

FIGURES | QUEENSTOWN | JUNE 2025

Commercial office

Frankton remains the preferred office location due to the CBD office market's decline in demand in the second half of 2024. With Queenstown expanding outward, the Frankton area has become a central hub that is more easily accessible to a majority of the workforce. This accessibility has significantly contributed to its appeal as an office destination as has the availability of parking. The growing preference for Frankton, combined with the shift towards hybrid and remote working practices, has resulted in a decreased need for traditional office space in Queenstown. These factors have contributed to static rental rates and ongoing vacancies in the CBD office market.

NET YIELDS

▼ 3.5-4.5%
Queenstown CBD

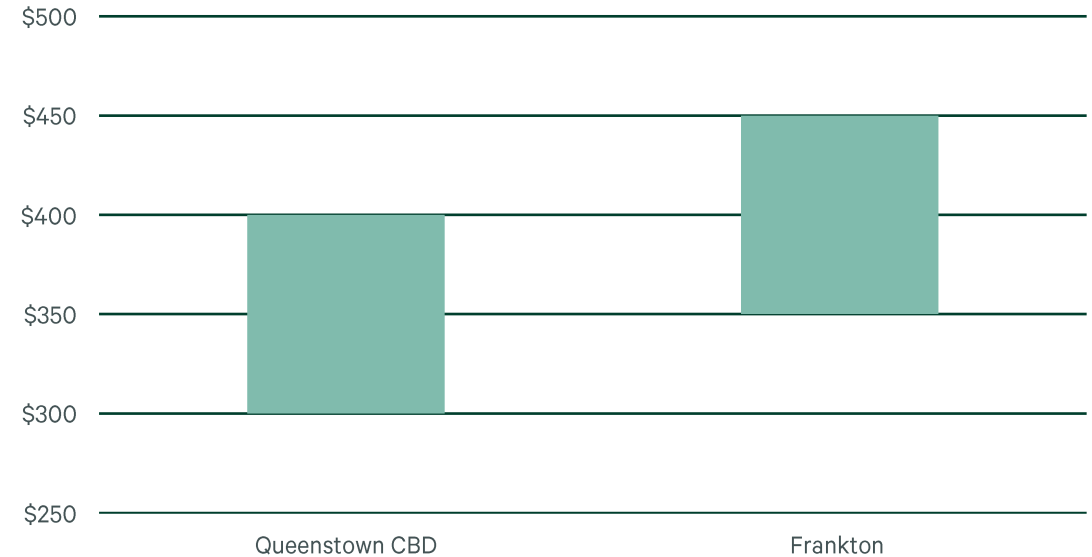
▶ 4.5-5.5%
Frankton

Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Queenstown CBD	▼ Weakening	Moderate
Frankton	▶ Static	Very limited

Net Rents



INVESTOR MARKET

	Market direction	Demand
Queenstown CBD	▶ Static	Weak
Frankton	▶ Static	Average

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Industrial

The Frankton industrial market continues to experience near-zero vacancy, driven by strong tenant demand and a severe shortage of available space. Over the past few years, this imbalance has led to significant rental growth. With virtually no vacant stock, new leases often set benchmark rental levels. However, affordability is becoming a concern for many tenants, leading to increased resistance during rent reviews. Ultimately, the Frankton market remains fundamentally supply-constrained and underpinned by strong demand.

NET YIELDS

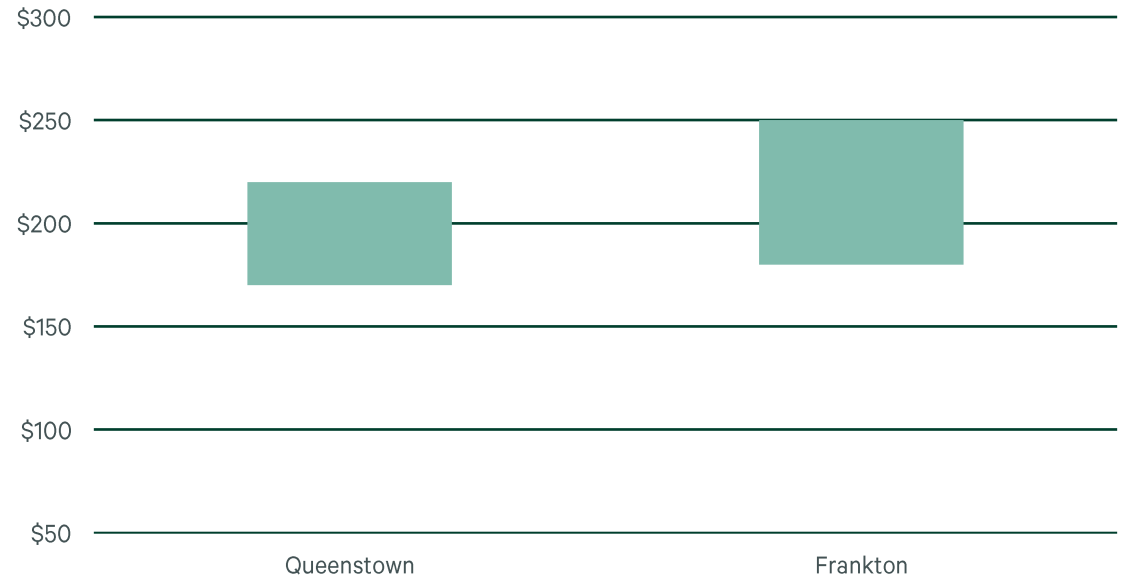
▶ 4.75-5.75% ▼ 4.5-5.0%
Queenstown Frankton

Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Queenstown	▲ Improving	Very limited
Frankton	▶ Static	Very limited

Net Rents (Warehouse/Workshop)



INVESTOR MARKET

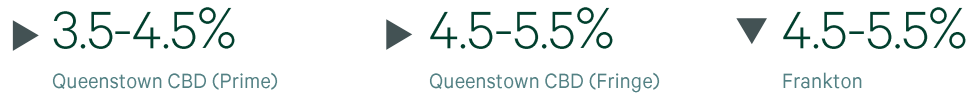
	Market direction	Demand
Queenstown	▶ Static	Average
Frankton	▶ Static	Very strong

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Retail

New leasing activity in the Prime retail area has slowed as vacancy and tenant churn has been limited over the past 12 months. Rees Street and Beach Street continue to see high demand when vacancy does arise owing to the upgraded streetscape and higher levels pedestrian traffic. Wider challenges in the retail space on the back of reduced spending are impacting secondary/periphery locations to a greater degree. While the CBD continues to attract prominent brands who wish to establish bricks and mortar showroom space to increase brand presence, Frankton has continued to develop as local retailing alternative owing to its more affordable rents.

NET YIELDS

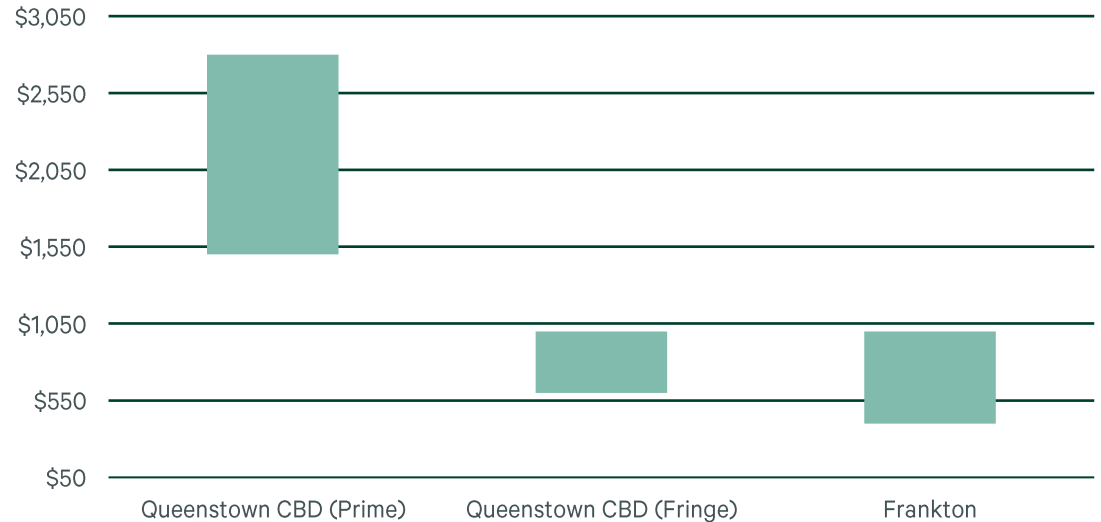


Note: Arrows indicate change from previous report.

OCCUPIER MARKET

	Market direction	Supply
Queenstown CBD (Prime)	▶ Static	Very limited
Queenstown CBD (Fringe)	▶ Static	Limited
Frankton	▶ Static	Very limited

Net Rents



INVESTOR MARKET

	Market direction	Demand
Queenstown CBD (Prime)	▶ Static	Strong
Queenstown CBD (Fringe)	▶ Static	Weak
Frankton	▶ Static	Average