

FIGURES | INVERCARGILL | JUNE 2023

# Commercial office

There is a current oversupply of office space within Invercargill across two of the three office categories, B and C. There is limited availability supply of A grade space. The premises that have been recently let are generally of a smaller scale and B grade quality space. Those lettings have shown an increase in market rates. Lettings in provincial Southland have been static with only a handful completed recently. It is noted that there is a higher ratio of owner occupiers in provincial towns in comparison to main centres.

## NET YIELDS

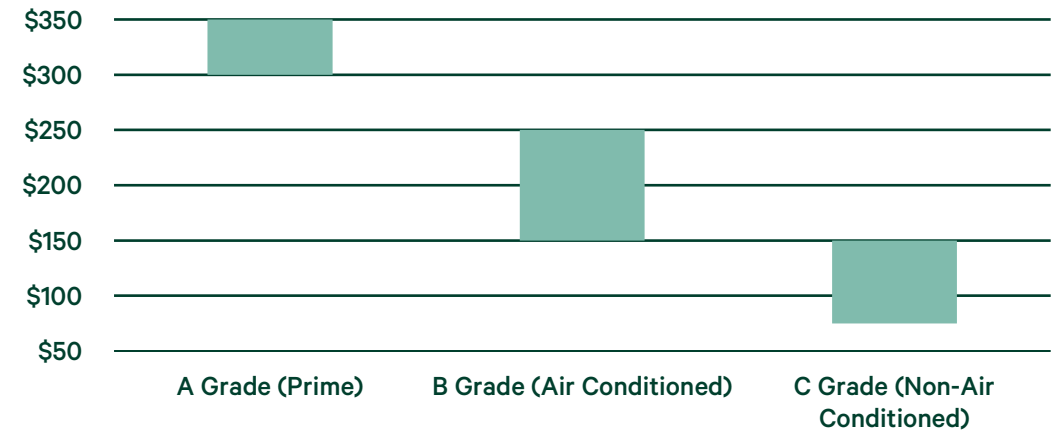


Note: Arrows indicate change from previous report.

## OCCUPIER MARKET

	Market direction	Supply
A Grade (Prime)	▶ Static	Limited
B Grade (Air Conditioned)	▶ Static	Moderate
C Grade (Non-Air Conditioned)	▶ Static	Over supplied

FIGURE 1: Net Rents



## INVESTOR MARKET

	Market direction	Demand
A-Grade (Prime)	▶ Static	Average
B-Grade (Air conditioned)	▶ Static	Average
C-Grade (Non-Air Conditioned)	▶ Static	Weak

FIGURES | SOUTHLAND | JUNE 2023

# Industrial

Letting demand remains positive with a shortage of quality industrial space across Southland. We have seen good growth in rentals over the last 24-month period. Recent transactions have seen a negative shift in yields as a result challenging market variables, particularly higher interest rates.

## NET YIELDS

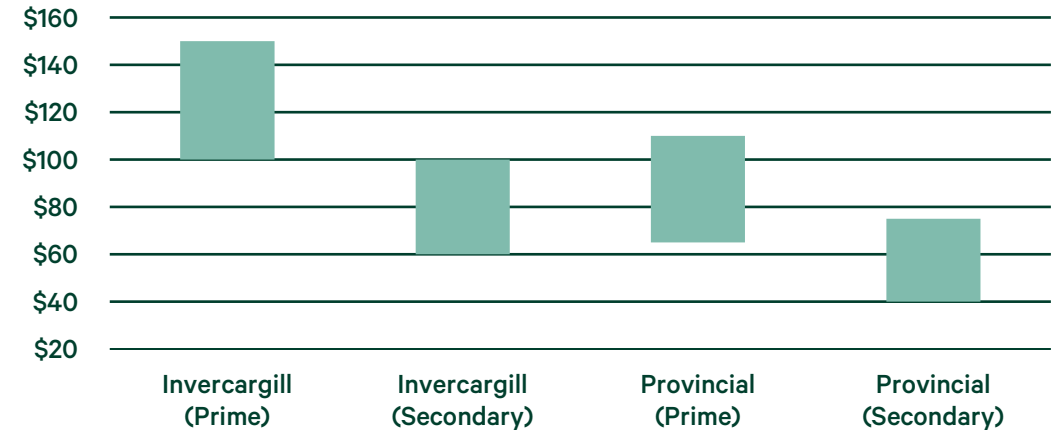


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## OCCUPIER MARKET

	Market direction	Supply
Invercargill (Prime)	▲ Improving	Limited
Invercargill (Secondary)	▲ Improving	Limited
Provincial (Prime)	▲ Improving	Limited
Provincial (Secondary)	▶ Static	Limited

FIGURE 1: Net Rents (Warehouse/Workshop)



## INVESTOR MARKET

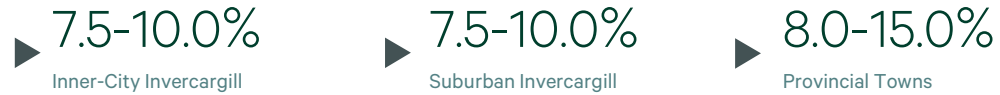
	Market direction	Demand
Invercargill Prime	▼ Weakening	Strong
Invercargill Secondary	▼ Weakening	Average
Provincial Prime	▼ Weakening	Average
Provincial Secondary	▶ Static	Strong

FIGURES | SOUTHLAND | JUNE 2023

# Retail

Invercargill Central stage two is now open and there is a current oversupply of retail space in Invercargill, especially for those located within earthquake-prone buildings. In provincial Southland, there is demand for good quality showroom space. However, with many earthquake-prone buildings within the traditional retail strips, the development of any new space has been limited recently due to the lower levels of market rents being insufficient to cover the cost to demolish and build new premises.

## NET YIELDS

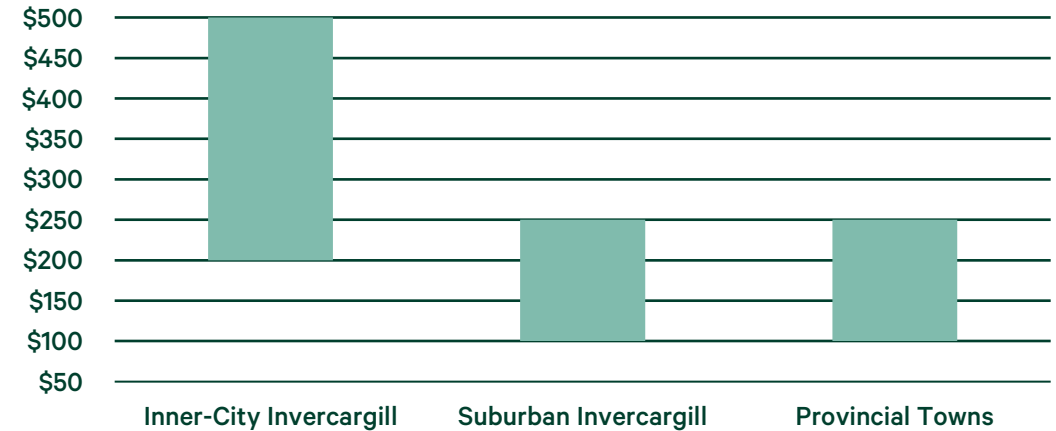


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## OCCUPIER MARKET

	Market direction	Supply
Inner-City Invercargill	▶ Static	Moderate
Suburban Invercargill	▶ Static	Over supplied
Provincial Towns	▶ Static	Moderate

FIGURE 1: Net Rents



## INVESTOR MARKET

	Market direction	Demand
Inner-City Invercargill	▶ Static	Average
Suburban Invercargill	▶ Static	Average
Provincial Towns	▶ Static	Average