



Fuel for thought

There's no shortage of market distractions, but investors who stay focused on the fundamentals will be well-placed to optimise opportunity.



RYAN JOHNSON
BAYLEYS NATIONAL DIRECTOR
COMMERCIAL AND INDUSTRIAL

Just as early signs of economic momentum were beginning to emerge, and we were quietly hoping for a better year in 2026, global events have conspired to put a spanner in the works. Economists and other commentators speculate that while a short-term conflict would be disruptive yet ultimately manageable, a prolonged one would create meaningful friction across markets, businesses and communities alike.

Recent headlines make for challenging reading, but rather than speculate on what comes next, we're focused on what we can see – and what we know.

Bayleys clocked its strongest financial year-end results on record as at 31st

March, a clear signal that commercial and industrial property fundamentals remain sound. Activity lifted across the board, with listings up, transaction numbers rising and values boosted by multiple \$20 million-plus deals.

Market sentiment in the hotels, tourism and leisure sector is increasingly positive, underpinned by international visitor numbers rebounding to around 97 percent of pre-pandemic levels. Enquiry has accelerated since mid-January, with a corresponding lift in concluded deals as capable buyers re-engage and transact decisively. There's also an encouraging pipeline of new assets coming onstream, demonstrating confidence from developers.

Office leasing enquiries have lifted notably across Auckland and Christchurch, albeit with an increasingly pronounced divide between prime and secondary asset demand, while in the retail sphere, regional, neighbourhood and supermarket assets continue

to be attractive to investors, with institutional buyers circling for opportunities.

Once dubbed alternative asset classes, the living sectors are garnering increased attention. "Beds, eds, and meds" is the catchphrase to cover the commercial accommodation, healthcare, retirement, build-to-rent and purpose-built student accommodation (PBSA) markets and global capital is hungry for associated real estate.

Bayleys' Property Collection, a new addition to our distinctive suite of investment portfolios, is successfully connecting rural capital with commercial opportunities. The publication has gained strong traction at regional Fielddays events and among rural clients nationwide. Portfolio offerings will resonate with shareholder farmers set to benefit from the Fonterra-Lactalis deal, with investment-grade commercial assets

proving an attractive diversification option, allowing equity to be redeployed into high-quality assets beyond the farm gate.

At the time of printing, New Zealand's 90-day Bank Bill Benchmark Rate (BKBM) was around 2.53 percent, an exceptionally low setting that keeps the cost of debt attractive when measured against commercial property returns so there are many positives to be found in the market today.

Internationally, eyes are turning our way, too. The Asia-Pacific region continues to draw significant global capital, with New Zealand well-positioned to capture deal flow off the back of investment momentum being seen in Australia. Offshore capital from the US, UK, Germany and Asia remains active, as geopolitical uncertainty accelerates the reallocation of funds toward stable, high-quality property markets.

The Active Investor Plus (AIP) visa has brought circa-\$3.39 billion into New Zealand to date, notably attracting high-value global investors in the Balanced category where certain commercial real estate investments are eligible.

This edition of *Total Property* showcases 85 fresh commercial and industrial opportunities for sale, spanning entry-level investments through to high-net-worth offerings across both metro and regional markets.

Our editorial insights focus on key areas of investor attention, with commentary from industry leaders on the trends shaping the market. We take a closer look at the PBSA sector, where pace is building in university cities as student accommodation supply improves and pastoral care models strengthen. We also unpack Bayleys' latest development land market update, revealing renewed confidence among developers and early signals of recovery.

Even as geopolitical tensions make themselves felt at the fuel pump, the commercial real estate sector continues to show resilience, with clear opportunities for those willing to move decisively.

History shows that times of turmoil can be game-changing in the property market so connect with us to ensure that opportunity doesn't pass you by.

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



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
SALES AND LEASING
TRANSACTIONS

\$3B
OF PROPERTY
SOLD OR LEASED

225
COMMERCIAL SALES
AND LEASING AGENTS

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