

FIGURES | NELSON | JUNE 2024

# Commercial office

Demand in the Nelson office tenancy market appears to have stagnated since mid to late 2023 with limited new leasing transactions recorded following an active period of tenancy relocations and new leasing transactions in early 2023. As with the retail market there are limited vacancies in Richmond and moderate supply in the Blenheim market. Rental levels across the sector appear to have stabilised. No office investment sales have been recorded in the first half of 2024.

## NET YIELDS

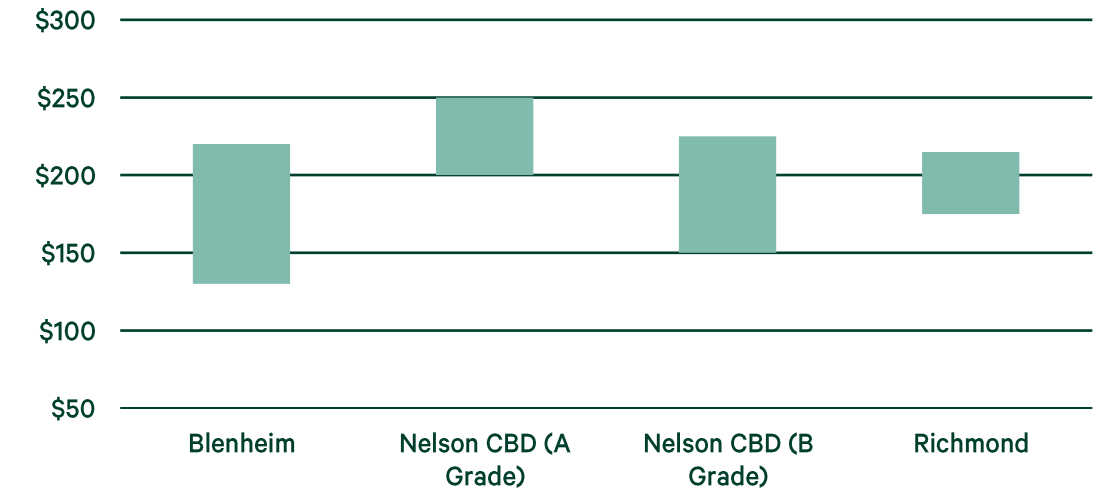


Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
Blenheim	▶ Static	Moderate
Nelson CBD (A Grade)	▶ Static	Limited
Nelson CBD (B Grade)	▶ Static	Moderate
Richmond	▶ Static	Very limited

Net Rents



## INVESTOR MARKET

	Market direction	Demand
Blenheim	▶ Static	Average
Nelson CBD (A Grade)	▶ Static	Average
Nelson CBD (B Grade)	▶ Static	Average
Richmond	▶ Static	Average

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# Industrial

The industrial market appears to be holding at established levels across the region, although this still based on limited transactions, this corresponding with limited available property for sale or lease. Industrial land availability has increased, with a small number of sites having resold in recent months, these transactions showing some variability depending upon circumstances, however largely showing industrial land values to be holding at established levels . Those higher value assets have seen reduced investor appetite and corresponding increased yields. Vacancy rates remain low with some continued rental growth across the asset class.

## NET YIELDS

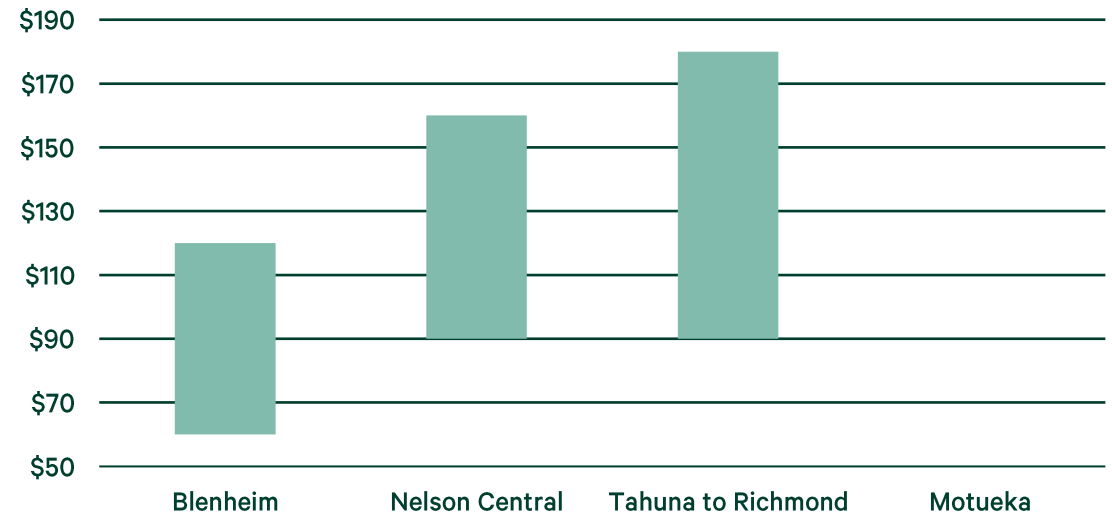


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## OCCUPIER MARKET

	Market direction	Supply
Blenheim	▶ Static	Limited
Nelson Central	▶ Static	Limited
Tahuna to Richmond	▲ Improving	Limited
Motueka	▲ Improving	Limited

Net Rents (Warehouse/Workshop)



## INVESTOR MARKET

	Market direction	Demand
Blenheim	▶ Static	Average
Nelson Central	▶ Static	Average
Tahuna to Richmond	▶ Static	Average
Motueka	▶ Static	Strong

# Retail

Demand for strip retail premises in the Nelson market appears flat with limited new lettings recorded in the last six months. The most recent new leasing in the prime retail area shows a slight correction on prior rental levels. Several vacancies have appeared in the medium format retail sector following tenancy relocations to the new Nelson Junction development. However, in a fillip for the Wakatu Square precinct new tenancies for the grocery retail businesses of Save More and Connings have been announced. The Blenheim market continues with number of vacancies in the prime retail area. Limited vacancies continue to be the hallmark of the Richmond retail market. Low volumes of investment property sales have occurred with sales confirming the outward movement in yield rates from the peak market.

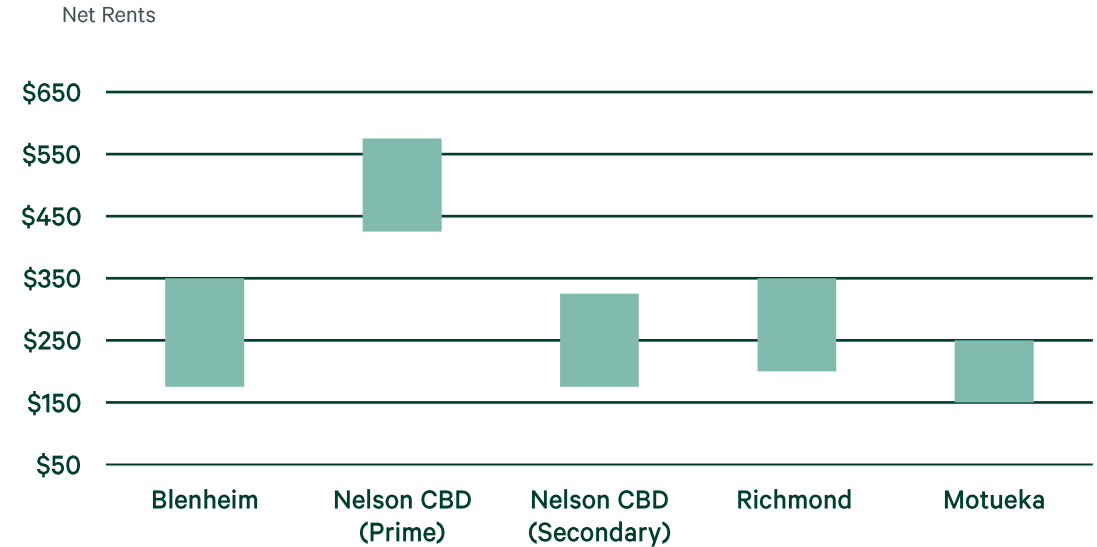
## NET YIELDS



Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
Blenheim	▶ Static / ▼ Weakening	Moderate
Nelson CBD (Prime)	▶ Static / ▼ Weakening	Limited
Nelson CBD (Secondary)	▶ Static	Moderate
Richmond	▶ Static	Limited
Motueka	▼ Weakening	Limited



## INVESTOR MARKET

	Market direction	Demand
Blenheim	▶ Static	Weak
Nelson CBD (Prime)	▶ Static	Average
Nelson CBD (Secondary)	▶ Static	Average
Richmond	▶ Static	Average
Motueka	No trend apparent	Weak