



# Market stocktake

*The smart money knows where value can be found and Bayleys is fielding high levels of enquiry and sealing deals right around the country.*



**RYAN JOHNSON**  
BAYLEYS NATIONAL DIRECTOR  
COMMERCIAL AND INDUSTRIAL

Backdropped by the Trump administration’s sweeping tariff plan that could lead to a more fragmented global economy, it’s business as usual in New Zealand’s commercial and industrial property realm. If anything, it’s busier than usual for Bayleys with transaction volumes and enquiry levels seeing uplift, and heightened demand from clients for market-driven data and industry insights across business lines. Buyers are carefully scrutinising opportunities based on perceived value, income resilience, and asset quality with some significant deals being done.

This is particularly apparent in campaigns for stock in the \$20 million-plus bracket where, although very selective, capital is engaged and mobilised. Our capital markets team notes more depth to the market with offshore private buyers, local family offices, institutional investors and syndicators scouting opportunities. Private high-net-worth investors are leading the charge for living sector, industrial/logistics, retail and office assets around the world, a trend highlighted in our global real estate partner Knight Frank’s latest edition of *The Wealth Report*. Private buyers accounted for 68% of Bayleys’ transactions over \$20 million in 2024 – a seven-year high and this is mirrored in many international markets. Interestingly, despite subdued consumer spending patterns, investment-grade retail assets are proving highly sought-after – undoubtedly fuelled by income, but also by strong underlying land values and identified growth fundamentals

in prominent locations. Values have now reset to more sustainable levels for well-leased, well-positioned retail assets that have a good tenant mix and high footfall. Most recently, Bayleys was instrumental in the sale of Eastgate Shopping Centre in Christchurch, Kelston Mall in West Auckland, and Woolworths Herne Bay and we’ve been appointed to sell several other high-profile retail centres with early indications suggesting that competition will be robust. A lot of the activity we’re witnessing is predicated on investment-grade stock which is largely holding up on pricing, while anything outside of prime A-grade stock is seeing wide bid-ask spreads. Auckland commercial and industrial property is repricing a bit faster than other parts of the country, but that’s typically the way it plays out given the size of the market and the volume of transactions for data evidence. We’re seeing reasonable volumes of stock

coming to the market nationwide across asset classes and geographical locations, with some solid regional offerings to tempt money beyond Auckland boundaries. There are early signs that the Government’s Active Investor Plus visa changes which promote a more straightforward pathway to direct foreign investment in high-value New Zealand commercial property and businesses, is having some cut-through. Enquiry at a level not seen in recent years is coming out of North America, while Australian and Singaporean buyers – who have generally had an easier path to ownership here – are highly-motivated and seeing value. The new policy settings show early promise in enabling transactions from a much broader buyer base and owners of commercial assets will be encouraged by that potential. Not only are people being drawn to the properties we’re marketing, talent is being attracted to Bayleys. Some incredible people have joined the Bayleys team across our business lines. One example is the recent appointment of Davina Henderson to the newly-created role of national director strategic business development. Davina’s depth of experience and leadership after nearly two decades spent across commercial, industrial, and retail property in New Zealand and Australia will further strengthen our market-leading and proven full-service agency by expanding client solutions. This edition of Bayleys’ *Total Property* features 88 new commercial and industrial property opportunities for sale nationwide. It also delves into the exponential growth of Northwest Auckland as one of the region’s most progressive quadrants, and looks more closely at Knight Frank’s *The Wealth Report* to discover why private capital is so engaged in the current market. With volatility in other investment avenues unavoidable due to global uncertainty and geopolitical flux, commercial and industrial brick and mortar offerings and the land they sit on have an edge. The smart money has always seen value in the sector and it’s a proven wealth creator over time. Strategise with us because Bayleys remains Altogether Better.

## 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.

**Knight Frank** 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 61 markets. Our closest connections are to the Knight Frank Asia Pacific Group with over 11,000 people in 299 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. REAL ESTATE INSTITUTE OF NEW ZEALAND

- Large Commercial and Industrial Office of the Year (2018-2022, 2024)
- Medium Agency of the Year - All Disciplines (2022-2024)

<b>2,772</b> SALES AND LEASING TRANSACTIONS	<b>\$3B</b> OF PROPERTY SOLD OR LEASED	<b>238</b> COMMERCIAL SALES AND LEASING AGENTS
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\*For the period 1st April 2023 – 31st March 2024.