Change for good

This year has zigged and zagged with plenty of surprises for the property sector, backdropped by a changing domestic fiscal and regulatory environment, and volatile global conditions.

RYAN JOHNSON
BAYLEYS NATIONAL DIRECTOR
COMMERCIAL AND INDUSTRIAL

Our last edition of *Total Property* for the year highlights 132 commercial and industrial properties across New Zealand, a record number of listings for this flagship portfolio.

We're winding down 2025 – a year that had "thrive" as its intention, but in reality saw the country take a deep-dive to find silver linings.

While there will be no quick fix in '26, confidence has certainly replaced hope. The market will still have residual challenges that an improving economy, local and central government policy tweaks, and sheer optimism will go some way to address.

That step-up in confidence has re-energised the commercial and industrial property market, with regional New Zealand tracking well, and the Auckland market genuinely seeing material lift in sentiment and activity. This is reflected in Bayleys' commercial transactional activity with nationwide September sales up 19 percent on the same time last year, and leasing activity rising by 19.5 percent.

Decisions are being made and that's a side effect of changes in monetary policy, more flexible immigration and residency settings, and just a general sense that people don't want to be "stuck" any longer.

In looking for positives, the ANZ Truckometer, a real-time indicator of economic momentum given the volume of freight moved by road in New Zealand and its correlation with GDP, is moving in the right direction. September data showed that both the light and heavy traffic indexes rose month-on-month and year-on-year, so we'll take that as a win.

The Government announcement of an overhaul of seismic-related legislation will have wide-reaching beneficial implications for the commercial and industrial property sector, a topic we discuss in detail in this portfolio's insights pieces. Commonsense has prevailed and Minister of Building and Construction Chris Penk's proposal to recalibrate our seismic risk and remediation settings gets a high-five from us.

Also on the growth chart is the Active Investor Plus (AIP) visa which, since its introduction in April this year, has generated enquiry with a potential investment value of more than NZD$2 billion. Applications open late-November for the recently announced Business Investment Visa (BIV), giving experienced international businesspeople the opportunity to invest in established New Zealand businesses, providing a pathway to residency and supporting our economy.

Bayleys' proactive commercial and industrial business line leaders are well-connected with immigration lawyers and advisers and putting business investment opportunities in front of them as we speak.

Solutions-focused real estate is at our core. As a business, we're pursuing operational efficiencies aided by the practical and targeted use of enterprise-level AI that takes nothing away from the personal relationships that Bayleys prides itself on nurturing and sustaining. Bayleys Property Management received the REINZ Innovation Award 2025 for its pioneering use of AI in residential property management and we'll be looking to leverage AI-enabled business efficiency, client benefits and competitive advantages across our wider business in 2026.

People-first is the Bayleys way and in this portfolio, we look at the new award-winning Bayleys Remuera office as a flagship example of a contemporary, cleverly designed, and community-integrated workplace.

Community connectivity underscores our Altogether Better corporate philosophy, with our philanthropic Bayleys Foundation supporting Live Ocean, The King's Trust, Cure Kids, and Help@Hand. These important relationships represent far more than sponsorship; they help drive collective action and are important to the entire Bayleys network.

Bayleys Real Estate is also a new major sponsor of the prestigious New Zealand Open in a partnership between two iconic Kiwi brands passionate about this country, its opportunities and the community.

Thanks to all who have been on a path to divestment or acquisition through Bayleys this year – we appreciate your loyalty, trust and support.

2026 is just around the corner and if change is blowing your way, Bayleys will be there for you with bells on.

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 has 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 50 territories. Our closest connections are to the Knight Frank Asia Pacific Group with over 9,500+ people in 166 offices all working collaboratively to find the right buyer for your property.

OUR INDUSTRY RECOGNITION

#1 REINZ

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, 2024-2025)
- Medium Agency of the Year - All Disciplines (2022-2025)

2,550	$3B	225
SALES AND LEASING TRANSACTIONS	OF PROPERTY SOLD OR LEASED	COMMERCIAL SALES AND LEASING AGENTS

*For the period 1st April 2024 - 31st March 2025.