



# COWORKING+



Total flexible office footprint  
across New Zealand

106,052sqm

Proportion of flexible office  
floor area in CBD locations

61%

Total number of  
facilities across NZ

111

Source: Bayleys Insights & Data

## New Zealand's flexible office market in 60 seconds

### Biggest trends

#### Flight to quality by tenants

Occupiers are seeking modern buildings and better amenities to help draw staff back to the office. Tenants with smaller requirements are increasingly using flexible office spaces to achieve this objective. Tenants are also becoming more educated and selective about facilities based on the offered amenities and commercial arrangements.



#### Supply expanding

The market has seen consistent growth in the supply of flexible offices over recent years. Facilities are typically experiencing high occupancy rates and many are reporting tenant waitlists.



#### Hospitality and community leading the way

Alongside real estate fundamentals like location and pricing, the hospitality offering and sense of community within flexible office facilities are key factors considered by tenants. A two-step market is emerging between facilities with comprehensive offerings versus those that are providing simple workspace.



### Outlook for the next 12 months

#### Landlords getting more involved

More landlords are using flexible office spaces to activate parts of their buildings, give their tenants more flexibility, and make their portfolios attractive to a wider market. Some landlords are operating their own facilities (via subsidiary brands) while others are using revenue share models in partnership with larger specialist operators.



#### Growth in the regions

Flexible offices were initially focused in the major cities. The market is now seeing growth in the regions. This is largely due to the flight to quality by tenants expanding into the regions, but is being further supported by national businesses seeking office space for workers who have moved to the regions as part of post-pandemic working trends.

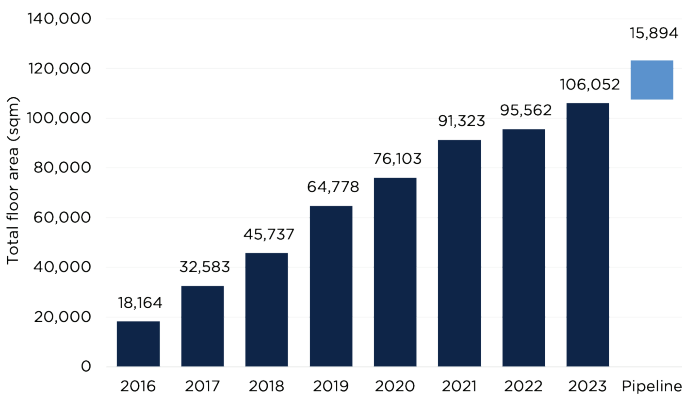


#### Sustainability shooting new roots

Operators are increasingly focusing on sustainability as part of their branding and corporate responsibility. This is increasing demand for green certifications, sustainable features, and smarter facilities management.

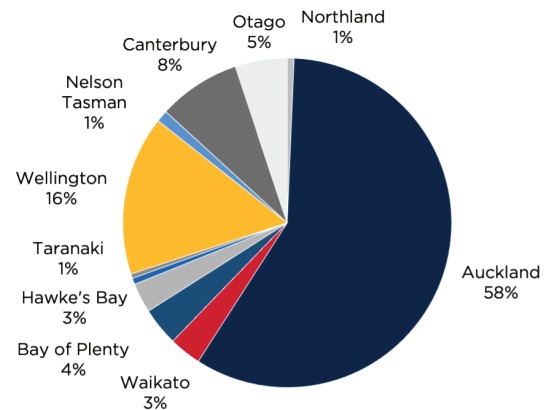


Total floor area of flexible spaces over time



Source: Bayleys Insights & Data

Total floor area of flexible spaces by region



Source: Bayleys Insights & Data

### Definition of flexible offices

Office environments where workers from different companies share an office space. For the purposes of this report, we focus on offices where an operating company licences spaces to users with the rental arrangement typically linked to the number of office workers or desks rather than floor area. Examples include shared hot desking, shared open plan office environments, and partitioned office suites where common areas like kitchens, meeting rooms and bathrooms are shared across different companies. We have excluded larger office suites and offices with traditional leases.





## Notable spaces



**35 Walton Street, Whangarei**

Operator The Orchard  
Floor area 910sqm



**Level 4/1 Kenwyn Street, Parnell**

Operator Textile Lofts  
Floor area 900sqm



**286 Mount Wellington Highway, Auckland**

Operator Regus (IWG)  
Floor area 1,007sqm



**14 Garden Place, Hamilton**

Operator Panama Square  
Floor area 2,550sqm



**526 Victoria Street, Hamilton**

Operator The Crate  
Floor area 631sqm



**262 Lakes Boulevard, Tauranga**

Operator Bloom Co  
Floor area 260sqm



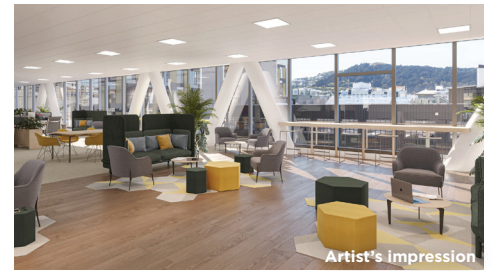
**1/3 Byron Street, Napier**

Operator Maritime House  
Floor area 340sqm



**49 Currie Street, New Plymouth**

Operator Manifold  
Floor area 454sqm



**161 Victoria Street, Wellington**

Operator Johnson Corner  
Floor area 535sqm



**40 Lady Elizabeth Lane, Wellington**

Operator Servcorp  
Floor area 1,000sqm



**3 Eva Street, Wellington Central**

Operator Digital Nomad  
Floor area 600sqm



**Bowen Campus, Wellington Central**

Operator Generator  
Floor area 3,000sqm



**209 Tuam Street, Christchurch**

Operator Works.  
Floor area 330sqm



**235 High Street, Christchurch**

Operator Qb Studios  
Floor area 1,780sqm

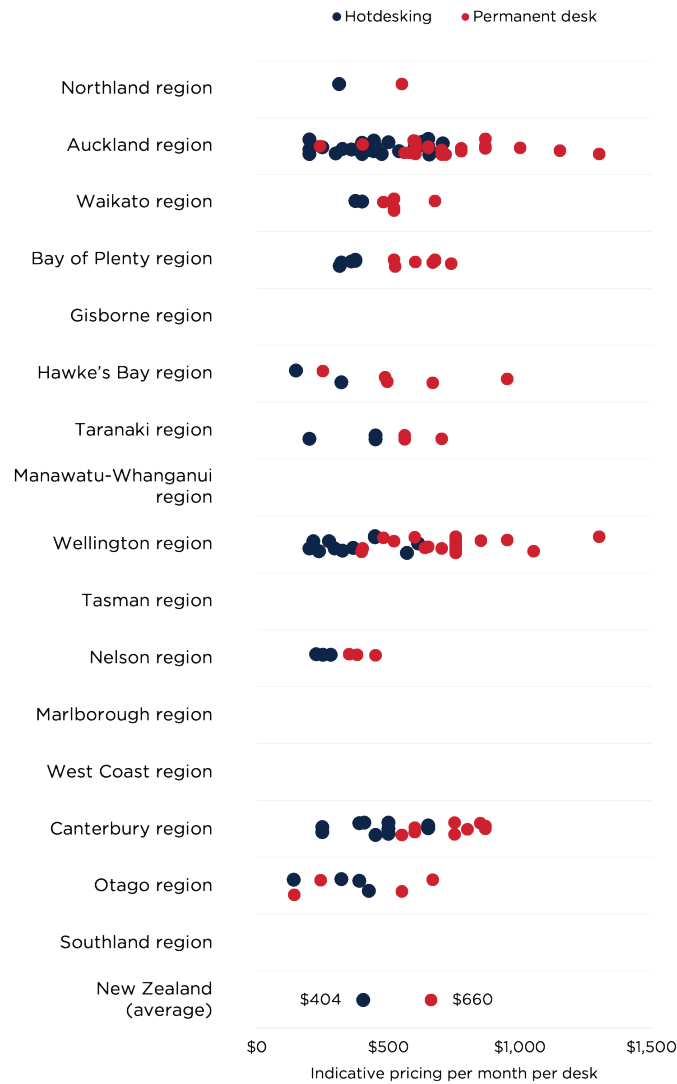


**The Penthouse, Level 2/28 Helwick Street, Wanaka**

Operator Bad Company  
Floor area 90sqm

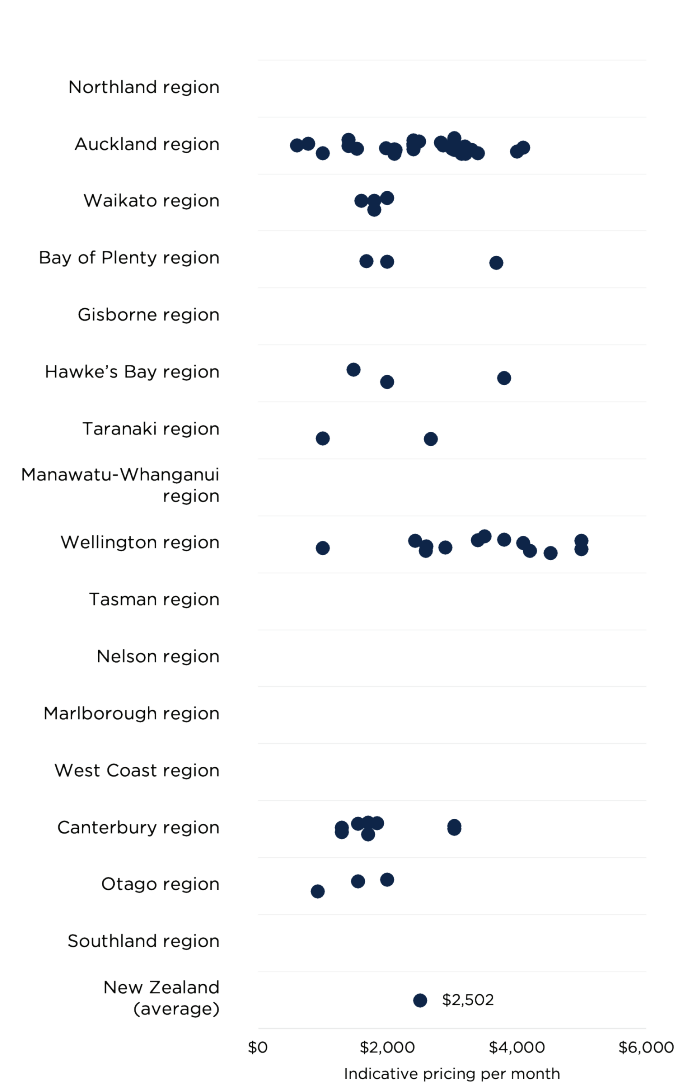
# Pricing indicators

## Indicative membership pricing



Source: Various operators. Pricing was not available for some facilities.

## Indicative partitioned office charges\*



Source: Various operators. Pricing was not available for some facilities.

\*Based on a four person office for a 12 month term.

Special thanks to:



### Lloyd Budd

Executive Director, Auckland Commercial and Industrial  
lloyd.budd@bayleys.co.nz

BAYLEYS REAL ESTATE LTD, AUCKLAND CENTRAL, LICENSED UNDER THE REA ACT 2008

### Matt Lamb

National Director, Office Leasing  
matt.lamb@bayleys.co.nz

BAYLEYS REAL ESTATE LTD, AUCKLAND CENTRAL, LICENSED UNDER THE REA ACT 2008

### Chris Farhi

Head of Insights, Data & Consulting  
chris.farhi@bayleys.co.nz

BAYLEYS REAL ESTATE LTD, AUCKLAND CENTRAL, LICENSED UNDER THE REA ACT 2008

### Ankur Dakwale

Analyst  
ankur.dakwale@bayleys.co.nz

BAYLEYS REAL ESTATE LTD, AUCKLAND CENTRAL, LICENSED UNDER THE REA ACT 2008

This publication is prepared by Bayleys Insights & Data. All opinions, statements and analyses expressed are based on information from sources which Bayleys Realty Group believes to be authentic and reliable. Bayleys issues no invitation to anyone to rely on the information contained herein and intends by this statement to exclude liability for any such opinions, statements and analyses.

All content is copyright Bayleys Realty Group 2023 and may not be reproduced without expressed permission.

0800 BAYLEYS  
bayleys.co.nz/insightsanddata



ALTOGETHER BETTER

Residential / Commercial / Rural / Property Services