

PROPERTY life cycles

AS BAYLEYS MARKS A PIVOTAL MILESTONE, WE'RE KEEPING THE PEDAL TO THE METAL AND STAYING TRUE TO THE FIRM'S GUIDING MANTRA.



RYAN JOHNSON,
NATIONAL DIRECTOR
COMMERCIAL AND INDUSTRIAL

IN THIS PENULTIMATE EDITION OF *Total Property* for 2023, we mark Bayleys' 50th anniversary with a nostalgic look back at the company's evolution and at some of the deals that have defined the commercial side of the business over those five decades.

Starting in a basement office in the family home of founders Graham and Pam Bayley, Bayleys is now one of the country's most recognised real estate brands with more than 2,000 people working from 100 offices across both islands and with a presence in Fiji.

As New Zealand's largest full-service real estate agency with a respected and enviable transactional history, Bayleys has weathered and excelled across market cycles showing proven resilience in the face of a stock market crash, a global financial crisis and a worldwide pandemic.

Our lead article highlights some of the firm's standout moments and, while the high-profile transactions get

the spotlight, it's important that we acknowledge all the clients that have been on the journey with us – regardless of the value or volume of real estate transacted.

Bayleys has always espoused that first and foremost, it is in the people business. Maximising the value of our clients' real estate assets remains at the heart of our operations so, with 50 years ticking over, rest assured Bayleys will continue to innovate and maintain its solution-focused service offering.

Anyone can sell property in the good times – but it is during sticky markets and challenging economic and social climates that real estate gets – well, real.

Right now, as the cost of debt curve extends, the wider commercial and industrial market is taking a breather.

Transaction data for the six months to end of June 2023 shows deal numbers were down by almost a third on the same period last year – and that was off a comparatively low base following the

feverish activity seen at the height of the pandemic.

The \$15-20 million segment of the market has seen some significant slowdowns as the bid-ask spread deepens, valuers grapple with shifting playing fields and listed and wholesale purchasers weigh up risk and cost of debt.

The owner-occupier market remains very strong, so stock with vacant possession has been in steady demand, while in the sub-\$3 million bracket, activity is steady for good quality investment-grade property.

The leasing sector is buoyant – particularly for industrial offerings, and the office market is resetting as hybrid and remote working models collide with management expectations of a return to the office and as optimal space requirements get clarified.

We're using the market's recalibration as a time to fortify Bayleys' in-house offerings and have further strengthened our senior leadership team and national breadth with the strategic appointment of a new senior director of capital markets, Jason Seymour.

Jason is a stalwart in the commercial and industrial sector with nearly four decades of property experience and will concentrate on our relationships

with ultra-high net worth and institutional clients, focusing on cross-border capital flows.

The forthcoming general election may – or may not – change international investment thresholds and responsibilities and, with offshore capital increasingly focused on worldwide diversification across portfolios, Bayleys wants to remain on the front foot.

In this portfolio, we have 69 new commercial and industrial property opportunities for sale around the country, and well-financed investors and owner-occupiers will see potential in acquiring assets now – ahead of the upswing that always follows a slump.

Our insights pieces include the Bayleys' 50th retrospective, and a dive into the next wave of sustainability in the commercial and industrial real estate industry as ESG rockets up the

agenda for building owners in light of changing stakeholder expectations, legislative directives and ambitious carbon-minimising goals.

We also look at the compelling dynamics of the Auckland, Hamilton, Tauranga 'Golden Triangle' economic zone.

As New Zealand's productivity engine room, the triangle is seeing the lion's share of investment capital and as one industry heavyweight says in the article "we will increasingly think of the three cities as satellites of each other, progressively seen externally for investment purposes as a single, well-balanced region".

For half a century, Bayleys has started its own queue, morphed across markets and kept its clients front and centre.

And we'll keep on doing just that – so get in touch if you'd like to tap into that wealth of industry nous.

WHO ARE WE?

Bayleys is New Zealand's largest commercial and industrial real estate agency and is the only significant national real estate business in this sector of the market that is New Zealand owned and operated.

We operate in a family-founded and values based corporate environment that demands integrity, excellence and results. In today's changing world we continue to innovate and focus on strong working relationships to deliver results that exceed our clients' expectations.



Bayleys have developed a true global partnership with Knight Frank, through our acquisition of their local business and their representation globally. This gives our clients access to a globally-connected network spanning 51 markets. Our closest connections are to the Knight Frank Asia Pacific Group with 9,625 people in 146 offices all working collaboratively to find the right buyer for your property.

OUR INDUSTRY RECOGNITION



Agency Team of the Year NZ 2020 & 2017
As awarded by the Royal Institute of Chartered Surveyors (RICS) at the RICS Awards.

Industrial Agency Team of the Year NZ 2018
As awarded by the Royal Institute of Chartered Surveyors (RICS) at the 2018 Sales Awards.



Bayleys is proud to have been recognised at the REINZ Awards for Excellence in Real Estate.

- Large Commercial and Industrial Office of the Year (2018-2022)
- Medium Agency of the Year - All Disciplines (2022)
- Commercial and Industrial Salesperson of the Year (2018-2019)
- Small Business Broking Office of the Year (2019)
- Best Multi-Media Marketing Campaign of the Year (2018 & 2020)

2,500
SALES AND LEASING
TRANSACTIONS

\$2.8B
OF PROPERTY SOLD
OR LEASED

240
COMMERCIAL SALES
AND LEASING AGENTS

*For the period 1st April 2022 - 31st March 2023.