

Commercial office

Relatively low vacancy rates are apparent, with rental growth driven by demand for higher-quality space. Despite the shift to work-from-home practices, there is no indication of a major downsizing of office requirements. Car parking rents are increasing again. Suburban office space is supported by a range of organisations. New CBD construction is redefining A-grade space, setting new benchmark rents. Lower office grades exhibit significantly lower rents. Tenancies offering lower-quality space or without parking can be challenging to lease and sell.

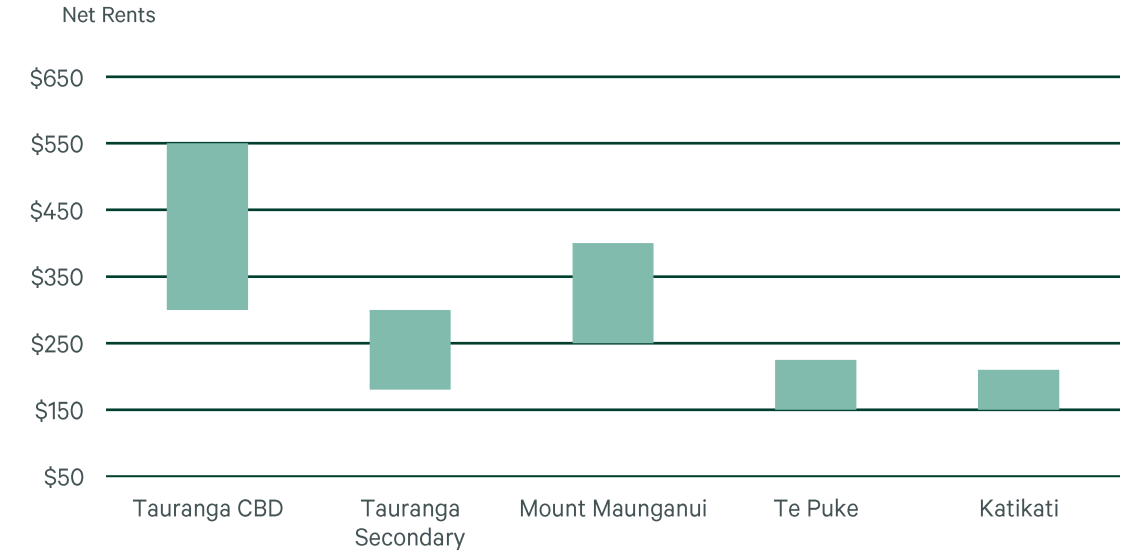
NET YIELDS



Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Tauranga CBD	▲ Improving	Moderate
Tauranga Secondary	▶ Static	Moderate
Mount Maunganui	▶ Static	Limited
Te Puke	▶ Static	Limited
Katikati	▶ Static	Limited



INVESTOR MARKET

	Market direction	Demand
Tauranga CBD	▲ Improving	Average
Tauranga Secondary	▲ Improving	Weak
Mount Maunganui	▶ Static	Average
Te Puke	▶ Static	Weak
Katikati	▶ Static	Weak

FIGURES | TAURANGA | DECEMBER 2025

Industrial

Relatively consistent and strong rental growth over the last decade, due to constrained supply, low vacancy and good tenant demand. Recently, rental increases have attenuated as tenant demand has fallen. Despite this, industrial property remains popular with investors. The cost of industrial land had made new development economically marginal. However, with recent interest rate falls we expect increased construction over the next year. Properties that exhibit negative issues (e.g. with lease terms and consents) are generally treated harshly by the market.

NET YIELDS

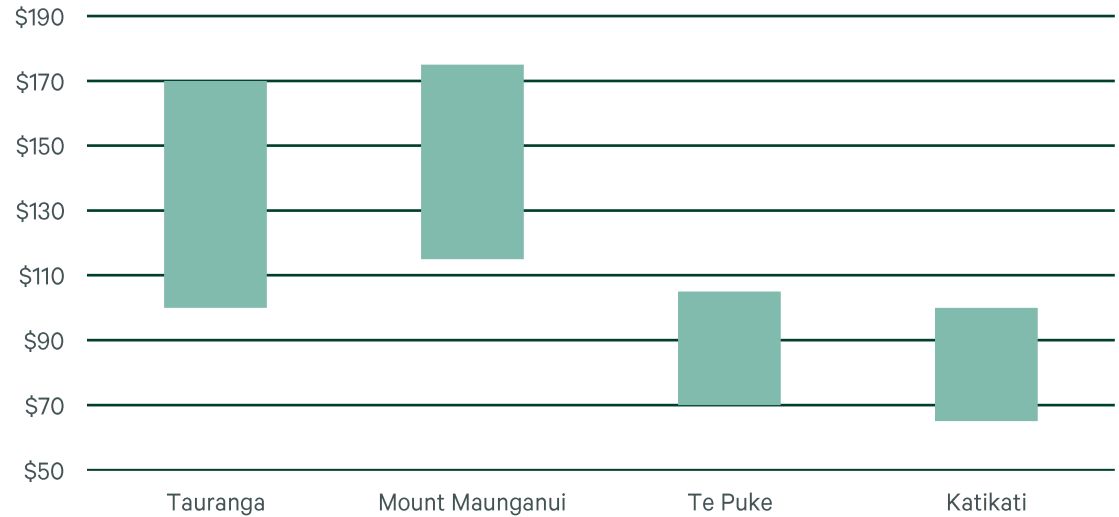


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OCCUPIER MARKET

	Market direction	Supply
Tauranga	▶ Static	Moderate
Mount Maunganui	▶ Static	Limited
Te Puke	▶ Static	Limited
Katikati	▶ Static	Limited

Rents (Warehouse/Workshop)



INVESTOR MARKET

	Market direction	Demand
Tauranga	▲ Improving	Average
Mount Maunganui	▶ Static	Strong
Te Puke	▶ Static	Average
Katikati	▶ Static	Average

Retail

The Tauranga ground floor commercial rental market is currently showing low growth outside of the CBD. Generally, such areas have low levels of vacancy. Within the CBD, rental growth is concentrated in selected areas (such as “Eat Street”) and a few new builds. The bulk of the CBD has notably high vacancy. The main Mount Maunganui downtown commercial area saw rents fall in 2024 and then stabilise in 2025. Retail is currently not a preferred asset class for investors.

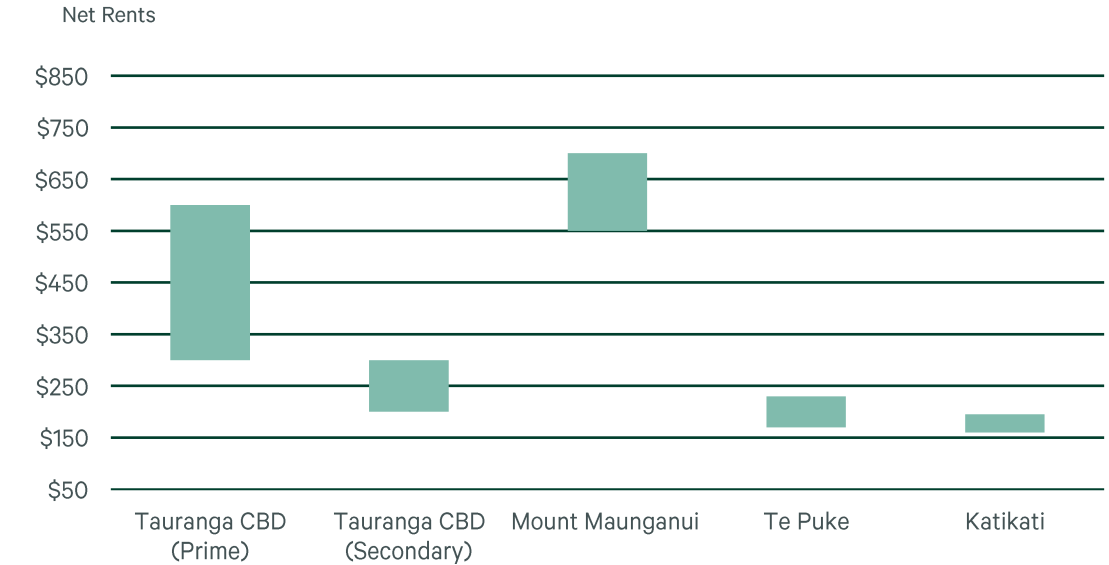
NET YIELDS



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OCCUPIER MARKET

	Market direction	Supply
Tauranga CBD (Prime)	▶ Static	Over supplied
Tauranga CBD (Secondary)	▶ Static	Over supplied
Mount Maunganui	▶ Static	Limited
Te Puke	▶ Static	Limited
Katikati	▶ Static	Limited



INVESTOR MARKET

	Market direction	Demand
Tauranga CBD (Prime)	▲ Improving	Weak
Tauranga CBD (Secondary)	▶ Static	Weak
Mount Maunganui	▶ Static	Very strong
Te Puke	▶ Static	Average
Katikati	▶ Static	Average