

FIGURES | WHANGAREI | JUNE 2023

Commercial office

The office sector has seen an uptake from new tenants with a lowering of vacancy rates. The demand for prime is stronger than secondary, with A grade getting a premium rent. Sales have remained strong to owner occupiers with investors retracting unless the property provides a higher return on investment.

NET YIELDS

▶ 6.5-8.5%
CBD (Prime)

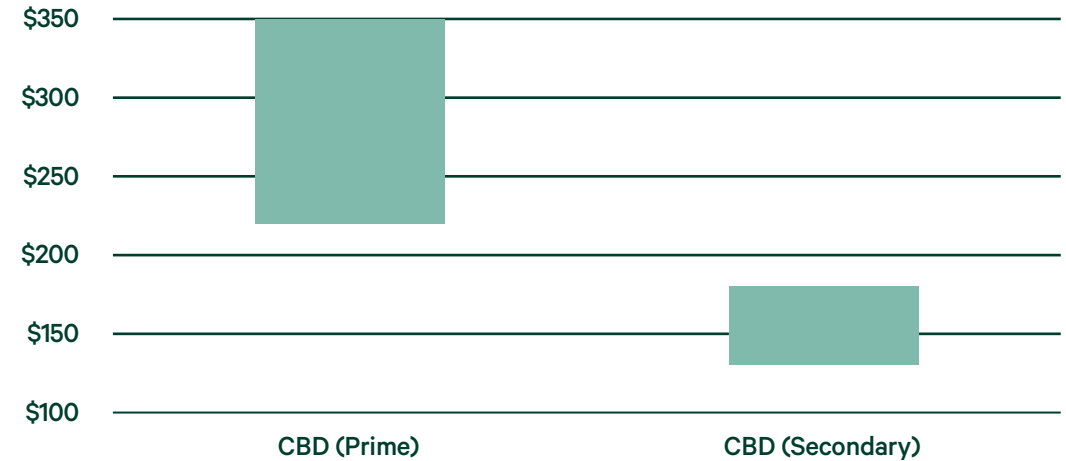
▶ 7.0-10.0%
CBD (Secondary)

Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
CBD (Prime)	▲ Improving	Limited
CBD (Secondary)	▲ Improving	Moderate

FIGURE 1: Net Rents



INVESTOR MARKET

	Market direction	Demand
CBD (Prime)	▼ Weakening	Average
CBD (Secondary)	▼ Weakening	Average

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Industrial

The industrial market has continued strongly with rental increases on review well exceeding inflation. With a lack of vacant industrial land, this is set to continue in the short term. Sales to owner occupiers have been strong, however investors have adjusted their required rate of return and we have seen yields weaken. Overall, values have remained static/slightly improved due to strong rental growth.

NET YIELDS

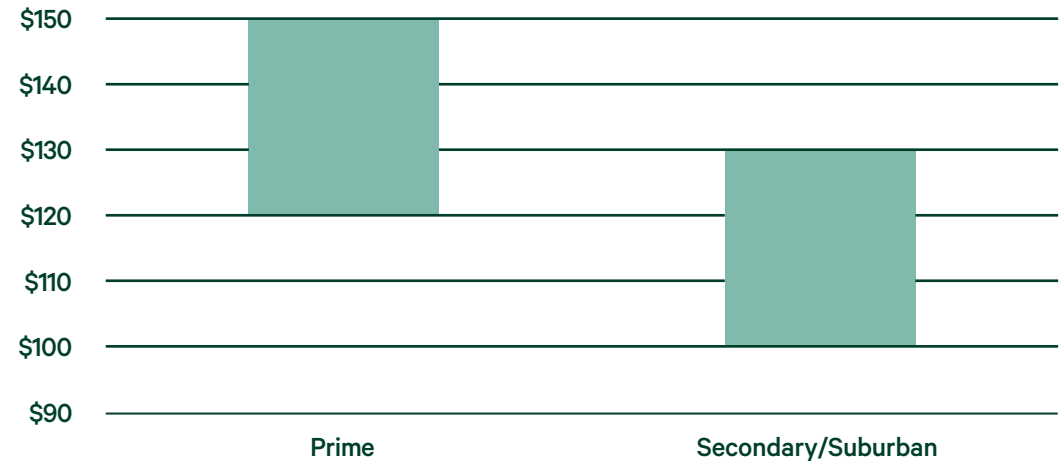


Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Prime	▲ Improving	Very limited
Secondary/Suburban	▲ Improving	Limited

FIGURE 1: Net Rents (Warehouse/Workshop)



INVESTOR MARKET

	Market direction	Demand
CBD (Prime)	▼ Weakening	Very strong
CBD (Secondary)	▼ Weakening	Strong

Retail

The retail market has performed well despite the strong pressure from online shopping. Many retailers have adapted their offering to include online sales since the onset of the pandemic. The continued demand for retail accommodation has put upward pressure on rents where there are low levels of vacancies, however, pockets of higher vacancies remain, which has subdued rental increases.

NET YIELDS

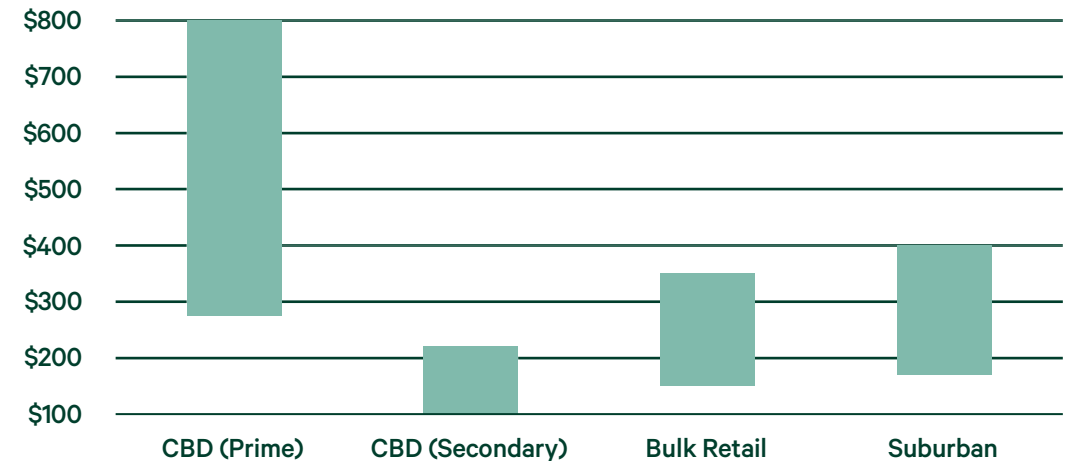


Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
CBD (Prime)	▲ Improving	Limited
CBD (Secondary)	▲ Improving	Moderate
Bulk Retail	▲ Improving	Limited
Suburban	▲ Improving	Limited

FIGURE 1: Net Rents



INVESTOR MARKET

	Market direction	Demand
CBD (Prime)	▼ Weakening	Average
CBD (Secondary)	▼ Weakening	Average
Bulk Retail	▼ Weakening	Average
Suburban	▼ Weakening	Average