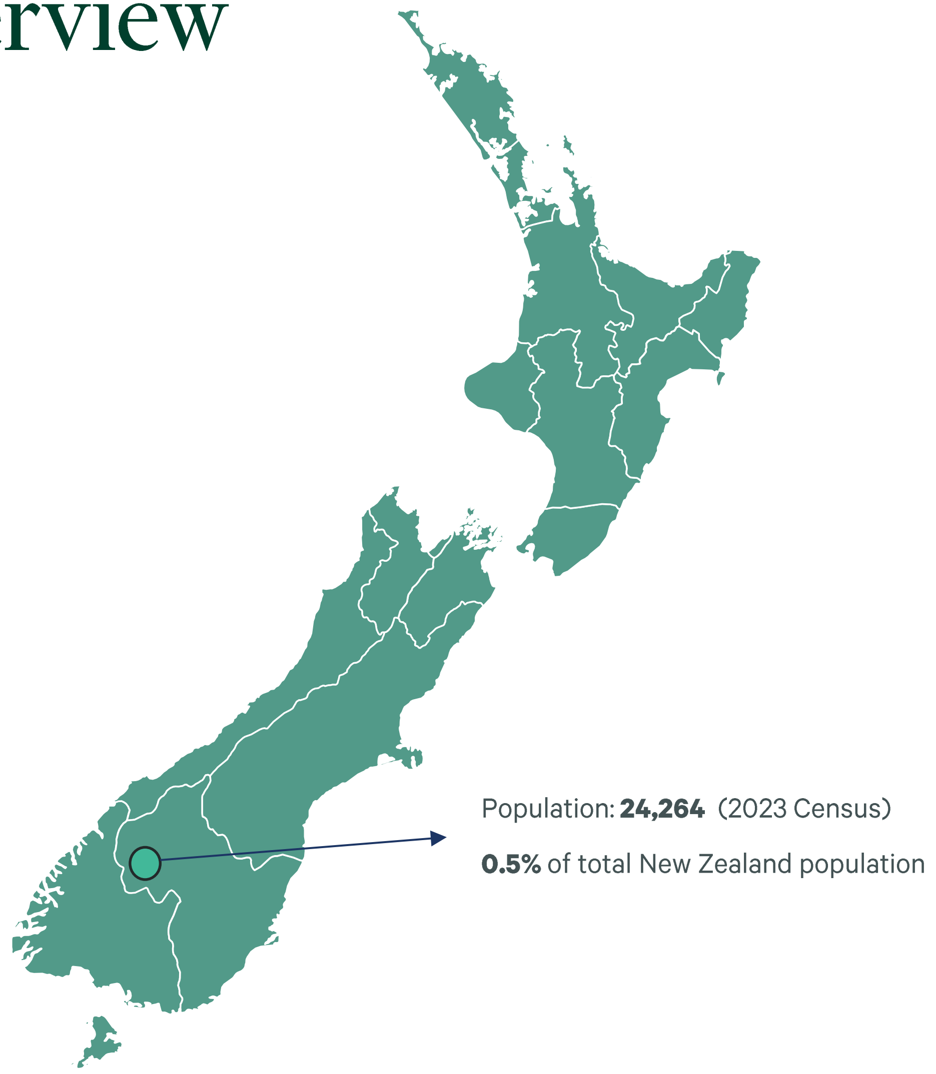
CBRE

Queenstown Property Market Overview

SUMMARY

- Total office vacancy in Queenstown fell sharply in June 2026, dropping to 1.1% from 3.6% in June 2025, driven mainly by key take-ups of Prime office space in Frankton and Secondary space at Stanley Street and Camp Street. Queenstown CBD, particularly Shotover Street and Rees Street, still holds most of the remaining unoccupied space.
- The Prime office submarket registered zero vacancy in June 2026, leaving only the Secondary office submarket with some vacancy, albeit extremely low, at 1.9%. The Queenstown industrial market also registered zero vacancy this year, unchanged from June 2025. Severe shortage of available space and strong occupier demand continue to define the Queenstown market.
- Even though leasing activity in the Queenstown industrial market was higher in Frankton than in Queenstown CBD, the leasing activity in the office market was more balanced between these two suburbs.

Market Sector	Stock (sqm)	Vacant Stock (sqm)	Vacancy (%)
Prime Office	19,943	0	0.0%
Secondary Office	27,196	517	1.9%
Prime Industrial	7,570	0	0.0%
Secondary Industrial	94,609	0	0



Queenstown Office Stock (Queenstown CBD and Frankton)

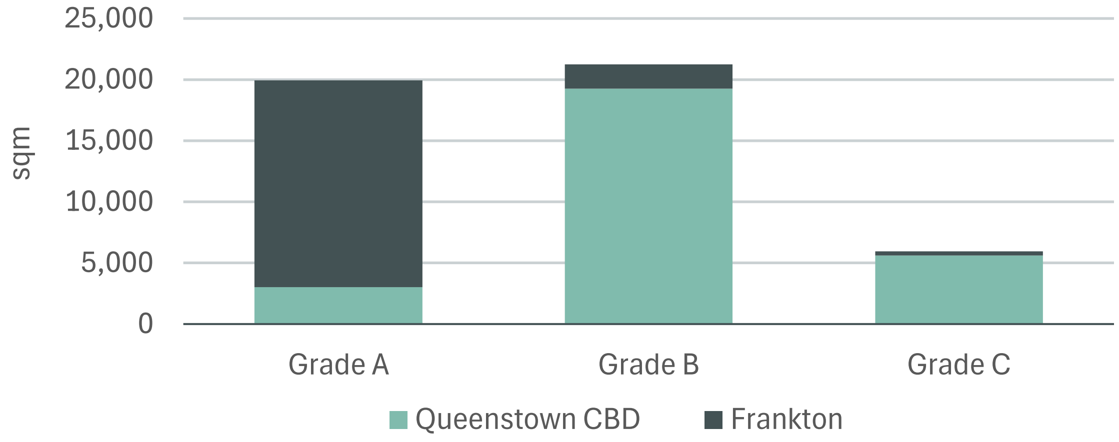
Queenstown Office Stock

The total size of the Queenstown office market is 47,139 sqm across 36 office assets located in both Queenstown CBD and Frankton. The stock in June 2026 is 829 sqm lower than last year, due to two Secondary assets being converted from office to retail space (106 Gorge Road and 24 Camp Street) and one location undergoing refurbishment works (41 Shotover Street), all of them located in Queenstown CBD.

Demand for office space remains primarily concentrated in Frankton, which is now established as Queenstown's preferred office precinct. A significant increase in stock is anticipated through the completion of the Innovation Centre at Remarkables Park, Murchison Tower and a planned development at Waipuna Rise.

Grade B (Secondary) office space is the most prevalent in Queenstown, with 21,242 sqm (45% of total NLA), followed closely by Grade A (Prime), with circa 20,000 sqm of high-quality office space (42%). In contrast, the Grade C office submarket has approximately 6,000 sqm (14%). Secondary office stock (Grade B and Grade C combined) sits close to 27,000 sqm.

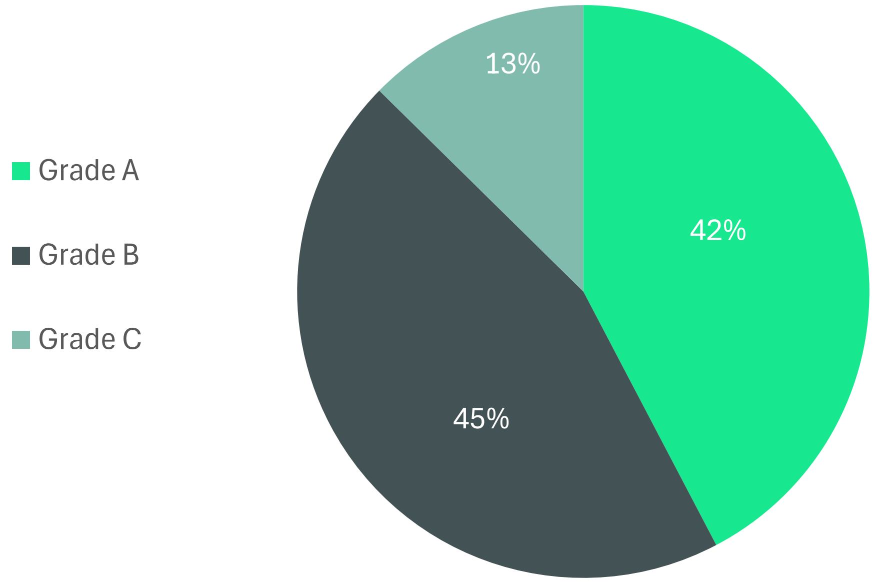
Office stock by grade and suburb (June 2026)



Office stock by grade

Grade	June 2025	June 2026
Grade A	19,943	19,943
Grade B	21,582	21,242
Grade C	6,443	5,954
Total	**47,968**	**47,139**

Office stock by grade (June 2026)



Queenstown Office Vacancy

During June 2026, office vacancy decreased, moving to 1.1% from 3.6% in June 2025 a 1,215 sqm decrease compared to last year. Notably, Prime vacancy went down to zero from 2.6%. This was driven by the take-up of 291 sqm at 34 Grant Road (Frankton) by an accounting firm and a commercial construction company. In addition, 225 sqm of high-quality space was occupied by a marketing agency at 211A Glenda Drive (Frankton). However, Prime vacancy could go up once the Queenstown Innovation Centre is completed in the coming months.

Secondary vacancy also went down, to 1.9% from 4.3%, driven by a decrease in Grade C vacancy, mainly due to the take-up of 357 sqm at 50 Stanley Street by a recruitment agency and the take-up of 130 sqm at 45 Camp Street by several tenants. Queenstown CBD is the suburb with the highest vacancy, with Shotover Street and Rees Street being the areas in that suburb with most of the current unoccupied office space.

Office vacancy by street and suburb (June 2026)

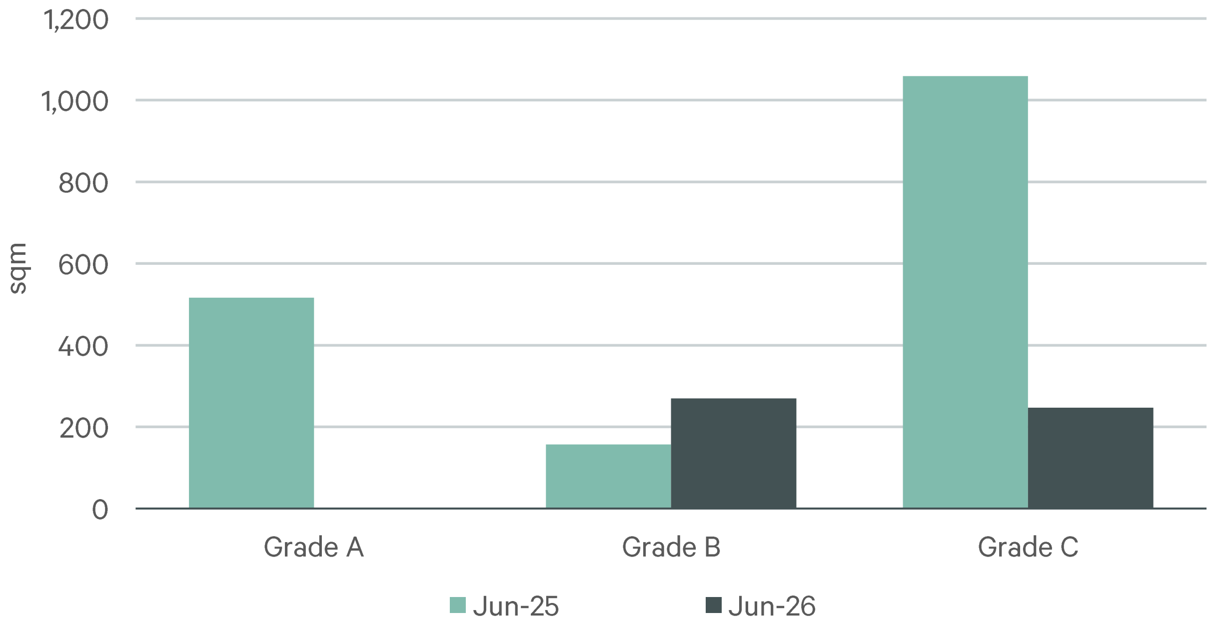
Street Name	NLA (sqm)
Shotover Street (Queenstown CBD)	317
Rees Street (Queenstown CBD)	87
Frankton Road (Frankton)	57
Beach Street (Queenstown CBD)	56
Total	**517**

Suburb	NLA (sqm)
Queenstown CBD	460
Frankton	57
Total	**517**

Office vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	2.6%	0.7%	16.4%	**3.6%**
	sqm	516	157	1,059	**1,732**
Vacancy June 2026	%	0.0%	1.3%	4.1%	**1.1%**
	sqm	0	270	247	**517**

Office vacancy by grade



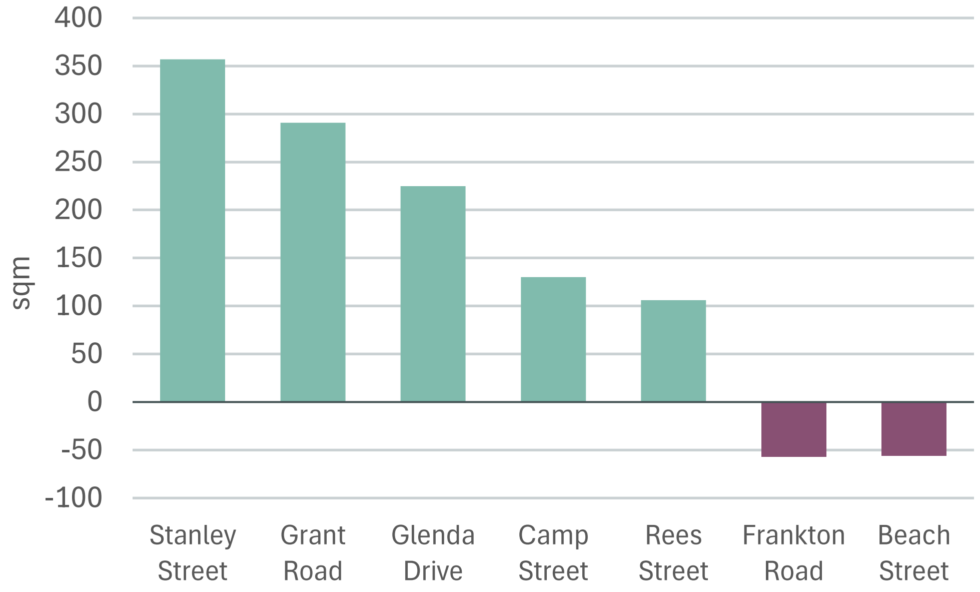
Queenstown Office Net Absorption

In June 2026, net absorption in the Queenstown office market reached 996 sqm, due to positive net absorption in the Grade A and Grade C submarkets (1,109 sqm). This was slightly offset by a loss of 113 sqm in the Grade B submarket. Prime net absorption was supported by the take-up of previously vacant space (516 sqm) in two buildings in Frankton (34 Grant Road and 211A Glenda Drive). In terms of Secondary net absorption, the most significant moves happened in three Grade C buildings in Queenstown CBD (50 Stanley Street, 45 Camp Street, and 19 Rees Street), where eight tenants took up previously vacant space. The two streets that registered the highest levels of positive net absorption were Stanley Street and Grant Road, with Frankton Road and Beach Street registering negative net absorption.

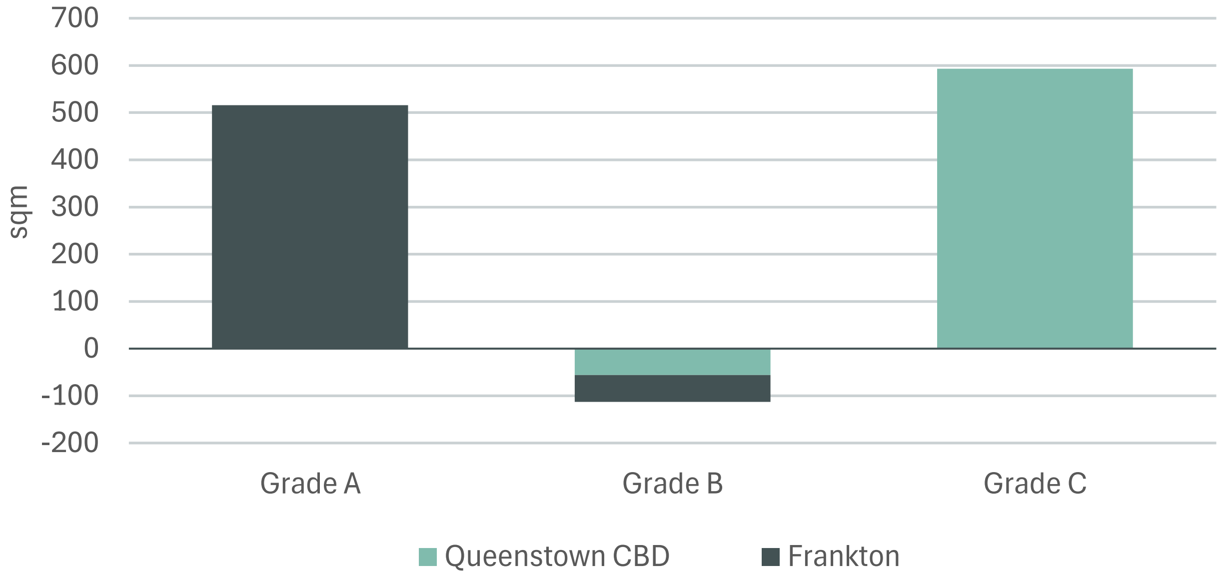
Office net absorption by grade and suburb (June 2026)

Grade	Queenstown CBD	Frankton	**Total**
Grade A	0	516	**516**
Grade B	-56	-57	**-113**
Grade C	593	0	**593**
Total	**537**	**459**	**996**

Office net absorption by street (June 2026)



Office net absorption by grade and suburb (June 2026)



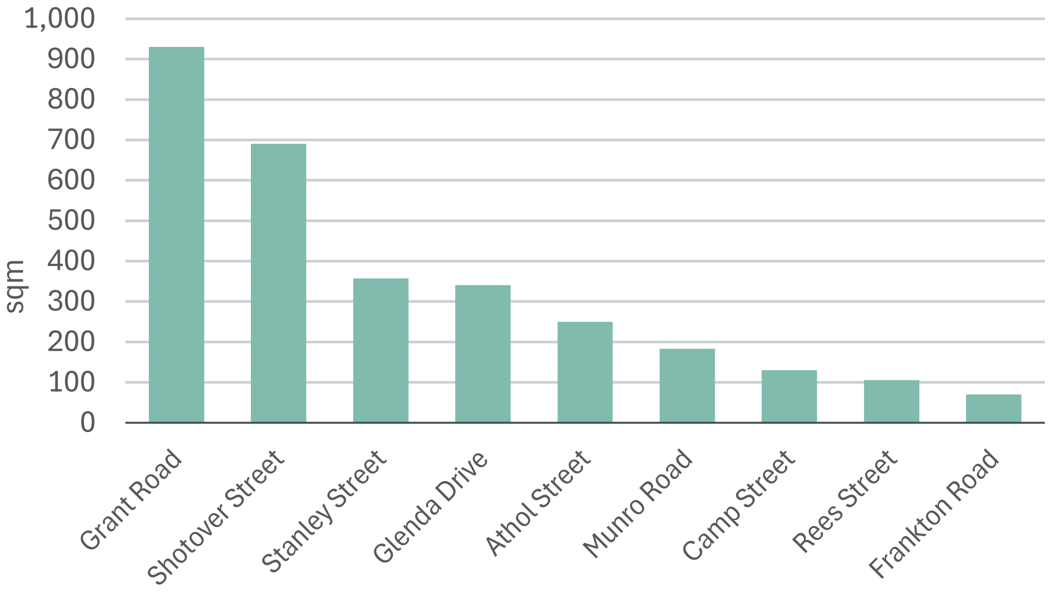
Queenstown Office Gross Absorption

Gross absorption measures leasing activity, as it captures both space that was previously vacant and now occupied, and changes in tenancies. During 2026, gross absorption reached 3,058 sqm across 17 new occupancies. Most of it occurred in Grade A buildings (1,338 sqm), followed by Grade B and C assets (1,011 sqm and 708 sqm, respectively). The street that registered the highest take up of space in the Queenstown office market was Grant Road in Frankton, totalling 930 sqm. It was followed by Shotover Street (691 sqm) and Stanley Street (357 sqm). When analysed by suburb, leasing activity in Queenstown CBD and Frankton was closely balanced, at 1,534 sqm and 1,524 sqm, respectively.

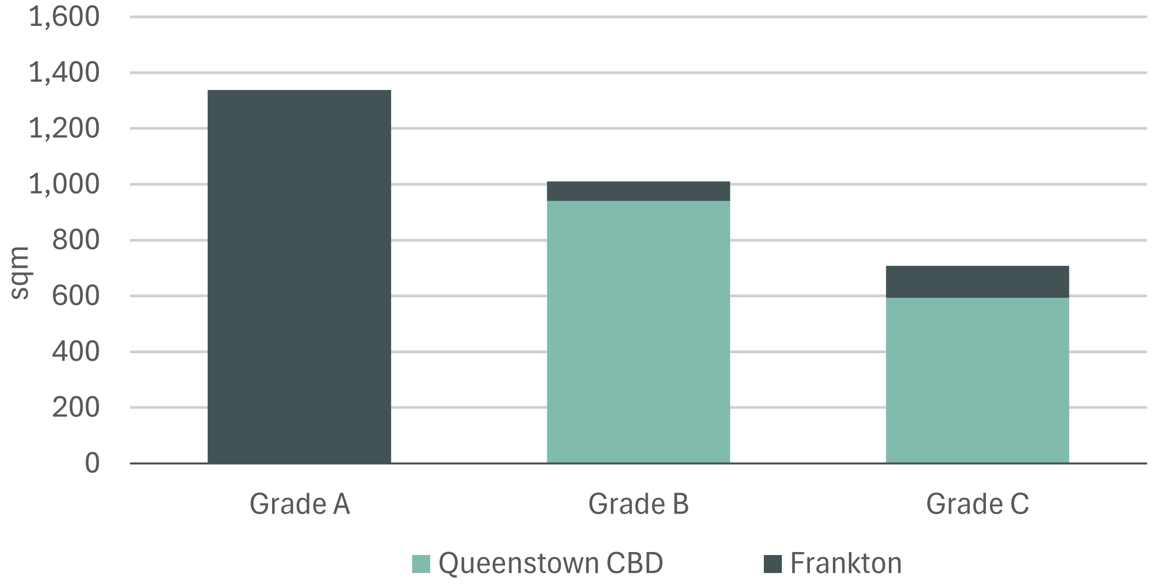
Office gross absorption by grade and suburb (June 2026)

Grade	Queenstown CBD	Frankton	**Total**
Grade A	0	1,338	**1,338**
Grade B	941	70	**1,011**
Grade C	593	115	**708**
Total	**1,534**	**1,524**	**3,058**

Office gross absorption by street (June 2026)



Office gross absorption by grade and suburb (June 2026)



Queenstown Industrial Stock (Queenstown CBD and Frankton)

Queenstown Industrial Stock

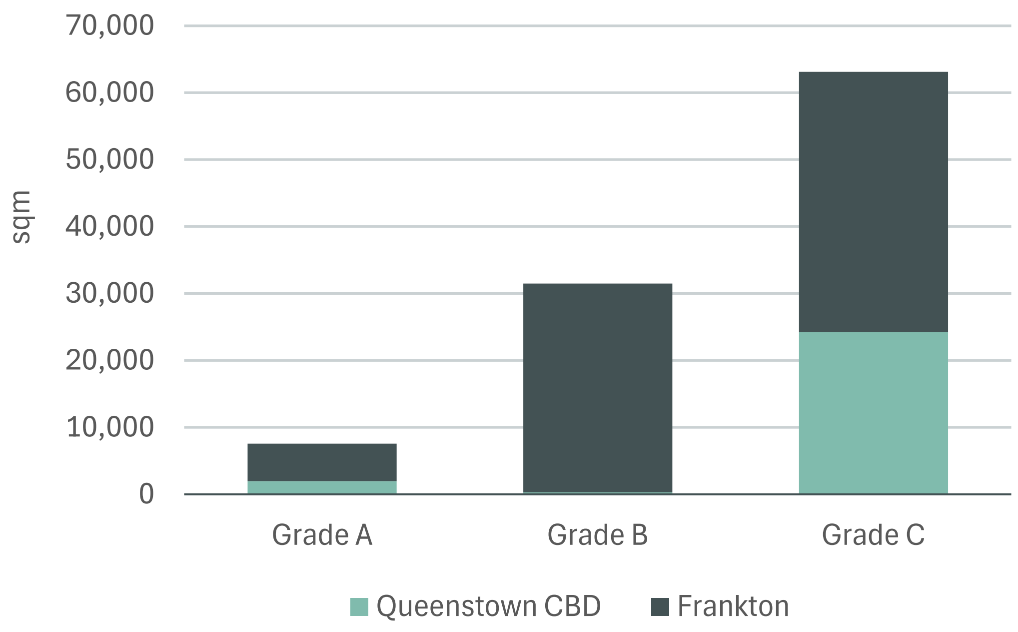
The total size of the Queenstown industrial market is 102,179 sqm across 171 buildings located in both Queenstown CBD and Frankton. The industrial stock in June 2026 is 1,027 sqm higher than June 2025, due to a new industrial building completed this year at 45 Brookes Road in Frankton.

Grade C industrial space is the most common type in the Queenstown market, with 63,124 sqm (62% of total NLA), followed by Grade B, with circa 31,500 sqm of industrial space (31%). In contrast, the Prime office submarket has approximately 7,500 sqm (7%). Secondary industrial stock (Grade B and Grade C combined) amounts to approximately 94,500 sqm.

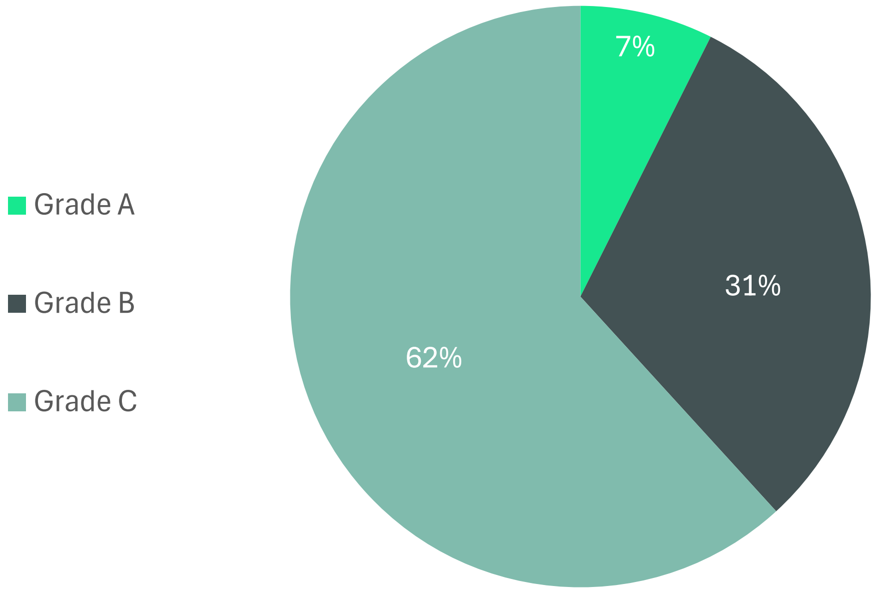
Industrial stock by grade

Grade	June 2025	June 2026
Grade A	6,543	7,570
Grade B	31,485	31,485
Grade C	63,124	63,124
Total	**101,152**	**102,179**

Industrial stock by grade and suburb (June 2026)



Industrial stock by grade (June 2026)



Queenstown Industrial Vacancy

The Queenstown industrial market recorded zero vacancy in June 2026 across all submarkets, unchanged from June 2025. This extremely tight market continues to be driven by a severe shortage of available space and strong occupier demand. Although both Frankton and Queenstown CBD reported a complete lack of availability, Frankton stands out as the preferred industrial location, as it not only holds the largest concentration of Queenstown's industrial stock but also offers superior accessibility and more modern stock.

Industrial vacancy by grade in Queenstown CBD

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	0.0%	0.0%	0.0%	**0.0%**
	sqm	0	0	0	**0**
Vacancy June 2026	%	0.0%	0.0%	0.0%	**0.0%**
	sqm	0	0	0	**0**

Industrial vacancy by grade in Frankton

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	0.0%	0.0%	0.0%	**0.0%**
	sqm	0	0	0	**0**
Vacancy June 2026	%	0.0%	0.0%	0.0%	**0.0%**
	sqm	0	0	0	**0**

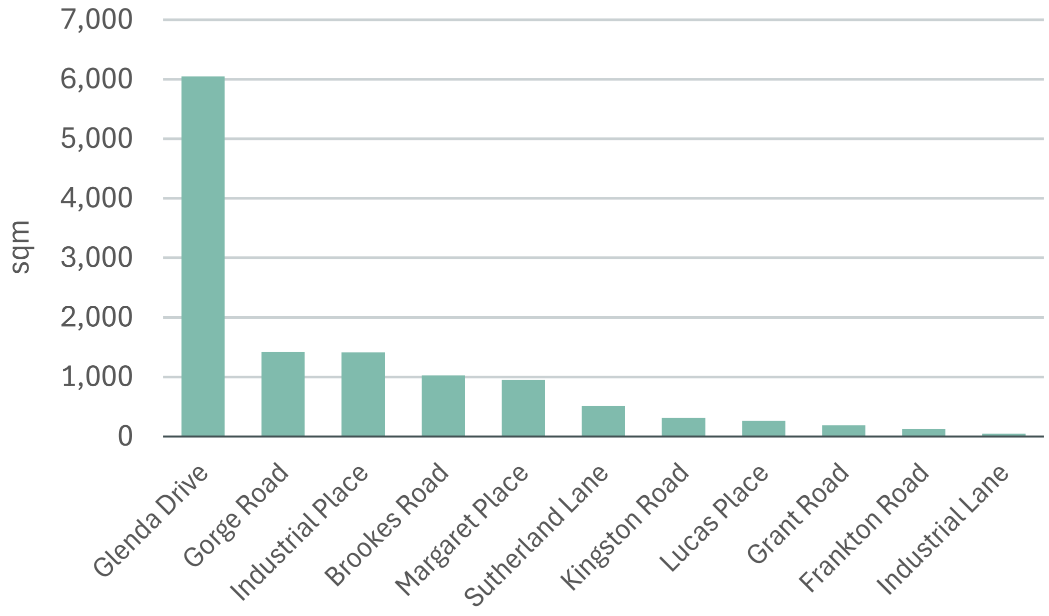
Queenstown Industrial Gross Absorption

In June 2026, gross absorption reached 12,302 sqm across 17 new occupancies. Most of it was recorded in Grade C industrial assets (7,192 sqm), followed by Grade B and A buildings (4,082 sqm and 1,027 sqm, respectively). The largest take up of new occupancies occurred at 75 Gorge Road, where an audiovisual equipment rental service company took up 1,420 sqm, and at 73 Glenda Drive, where a carpentry and joinery company occupied 1,030 sqm. The street that registered the highest take up of space in the Queenstown industrial market was Glenda Drive in Frankton, totalling 6,048 sqm. It was followed by Gorge Road (1,420 sqm) and Industrial Place (1,411 sqm), both in Queenstown CBD. When analysed by suburb, in June 2026 leasing activity was higher in Frankton than in Queenstown CBD (9,424 sqm vs 2,878 sqm).

Industrial gross absorption by grade and suburb (June 2026)

Grade	Queenstown CBD	Frankton	**Total**
Grade A	0	1,027	**1,027**
Grade B	0	4,082	**4,082**
Grade C	2,878	4,315	**7,192**
Total	**2,878**	**9,424**	**12,302**

Industrial gross absorption by street (June 2026)



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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