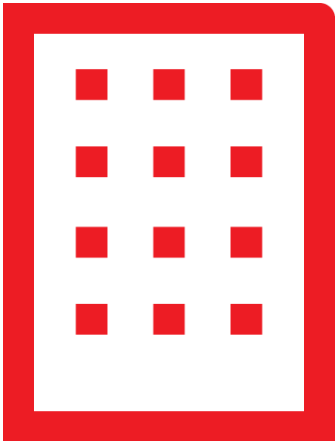




Adelaide **Retail** High Street Overview

Rundle Street | Hindley Street | O’Connell Street | The Parade | Jetty Road
| King William Road | Prospect Road

Executive Summary

The blended vacancy rate along Adelaide’s main retail high streets has trended upwards for the third consecutive six-monthly period in Q1 2025. Geographically, vacancy along most tracked high streets decreased period-on-period, counter-balanced by significant jumps in vacancy along the typically well-performing precincts of The Parade and Prospect Road. However, this was for differing reasons. Multiple new developments along Prospect Road resulted in the introduction of new retail space to the precinct, whereas the vacancy rate increase along The Parade was more related to organic demand.

Notably, for the first time since JLL Research began tracking high street retail vacancy data in 2015, the vacancy rate along Jetty Road was the tightest of all tracked markets.

Precinct	Q3 2024 Vacancy (%)	Q1 2025 Vacancy (%)	
Rundle Street, CBD	6.1	8.2	▲
Hindley Street, CBD	17.8	15.1	▼
O’Connell Street, North Adelaide	10.4	9.3	▼
The Parade, Norwood	2.6	6.6	▲
King William Road, Goodwood / Hyde Park	6.3	5.5	▼
Jetty Road, Glenelg	6.5	4.0	▼
Prospect Road, Prospect	2.6	7.9	▲
Blended	7.7	7.9	▲

Consumer Sentiment & Retail Turnover

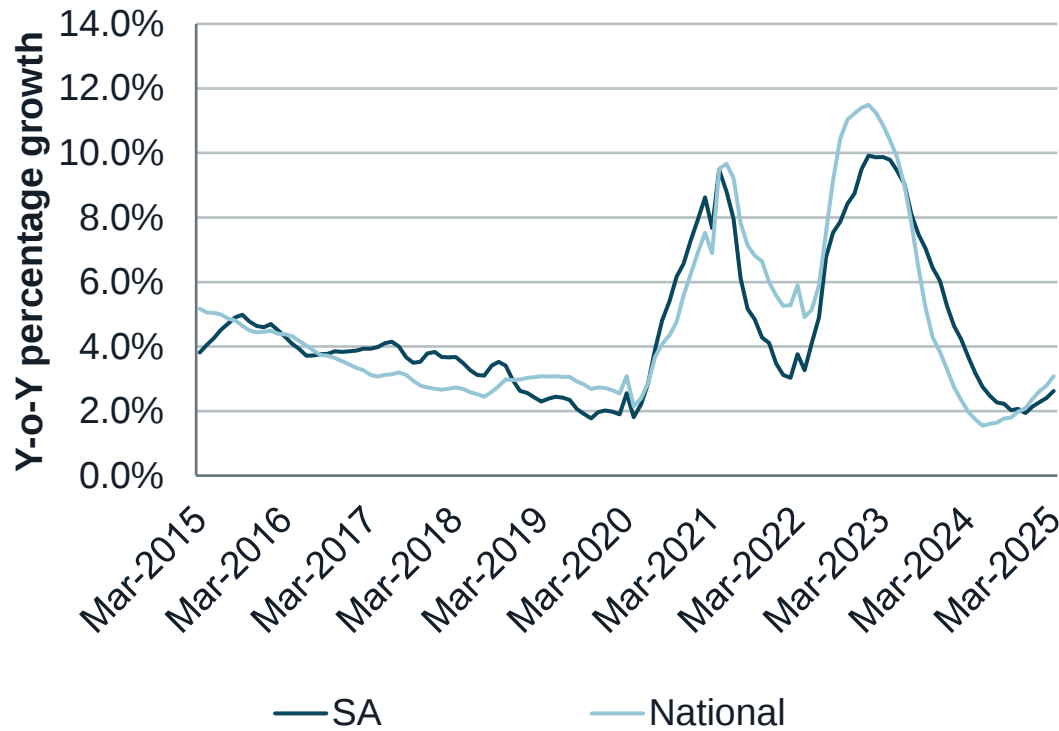
Retail trade growth in South Australia (SA) is recovering after reaching a cyclical low of 1.9% year-on-year (y-o-y) growth in November 2024. On a rolling annual basis to March 2025, retail trade growth in SA reached 2.6% and has increased for four consecutive prints.

Spending on dining out in SA continues to outpace broader market spending, with retail trade growth in the cafes, restaurants and catering services reaching 4.4% y-o-y (as at March 2025). Rolling annual retail trade growth was also positive in the take-home food (3.2% y-o-y), and household goods (2.0% y-o-y) sectors.

However, fashion spending remains a drag on broader growth. Rolling annual retail trade growth in the fashion category has been in negative territory for eleven consecutive months, reaching -4.0% y-o-y in March 2025.

Positively, SA's labour force remains strong. As at April 2025, SA's seasonally adjusted unemployment rate is 3.9% - below the national unemployment rate of 4.1%.

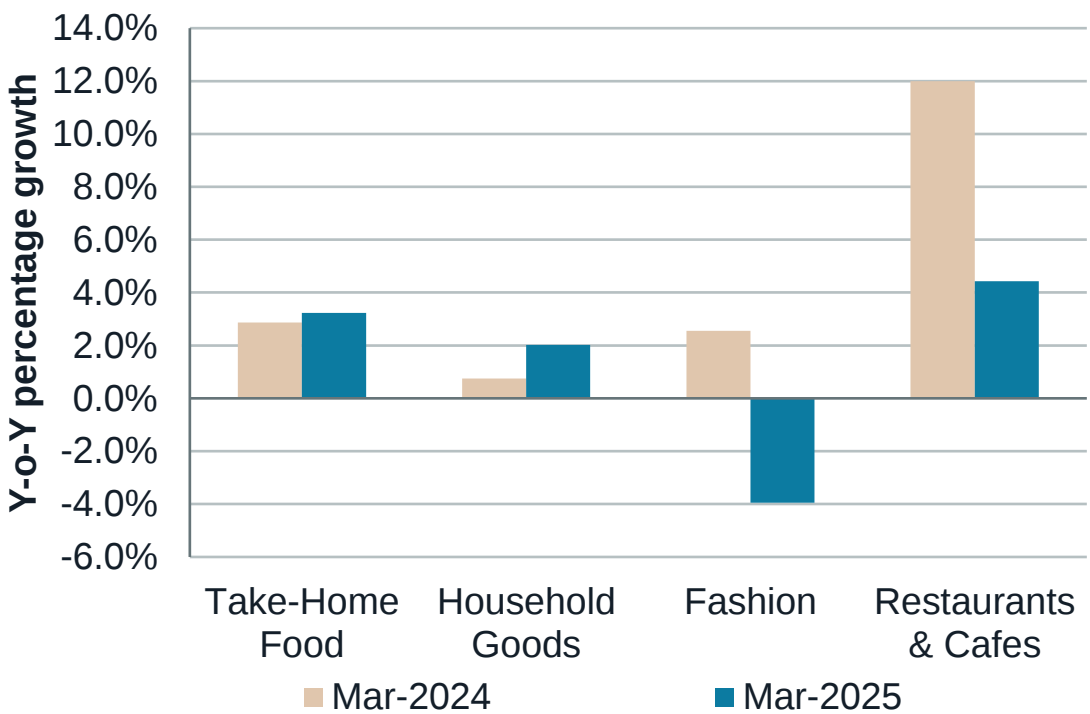
Retail Turnover (y-o-y): South Australia & Australia



Source: Australian Bureau of Statistics, JLL Research

Looking forward, interest rate cuts have been the catalyst for improved consumer sentiment recently. The Westpac-Melbourne Institute Index of Consumer Sentiment increased 2.2% to 92.1 in May 2025. However, the index remains well below the 100 index point which delineates between optimism and pessimism.

Retail Turnover (%) by Category: South Australia



Source: Australian Bureau of Statistics, JLL Research

Rundle Street, CBD

The vacancy rate along Rundle Street increased 2.1 percentage points to 8.2% in Q1 2025 after hovering around 6.0% for the last 18 months.

Fashion operators within the Rundle Street tenancy mix decreased to the lowest level since mid-2022 (30.6% of total retailers) after the closure of Derma Department at 240 Rundle Street (replaced by a convenience store offering) and Azalia Boutique at 237 Rundle Street over the last six months.

Conversely, hospitality offerings along the strip continued to trend upwards. Over the last six months, two yoghurt stores – local restaurant Twist & Top Yoghurt leased its second Adelaide store, and Melbourne yoghurt store Yo-Bar opened its first SA location – and local Lebanese restaurateurs Zayt & Zataar opened along the strip.

Additionally, two more convenience retail offerings opening on Rundle Street, taking total convenience stores along the strip to five.

The latest iteration of Lot Fourteen's Innovation Centre is still in early planning with current JLL estimates for completion around 2028. Upon completion, the new office tower in the technology precinct is expected to bring around 500 employees to Adelaide's east end.

Hindley Street, CBD

The vacancy rate along Hindley Street has decreased for consecutive six-monthly periods, falling from 17.8% in Q3 2024 to 15.1% in Q1 2025. However, it is still the precinct with the highest vacancy of all tracked high streets.

Notable new entrants to the strip included new wine bar Canopy Bar, which replaced long-standing restaurant Stem at 188 Hindley Street, Yuku dō, a Japanese sando restaurant that has opened in the former Levant Eatery space at 252 Hindley Street, and Bank Street Burger at 48 Hindley Street.

Similarly to Rundle Street, the influx of convenience stores continued in Q1 2025 with an additional two more convenience stores opening over the last six months. This brings the total convenience store offerings along Hindley Street to 11, equating to 7.5% of the total tenancy mix.

Over the medium term, there are multiple student accommodation developments in various stages of planning that may materialise in the northwest corner of the CBD, which is likely to support increased day-time pedestrian traffic. However, timing on these projects is unclear.

O'Connell Street, North Adelaide

The vacancy rate along O'Connell Street decreased marginally in Q1 2025, reaching 9.3%.

There was limited occupier movement over the six-month period. However, notable openings included North Hot Pot leasing space for its second location at 33 O'Connell Street, yoghurt eatery FroYoh opening in shop 13 of North Adelaide Village, and long-standing restaurant Monsoon rebranding itself as Phat Bites (143 O'Connell Street).

The 160 dwelling residential development Eighty-Eight O'Connell is nearing completion. This is will increase the consumer catchment area and also provide extra retail offerings to the strip including restaurant Mercato, the rapidly expanding Gelato Messina, and National Pharmacies.

Jetty Road, Glenelg

The vacancy rate along Jetty Road decreased to the lowest level since JLL Research began tracking the data in 2015. Over the six months to Q1 2025, vacancy fell to 4.0% - also the lowest of all tracked high street retail precincts.

The latest wave of retailers introduced to the strip as part of Taplin Group's The George Hotel ground floor retail offering included interstate bakery Shadow Baking, Betty's Burgers, Cakeboy Donuts, St. Louis House of Fine Ice Cream & Dessert, and St Louis Gelateria.

Additionally, other new retailers opening along the strip included Melbourne yoghurt eatery Yo-Bar, which opened its second Adelaide location at 52 Jetty Road, and Salvos Store opening a new location at 115-123 Jetty Road.





The Parade, Norwood

Vacancy along The Parade, which has consistently been the lowest over the last two years, increased significantly from 2.6% in Q3 2024 to 6.6% in Q1 2025.

This sharp increase in vacancy was a result of closures to multiple businesses over the last six months including Lone Star Rib House (125A The Parade), which only opened in late 2024, Knightsman Bespoke Tailors (134 The Parade), skincare retailer Janesce (205 The Parade), and recreational retailer Pinot & Picasso (223 The Parade).

Conversely, new openings included beauty retailer Urban Glow at 178 The Parade, and indian restaurant Tomatoes Cuisine, which replaced Dumpling Centre at 254 The Parade.

It is expected that retailer demand will improve as high-density residential projects along the strip complete over the medium-term.

King William Road, Goodwood / Hyde Park

The vacancy rate along King William Road decreased from 6.3% in Q3 2024 to 5.5% in Q1 2025. Retailer demand along the precinct has been steady since late 2022 with the vacancy rate ranging between 4.7% and 6.3% over the time period.

Occupier movement was broadly balanced over the last six months with notable movements including hospitality commitments from Japanese eatery Bird Yakitori (151 King William), café Pepo Eatery (175 King William), and El Mexicano (144 King William). Additionally, new fashion retailers Lesser Store (155 King William) and Couture Menswear (165 King William) also opened new stores.

Also completing over the past six months was the new Hyde Park Medical Clinic which relocated from 88 King William Road to a larger modern facility at 95-99 King William Road.

Prospect Road, Prospect

The vacancy rate along Prospect Road increased from 2.6% in Q3 2024 to 7.9% in Q1 2025. This significant increase was a result of two major new developments reaching practical completion – The Harrington apartments at 71 Prospect Road and a new multi-tenant retail development at 85 Prospect Road - which introduced multiple unleased retail tenancies into the stock list.

That being said, leasing within the two new developments is positive. New occupiers that have leased new space at 71 Prospect Road include Yo-Chi and café operator He Said She Said. New retailers at 85 Prospect Road includes Prospect Hotel and Cellars and café and dessert eatery St Louis.

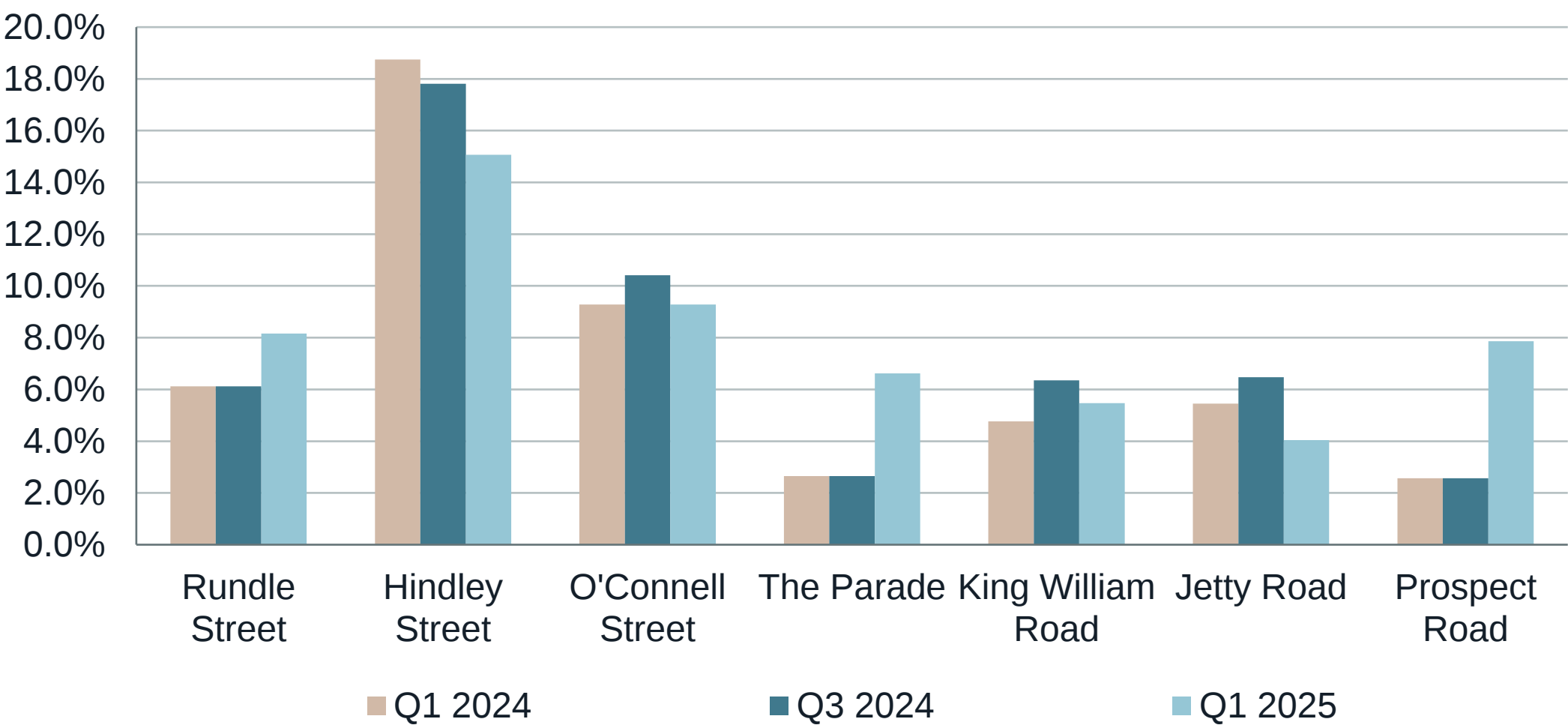
It is expected that this spike in vacancy will be temporary with retailers securing much of the available space over the balance of 2025.

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Overall Vacancy: Adelaide Retail High Streets, Q1 2024 to Q1 2025



Source: JLL Research

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