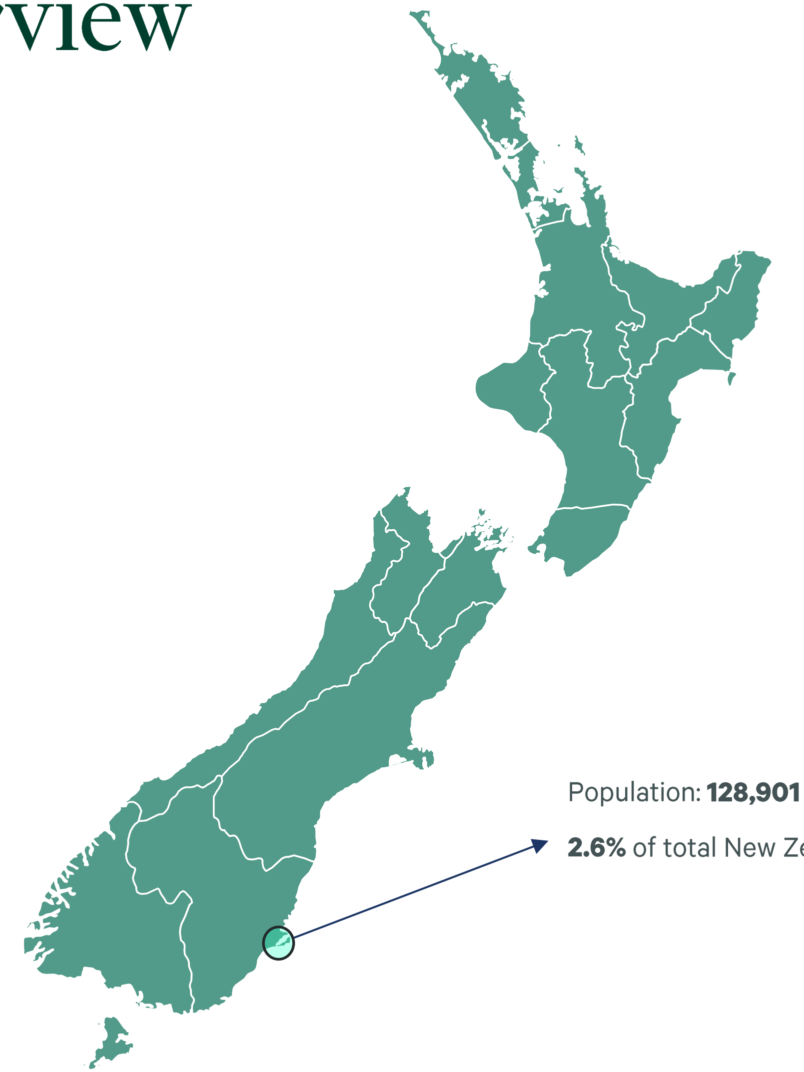
Dunedin Property Market Overview

SUMMARY

- Office vacancy increased to 9.7% in June 2026 from 9.4% in June 2025, driven by an increased in Prime vacant stock, given the backfill vacancy left behind by ACC due to its relocation to its new building on Dowling Street.
- Dunedin Central remains the suburb with the highest office vacancy, concentrated mainly on Moray Place and Princes Street. In terms of net absorption, Dowling Street and High Street recorded the highest positive absorption, while Rattray Street saw the largest decline.
- Industrial vacancy fell to 2.7% in June 2026 from 2.9%, led mainly by declining Grade C vacancy. Dunedin Central remains the suburb with the highest industrial vacancy, followed by Kenmure and South Dunedin.
- Gross absorption in the Dunedin industrial market reached over 45,500 sqm across 37 new occupancies, led by leasing activity in Grade C buildings.

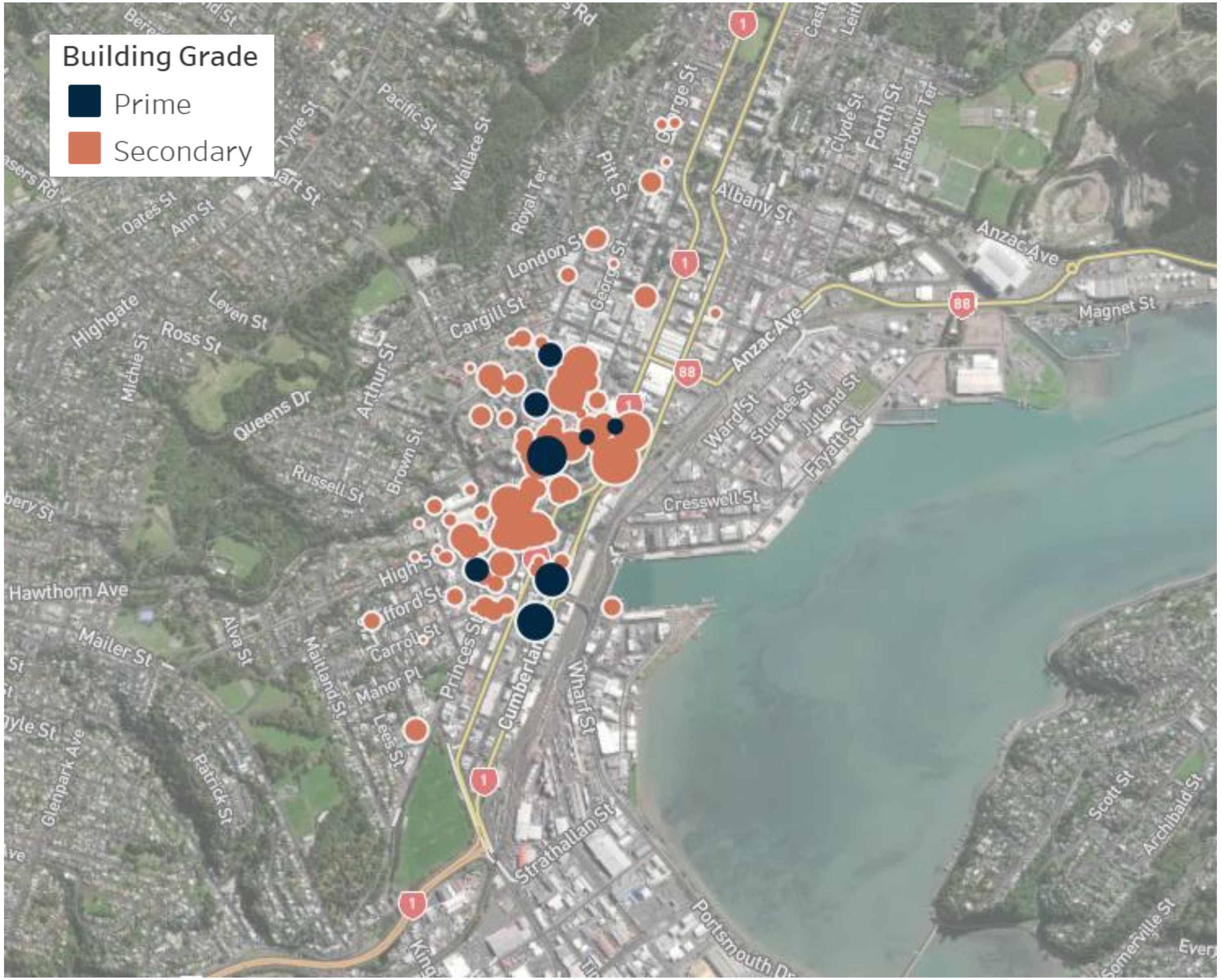
Market Sector	Stock (sqm)	Vacant Stock (sqm)	Vacancy (%)
Prime Office	52,078	3,037	5.8%
Secondary Office	170,437	18,585	10.9%
Prime Industrial	193,674	1,111	0.6%
Secondary Industrial	856,234	27,035	3.2%



Population: **128,901** (2023 Census)

2.6% of total New Zealand population

Dunedin Office Stock (Dunedin Central and North Dunedin)

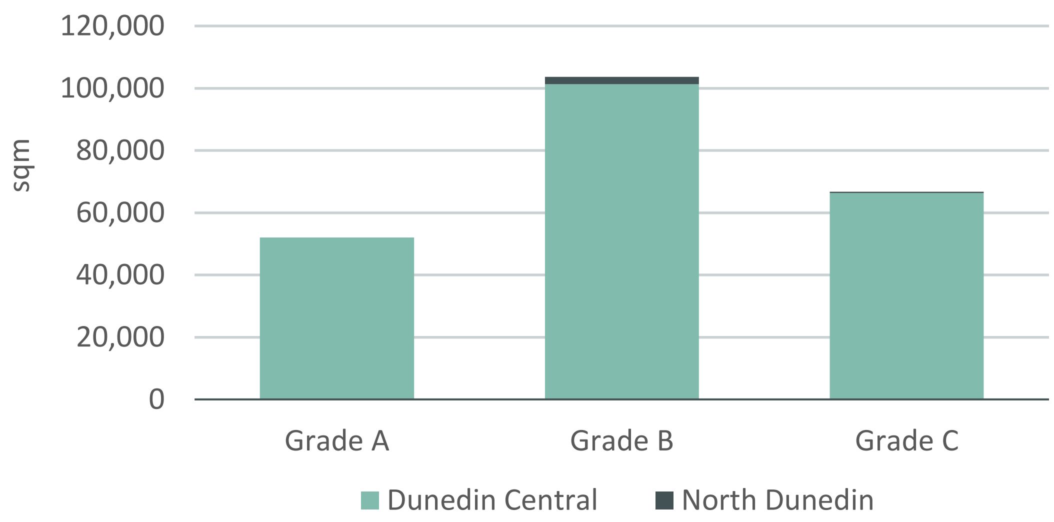


Dunedin Office Stock

The Dunedin office market totals 222,515 sqm across 110 office assets, located almost entirely in Dunedin Central, with a smaller share in North Dunedin. Stock in June 2026 is 15,385 sqm higher than in June 2025, due to three new Prime buildings in Dunedin Central: 15 Dowling Street (entirely occupied by ACC), 180 High Street (occupied by the Otago Regional Council), and 30 Great King Street (occupied by several tenants). This was partly offset by one 2,340-sqm building demolished at 95 Hanover Street and one 2,775-sqm building to be converted to apartments at 276 Princes Street.

Grade B (Secondary) office space is the most prevalent in Dunedin, with close to 104,000 sqm (47% of total NLA), followed by Grade C, with circa 67,000 sqm of low-quality office space (30%). The Grade A (Prime) office submarket has close to 52,000 sqm (23%). Secondary office stock (Grade B and Grade C combined) sits close to 170,500 sqm.

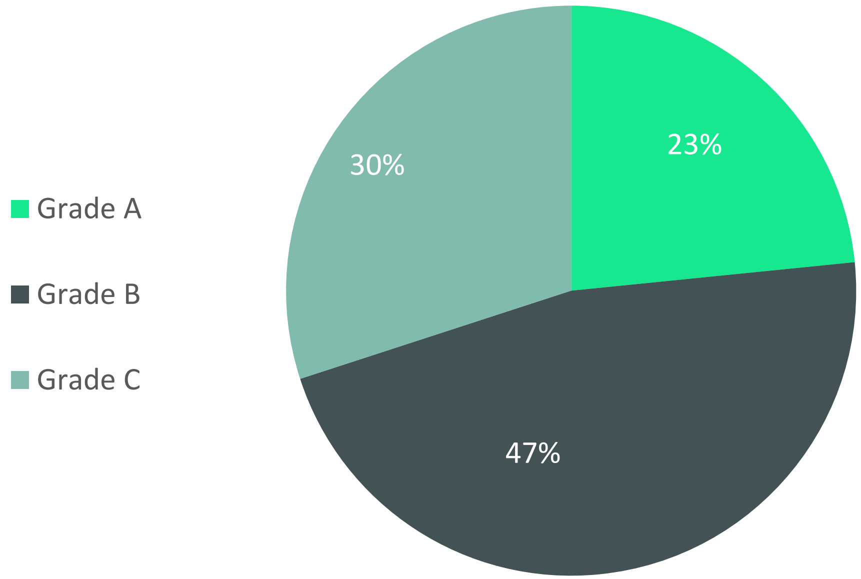
Office stock by grade and suburb (June 2026)



Office stock by grade (sqm)

Grade	June 2025	June 2026
Grade A	31,578	52,078
Grade B	108,783	103,668
Grade C	66,770	66,770
Total	**207,130**	**222,515**

Office stock by grade (June 2026)



Dunedin Office Vacancy

During June 2026, office vacancy increased to 9.7% from 9.4%, with vacant stock up by 2,146 sqm compared to June 2025. This was mainly driven by a 2,510-sqm increase in Prime vacant stock, reflecting backfill vacancy left behind by ACC following its relocation to its new building at 15 Dowling Street. This drove Prime vacancy up to 5.8% from 1.7%. Meanwhile, Secondary vacancy rose slightly to 10.9% from 10.8%, primarily due to an increase in Grade B vacancy, caused by several tenants vacating 3,441 sqm at 144 Rattray Street and two tenants leaving behind 775 sqm at 480 Moray Place. Dunedin Central is the suburb with the highest vacancy, with Moray Place and Princes Street holding most of the current unoccupied office space.

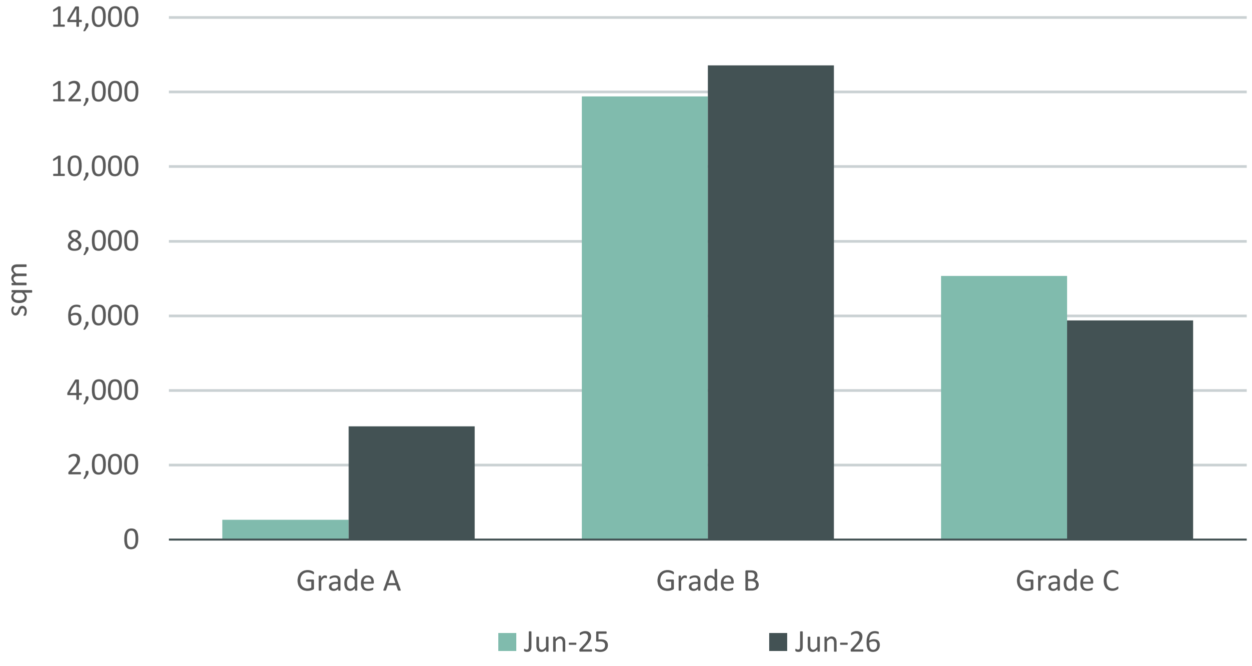
Office vacancy by street (June 2026)

Street Name	NLA (sqm)
Moray Place	4,634
Princes Street	4,069
Stuart Street	3,817
Rattray Street	3,441
George Street	1,357
Bond Street	1,025
London Street	1,012
The Octagon	618
Cumberland Street	537
Dowling Street	437
Maclaggan Street	200
Tennyson Street	200
Stafford Street	150
Broadway	125
Total	**21,622**

Office vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	1.7%	10.9%	10.6%	**9.4%**
	sqm	527	11,880	7,070	**19,476**
Vacancy June 2026	%	5.8%	12.3%	8.8%	**9.7%**
	sqm	3,037	12,712	5,873	**21,622**

Office vacancy by grade



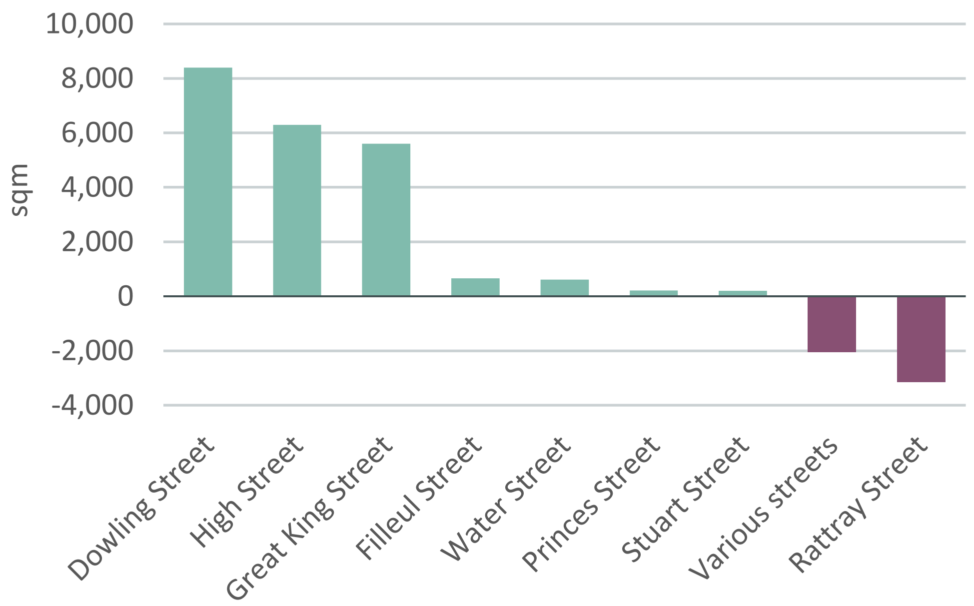
Dunedin Office Net Absorption

In June 2026, net absorption in Dunedin Central reached 16,795 sqm, driven by positive net absorption in the Grade A (17,990 sqm) and Grade C (1,197 sqm) submarkets, which was offset by a loss of 2,392 sqm in Grade B buildings. Prime net absorption was supported by the full take-up of three new buildings at 15 Dowling Street, 180 High Street, and 30 Great King Street (20,500 sqm combined), which was offset by 2,510 sqm vacated by ACC at 477 Moray Place. The two streets that registered the highest levels of positive net absorption were Dowling Street and High Street, with Rattray Street registering the highest level of negative net absorption.

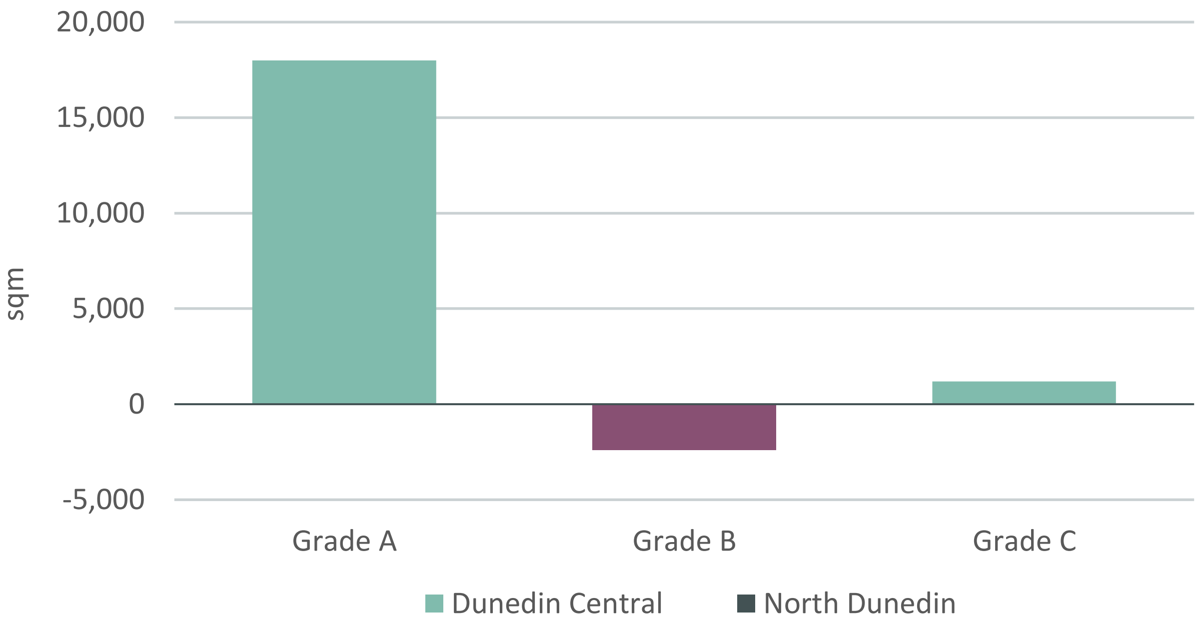
Office net absorption by grade and suburb (June 2026) (sqm)

Grade	Dunedin Central	North Dunedin	**Total**
Grade A	17,990	0	**17,990**
Grade B	-2,392	0	**-2,392**
Grade C	1,197	0	**1,197**
Total	**16,795**	**0**	**16,795**

Office net absorption by street (June 2026)



Office net absorption by grade and suburb (June 2026)



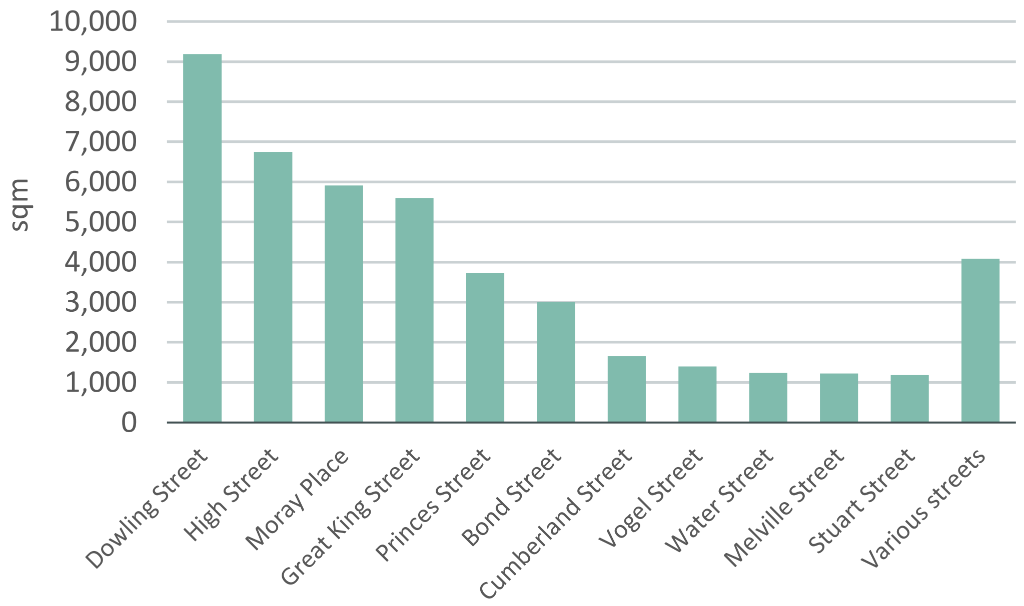
Dunedin Office Gross Absorption

Gross absorption measures leasing activity, capturing both previously vacant space that becomes occupied and changes between tenancies. During June 2026, gross absorption reached 44,968 sqm across 94 new occupancies. Most of it occurred in Grade A buildings (22,600 sqm), followed by Grade C and B assets (13,020 sqm and 9,348 sqm, respectively). The street that registered the highest take-up of space in the Dunedin office market was Dowling Street, totalling 9,190 sqm. It was followed by High Street (6,750 sqm) and Moray Place (5,911 sqm). When analysed by suburb, Dunedin Central captured all of the leasing activity in Dunedin.

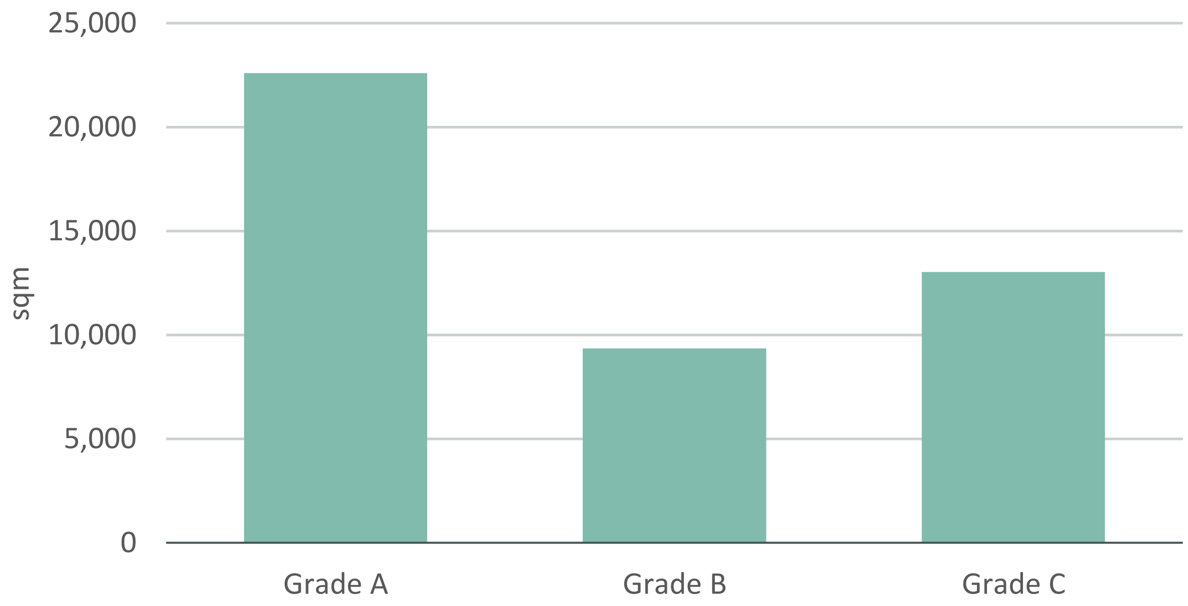
Office gross absorption by grade and suburb (June 2026) (sqm)

Grade	Dunedin Central	North Dunedin	**Total**
Grade A	22,600	0	**22,600**
Grade B	9,348	0	**9,348**
Grade C	13,020	0	**13,020**
Total	**44,968**	**0**	**44,968**

Office gross absorption by street (June 2026)



Office gross absorption by grade (June 2026)



Dunedin Industrial Stock

Dunedin Industrial Stock

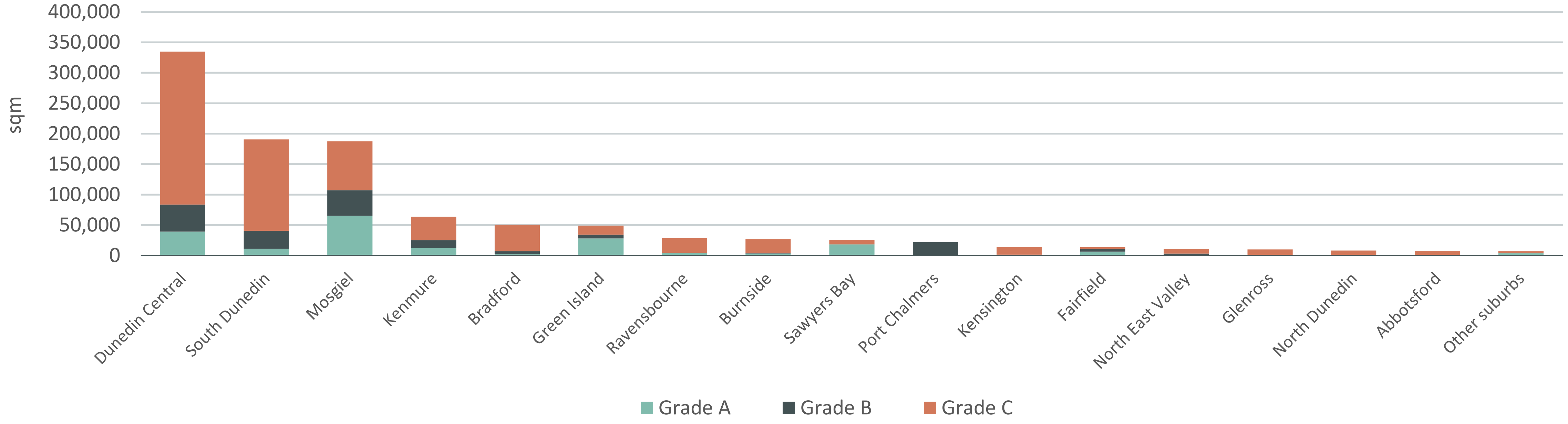
The total size of the Dunedin industrial market is 1.05 million sqm across 489 buildings, most of them located in Dunedin Central (32% of the total industrial NLA), South Dunedin (18%) and Mosgiel (18%). In terms of industrial stock quality, Dunedin Central leads in Secondary space, whereas Mosgiel dominates the high-quality segment.

Grade C industrial space is the most common type in the Dunedin market, with around 684,000 sqm (65% of total NLA), followed by Grade A (Prime), with circa 194,000 sqm of industrial space (18%). Also, the Grade B industrial submarket has approximately 173,000 sqm (16%). Secondary industrial stock (Grade B and Grade C combined) amounts to approximately 856,000 sqm.

Industrial stock by grade (June 2026)

Grade	NLA (sqm)	%
Grade A	193,674	18%
Grade B	172,543	16%
Grade C	683,691	65%
Total	**1,049,908**	**100%**

Industrial stock by grade and suburb (June 2026)



Dunedin Industrial Vacancy

During June 2026, industrial vacancy decreased, moving to 2.7% from 2.9%, a 2,532 sqm decrease compared to June 2025. This was mainly driven by the decline in vacancy in Grade C assets. Prime vacancy went up to 0.6% from 0.0%, driven solely by a rural supplies co-operative moving out from 168 Dukes Road North. Also, Secondary vacancy declined to 3.1% from 3.6%, driven mainly by the take-up of previously vacant space in Mosgiel, such as Trends occupying 3,014 sqm at 19 McGlashan Street and Midway Motor moving into 940 sqm at 13 Gladstone Road South, and also in Dunedin Central, where Resistance Climbing took up 2,781 sqm at 56 Parry Street. Dunedin Central is the suburb with the highest vacancy, followed by Kenmure and South Dunedin.

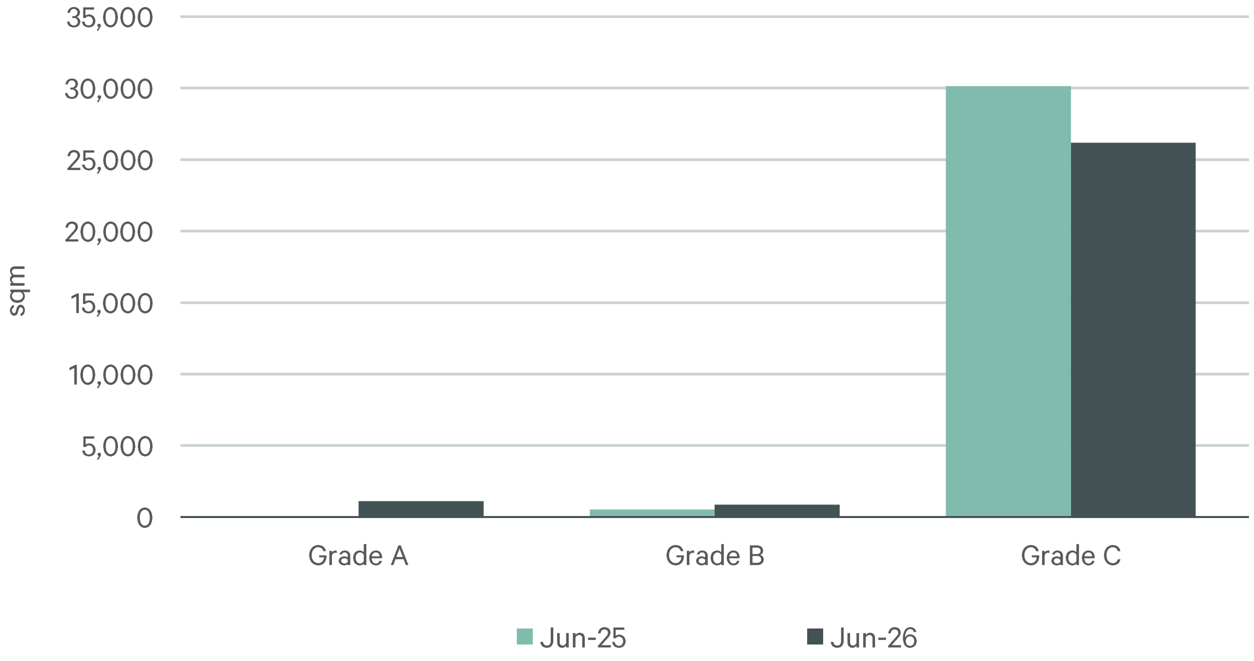
Industrial vacancy by suburb (June 2026)

Suburb	NLA (sqm)
Dunedin Central	16,435
Kenmure	3,820
South Dunedin	2,295
Mosgiel	1,711
Bradford	1,640
Burnside	1,600
Sawyers Bay	645
Total	**28,146**

Industrial vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	0.0%	0.3%	4.4%	**2.9%**
	sqm	0	526	30,152	**30,678**
Vacancy June 2026	%	0.6%	0.5%	3.8%	**2.7%**
	sqm	1,111	860	26,175	**28,146**

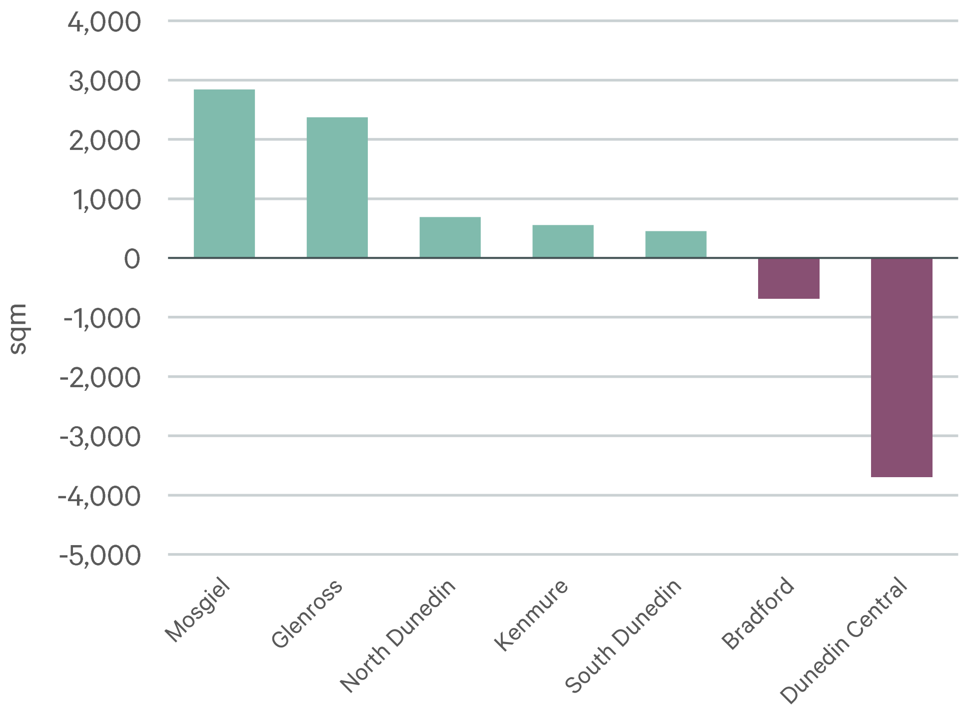
Industrial vacancy by grade



Dunedin Industrial Net Absorption

Most of the industrial net absorption in June 2026 happened in Mosgiel, which reached 2,843 sqm, driven by a positive net absorption of 3,954 sqm in Grade C buildings, and offset by a negative net absorption of 1,111 sqm in Grade A assets in that suburb. Overall, Grade C net absorption was supported by the take-up of 14,427 sqm across several buildings on Kaikorai Valley Road, McGlashan Street (Mosgiel), Parry Street, Gladstone Road South, Broughton Street, and other streets across Dunedin Central, South Dunedin, North Dunedin and Kenmure.

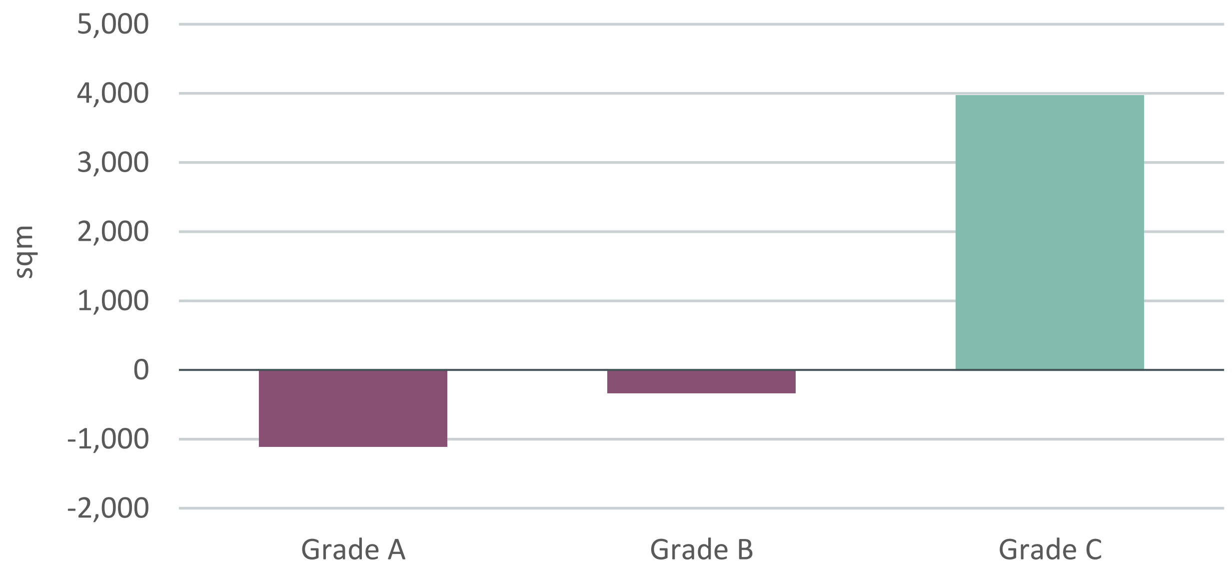
Industrial net absorption by suburb (June 2026)



Industrial net absorption by grade and suburb (June 2026) (sqm)

Suburb	Grade A	Grade B	Grade C	Total
Mosgiel	-1,111	0	3,954	**2,843**
Glenross	0	0	2,370	**2,370**
North Dunedin	0	0	690	**690**
Kenmure	0	0	555	**555**
South Dunedin	0	0	450	**450**
Bradford	0	526	-1,210	**-684**
Dunedin Central	0	-860	-2,832	**-3,692**
	-1,111	**-334**	**3,977**	**2,532**

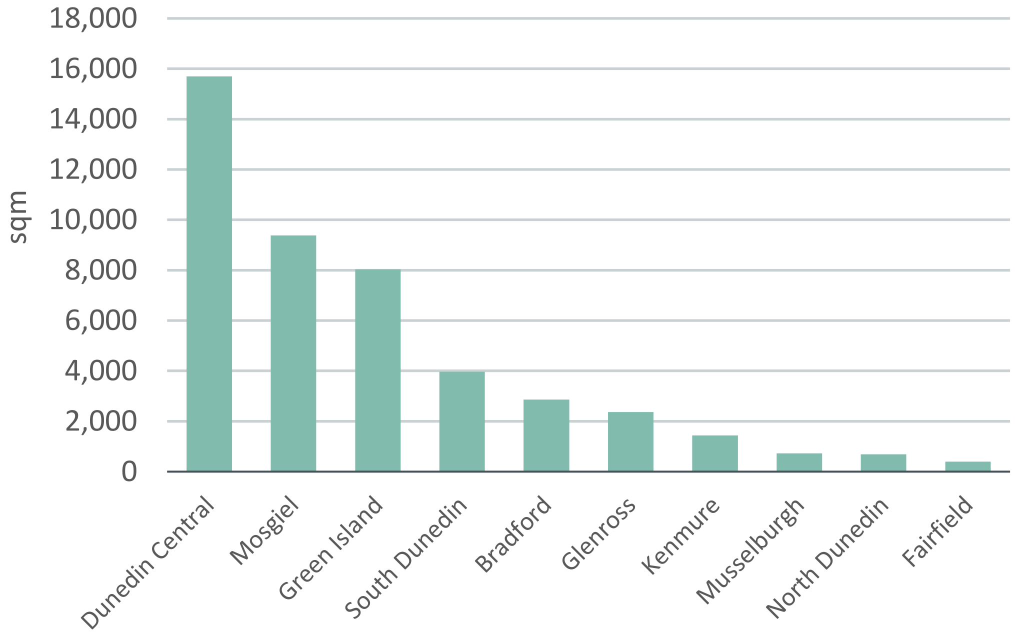
Industrial net absorption by grade (June 2026)



Dunedin Industrial Gross Absorption

In June 2026, gross absorption reached over 45,500 sqm across 37 new occupancies. Most of it was recorded in Grade C industrial assets (around 31,200 sqm), followed by Grade A and B buildings (10,791 sqm and 3,601 sqm, respectively). The largest take-up of new occupancies occurred at 375 Main Road South in Green Island, where Trends occupied 8,030 sqm in a Prime asset, and at 105 Cumberland Street in Dunedin Central, where a pet supplies retail trader took up more than 3,000 sqm of Secondary industrial space. The suburb with the highest leasing activity in June 2026 was Dunedin Central, in which gross absorption reached close to 16,000 sqm, followed by Mosgiel with circa 9,500 sqm. In contrast, the suburbs with the least level of gross absorption were North Dunedin and Fairfield.

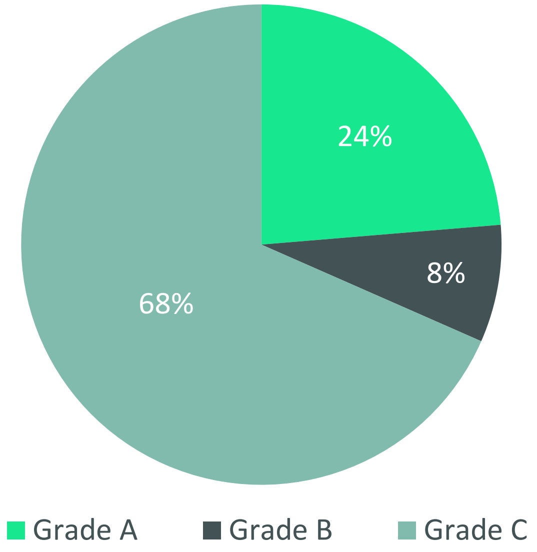
Industrial gross absorption by suburb (June 2026)



Industrial gross absorption by grade and suburb (June 2026)

Suburb	Grade A	Grade B	Grade C	Total
Dunedin Central	2,370	0	13,333	**15,703**
Mosgiel	0	984	8,397	**9,381**
Green Island	8,030	0	0	**8,030**
South Dunedin	0	552	3,410	**3,962**
Bradford	0	2,065	793	**2,858**
Glenross	0	0	2,370	**2,370**
Kenmure	0	0	1,445	**1,445**
Musselburgh	0	0	730	**730**
North Dunedin	0	0	690	**690**
Fairfield	391	0	0	**391**
	10,791	**3,601**	**31,168**	**45,560**

Industrial gross absorption by grade and suburb (June 2026)



Definitions

Office building grades

Grade A: High-quality modern space. **Grade B**: Good quality modern space with some but not all Grade A features and to a lower standard. **Grade C**: Average quality air-conditioned space.

Prime: Grade A. **Secondary**: Combination of Grade B and C.

Industrial building grades

Prime: Industrial space used for general warehousing or logistics with stud heights of 9 metres or more, largely column free. The property will be of a high specification and well maintained. The grade encompasses properties from the current generation of design build premises to buildings built over the previous cycle. **Secondary**: Industrial space inferior to Prime space in terms of building quality and specifications being lower stud (generally between 6 and 9 metres) and in some cases lacking Capex and having deferred maintenance issues although still providing functional industrial accommodation.

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