

FIGURES | MANAWATU | JUNE 2024

# Commercial office

In the current market we note sound demand for small to medium sized premises and moderate increases in achieved rents in central commercial sectors of Palmerston North. There is limited demand for large scale premises in the high-rise asset class. In terms of the office rental market there has been a general trend away from inner-City tower blocks into low rise buildings in recent times.

## NET YIELDS



Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
Palmerston North	▶ Static	Moderate
Feilding	▶ Static	Moderate
Whanganui	▶ Static	Moderate
Levin	▶ Static	Moderate



## INVESTOR MARKET

	Market direction	Demand
Palmerston North	▶ Static	Average
Feilding	▶ Static	Average
Whanganui	▶ Static	Average
Levin	▶ Static	Average

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# Industrial

The Palmerston North market has seen upward movement for industrial premises rental expectations over the past three years. Strong demand within the industrial market relates to several factors including a shortage of modern good-quality premises available for occupancy, significant growth of underlying land value, plus current and forecasted industrial development/projects. Yields have expanded over the past year commensurate with higher servicing costs, however market value levels have remained steady due to increases in achieved rentals.

## NET YIELDS

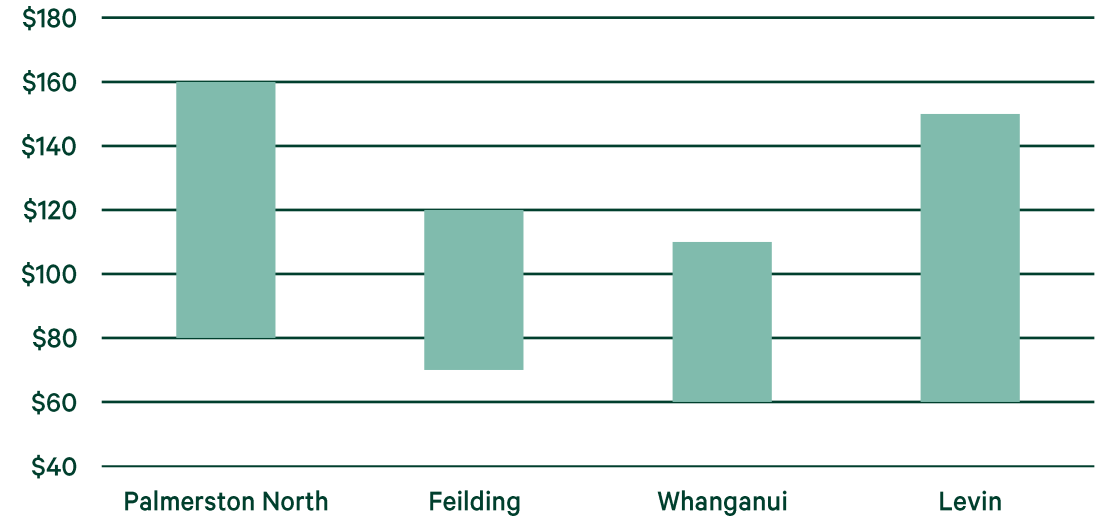


Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
Palmerston North	▲ Improving	Limited
Feilding	▶ Static	Limited
Whanganui	▶ Static	Limited
Levin	▶ Static	Limited

Net Rents (Warehouse/Workshop)



## INVESTOR MARKET

	Market direction	Demand
Palmerston North	▶ Static	Strong
Feilding	▶ Static	Average
Whanganui	▶ Static	Average
Levin	▶ Static	Strong

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# Retail

There has been little or no rental growth within the Palmerston North retail sector over recent years. This is likely influenced by a combination of factors including escalating property operating costs, competition from 'big box' retailing, and internet shopping. There has been very limited transactional volume for retail property in the Palmerston North market over the past three years.

## NET YIELDS



Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
Palmerston North	▶ Static	Moderate
Feilding	▶ Static	Moderate
Whanganui	▶ Static	Moderate
Levin	▶ Static	Moderate



## INVESTOR MARKET

	Market direction	Demand
Palmerston North	▶ Static	Average
Feilding	▶ Static	Average
Whanganui	▶ Static	Average
Levin	▶ Static	Average