

The logo for Colliers International, featuring the word "Colliers" in a large, white, serif font above the word "INTERNATIONAL" in a smaller, white, sans-serif font. The text is set against a dark blue background with a thin red and yellow horizontal bar at the bottom.

Colliers
INTERNATIONAL

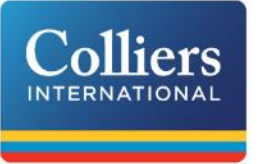
Accelerating success.

COLLIERS INTERNATIONAL INDUSTRIAL INVESTOR SURVEY

April 2020

EXPERTS IN INDUSTRIAL

EXECUTIVE SUMMARY

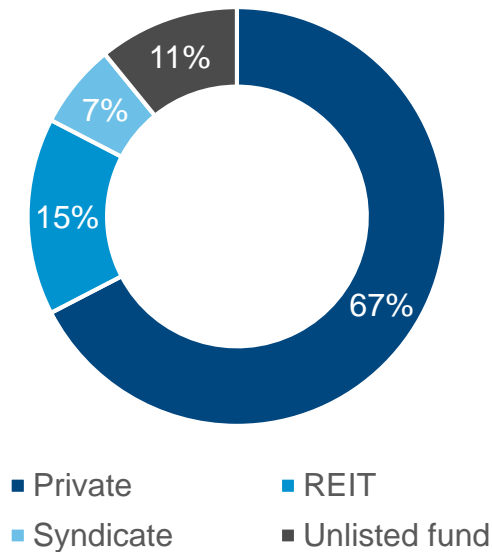


- Investors remain heavily focussed on the Australian industrial and logistics market with **89%** favouring the sector over other commercial sectors.
- Over **43%** of investors intend to acquire their next industrial asset within the next six months while just **15%** intend to divest over the same period. This highlights that the mismatch between supply and demand will remain.
- Given the recent uncertainty, **89%** of investors expect the market to stabilise in 12 months or longer. In the interim, **54%** of investors believe capital values will fall by up to 10% and **64%** are expecting cap rates to soften by up to 50 basis points.
- Sydney and Melbourne remain the focus cities for investors with almost **60%** of investors saying they are very likely/likely to invest in these capital cities within the next 12 months.
- Almost **78%** of investors see tenant solvency and the re-pricing of assets as the biggest challenge facing investors amid the current health crisis.
- Despite the uncertain times, investors remain willing to move up the risk curve to obtain increased returns with **52%** of investors being very interested in opportunistic assets.

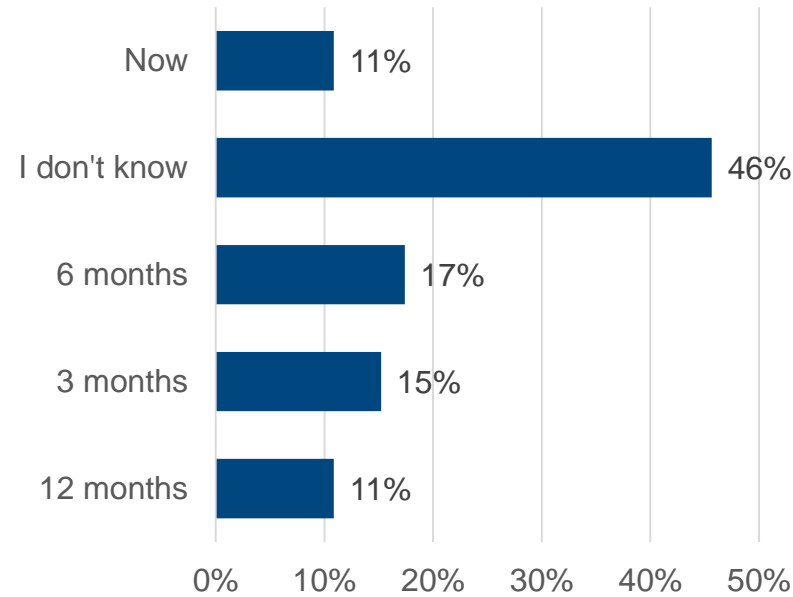
INVESTOR SURVEY



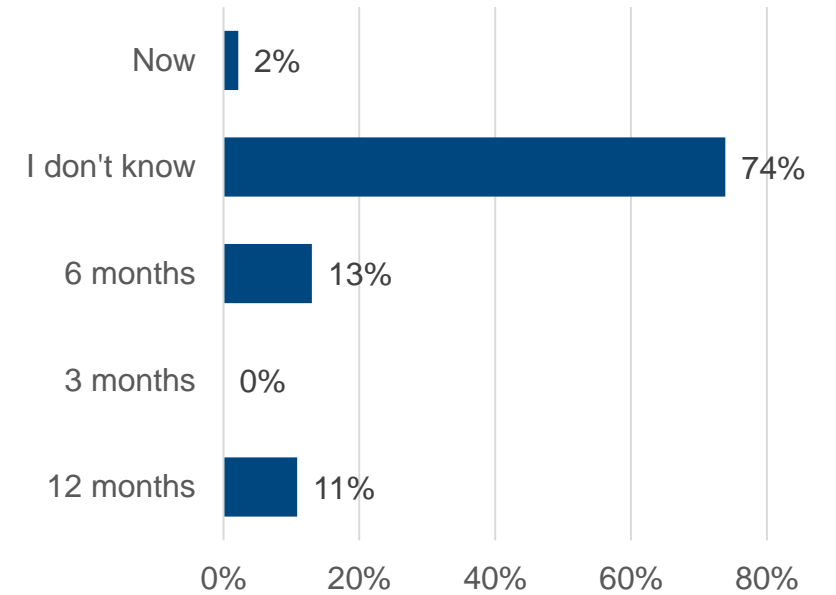
What type of investor are you?



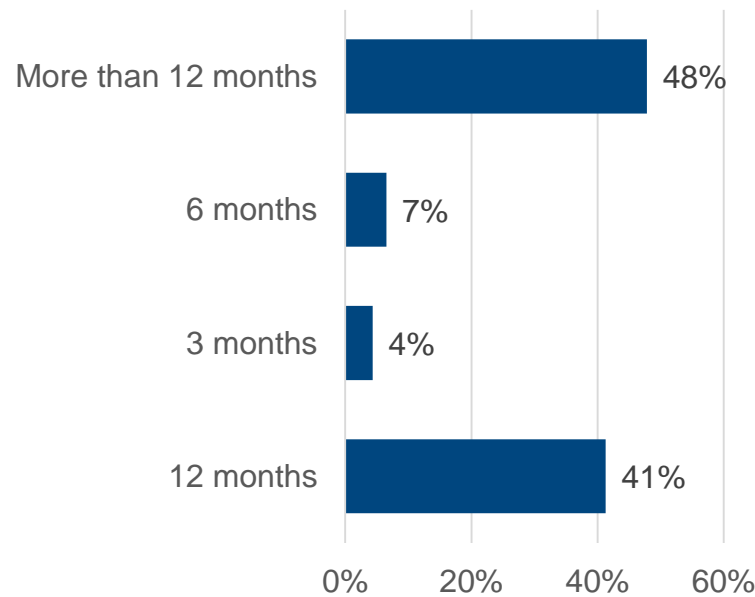
When will your next acquisition be made?



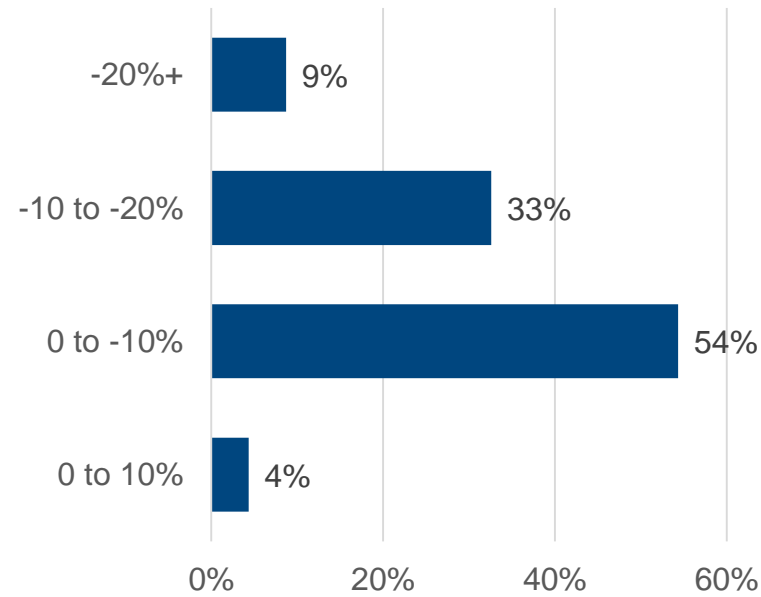
When will your next intended divestment be made?



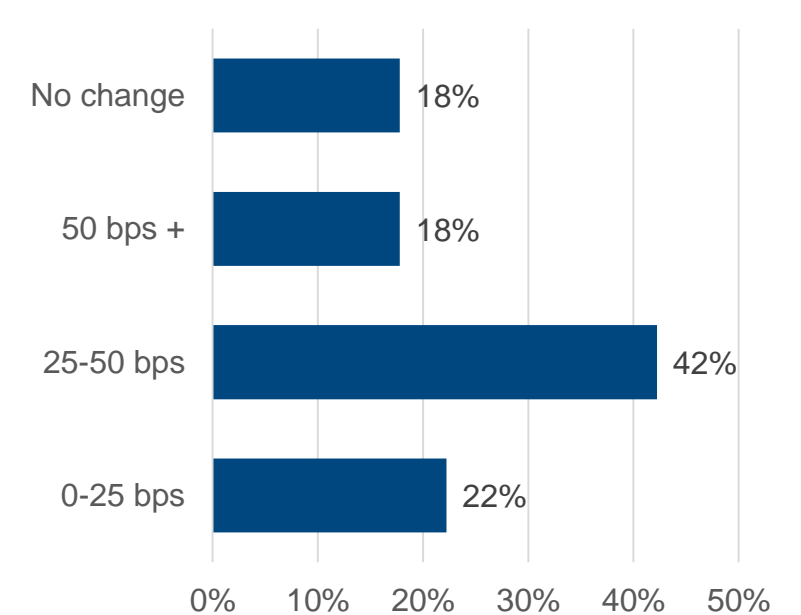
How long until you expect markets to stabilise?



What do you expect the percentage change in capital values will be from the quarter of March to June 2020?

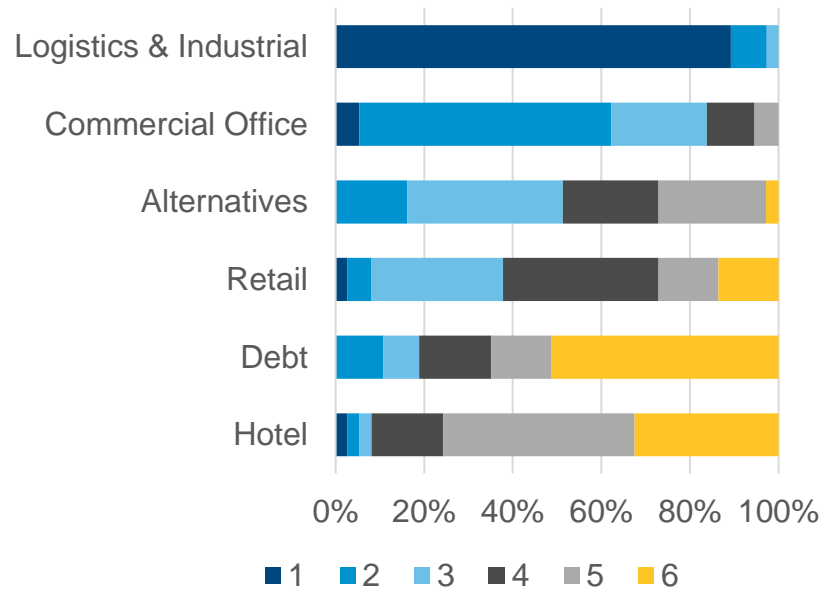


What are your expectations with regards to cap rates in core logistics markets from the quarter of March to June 2020?

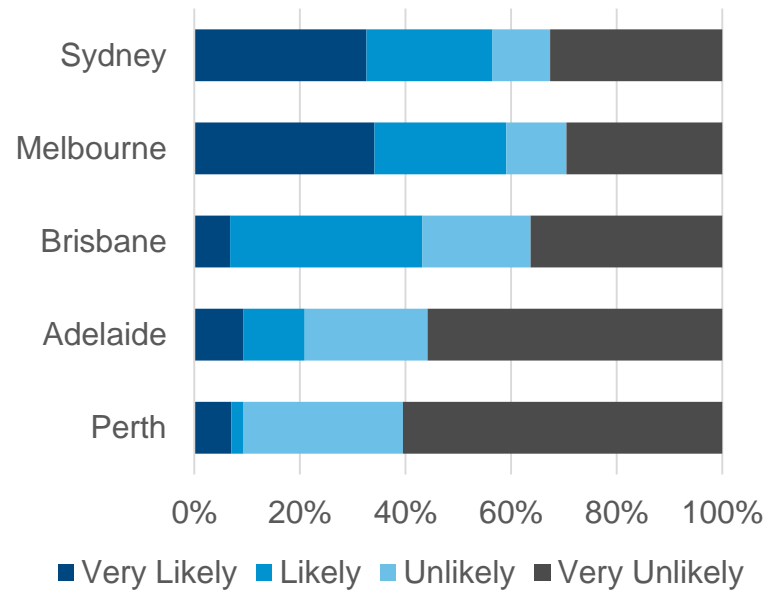


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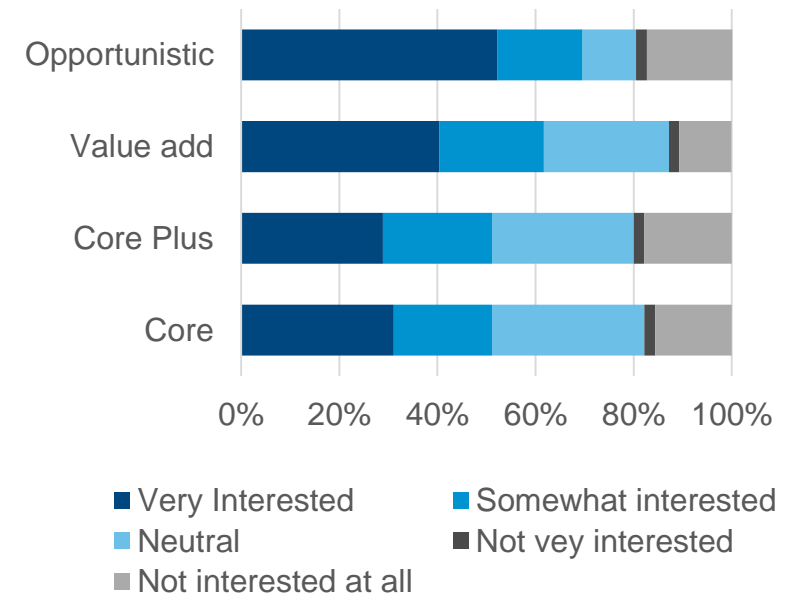
What asset class interests you the most (1 being most interested and 6 being least interested)



How likely are you to invest in these locations over the next 12 months?



How interested are you in these risk profiles?



What is the biggest challenge to logistics real estate markets over the next 12 months? (1 being most challenging and 8 being least challenging)

