

Commercial office

Hamilton

Office market activity remains subdued, with limited sales transactions and owner-occupiers continuing to dominate purchaser demand, particularly for smaller assets. Performance continues to vary significantly by asset quality, with a widening yield gap between prime assets and secondary stock. In contrast, the leasing market remains subdued, with rental levels largely static across most grades. Premium-grade office rents, however, continue to rise, primarily due to the higher rental benchmarks required for newly constructed premises.

NET YIELDS

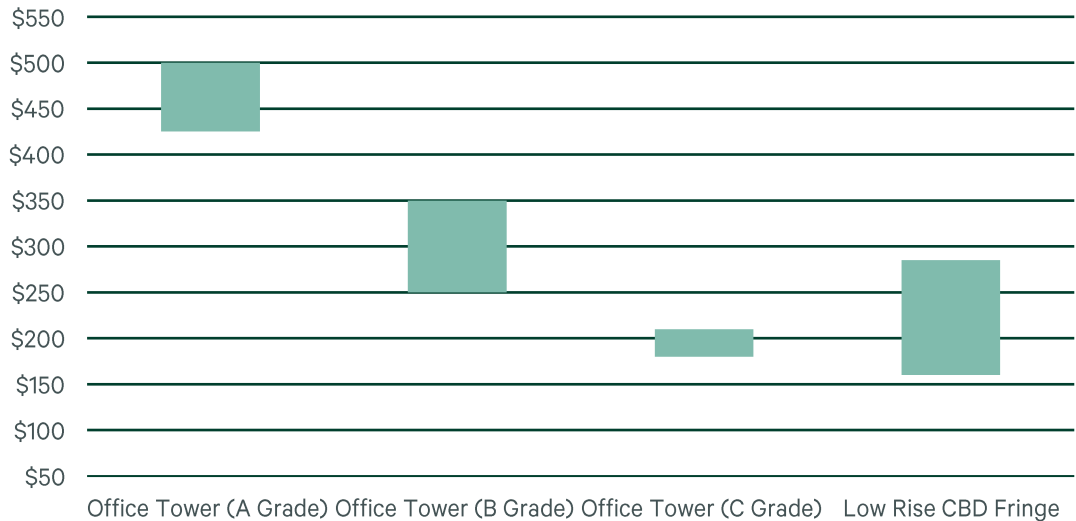


Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Office Tower (A Grade)	► Static	Very limited
Office Tower (B Grade)	► Static	Moderate
Office Tower (C Grade)	► Static	Over supplied
Low Rise CBD Fringe	► Static	Limited

Net Rents



INVESTOR MARKET

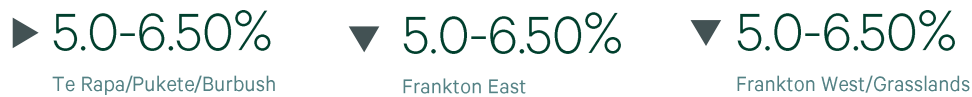
	Market direction	Demand
Office Tower (A Grade)	► Static	Weak
Office Tower (B Grade)	► Static	Weak
Office Tower (C Grade)	► Static	Weak
Low Rise CBD Fringe	► Static	Weak

Industrial

Hamilton

The industrial sector remains the strongest performer, with yields firming over the past 12 months, supported by improved lending conditions. Increased demand for smaller assets (sub-\$3 million) previously contributed to yield compression, a trend that has now extended to larger assets. Current demand is focused on properties that meet key investment criteria, including tenant covenant strength, lease terms, and development quality. Rental growth, which had stabilised, has shown some recent upward movement due to firm occupancy levels, principally for good quality accommodation.

NET YIELDS

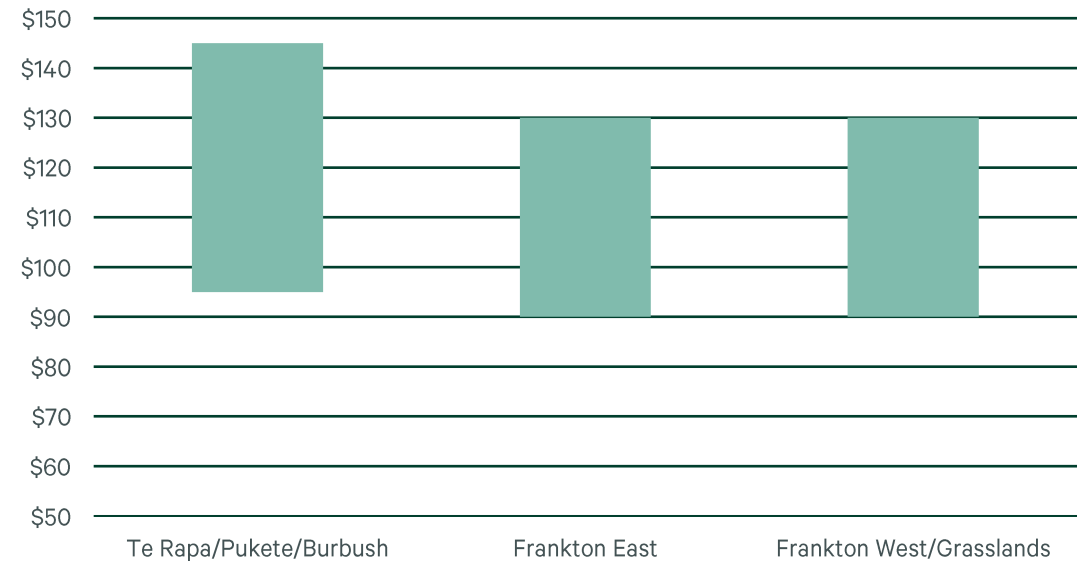


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OCCUPIER MARKET

	Market direction	Supply
Te Rapa/Pukete/Burbush	► Static	Limited
Frankton East	► Static	Moderate
Frankton West/Grasslands	► Static	Moderate

Net Rents (Warehouse/Workshop)



INVESTOR MARKET

	Market direction	Demand
Te Rapa/Pukete/Burbush	► Static	Average
Frankton East	► Static	Average
Frankton West/Grasslands	► Static	Average

Retail

Hamilton

The retail sector remains subdued, consistent with broader economic conditions, with limited sales activity over the past 12 months and low levels of stock entering the market. Suburban retail, which generally experiences lower vacancy rates, has shown greater resilience and continues to perform comparatively well against CBD assets. Rental levels in the CBD appear to have softened, and anecdotal evidence suggests some landlords are providing rental relief to tenants. In contrast, suburban retail rental levels have remained stable.

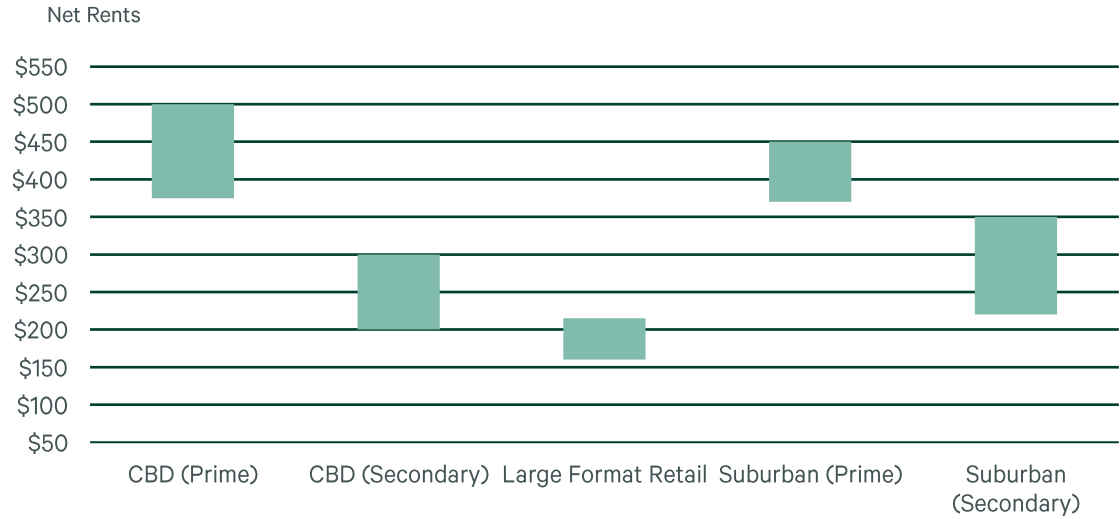
NET YIELDS



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OCCUPIER MARKET

	Market direction	Supply
CBD (Prime)	▶ Static	Limited
CBD (Secondary)	▶ Static	Over supplied
Large Format Retail	▶ Static	Limited
Suburban (Prime)	▶ Static	Limited
Suburban (Secondary)	▶ Static	Limited



INVESTOR MARKET

	Market direction	Demand
CBD (Prime)	▶ Static	Weak
CBD (Secondary)	▶ Static	Weak
Large Format Retail	▶ Static	Average
Suburban (Prime)	▶ Static	Average
Suburban (Secondary)	▶ Static	Average