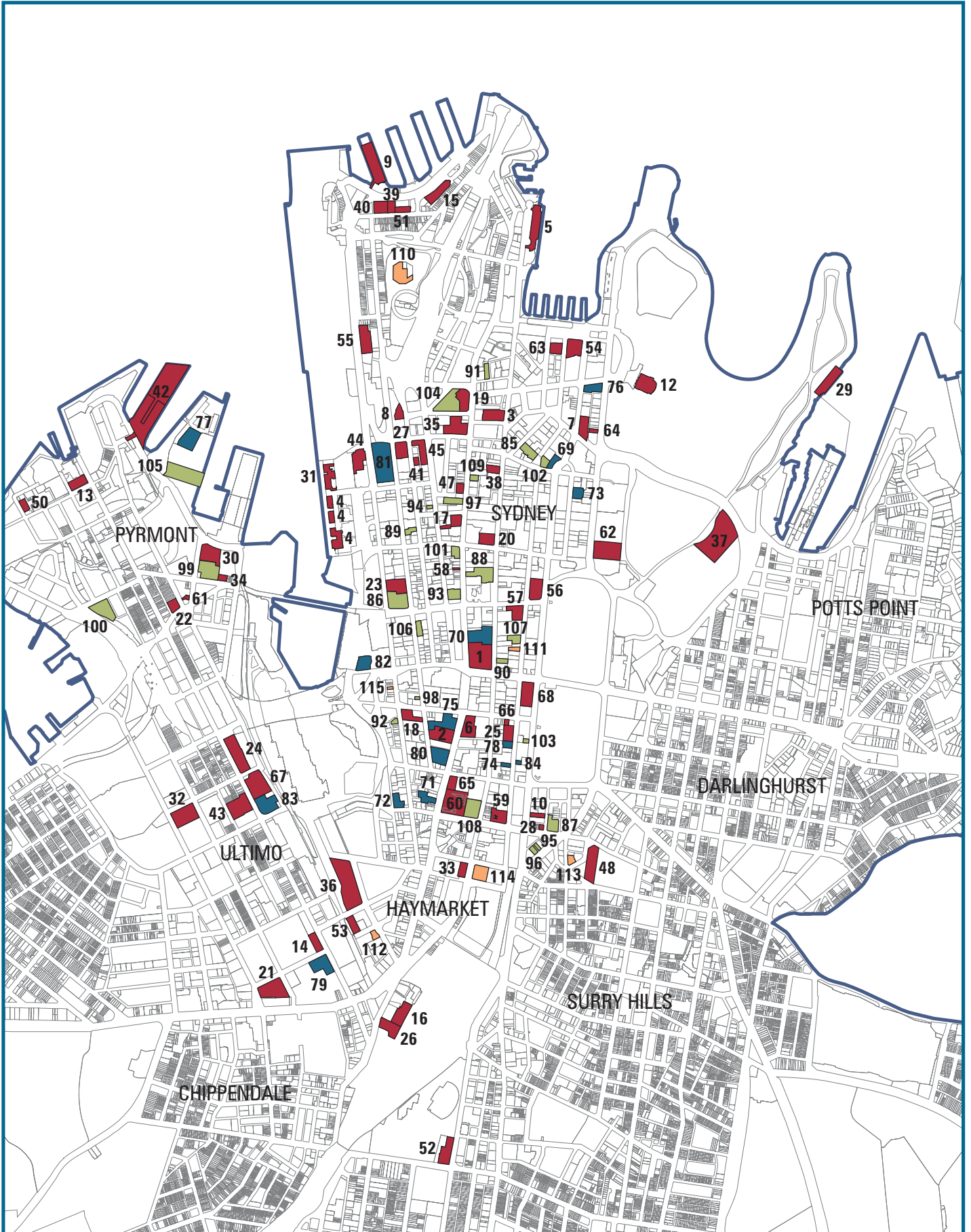
The office vacancy rate for the Sydney CBD fell for the first time since July 2000, falling from 11.2% at the start of 2005 to

10.2% in July 2005. The five-year rolling average vacancy rate rose to 8.12%. Several commentators had suggested earlier in the year that the recent trend of rising vacancy rates would continue in the short term, with a turn around in commercial activity in 6-12 months leading to falling vacancy rates late in 2005 to 2006. It appears that the turnaround may have begun a little earlier, with vacancy rates continuing to fall through 2006.

The net absorption rate for the past six months continued to be positive for the second half-year in a row. Analysis by a number of real estate research companies showed that absorption became positive in the second quarter of 2004, and would accelerate over the second half of the year. The Property Council of Australia figures show that 90,928m² of floor space was absorbed in the first half of 2005, an increase of over 65,000m² over the previous six month period.



Commercial Development in Central Sydney and Pyrmont Ultimo



■ Completed
 ■ Commenced
 ■ Approved
 ■ Under consideration
 ■

Commercial Development in the Sydney LGA as at end of December 2004

Completions over the past five years

Map Ref.	Address	Building/Project Name	Floor Area	Completion Date	Type	Major Use
1	271-295 Pitt St	Citigroup Centre	101,283	Jul-00	N	Office
2	505-523 George St	Hoyts	219	Jul-00	R	Ent/Leisure
3	79-85 Pitt St	Exchange Centre	n.a.	Aug-00	R	Office
4	9 Sussex St	King Street Wharf	8,659	Sep-00	N	Office
5	400 Circular Quay West	Overseas Passenger Terminal	n.a.	Sep-00	R	Other
6	580 George St	HSBC Tower	1,233	Sep-00	RA	Retail
7	155-161 Macquarie St	Aurora Place	49,037	Oct-00	N	Office
8	35-43 Clarence St	Forum House	17,087	Oct-00	N	Office
9	19 Hickson Rd	Pier 8/9	12,170	Feb-01	R	Office
10	150-152 Elizabeth St	Cyprus Hellenic Club	n.a.	May-01	R	Ent/Leisure
11	Pirrama Rd	Wharf 10	5,340	Jun-01	N	Office
12	1B Conservatorium Rd	Sydney Conservatorium	6,500	Jun-01	A	Other
13	19 Harris St	Glassworks, Site H2	13,260	Aug-01	N	Office
14	19 Mary Ann St	Building F	n.a.	Sep-01	R	Other
15	20 Hickson Rd	Bond Stores 5, 6, & 7	3,005	Dec-01	R	Office
16	20-24 Lee St	Henry Deane Park Stage 3	12,132	Dec-01	N	Office
17	345 George St	Landmark Building	n.a.	Jan-02	R	Office
18	515-519 Kent St	Maestri Towers (East)	1,585	Jan-02	N	Office
19	243-257 George St	NAB Building	0	Feb-02	R	Office
20	173-179 Pitt St	Hooker House	528	Mar-02	RA	Office/Ret
21	235-253 Jones St	Fairfax Building	321	Apr-02	R	Other
22	26-32 Pyrmont Bridge Rd		3,788	Apr-02	A	Office
23	383-395A Kent St	Enacon Car Park	19,287	May-02	N	Office
24	390-422 Harris St	Global Switch	35,764	Jun-02	R	Office
25	211-217 Castlereagh St	No.1 Fire Station	n.a.	Jul-02	RA	Office
26	20-24 Lee St	Henry Deane Park Stage 4	12,139	Sep-02	N	Office
27	1 Margaret St	Citibank	1,469	Sep-02	R	Office
28	98-104 Goulburn St	Gallie House	620	Sep-02	R	Office
29	1C Mrs Macquarie's Chair	Andrew Boy Charlton Pool	n.a.	Oct-02	R	Ent/Leisure
30	2 Edward St	The Bay Centre	18,912	Nov-02	N	Office
31	7-11 Sussex St	King Street Wharf (Parcel 2)	7,673	Nov-02	N	Office/Ret
32	47-53 Jones Street	Ultimo Public School	1,380	Jan-03	N	Other
33	441-459 Pitt St	Manning Building	8,336	Jan-03	N	Office
34	86 Union St		2,129	Feb-03	N	Office
35	265-273 George St	Westpac Plaza	0	Feb-03	R	Retail
36	1-59 Quay St	UTS Library	1,707	Feb-03	R	Other
37	3b Art Gallery Rd	Art Gallery of NSW	2,000	Mar-03	N	Ent/Leisure
38	109-113 Pitt St	Commercial Union House	0	Apr-03	R	Office
39	24 Hickson Rd	Bond Store 2	3,700	May-03	R	Office
40	28 Hickson Rd		4,500	May-03	N	Office
41	40-50 Clarence St	GIO House	5,970	May-03	A	Office
42	Jones Bay Wharf		19,072	Jul-03	R	Office
43	485-521 Harris St	TAB Headquarters	257	Jul-03	R	Office
44	9 Sussex St	KPMG	10,000	Jul-03	N	Office

Map Ref.	Address	Building/Project Name	Floor Area	Completion Date	Type	Major Use
45	11-17 York St	Transport House (Stage 1)	n.a.	Aug-03	R	Office
46	11-17 York St	Railway House (Stage 2)	n.a.	Aug-03	R	Office
47	333-339 George St	Bank of New Zealand	224	Sep-03	A	Office
48	151-241 Goulburn St	Campbell Street Substation	3,470	Oct-03	N	Utilities
49	19 Mary Ann St	Building F2	6,274	Dec-03	N	Other
50	60 Bowman St	Cooperage Building	3,200	Dec-03	R	Office
51	30 Windmill St	Bond Store 3	3,950	Jan-04	R	Office
52	244 Cleveland St	Cleveland St Public School	0	Jan-04	R	Other
53	31 Ultimo Rd	Substation	1,286	Feb-04	N	Utilities
54	33 Alfred St	AMP Sydney Cove	0	Feb-04	R	Office
55	30-34 Hickson Rd		23,460	Mar-04	NR	Office/Ret
56	113-133 Elizabeth St	David Jones	n.a.	Mar-04	R	Retail
57	65-77 Market St	David Jones	n.a.	Mar-04	R	Retail
58	387 George St	Georges Radio House	0	Apr-04	R	Office
59	66-68 Goulburn St	Masonic Centre	27,247	Aug-04	N	Office
60	664-690 George St	Latitude	76,194	Oct-04	N	Office
61	69-71 Edward St		454	Oct-04	R	Office
62	10 Macquarie St	Coining Factory Building	1,138	Oct-04	R	Office
63	31 Alfred St	Customs House	0	Dec-04	R	Ent/Leisure
64	151-153 Macquarie St		61	Feb-05	R	Office
65	664-690 George St	Stage 2 World Square	24,009	Mar-05	N	Office/Ret
66	137-139B Bathurst St		1,503	Apr-05	N	Office
67	424-458 Harris St	Bullecourt Place	1,738	Apr-05	N	Office
68	201-217 Elizabeth St	Pacific Power	0	Jun-05	R	Office
			565,270			

Commenced

Map Ref.	Address	Building/Project Name	Floor Area	Completion Due Date	Type	Major Use
69	68-96 Hunter St	Qantas House	0	Jul-05	R	Office
70	255-269 Pitt St	Hilton Hotel	15,400	Jul-05	N	Office
71	589-593 George St	Cassia Gardens	4,255	Aug-05	N	Office
72	4-10 Goulburn St	Trades Hall Building	0	Aug-05	RA	Office
73	124 Phillip St	BT Tower	48,710	Sep-05	N	Office
74	241-243 Castlereagh St	Manchester House	2,790	Oct-05	RA	Office
75	487-503 George St	Regency Place	9,791	Nov-05	N	Office/Ret
76	121 Macquarie St	Chief Secretary's Building	0	Nov-05	R	Office
77	44-48 Pirrama Rd	Darling Island Site 5	24,336	Jan-06	N	Office
78	219-227 Castlereagh St		1,198	Jan-06	R	Office
79	15-73 Broadway	UTS Building 4	0	Feb-06	R	Other
80	531-535 George St	Meriton Tower	9,780	Mar-06	N	Office/Ret
81	261-293 Kent St	KENS Site	111,291	May-06	N	Office
82	241A Sussex St	Darling Park - Stage 3	29,000	May-06	N	Office
83	460-492 Harris St	Ultimo Aquatic Centre	9,031	Sep-06	N	Ent/Leisure
84	262-266 Castlereagh St		2,853	Oct-06	N	Office
			268,435			

Approved

Map Ref.	Address	Building/Project Name	Floor Area	Approval Date	Type	Major Use
85	20-26 O'Connell St	Kindersley House	25,475	26/07/2001	N	Office
86	397-409 Kent St	Allianz Centre	6,521	10/12/2001	N	Office
87	110 Goulburn St	Australian Federal Police	10,031	13/12/2002	NR	Office
88	416-418 George St	420 George Street	54,840	14/01/2003	N	Office
89	161-163 Clarence St		2,451	7/04/2003	N	Office
90	248A-250 Pitt St	National Building	0	24/11/2003	R	Office
91	4 Dalley St		8,298	23/12/2003	R	Office/Ret
92	299-305 Sussex St		3,348	29/12/2003	N	Office
93	413-421 George St	BBC Hardware	17,706	29/12/2003	RA	Office
94	61 York St	Australasian Pioneers Club	2,858	30/12/2003	N	Office
95	55-57 Wentworth Avenue		1,258	6/01/2004	RA	Office
96	61-65 Wentworth Avenue		2,768	27/04/2004	N	Office
97	341 George St	Westpac Bank	26,224	15/06/2004	NR	Office
98	503-505 Kent St	Hobart House	2,010	6/07/2004	N	Office
99	50-72 Union St		21,641	6/09/2004	N	Office/Ret
100	49-61 Miller St	Festival Records	11,234	4/11/2004	N	Office
101	367-373A George St	Westpac	985	2/12/2004	R	Office/Ret
102	10 Bligh St		0	7/01/2005	R	Office
103	251-253 Elizabeth St	Hellenic House	13,207	11/01/2005	N	Office
104	18-32 Jamison St	AAPT	0	25/01/2005	R	Office
105	44-48 Pirrama Rd	Darling Island Site 6	20,000	4/02/2005	N	Office
106	400 Kent St	Workcover	0	11/05/2005	R	Education
107	147-153 Castlereagh St		0	16/05/2005	R	Office
108	664 George St	East Apartments	6,577	26/05/2005	N	Office
109	330-346 George St		6,580	6/06/2005	N	Office/Ret
			244,012			

Lodged

Map Ref	Address	Building/Project Name	Floor Area	Lodgement Date	Type	Major Use
I10	1003 Upper Fort St	Observatory	na	23/12/2004	N	Community
I11	232-236 Pitt St	Boyd Tower	0	20/06/2005	N	Office
I12	81-91 Quay St		13,950	7/04/2005	N	Office
I13	78-80 Commonwealth St		1,927	14/04/2005	A	Office
I14	323-339 Castlereagh St	Park Central	5,605	29/04/2005	N	Retail
I15	267 Sussex St		1,640	19/05/2005	N	Office
			23,122			

Notes:

- Commercial projects include office, retail, entertainment/leisure and other employment generating projects.
- The floor area stated is based on floor area calculations of the approved DA. It does not represent the net lettable floor area of the building. Floor area associated with residential and visitor accommodation is not included.
- For details of residential and visitor accommodation projects, refer to the City Residential Monitor and the City Visitor Accommodation Monitor:

Abbreviations used:

- N New building
 A Additions (Floor area relates to additional floor area)
 R Refurbishment/Reconstruction (no floor area given unless project is a full reconstruction)
 n.a. Not applicable

For further information, contact Steven Hillier, Strategic Research Planner, on 9265 9059.

Disclaimer

Any data, representation, statement, opinion or advice expressed or implied in this publication is made in good faith but on a basis that the City of Sydney, its agents and employees are not liable (whether by reason of negligence, lack of care or otherwise) to any person for any damage or loss whatsoever which has occurred or may occur in relation to that person taking or not taking (as the case may be) action in respect of data representation, statement or advice referred to above. The City of Sydney reserves the right to revise previously published entries or totals without notice.

© City of Sydney. All rights reserved. No part of this work will be reproduced, translated, modified, transmitted or stored in any form or by any means without the prior permission of the City of Sydney.

Enquiries regarding this document should be made to:
 Planning Policy Unit GPO Box 1591
 Town Hall House Sydney NSW 2000
 456 Kent Street Tel: 02 9265 9059
 Sydney Fax: 02 9265 9679
 E-mail: shillier@cityofsydney.nsw.gov.au
 Internet: www.cityofsydney.nsw.gov.au