



Trucking on

The industrial sector has held its own through some uncertain economic times and Bayleys brokers are reporting encouraging green shoots as the market recalibrates.



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Welcome to *Industrial Workplace* – Bayleys’ nationwide leasing portfolio highlighting a range of current occupier opportunities around the country and offering some insights to the industrial property market.

2025 was trumpeted as the year that the New Zealand economy would turn a corner, and in some regards, things are looking brighter with some useful levers being pulled by the government

to ignite economic growth, more infrastructure improvements signalled, and interest rates trending downwards.

However, the Trump factor put a bump in the road for the industrial sector as the flip-flopping over tariff rates fractured the status quo and sent manufacturers and producers around the globe into a tailspin. New Zealand’s rate is now set at 15 percent for goods landed in the US – but history shows us that could change on a dime.

Boxing on is what the industrial sector is good at. Occupiers are savvy and rather than being defeatist, are coming up with clever solutions to optimise opportunities in the market. For some, this means making better use of the space they currently have, for others – biting the bullet and

relocating whether that’s downsizing or moving to a more strategic location.

While we have seen vacancy levels inch up as occupiers consolidate their real estate footprints, the core industrial precincts have minimal vacancy, and we’re seeing sub-lease opportunities being absorbed which indicates that occupiers are proactively seeking out solutions that work for their businesses.

The sugar rush rental increases have tailed off with rents now stabilising and we expect them to remain that way in the short to medium term. Landlords are being realistic and generally willing to engage to find a leasing pathway that’s mutually beneficial.

Developers are also positioning themselves to take advantage of the next market cycle and pushing on

with speculative projects aimed at delivering quality, well-spec’d space to give occupiers choice and flexibility.

So while there are still some residual flies in the economic ointment, the industrial sector is getting on with business. The recent government Investment Boost announcement will be welcome news for occupiers looking to progress automation plans, improve cubic capacity, or update plant and machinery. Naturally, any capital outlay has to stack up fiscally and commercially, but the accelerated depreciation of 20 percent that can be released in the first year is expected to resonate with industrial tenants.

In this edition of *Industrial Workplace*, we showcase 235 leasing opportunities, delve into the latest industrial report from Bayleys Insights & Data team, and take a wider view of the sector with comments from some of the country’s leading developers in the industrial space.

Bayleys’ full-service capability gives our industrial clients access to a broad range of intel and professional solutions allowing them to make informed decisions to enhance their business.

So get in touch for an up-to-the-minute take on the industrial market – we’re always game-ready.

