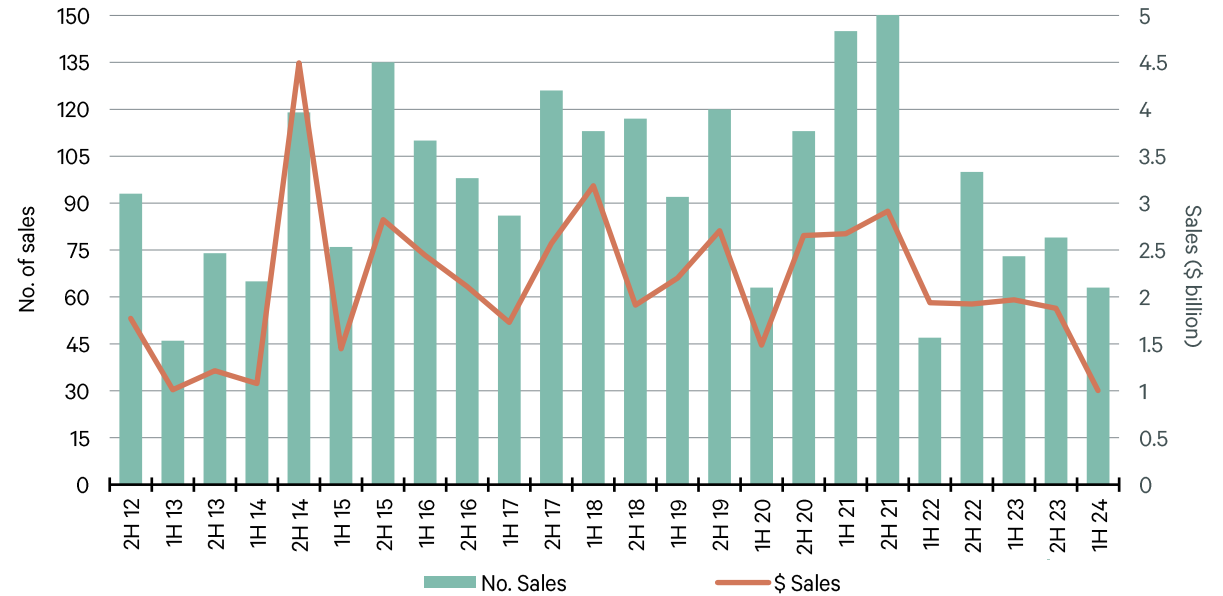


New Zealand Transaction Monitor

KEY MARKET CHANGES

- In H1 2024, the total value of commercial investment transactions in New Zealand reached just over \$1 billion across 63 sales. This is about half of the past decade’s average and is the lowest six-monthly value total since 2013.
- The industrial sector was the most active during H1 2024, showing more robust activity compared to previous periods. Industrial was followed by retail, office and development site/land sales.
- Private investors, both as sellers and buyers, were the most active during H1 2024. Privates, along with institutional investors, were also net sellers for transactions over \$20 million.
- Longer-term cumulative net investment volume is led by institutional investors and syndicates. Since 2007, institutions have accumulated \$3.6 billion, syndicates \$3.5 billion. Institutions also lead gross investment, with \$18.8 billion of purchases since 2007, followed by privates at \$14.7 billion.
- Overseas investment activity returned to net positive territory during H1, albeit registering more modest levels compared to previous periods.

New Zealand Six Monthly Total Investment Sale Values (\$5 Million+)



City by City Sales Volume Comparison

	H1 2024		H2 2023		Semi-Annual avg. over 5 years	
	Volume (\$mil)	No. Sales	Volume (\$mil)	No. Sales	Volume (\$mil)	No. Sales
Auckland	599	42	1,614	63	1,462	65
Wellington	151	4	111	6	281	11
Christchurch	150	12	99	9	285	7
TOTAL	900	58	1,824	78	2,115	96

The industrial sector led the way during H1 2024 in terms of transaction values, with \$310 million spread across 28 assets. This represented 31% of total sales, well above the sector’s long term market share of 22%. Of the total number of industrial sales, around 64% occurred in Auckland (18 sales), followed by Christchurch (32%, with 9 sales) and Wellington (4%, with 1 sale).

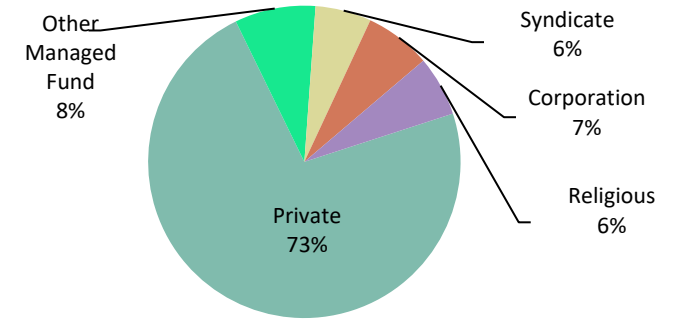
Industrial was followed by retail (23% of total H1 sales volume across 10 sales), office (18% also across 10 sales), and development site/land (15%). Of the remaining sectors, which account for 13% of total sales, the most relevant was retirement villages.

The largest transaction during H1 2024 happened in Wellington, involving almost an entire block of leasehold land in Rongotai. This transaction, involving a ground lease portfolio, encompassed multiple properties on Tirangi Road and Kingsford Smith Street, adjacent to Wellington Airport. Wellington-based Primeproperty Group sold it for \$105 million to a private local investor. This single sale comprised around 70% of the total value of development site/land transactions. The largest retail transaction was the sale of Ponsonby Central in Auckland (a retail hub featuring restaurants, a cinema and several boutique shops). It sold for \$72 million to Queenstown based Westwood Group. This was also the largest transaction in Auckland during H1 2024.

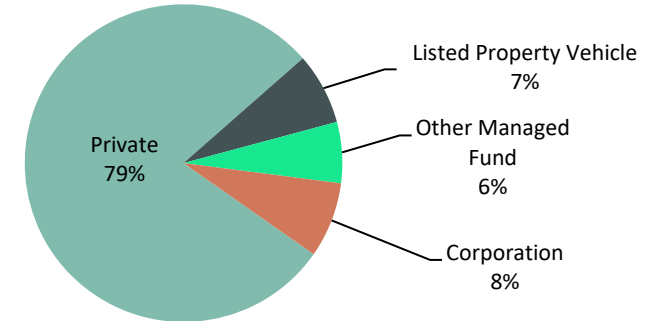
Private investors and developers were the most active owner category as buyers and vendors for transactions over \$20 million during H1. Commercial assets bought by privates encompassed 73% of the total transaction value, followed by managed funds (8%) and corporations (7%). Additionally, assets transacted over the \$20 million mark sold by private investors and developers represented approximately 79% of the total transaction value. Privates were followed by corporations (essentially large owner occupiers) and listed and wholesale funds (with 7% and 6%, respectively).

Around 60% of the total value of transactions during H1 2024 happened in Auckland (\$599 million), followed by Wellington (\$151 million) and Christchurch (\$150 million). Auckland had 42 asset sales in this period (six of them above \$20 million), whilst Christchurch had 12 sales (two above \$20 million), and Wellington had four sales (two above the \$20 million mark). The largest transaction in Christchurch was the sale of an industrial building in Islington for around \$40 million, bought by Fife Capital, an Australian managed fund. Also, there were some larger sales outside the three major New Zealand cities, two of which were above \$30 million both involving retirement villages in Cromwell and Timaru.

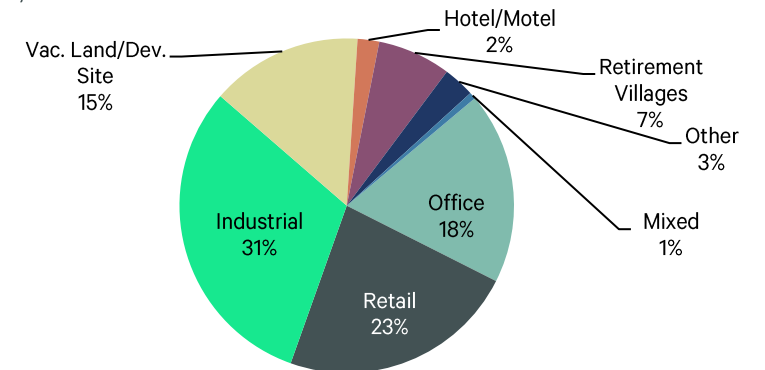
Purchaser Ownership Type – H1 2024 (\$20 Million+)



Vendor Ownership Type – H1 2024 (\$20 Million+)



Sales By Property Sector – H1 2024

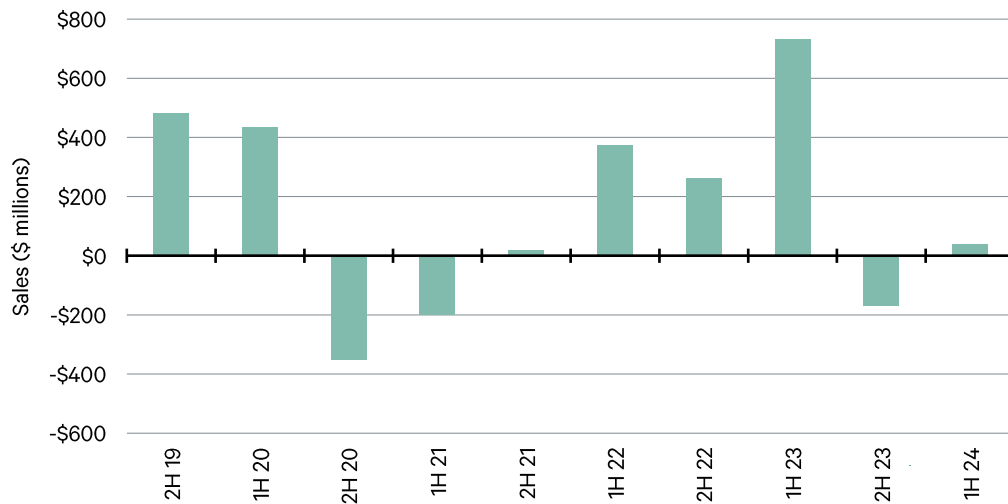


Offshore Investor Market

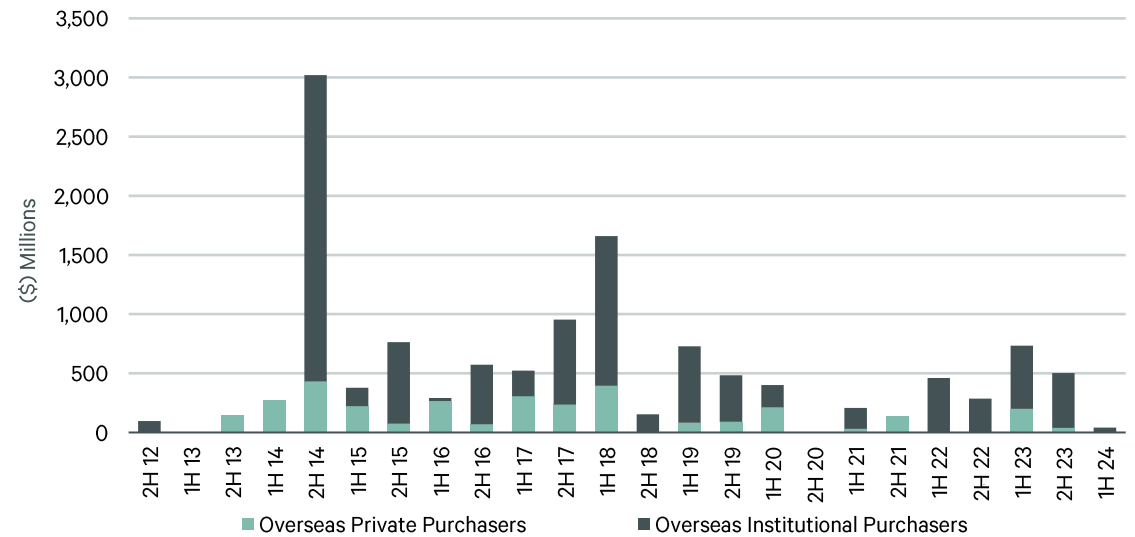
In H1 2024, overseas investment activity for transactions over \$20 million was net positive at \$40.4 million. In contrast, during H2 2023, overseas investment activity recorded a net negative position of \$167.6 million. The three periods between H1 2022 and H1 2023 showed positive positions, with an average net flow of overseas funds of around \$456 million, substantially higher than in H1 2024.

Overseas purchaser activity in H1 was via one single offshore institutional purchaser. Fife Capital, a Sydney-based managed fund, invested \$40.4 million in an industrial asset at 471 Waterloo Road in Islington, Christchurch. Overseas vendors were also represented by only one participant: Centuria Platform Investments Pty Ltd, an Australian managed fund, which sold a rest home located in Te Puke (Bay of Plenty) to a New Zealand private investor for \$8.4 million.

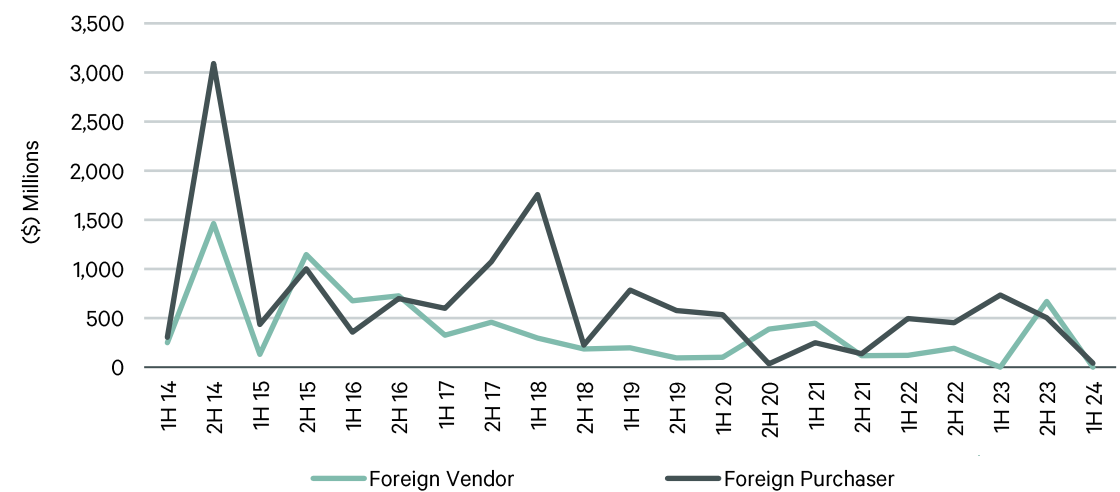
Net Flow of Overseas Funds (\$20 Million+)



Overseas Purchaser Activity (\$20 Million+)



Overseas Flow of Funds (\$20 Million+)

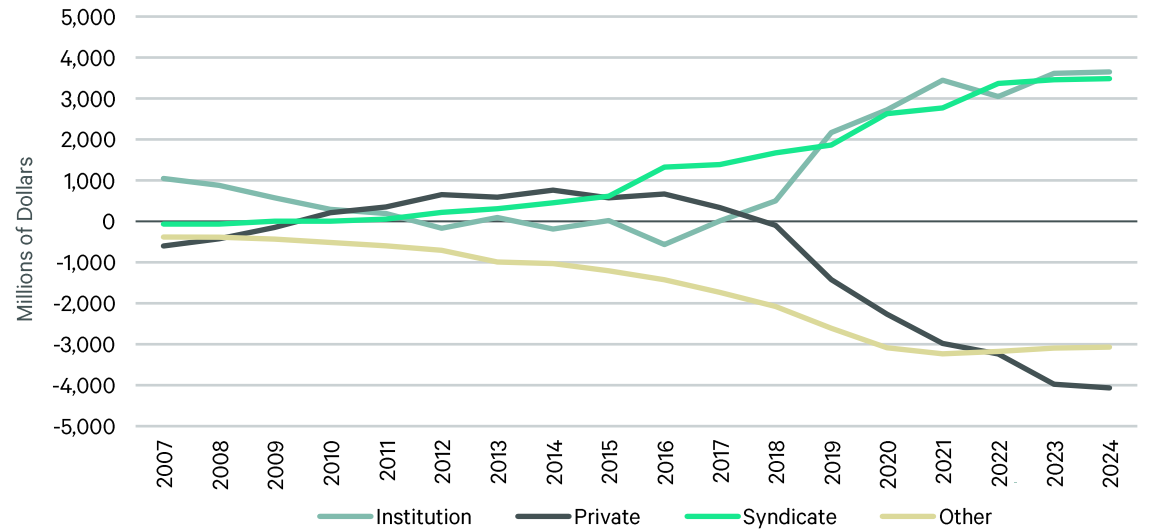


Investment Accumulation

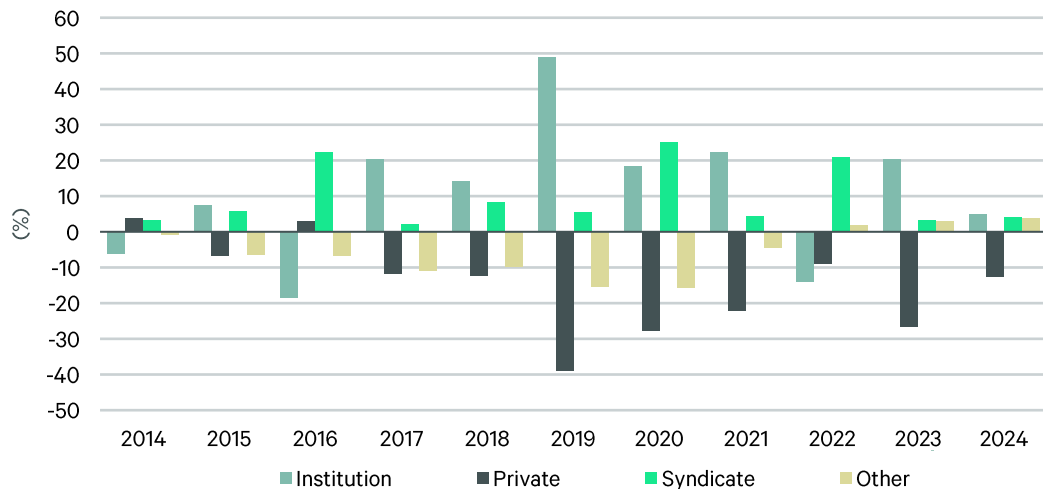
Private investors were the most active participants in the New Zealand investment market on both the purchaser and vendor sides during the first half of 2024 for transactions over \$20 million. Following the pattern of the previous period, private investors were net sellers, purchasing \$351.3 million and selling \$380.4 million of assets, registering a net amount of -\$29.1 million. Institutional investors also sat in the net seller basket by \$24.8 million in the first half of the year.

In relation to the longer-term cumulative net investment volume of assets that transacted above \$20 million, institutional investors and syndicates remain in the lead. Since 2007, institutions have accumulated \$3.6 billion, compared to \$3.5 billion by syndicates. As buyers of properties transacting above the \$20 million mark (gross investment volume), institutions dominated market activity, with \$18.8 billion of purchases since 2007.

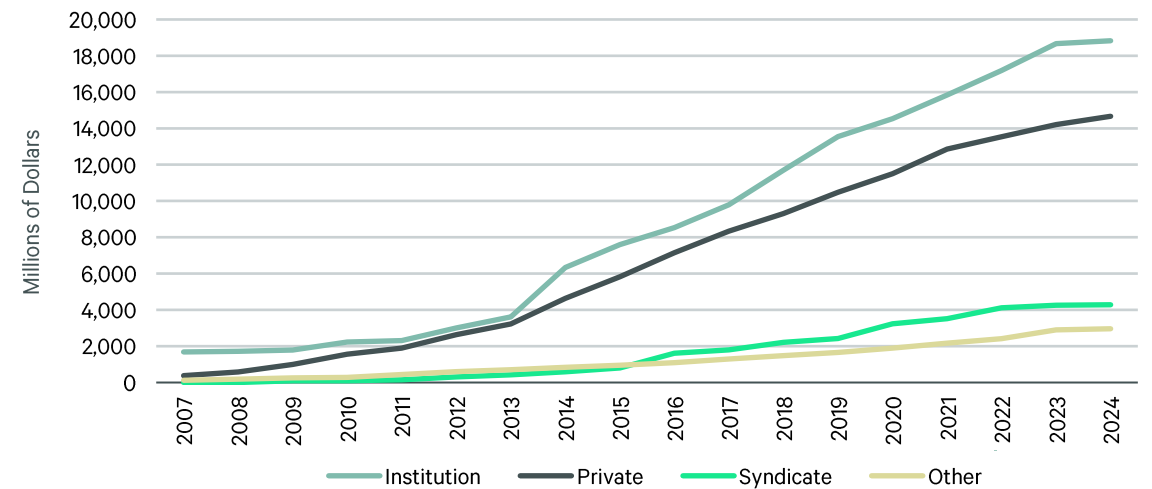
Cumulative Net Investment Volume (\$20 Million+)



Net Annual Investment Position (\$20 Million+)



Cumulative Gross Investment Volume (\$20 Million+)



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