Commercial office

The Nelson office market continues to be one of subdued activity with limited leased properties and investment property sales. Grade A office space, being no more than 10 years old, is a minor segment of the overall market and currently fully occupied. Rental rates have increased in the better quality second-tier market. Some new office development is nearing completion in Richmond with rental rates and second-tier space increasing in recent years.

NET YIELDS

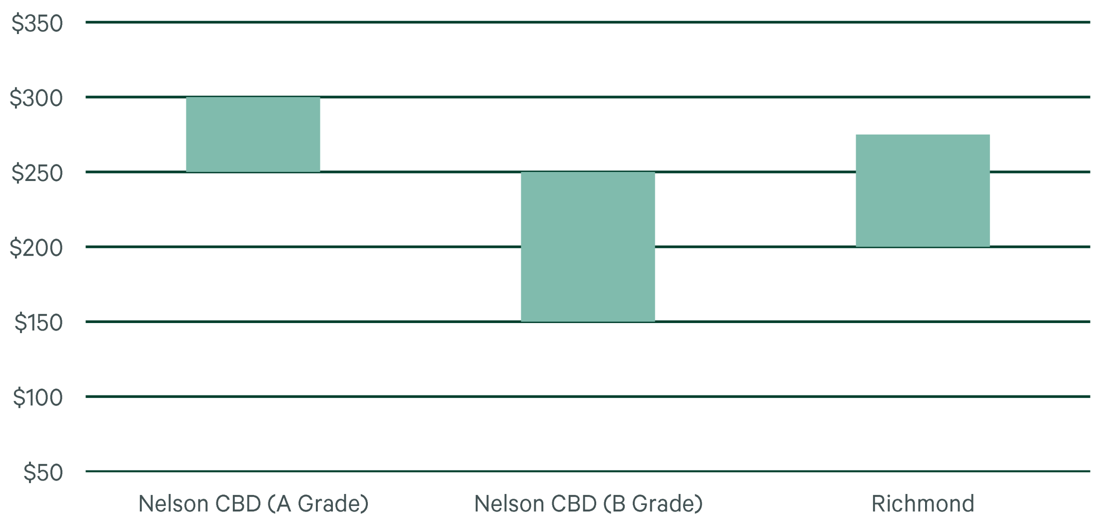
▼ 5.75-6.25%
Nelson CBD (A Grade)

▶ 6.25-7.25%
Nelson CBD (B Grade)

▶ 5.5-7.0%
Richmond

Note: Arrows indicate change from previous report.

Net Rents



OCCUPIER MARKET

	Market direction	Supply
Nelson CBD (A Grade)	▶ Static	Very limited
Nelson CBD (B Grade)	▶ Static	Moderate
Richmond	▶ Static / ▲ Improving	Very limited

INVESTOR MARKET

	Market direction	Demand
Nelson CBD (A Grade)	▶ Static	Average
Nelson CBD (B Grade)	▶ Static	Weak
Richmond	▶ Static	Average

Source: CBRE database

CBRE

Industrial

Transaction levels are limited, corresponding with limited available property for sale and a slight increase in secondary leasing stock. Properties recently offered for sale demonstrate a clear preference for modern assets with long-term lease security and structured rental growth. Industrial land supply remains limited and tightly held, with recent transactions showing some variability depending on circumstances, but overall, industrial land values are holding at established levels. Vacancy rates remain comparatively low, with continued rental growth across the asset class, and a premium for new design-build developments reflecting tenant needs and ongoing development costs.

NET YIELDS

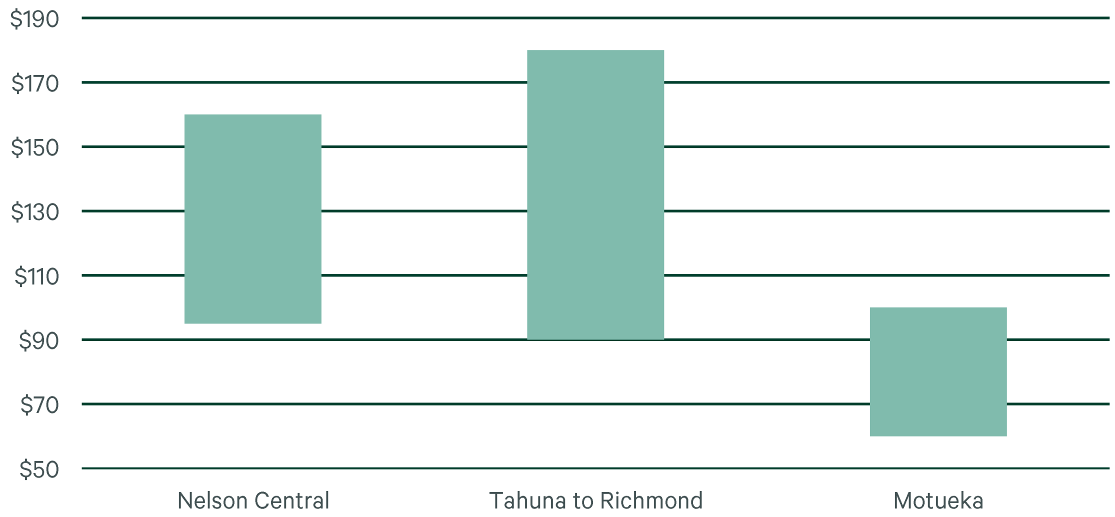
▶ 5.75-7.75%
Nelson Central

▶ 5.5-7.5%
Tahuna to Richmond

▶ 5.5-7.0%
Motueka

Note: Arrows indicate change from previous report.

Net Rents (Warehouse/Workshop)



OCCUPIER MARKET

	Market direction	Supply
Nelson Central	▲ Improving	Limited
Tahuna to Richmond	▶ Static	Limited
Motueka	▶ Static	Limited

INVESTOR MARKET

	Market direction	Demand
Nelson Central	▶ Static	Average
Tahuna to Richmond	▶ Static	Average
Motueka	▶ Static	Average

Source: CBRE database

CBRE

Retail

Four retail and mixed retail/office investment property sales between $1.5 million and $4.5 million were recorded in the Nelson retail market during 2025. The sales analysed showed equivalent yields ranging from 5.9% to 6.5% from Prime retail to Fringe retail locations. There were no retail investment property sales recorded in Richmond during 2025, with two sales noted in late 2024, showing equivalent yields from 5.8% to 6.0%. In Nelson, there are limited vacancies in the Prime retail area with increasing vacancies in the Fringe retail locations. Retail rents in Nelson remain relatively static with some growth in strip retail precinct in Richmond.

NET YIELDS

▶ 5.75-6.25% Nelson CBD (Prime)

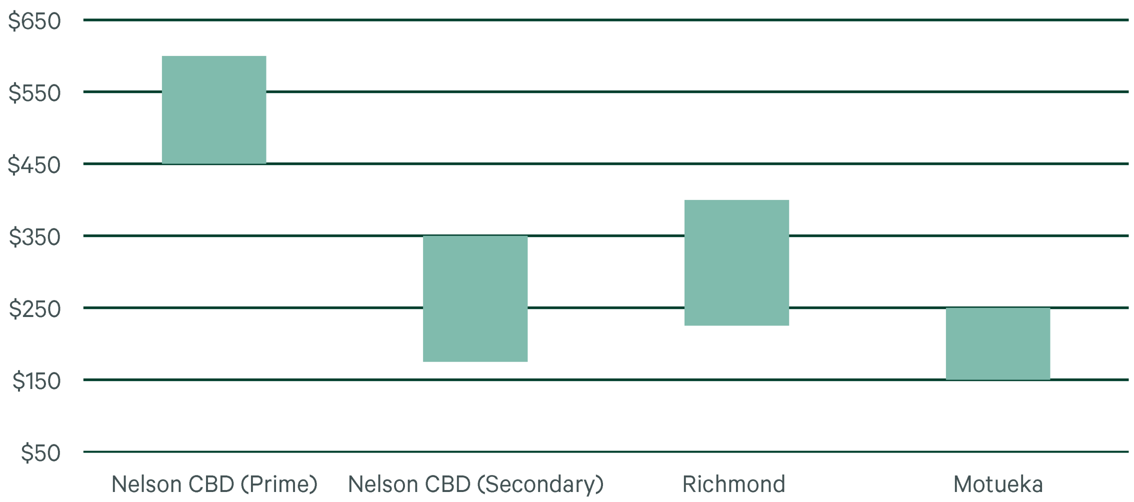
▶ 6.0-7.25% Nelson CBD (Secondary)

▲ 5.75-7.0% Richmond

▲ 6.75-10.0% Motueka

Note: Arrows indicate change from previous report.

Net Rents



OCCUPIER MARKET

	Market direction	Supply
Nelson CBD (Prime)	▶ Static	Very limited
Nelson CBD (Secondary)	▶ Static	Moderate
Richmond	▶ Static / ▲ Improving	Very limited
Motueka	▶ Static / ▼ Weakening	Moderate

INVESTOR MARKET

	Market direction	Demand
Nelson CBD (Prime)	▶ Static	Average
Nelson CBD (Secondary)	▶ Static	Average
Richmond	No trend apparent	Strong
Motueka	▼ Weakening	Weak

Source: CBRE database