

Invercargill Property Market Overview

SUMMARY

- The Invercargill office market has around 93,000 sqm of office space, most of it in low-quality buildings in Invercargill Central.
- Total office vacancy sat at 7.2% during the first half of 2025. Notably, the Prime office submarket registered only a 1.2% vacancy rate during this period.
- Most of the office assets in Invercargill were completed in the second half of the last century, and 27% of all buildings were built after 2000.
- Invercargill has circa 644,000 sqm of industrial space across 305 building. West Invercargill is the suburb with the largest industrial footprint, followed by Kennington and Bluff.
- Invercargill’s industrial vacancy rate was 2.8% during H1 2025, with close to 18,000 sqm vacant stock, most of it in the Grade C submarket.

Market Sector	Stock (sqm)	Vacant Stock (sqm)	Vacancy (%)	Number of Assets
Prime Office	19,807	240	1.2%	8
Secondary Office	73,179	6,499	8.9%	70
Prime Industrial	138,984	539	0.4%	44
Secondary Industrial	504,950	17,794	3.5%	261



Invercargill Office Stock

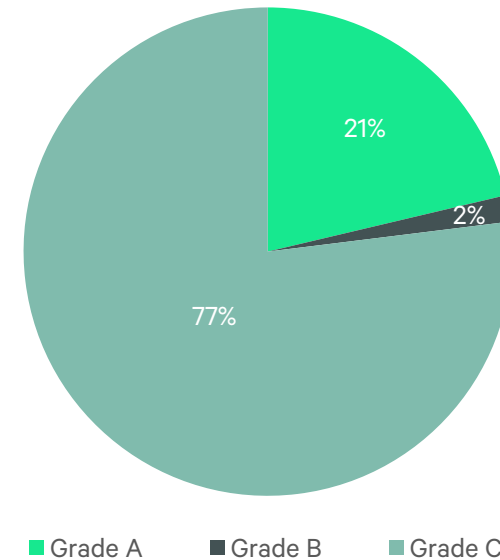
The total size of the Invercargill office market is close to 93,000 sqm, across 78 office assets located in Invercargill Central and Avenal. The Invercargill office stock includes standalone office buildings and those within mixed-use developments. Notably, in contrast to New Zealand’s three larger cities, many offices in Invercargill are located within the office component of mixed-use buildings, which often combine commercial and retail spaces.

Invercargill’s office market is dominated by low-quality buildings, with close to 72,000 sqm of Grade C office space in 68 buildings (77% of total space), followed by Grade A (Prime) space with almost 20,000 sqm in eight buildings (21%) and Grade B office space offering close to 1,600 sqm in two building (2%). Secondary office stock (Grade B and Grade C combined) sits close to 73,200 sqm in 70 assets. One of the largest office building in Invercargill is 25 Esk Street (circa 4,900 sqm), a Prime multi-storey building occupied by several tenants.

Regarding our definitions for the different grades considered for the Invercargill office market, Grade A quality represents the highest-quality office space, generally situated in buildings built from 2010 onwards and larger than 500 sqm. Meanwhile, Grade B quality office space is situated in buildings built between 2000 and 2009 that are larger than 500 sqm. These are inferior to Grade A space in terms of building quality and specifications. Additionally, buildings completed from 2010 onwards that do not exceed 500 sqm are also considered Grade B. Furthermore, buildings completed before 2000, regardless of size, are considered Grade C. Those completed between 2000 and 2009 that are smaller than 500 sqm are also classified as Grade C.

Office stock by grade

Grade	NLA (sqm)	Number of office assets
Grade A	19,807	8
Grade B	1,614	2
Grade C	71,565	68
Total	92,986	78



Invercargill Office Stock

Compared to other regional cities, Invercargill has a relatively new office stock. In terms of the number of office buildings by year built, 55 were built between 1950 and 1999. Also, 11 office buildings were built after 2000, including nine that were completed from 2010 onwards.

Regarding the size of Invercargill’s office stock by year built, only 8% of the total size comes from buildings completed before 1950. Around 63% the office space corresponds to buildings built between 1950 and 1999, almost 59,000 sqm. Additionally, around 26,000 sqm of office space is located in buildings completed after 2000, which accounts for 27% of the total.

In relation to the Invercargill office stock by building size, most of the assets (30 out of 78) provide an office space between 1,000-2,999 sqm, followed by buildings with less than 500 sqm of office space (27 buildings) and by buildings with 500-999 sqm of office space (17 assets).

Office stock by year built

Year Built	NLA (sqm)	Number of office assets
2020-2025	8,653	3
2010-2019	11,898	6
2000-2009	5,008	2
1980-1999	31,911	25
1950-1979	27,079	30
Older than 1950	6,986	11
Year unknown	1,452	1
Total	92,986	78

Office stock by building size

Building size (sqm)	NLA (sqm)	Number of office assets
Over 5,000	6,300	1
3,000 - 5,000	12,404	3
1,000 - 2,999	52,401	30
500 - 999	12,839	17
Less than 500	9,042	27
Total	92,986	78

Invercargill Office Stock



Invercargill Office Vacancy

During H1 2025, Invercargill’s total office vacancy rate sat at 7.2%. Vacant office stock totalled 6,739 sqm, with Grade C buildings accounting for most of all vacant space. Grade A office vacancy rate was just over 1.0%, whilst vacancy in Grade B office buildings was zero.

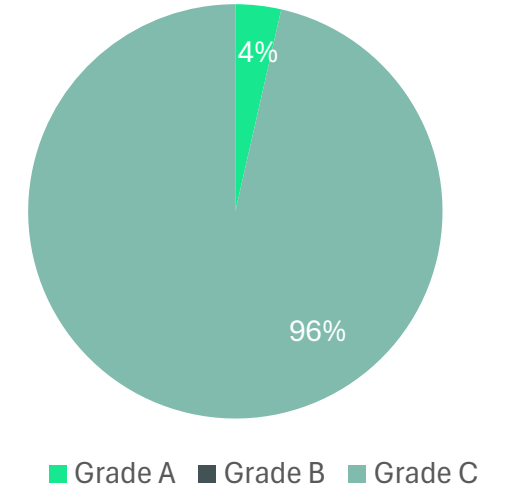
Most of the vacant office space is located in Don Street (34% of the total), followed by The Crescent (16%) and Dee Street (13%). The building with the highest vacancy rate during H1 was 33 Don Street, a Grade C asset with 929 sqm of vacant space across two levels. This was followed by 21 The Crescent, a Grade C building with 660 sqm of unoccupied space.

Office vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy H1 2025	%	1.2%	0.0%	9.1%	7.2%
	sqm	240	0	6,499	6,739

Office vacancy by street name

Street Name	Vacant Office Stock	%
Don Street	2,283	34%
The Crescent	1,100	16%
Dee Street	875	13%
Deveron Street	768	11%
Kelvin Street	660	10%
Leet Street	485	7%
Spey Street	375	6%
Yarrow Street	193	3%
Total	6,739	100%



Invercargill Industrial Stock

Invercargill has circa 644,000 sqm of industrial space across 305 industrial buildings. Around 68% of the industrial market is composed of Grade C industrial buildings (circa 439,000 sqm), followed by Grade A buildings (22%, equivalent to around 139,000 sqm) and Grade B assets (10%, corresponding to circa 67,000 sqm). The main industrial areas in Invercargill are located in West Invercargill, with almost 204,000 sqm across 117 industrial buildings (32% of the total industrial NLA), and Kennington, with close to 139,000 sqm across only 10 assets (22% of the total). Kennington has several industrial buildings that have more than 10,000 sqm in size. They are followed by Bluff, Southland’s port town south of Invercargill, with almost 52,500 sqm across 21 buildings.

In terms of the distinct definitions concerning the Invercargill industrial market, Grade A quality (also referred to as Prime grade) represents industrial space generally for general warehousing or logistics, with a NLA exceeding 500 sqm. Grade A quality properties are of a high specification and well maintained. The grade encompasses properties from the current generation of design build premises to buildings built from 2010 onwards. Meanwhile, Grade B quality office space is situated in buildings built between 2000 and 2009 that are larger than 500 sqm. These are inferior to Grade A space in terms of building quality and specifications. Additionally, buildings completed from 2010 onwards that do not exceed 500 sqm are also considered Grade B. Furthermore, buildings completed before 2000, regardless of size, are considered Grade C. Those completed between 2000 and 2009 that are smaller than 500 sqm are also classified as Grade C.

Industrial stock by grade

Grade	NLA (sqm)	Number of industrial assets
Grade A	138,984	44
Grade B	66,588	37
Grade C	438,362	224
Total	643,934	305

Industrial stock by location

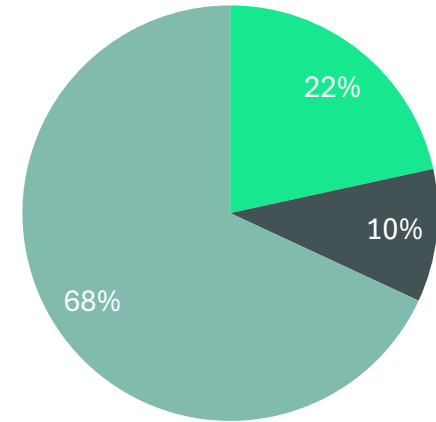
Suburb	NLA (sqm)	Number of industrial assets
West Invercargill	203,905	117
Kennington	138,908	10
Bluff	52,356	21
Newfield	44,892	30
Prestonville	36,775	31
Invercargill Central	36,542	26
Appleby	32,487	26
Avenal	30,291	22
Clifton	22,535	3
Hawthorndale	15,990	1
Rockdale	15,085	5
Grasmere	7,660	7
Waikiwi	2,480	3
Strathern	1,983	1
Waverley	1,315	1
Georgetown	730	1
Total	643,934	305

Invercargill Industrial Stock

Around 78% of Invercargill’s Prime industrial stock is concentrated in three suburbs: Kennington, with close to 48,700 sqm of high-quality industrial space, West Invercargill (approximately 38,000 sqm), and Avenal (circa 23,000 sqm). The suburbs that do not have any Prime industrial stock are Hawthorndale, Rockdale, Grasmere, Waikiwi, Strathern, Waverley, and Georgetown.

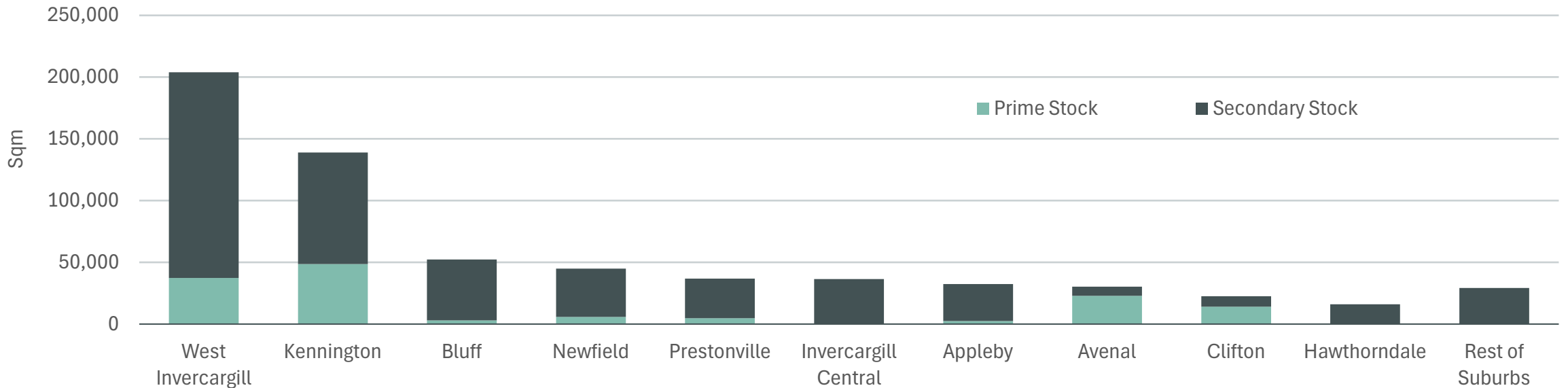
During H1 2025, the largest occupier in the Invercargill industrial market was Niagara Sawmill, with over 56,000 sqm of both Prime and Secondary industrial footprint on Kennington Road, east of Invercargill. The next largest occupancies during this period were Freight Haulage, with close to 22,500 sqm of industrial footprint on Lake Street in Clifton, and Kiwi Kraft Engineering, Pro Storage and others, occupying close to 17,500 sqm of Grade C industrial space at 73 Annan Street in West Invercargill.

Industrial stock by grade



Grade A Grade B Grade C

Industrial stock by grade and location



Prime Stock Secondary Stock

Invercargill Industrial Stock

In relation to the number of industrial buildings by year built, only 12 were built before 1950. Most of them were completed during 1950-1979 (127 assets) and 1980-1999 (61 buildings). From 2000 onwards, 81 industrial buildings were built, including 14 completed after 2020.

Regarding the size of Invercargill’s industrial stock by year built, 45% of the industrial footprint belongs to buildings completed between 1950 and 1999, covering around 287,000 sqm. The newest assets, completed after 2020, comprise only 10% of the total industrial footprint.

In terms of building size in Invercargill’s industrial stock, almost half of the assets (150 out of 305) have between 500 sqm and 1,000 sqm of industrial space, followed by buildings with 1,000-2,999 sqm (112 assets). Even though only 22 industrial buildings have over 5,000 sqm of space, they comprised almost 43% of the total industrial footprint in Invercargill. The largest industrial building is located at 1 Clapham Road, located in Kennington by Niagara, with almost 56,000 sqm of industrial space.

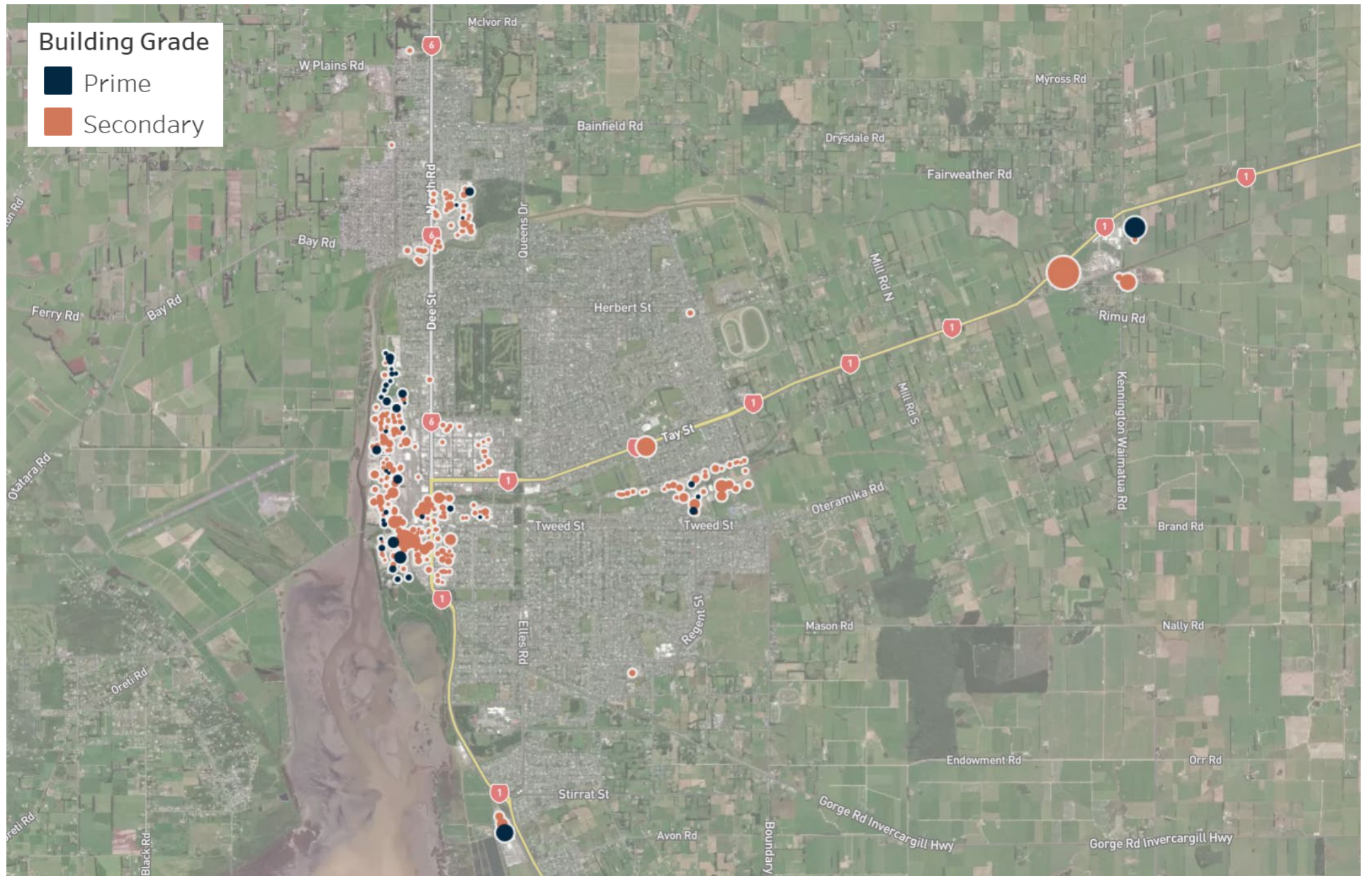
Industrial stock by year built

Year Built	NLA (sqm)	Number of industrial assets
2020-2025	65,689	14
2010-2019	89,806	31
2000-2009	50,077	36
1980-1999	101,743	61
1950-1979	184,981	127
Older than 1950	37,178	12
Year unknown	114,460	24
Total	643,934	305

Industrial stock by building size

Building size (sqm)	NLA (sqm)	Number of industrial assets
Over 5,000	278,826	22
3,000 - 5,000	74,337	21
1,000 - 2,999	182,058	112
500 - 1,000	108,713	150
Total	643,934	305

Invercargill Industrial Stock



Bluff Industrial Stock



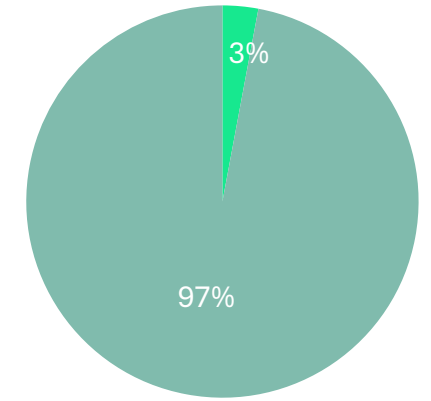
Invercargill Industrial Vacancy

During the first half of 2025, the industrial vacancy in Invercargill sat at 2.8%, with 18,333 sqm of vacant stock. The majority of vacant industrial space, approximately 17,800 sqm, was located in the Grade C submarket, accounting for 97% of the total. In contrast to the office market, industrial buildings in the Grade B submarket were fully occupied.

More than half of the total vacant industrial space is located in Bluff (52% of the total), followed by West Invercargill (42%), and Appleby (7%). The building with the highest vacancy was located at 53-55 Gore Street in Bluff, a former cold storage facility with 9,500 sqm of vacant space, followed by 76 Annan Street in West Invercargill, with 2,500 sqm of unoccupied industrial space. Both are Grade C industrial buildings.

Industrial vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy H1 2025	%	0.4%	0.0%	4.1%	2.8%
	sqm	539	0	17,794	18,333



■ Grade A ■ Grade B ■ Grade C

Industrial vacancy by suburb

Suburb	Vacant Office Stock	%
Bluff	9,500	52%
West Invercargill	7,613	42%
Appleby	1,220	7%
Total	18,333	100%

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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