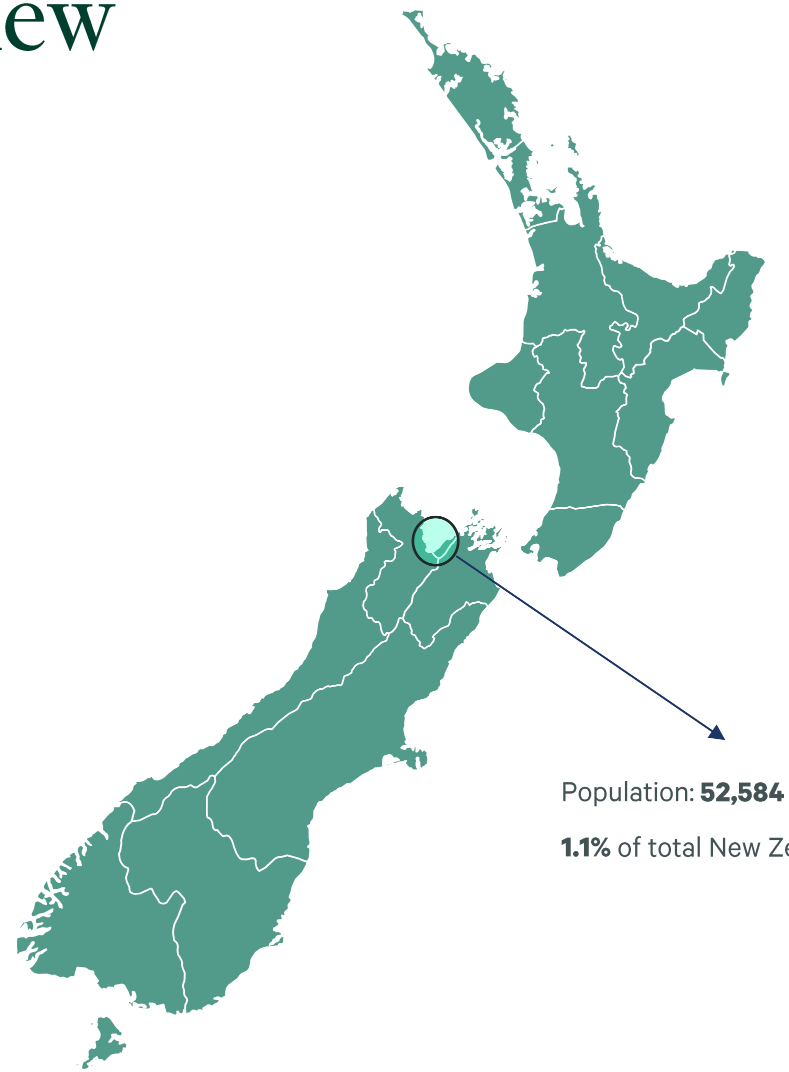
CBRE

Nelson Property Market Overview

SUMMARY

- Nelson CBD office vacancy rose to 9.2% in June 2026 (from 7.2% in June 2025), driven mainly by Grade C move-outs on Bridge Street and Halifax Street and a single firm's exit lifting Prime vacancy to 5.5%, with Trafalgar Street and Bridge Street now holding most of the CBD's unoccupied office space.
- Nelson CBD registered negative net absorption of 1,290 sqm in June 2026, led by Grade C and A losses, as vacancies in low-quality space on Halifax and Bridge Streets more than offset move-ins on other streets.
- Nelson industrial vacancy rose to 3.9% from 3.1% in June 2026, led by Prime move-outs in Richmond, Annesbrook and Stoke and further Grade B vacancies at Echodale Place and Packham Crescent.
- Stoke and Richmond were the suburbs with the highest industrial vacancy, whilst Nelson South and Port Nelson had the lowest.

Market Sector	Stock (sqm)	Vacant Stock (sqm)	Vacancy (%)
Prime Office	4,107	225	5.5%
Secondary Office	68,785	6,457	9.4%
Prime Industrial	118,349	7,721	6.5%
Secondary Industrial	548,596	18,502	3.4%



Population: **52,584** (2023 Census)

1.1% of total New Zealand population

Nelson Central Office Stock

Nelson Office Stock

The Nelson CBD office market totals almost 73,000 sqm across 95 office buildings. Stock in June 2026 is 760 sqm lower than in June 2025, because one building was demolished at 81-85 Selwyn Place. Grade C (Secondary) office space is the most prevalent in Nelson, with circa 62,000 sqm (84% of total NLA), followed by Grade B (Secondary), with almost 7,200 sqm of medium-quality office space (10%). The Grade A (Prime) office submarket has over 4,000 sqm (6%). Secondary office stock (Grade B and Grade C combined) sits close to 69,000 sqm.

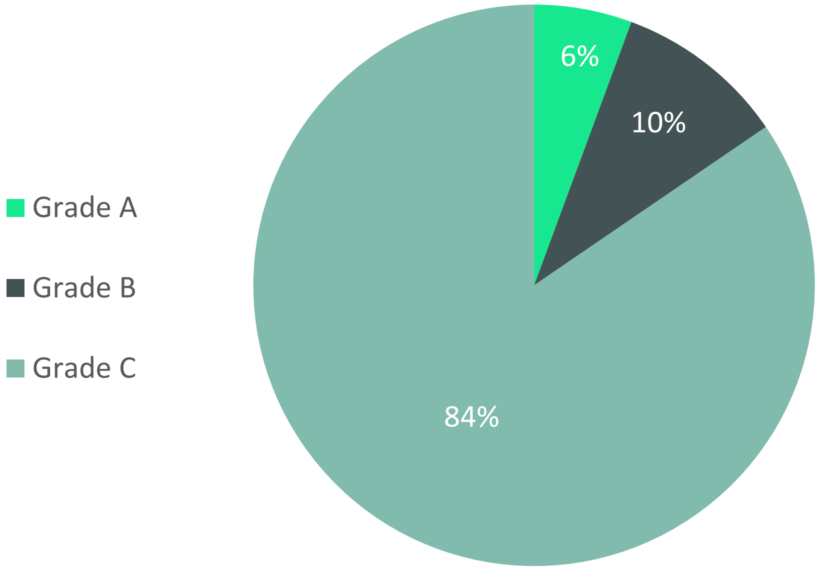
Office stock by grade (sqm)

Grade	June 2025	June 2026
Grade A	4,107	4,107
Grade B	7,164	7,164
Grade C	62,381	61,621
Total	**73,652**	**72,892**

Office stock by grade (June 2026)

Grade	NLA (sqm)	%
Grade A	4,107	6%
Grade B	7,164	10%
Grade C	61,621	85%
Total	**72,892**	**100%**

Office stock by grade (June 2026)



Nelson Office Vacancy

During June 2026, office vacancy increased to 9.2% from 7.2%, a 1,290 sqm rise compared to June 2025. Whilst Grade B vacant stock remained unchanged at 216 sqm, Prime vacancy increased to 5.5% from zero due to one single tenant, a chartered accountancy firm, leaving behind 225 sqm of high-quality space at 90 Collingwood Street. Secondary vacancy went up to 9.2% from 7.3%, due entirely to an increase in Grade C vacancy. This increase was mainly driven by a tenant moving out of 538 sqm at 38 Halifax Street, Nelson Mail vacating 468 sqm at 15 Bridge Street, and two tenants leaving behind 255 sqm of ground floor space at 16 Bridge Street. Trafalgar Street and Bridge Street are the areas in the Nelson CBD with most of the current unoccupied office space.

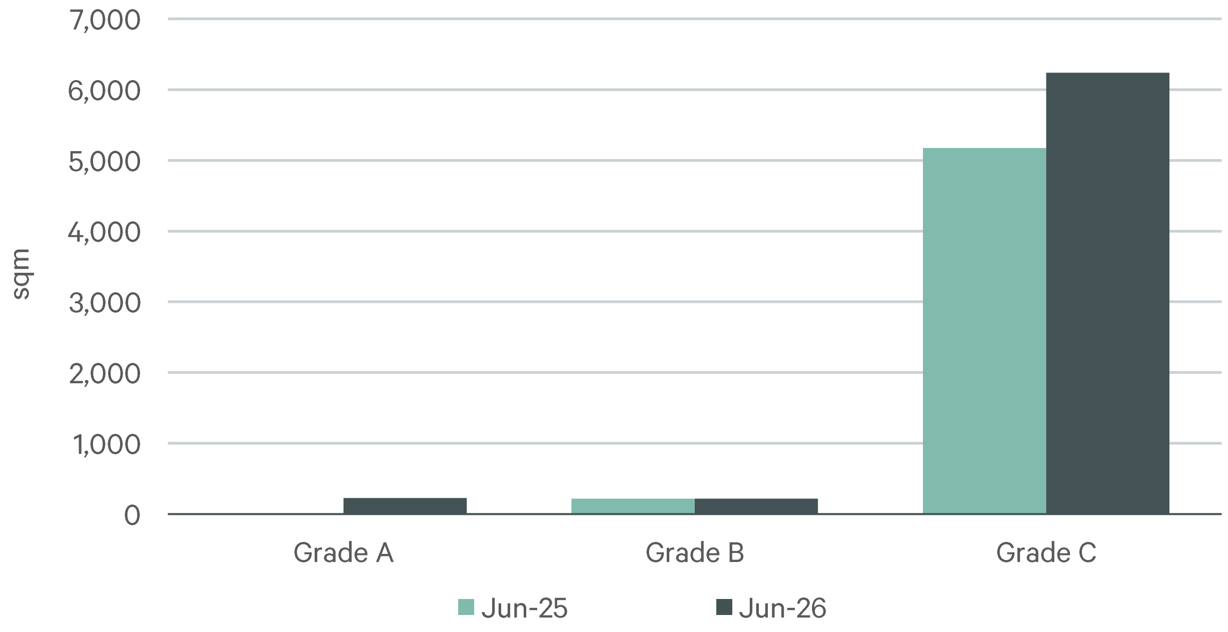
Office vacancy by street (June 2026)

Street Name	NLA (sqm)
Trafalgar Street	2,353
Bridge Street	2,122
Hardy Street	1,136
Halifax Street	538
Collingwood Street	317
Achilles Avenue	216
Total	**6,682**

Office vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	0.0%	3.0%	8.3%	**7.3%**
	sqm	0	216	5,176	**5,392**
Vacancy June 2026	%	5.5%	3.0%	10.1%	**9.2%**
	sqm	225	216	6,241	**6,682**

Office vacancy by grade



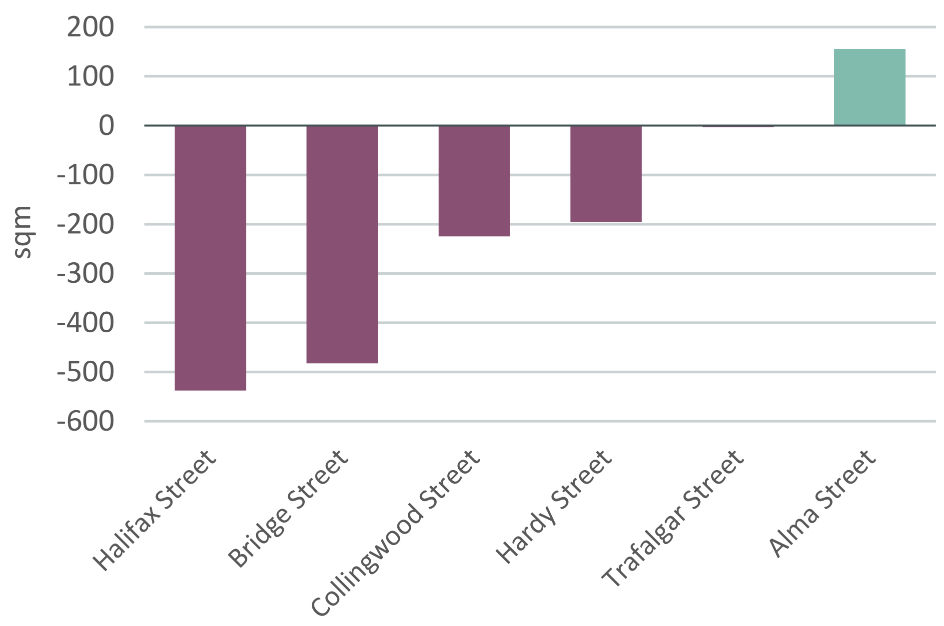
Nelson Office Net Absorption

In June 2026, Nelson CBD recorded a negative net absorption that reached 1,290 sqm, driven by negative net absorption levels in the Grade C and A submarkets (-1,065 sqm and -225 sqm). Net absorption in Grade B buildings was zero. Net absorption was in negative territory due to tenants vacating low-quality office space in Halifax Street, Bridge Street, Hardy Street, and Trafalgar Street, partially offset by tenants moving into buildings at 131 Hardy Street, 132-136 Bridge Street, 23 Alma Street, and two assets in Trafalgar Street. The two streets that registered the highest levels of negative net absorption were Halifax Street and Bridge Street, with Alma Street being the only street that recorded a positive net absorption in Nelson.

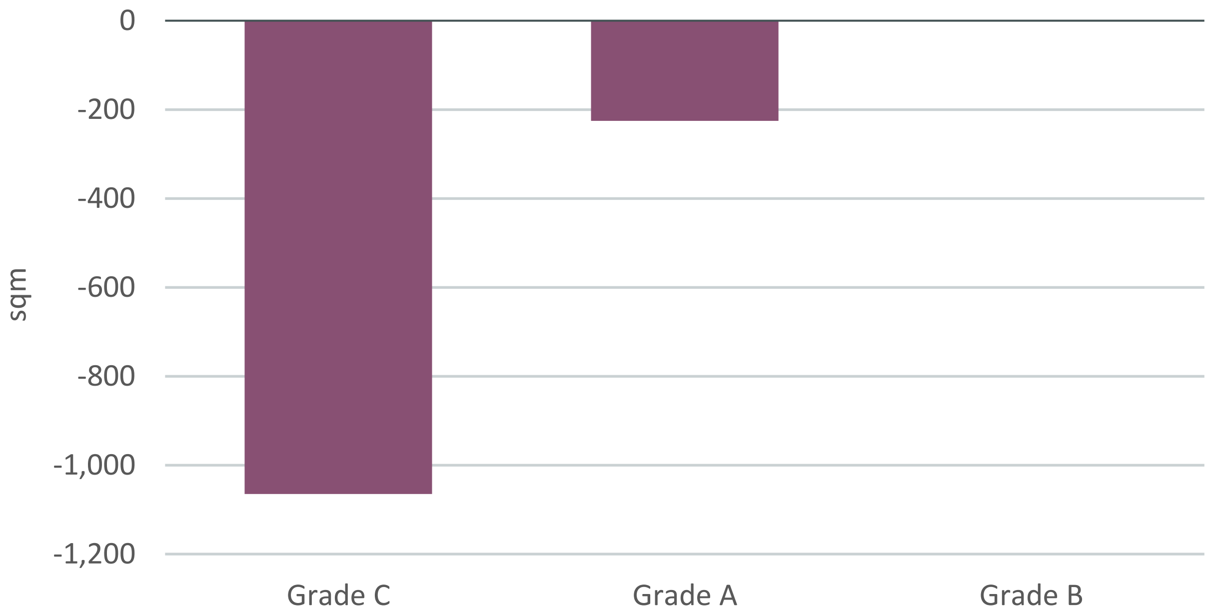
Office net absorption by grade (June 2026) (sqm)

Grade	NLA (sqm)
Grade A	-225
Grade B	0
Grade C	-1,065
Total	**-1,290**

Office net absorption by street (June 2026)



Office net absorption by grade (June 2026)



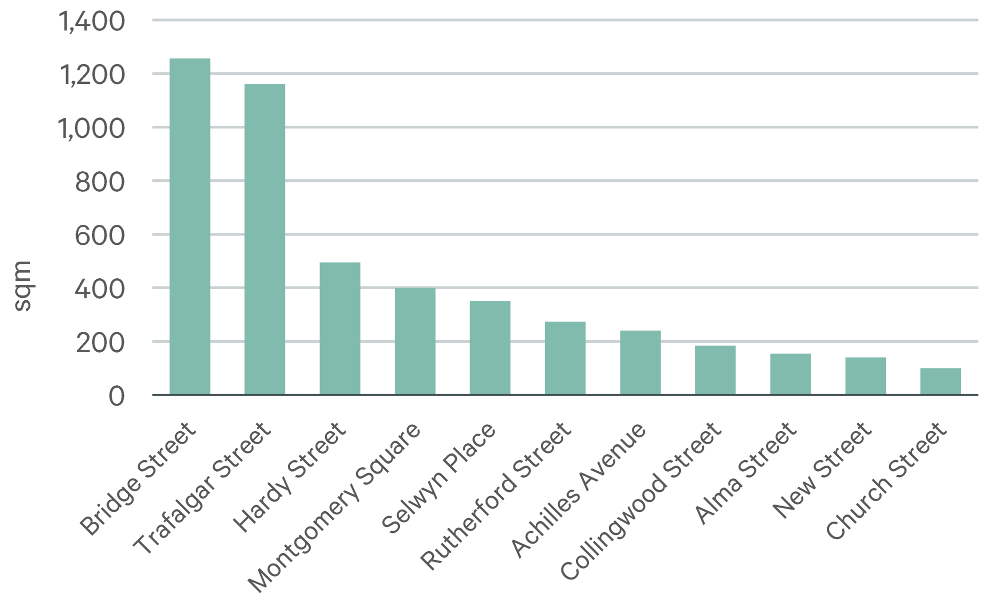
Nelson Office Gross Absorption

Gross absorption measures leasing activity, capturing both previously vacant space that becomes occupied and changes between tenancies. During June 2026, gross absorption reached 4,757 sqm across 31 new occupancies. Most of it occurred in Grade C buildings (3,761 sqm), followed by Grade B assets (996 sqm). Gross absorption was not present in Prime buildings. The street that registered the highest take-up of space in the Nelson market was Bridge Street, totalling 1,256 sqm. It was followed by Trafalgar Street (1,161 sqm) and Hardy Street (495 sqm). The largest change in tenancy occurred at 1 Bridge Street, where an architectural firm took over 575 sqm of Grade C office space, which was previously occupied by different tenants.

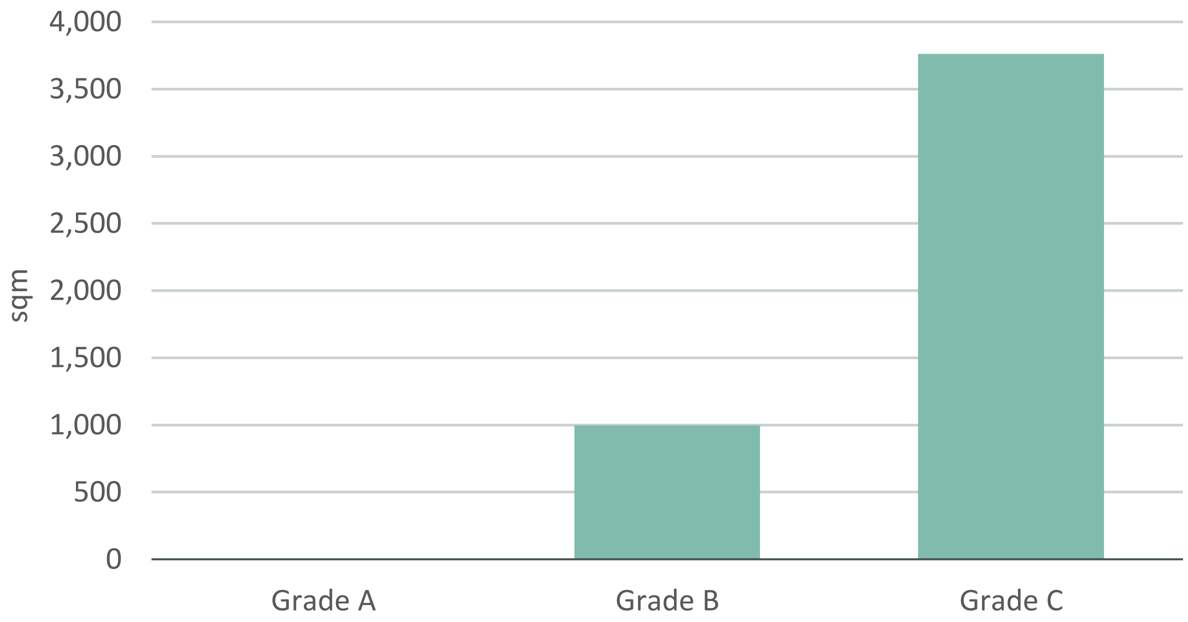
Office gross absorption by grade (June 2026) (sqm)

Grade	NLA (sqm)
Grade A	0
Grade B	996
Grade C	3,761
Total	**4,757**

Office gross absorption by street (June 2026)



Office gross absorption by grade (June 2026)



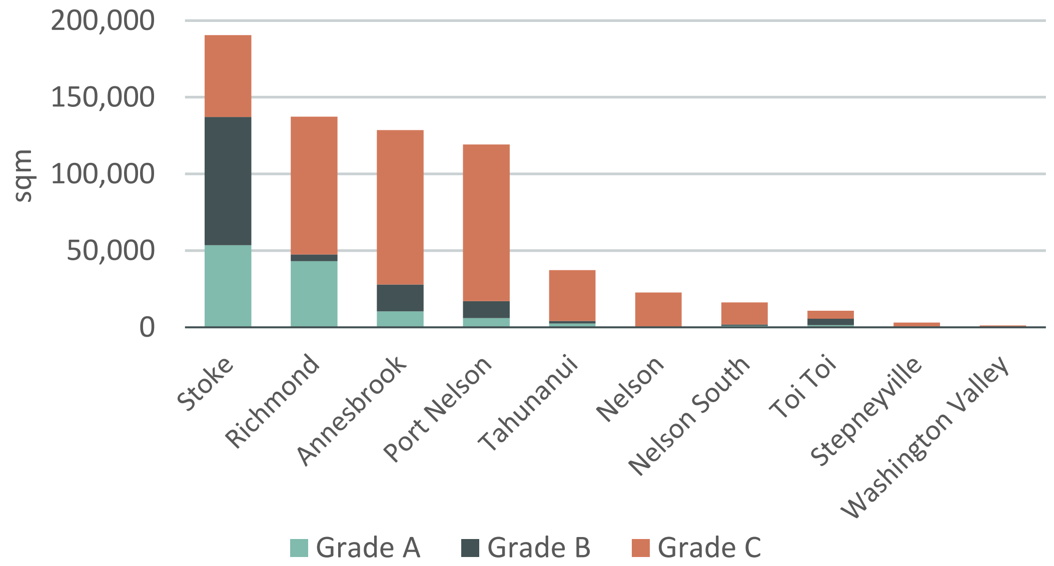
Nelson Industrial Stock

Nelson Industrial Stock

The Nelson industrial market totals close to 667,000 sqm across 473 buildings, most of them located in Stoke (29% of the total industrial NLA), Richmond (21%), Annesbrook (19%), and Port Nelson (18%). In terms of industrial stock quality, Stoke leads in both Prime (Grade A) and Secondary (Grade B and C) space. In June 2026, Secondary industrial stock decreased by 473 sqm due to the demolition of 40 McGlashen Avenue in Richmond.

Grade C industrial space is the most common type in the Nelson market, with around 425,000 sqm (64% of total NLA), followed by Grade B (19%), with over 124,000 sqm of industrial space. Also, the Grade A industrial submarket has approximately 118,500 sqm (18%). Secondary industrial stock (Grade B and Grade C combined) amounts to approximately 549,000 sqm.

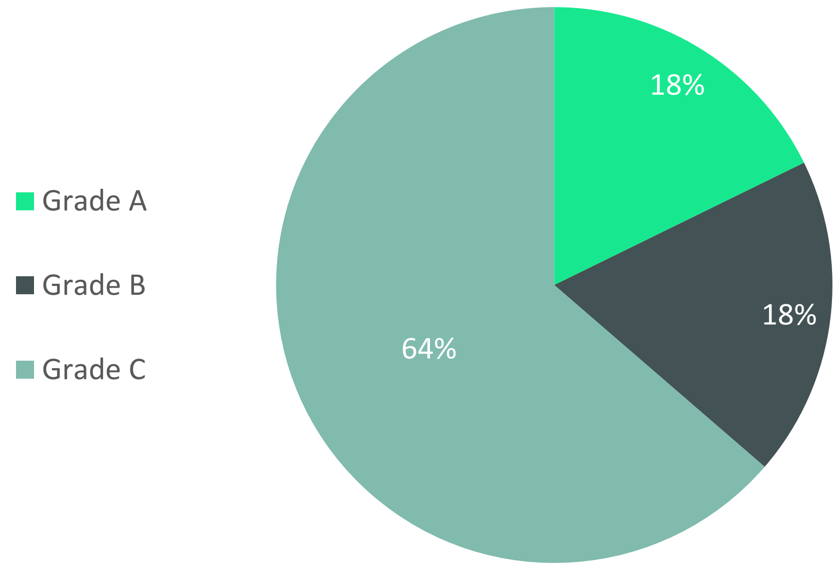
Industrial stock by grade and suburb (June 2026)



Industrial stock by grade (June 2026)

Grade	NLA (sqm)	%
Grade A	118,349	18%
Grade B	124,059	19%
Grade C	424,537	64%
Total	**666,945**	**100%**

Industrial stock by grade (June 2026)



Nelson Industrial Vacancy

During June 2026, industrial vacancy increased, moving to 3.9% from 3.1%, a 5,803 sqm increase compared to June 2025. This was mainly driven by the rise in vacancy in Prime assets, which went up by 4,455 sqm, due mainly to a glass company vacating 1,536 sqm at 24 Estuary Place in Richmond, a large logistics company leaving behind 1,200 sqm at 50 Quarantine Road in Annesbrook, and a roofing business vacating 1,025 sqm at 18 Echodale Place in Stoke. Vacancy in Grade B assets also went up, driven primarily by a wholesale confectionery distributor vacating 1,197 sqm at 14 Echodale Place and a commercial fitout company leaving behind 1,026 sqm at 1 Packham Crescent. In contrast, Grade C vacancy went down to 3.3% from 3.8%, with the largest move being NZ Couriers moving into almost 3,500 sqm at 53 Beatty Street in Annesbrook. Stoke and Richmond are the suburbs with the highest vacancy, whilst Nelson South and Port Nelson are the ones with the lowest.

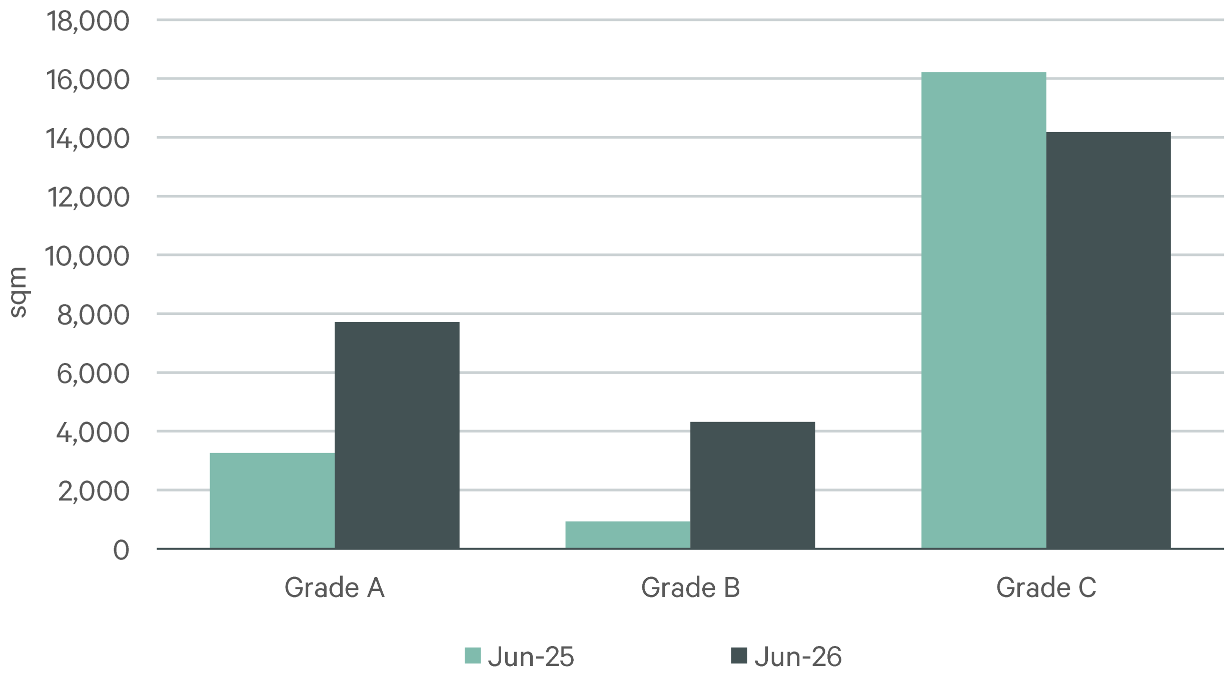
Industrial vacancy by suburb (June 2026)

Suburb	NLA (sqm)
Stoke	9,591
Richmond	6,514
Annesbrook	5,113
Nelson	1,917
Tahunanui	1,653
Port Nelson	1,115
Nelson South	320
Total	**26,223**

Industrial vacancy by grade

		Grade A	Grade B	Grade C	Total
Vacancy June 2025	%	2.8%	0.8%	3.8%	**3.1%**
	sqm	3,266	932	16,222	**20,420**
Vacancy June 2026	%	6.5%	3.5%	3.3%	**3.9%**
	sqm	7,721	4,318	14,184	**26,223**

Industrial vacancy by grade



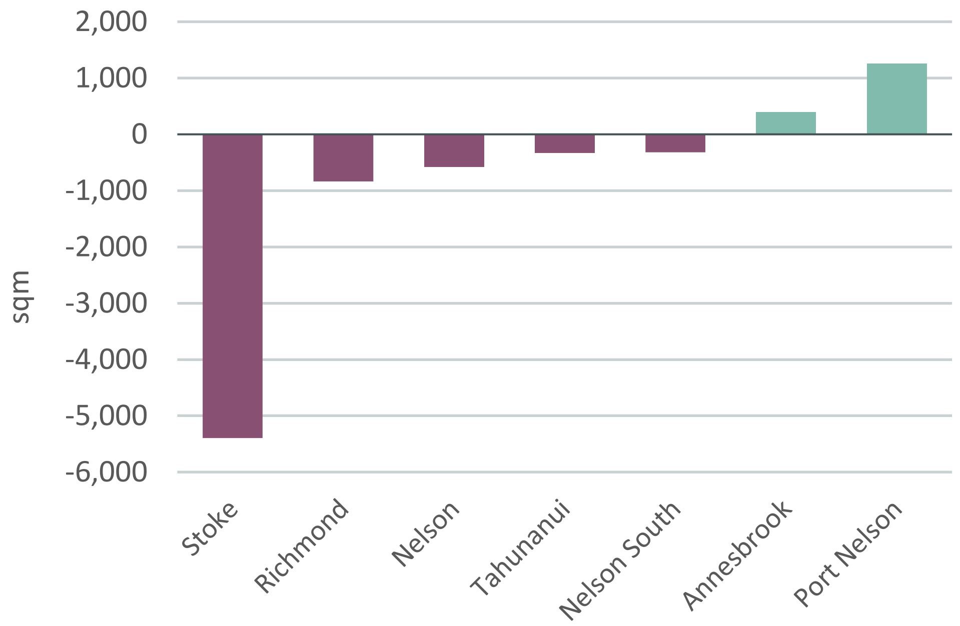
Nelson Industrial Net Absorption

The Nelson industrial market registered a negative net absorption of 5,803 sqm during June 2026, driven mainly by negative absorption levels in Grade A and Grade B buildings, partially offset by a positive net absorption level in Grade C assets. Five tenants vacated around 4,700 sqm in several Prime buildings in Estuary Place (Richmond), Quarantine Road (Annesbrook), Echodale Place (Stoke), and Findlay Place (Stoke). In addition, four tenants left behind 3,850 sqm across different assets, the largest of which were at 14 Echodale Place and 1 Packham Crescent. Stoke and Richmond were the suburbs with the highest levels of negative net absorption, while Port Nelson and Annesbrook were the only areas in positive territory.

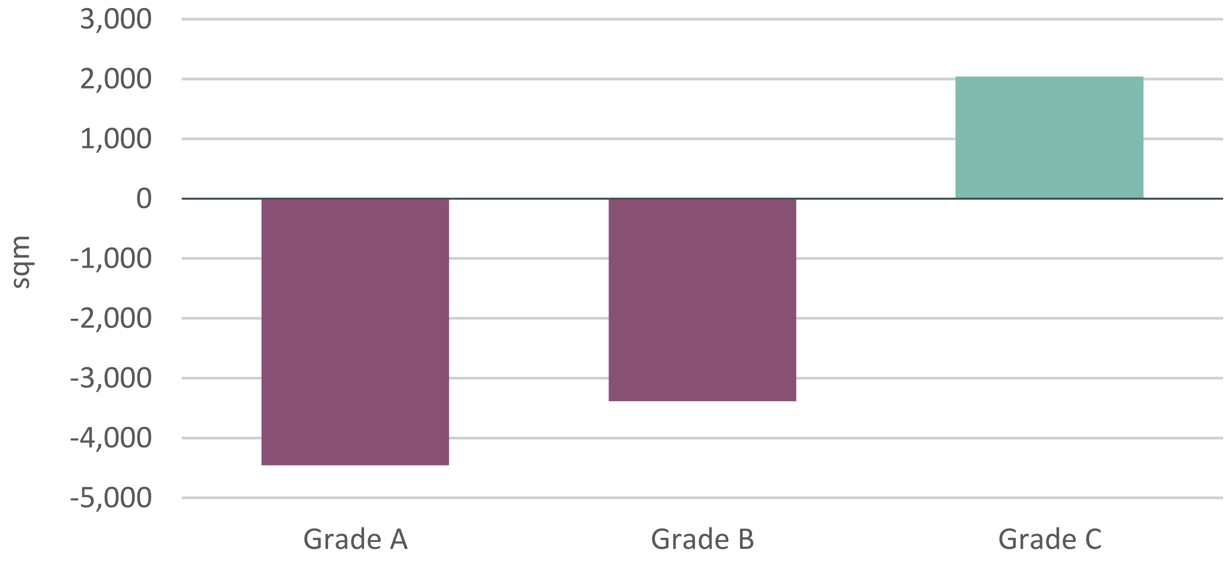
Industrial net absorption by grade and suburb (June 2026) (sqm)

Suburb	Grade A	Grade B	Grade C	Total
Stoke	-1,306	-2,467	-1,620	**-5,393**
Richmond	-1,949	0	1,112	**-837**
Nelson	0	0	-577	**-577**
Tahunanui	0	-919	589	**-330**
Nelson South	0	0	-320	**-320**
Annesbrook	-1,200	0	1,593	**393**
Port Nelson	0	0	1,261	**1,261**
	-4,455	**-3,386**	**2,038**	**-5,803**

Industrial net absorption by suburb (June 2026)



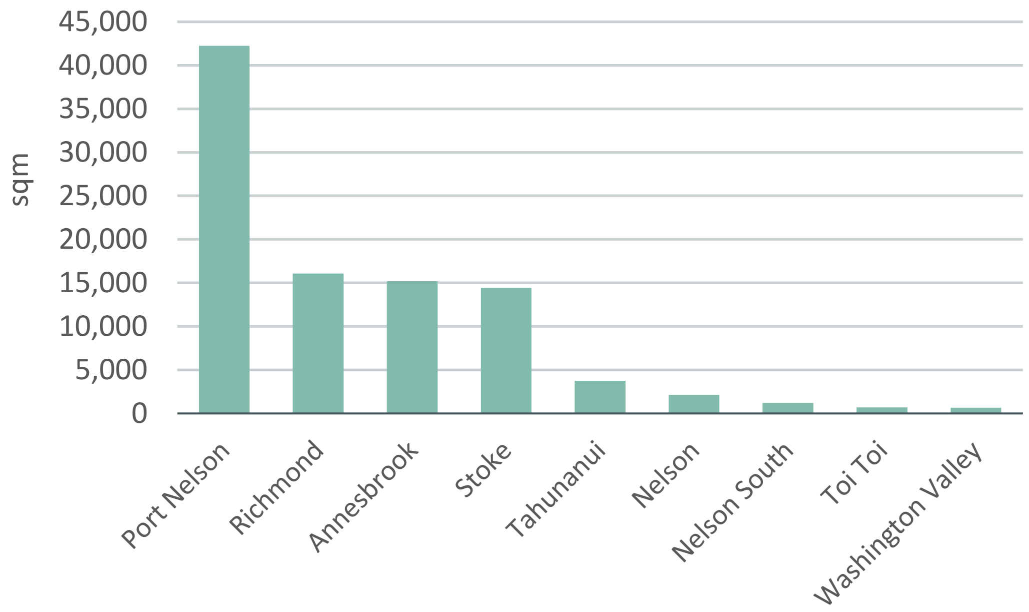
Industrial net absorption by grade (June 2026)



Nelson Industrial Gross Absorption

In June 2026, gross absorption reached over 96,000 sqm across 93 new occupancies. Most of it was recorded in Grade C industrial assets (almost 79,500 sqm), followed by Grade A and B buildings (close to 11,000 sqm and 6,000 sqm, respectively). The largest take-up of new occupancies occurred at 10 Low Street in Port Nelson, where a freight services company moved into almost 27,500 sqm of Grade C industrial space. This was followed by two other moves in Port Nelson: a logistics and warehousing firm moving into almost 4,800 sqm at 41 Carkeek Street, and a large seafood company moving into over 4,000 sqm at 147 Vickerman Street, both Grade C buildings. The suburb with the highest leasing activity in June 2026 was Port Nelson, where gross absorption reached over 42,000 sqm, followed by Richmond and Annesbrook, with circa 16,000 sqm and 15,000 sqm, respectively.

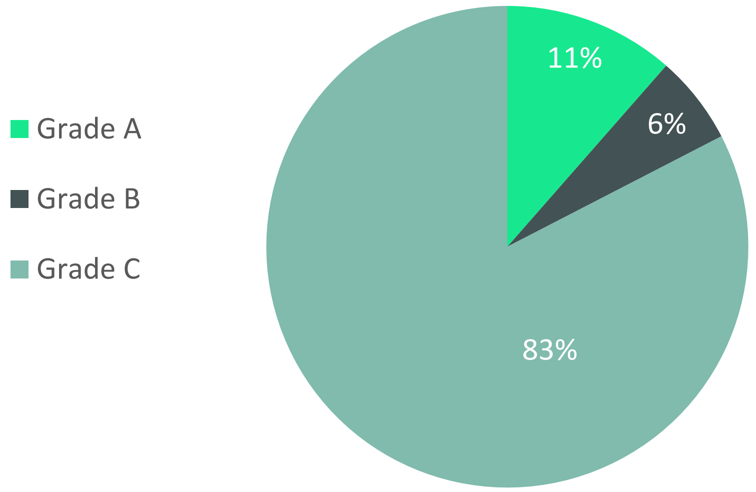
Industrial gross absorption by suburb (June 2026)



Industrial gross absorption by grade and suburb (June 2026)

Suburb	Grade A	Grade B	Grade C	Total
Port Nelson	0	0	42,222	**42,222**
Richmond	5,702	401	9,981	**16,084**
Annesbrook	0	0	15,178	**15,178**
Stoke	5,339	5,261	3,821	**14,421**
Tahunanui	0	0	3,751	**3,751**
Nelson	0	0	2,128	**2,128**
Nelson South	0	0	1,212	**1,212**
Toi Toi	0	0	700	**700**
Washington Valley	0	80	590	**670**
Total	**11,041**	**5,742**	**79,583**	**96,366**

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.

Contacts

Zoltan Moricz
Executive Director, Head of Research
New Zealand
zoltan.moricz@cbre.co.nz

Ian Mckeage
Director, Nelson
Valuation & Advisory Services
t: +64 27 434 3873
e: ian.mckeage@cbre.com

Ashley Stevens
Director, Nelson
Valuation & Advisory Services
t: +64 27 537 0751
e: ashley.stevens@cbre.com

Jorge Chang Urrea
Research Manager
Research New Zealand
jorge.changurrea@cbre.com

CBRE