



Benchmark modern city centre office rents (net face \$p.s.m. p.a.)

\$280 – \$310

Benchmark warehouse rents (net face \$p.s.m. p.a.)

\$150 – \$160

Benchmark prime commercial property yields

5.0% – 7.0%

Hibiscus Coast and Warkworth commercial property market in 60 seconds

Biggest trends



Tight industrial markets

Industrial markets are facing low vacancies due to ongoing demand for warehousing. Industrial rental rates have been growing across the region, particularly for prime properties.



Flight to quality driving activity in the market

Tenants are seeking higher quality spaces across all submarkets to improve the working experience for staff. New developments are expected to add to the revitalisation of the area.



Prices stabilising for development land

Softening yields and higher construction costs have taken the pressure off prices for development land. The gap between the vendors' and purchasers' expectations is slowing down any sales.

Outlook for the next 12 months



Commercial property market subdued

The local market is experiencing similar trends to those seen nationally, with generally lower sales volumes and some sub-sectors experiencing downward prices. Leasing activity is expected to remain reasonably buoyant.



Two-step rents

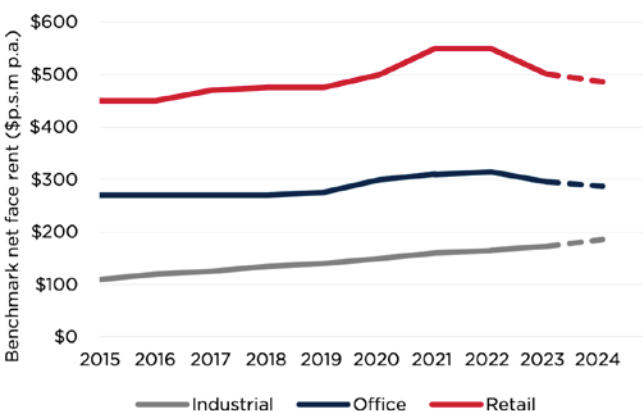
The flight to quality is resulting in low vacancies and rental growth amongst better quality properties. Lower quality properties are needing higher incentives to maintain face rents amongst weaker demand.



Yields stabilising at higher levels

Rising interest rates have led to a softening of yields across most markets. Signals that inflation and long-term interest rates are peaking mean yields are likely to stabilise at higher levels. Lower numbers of sales transactions means there is less evidence available to showcase this trend.

Benchmark rents



Source: Bayleys

Benchmark yields

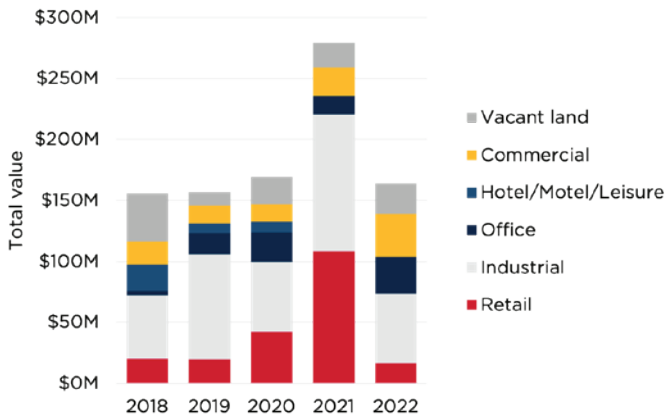


Source: Bayleys

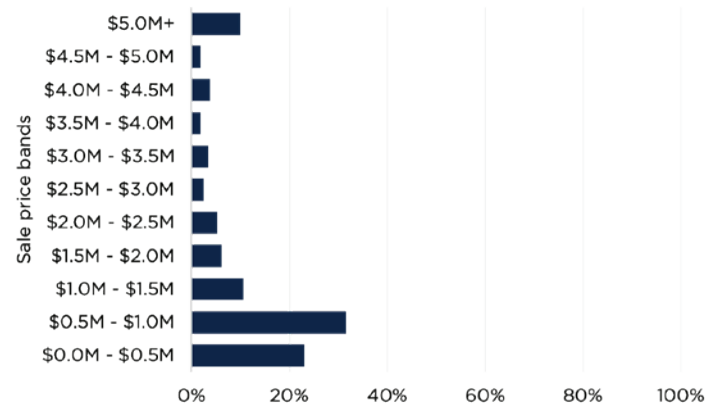
Benchmark rents and yields are based on a basket of properties that we believe reflect the asset class. The benchmarks do not represent the minimum or maximum rates in the market.

Market indicators

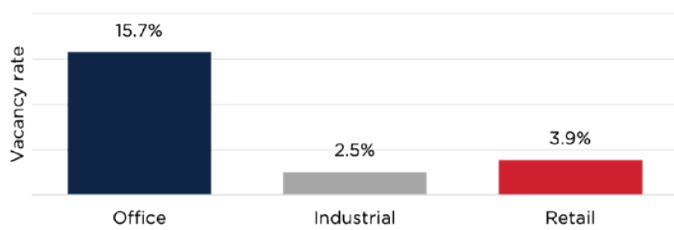
Commercial property sales by type



Sales transactions by price band (2021 to 2022)



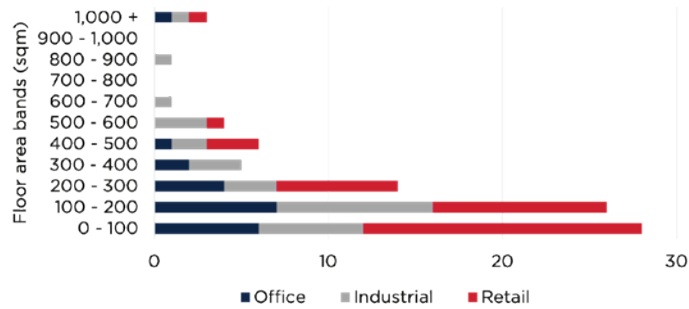
Overall vacancy rate



Advertised vacancies (May 2023)



Vacancies by floor area bands



Benchmarking metrics

	Benchmark rents (Net face \$p.s.m. p.a.)	Benchmark yields (%)	Availability
Office			
Office - modern - city centre	\$280 - \$310	6.0% - 7.0%	Scarce
Office - dated - city centre	\$230 - \$260	6.8% - 7.8%	Reasonable
Industrial			
Industrial - modern - warehouse	\$150 - \$160	5.0% - 5.6%	Scarce
Industrial - modern - office	\$270 - \$290	5.0% - 5.6%	Scarce
Industrial - dated - warehouse	\$150 - \$160	5.3% - 5.8%	Scarce
Industrial - dated - office	\$200 - \$220	5.3% - 5.8%	Scarce
Retail			
Retail - high street	\$475 - \$530	5.3% - 6.3%	Scarce
Retail - large format	\$320 - \$380	5.5% - 6.5%	Scarce
Development land			
		\$p.s.m.	
City centre land		\$1,700 - \$2,300	Scarce
Industrial land		\$700 - \$1,000	Scarce
Residential bulk land		\$230 - \$310	Scarce
Residential			
Median house price		\$1,187,500	

Notable transactions



347 Mahurangi East Road, Snells Beach

SOLD
 Floor area 779sqm
 Sale price \$5,000,000
 Contact Henry Napier, Chris Blair



70 Matakana Valley Road, Matakana

SOLD
 Floor area 180sqm
 Sale price \$1,900,000
 Contact Henry Napier, Chris Blair



215 Falls Road, Warkworth

SOLD
 Land area 80,720sqm
 Sale price \$6,700,000
 Contact Henry Napier, Chris Blair



22 Baxter Road, Warkworth

SOLD
 Floor area 490sqm
 Sale price \$1,935,000
 Contact Chris Blair, Henry Napier



51 Foundry Road, Silverdale

SOLD
 Floor area 1,046sqm
 Sale price Confidential
 Contact Ben Clare, Rene Geertshuis



18 Florence Avenue, Orewa

SOLD
 Floor area 425sqm
 Sale price \$3,050,880
 Contact Ben Clare, Alex Perigo



51 Florence Avenue, Orewa

SOLD
 Floor area 200sqm
 Sale price \$1,750,000 + GST
 Contact Marie Hansen, Ben Clare



472-502 Whangaparaoa Rd, Stanmore Bay

SOLD
 Land area 13,520sqm
 Sale price \$8,700,000 + GST
 Contact Graeme Perigo, Chris Blair



12/77 Bankside Road, Silverdale

SOLD
 Floor area 99sqm
 Sale price \$970,000 + GST
 Contact Alex Perigo, Graeme Perigo



911 Haruru Road, Wainui

LEASED
 Floor area 5,200sqm
 Tenant sector Construction
 Contact Rene Geertshuis, Ben Clare



198-200 Centreway Road, Orewa

LEASED
 Floor area 250sqm
 Tenant sector Healthcare and social assistance
 Contact Marie Hansen, Alex Perigo



18 Florence Avenue, Orewa

LEASED
 Floor area 423sqm
 Tenant sector Healthcare and social assistance
 Contact Alex Perigo, Ben Clare



38 Forge Road, Silverdale

LEASED
 Floor area 575sqm
 Tenant sector Manufacturing
 Contact Ben Clare, Graeme Perigo



3/33 Waterloo Road, Silverdale

LEASED
 Floor area 617sqm
 Tenant sector Retail trade
 Contact Alex Perigo, Rene Geertshuis

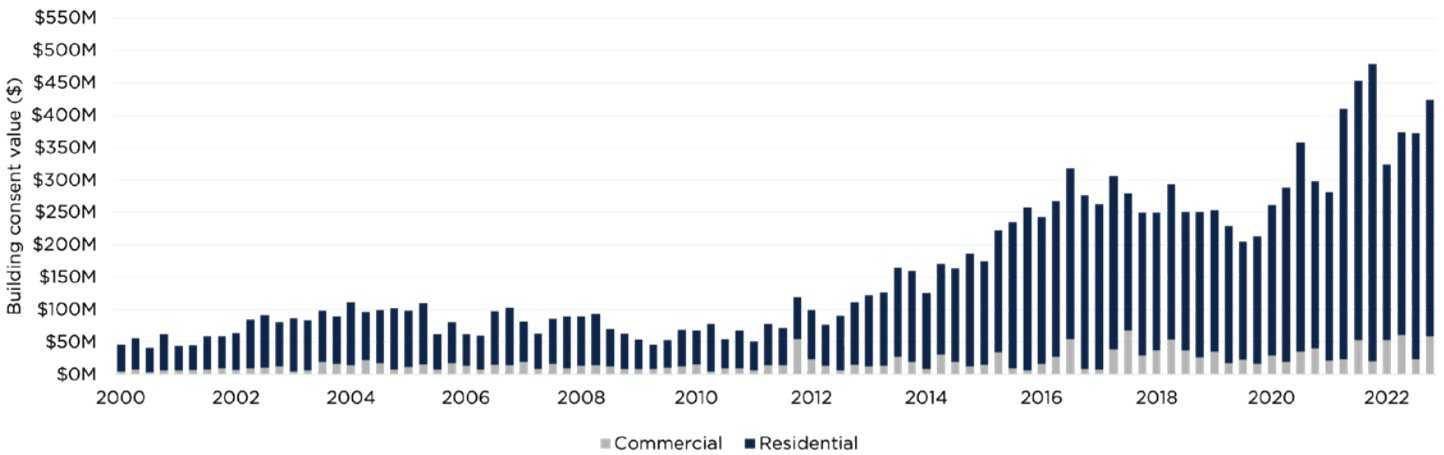


12/22 Highgate Parkway, Silverdale

LEASED
 Floor area 520sqm
 Tenant sector Manufacturing
 Contact Rene Geertshuis, Alex Perigo

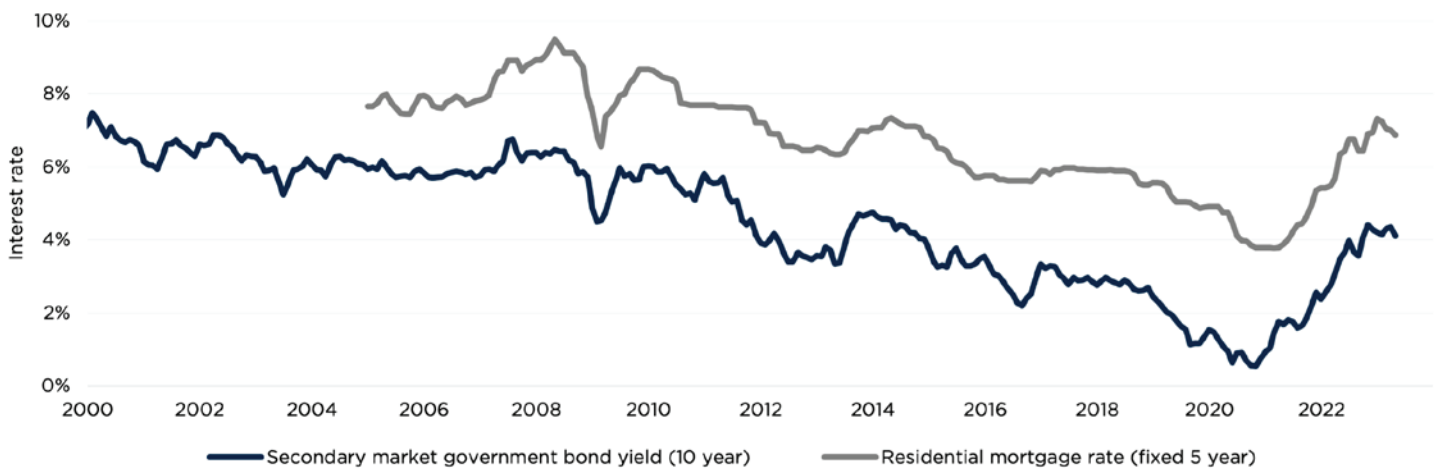
Other indicators

Building consents: Rodney district (quarterly)



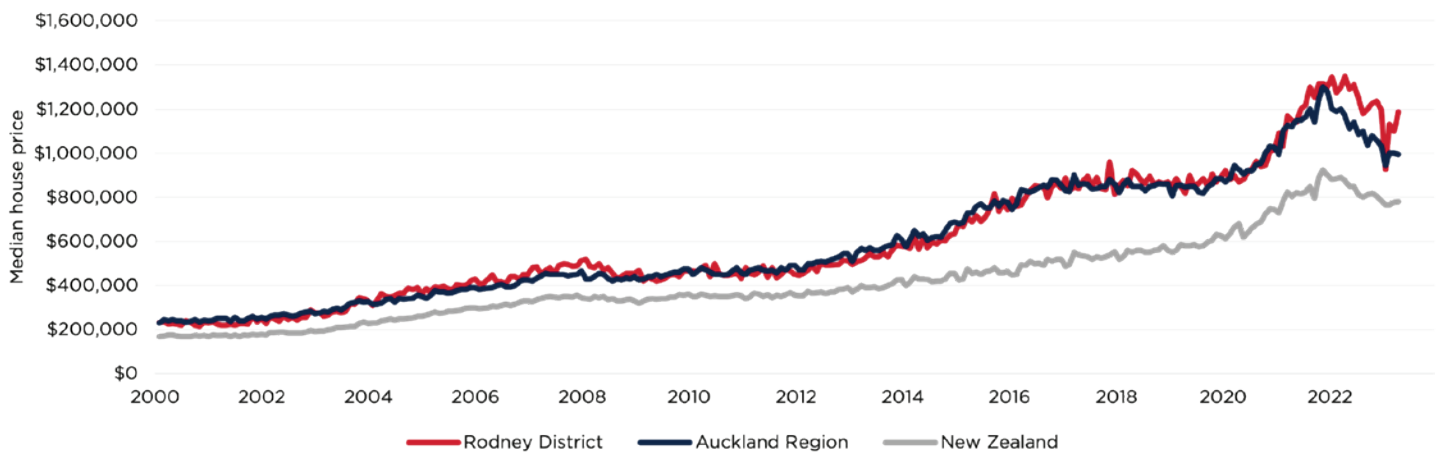
Source: Stats NZ

Interest rates



Source: RBNZ

House prices



Source: REINZ

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