

AUCKLAND COMMERCIAL City & Fringe

BAYLEYS

QUARTERLY

Your quarterly update on Auckland's City and City Fringe commercial property market.

Quarter 2, 2017

Feature Sales Deals in Auckland's City & Fringe

(1 April – 30 June 2017)

171 Hobson St, Auckland Central

Price Confidential



Sold Off Market to an Investor
Agents: Alan Haydock and Damien Bullick

19 Newton Rd, Grey Lynn

Sold for \$7,675,000 + GST Yield: 3.85%



Sold by Tender to an Investor
Agents: Scott Kirk and James Were

373 Great North Rd, Henderson

Sold for \$4,000,000 + GST Yield: 5.48%



Sold by Auction to an Investor
Agent: Mike Adams

1 Minnie St, Eden Terrace

Sold for \$3,888,000 + GST Land \$3,487/m²



Sold by Tender to a Developer
Agents: Scott Kirk and James Were

15-19 Mt Eden Rd, Mt Eden

Sold for \$3,300,000 + GST Yield: 5.49%



Sold Off-Market to an Investor
Agent: Phil Haydock

42 & 44 College Hill, Freemans Bay

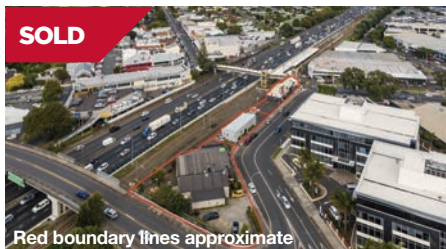
Sold for \$3,200,000 + GST Yield: 2.76%



Sold Post Auction to an Investor/Owner Occupier
Agents: Scott Kirk and James Were

19-23 Kalmia St, Ellerslie

Sold for \$2,750,000 + GST Yield: 4.16%



Sold by Tender to an Investor
Agents: Alan Haydock and Damien Bullick

1/2 Atkin Ave, Mission Bay

Sold for \$1,955,000 + GST Land \$5,227/m²



Sold by Auction to an Owner Occupier
Agent: Phil Haydock

513 Sandringham Rd, Sandringham

Sold for \$1,750,000 + GST Yield: 4.79%



Sold by Auction to an Investor
Agents: Scott Kirk and Damien Bullick

3019 Great North Rd & 2 Bentinck St, New Lynn

Sold for \$1,700,000 + GST Land \$1,165/m²



Sold by Auction to a Developer
Agents: Scott Kirk and Mike Adams

563 Remuera Rd, Remuera

Sold for \$1,600,000 + GST Yield: 4.76%



Sold by Auction to an Investor
Agents: Cameron Melhuish and Andrew Wallace

12 Fleet St, Eden Terrace

Sold for \$1,250,000 incl GST Land \$3,720/m²



Sold by Auction to an Investor
Agents: Scott Kirk and James Were

Featured Listings for Sale

3 Enfield St, Mt Eden

www.aucklandcityandfringe.co.nz/1683647



- Standalone Mt Eden investment property on 15 year lease
- Fully refurbished and seismically strengthened
- Returning \$260,000 + GST p.a. (net)
- Freehold 938m² Mixed Use land holding in strategic Auckland Boys Grammar Zone
- Adjacent property 1 Enfield Street also for sale

For Sale by Tender (unless sold prior) closing 4:00pm Wednesday 2nd August 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

1 Enfield St, Mt Eden

www.aucklandcityandfringe.co.nz/1683648



- 685m² freehold development site
- Resource Consent for six level apartment building + basement carparking
- North facing corner site in Auckland Boys Grammar Zone
- Prime Mt Eden position, close to CBD and transport links
- Adjacent property 3 Enfield Street also for sale

For Sale by Tender (unless sold prior) closing 4:00pm Wednesday 2nd August 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

3 College Hill, Freemans Bay

www.aucklandcityandfringe.co.nz/1683590



- High profile freehold standalone investment in sought after Freemans Bay
- Fully leased with attractive long-term leases and built in annual rental growth
- Currently returns \$140,377 + GST p.a. increasing to \$149,000 + GST p.a. in November 2017
- A beautifully presented mixed-use standalone not to be missed

For Sale by Auction (unless sold prior), at 11:00am Wednesday 2nd August 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Cameron Melhuish, Andrew Wallace and Genevieve Thompson-Ford

591 Remuera Rd, Remuera

www.aucklandcityandfringe.co.nz/1683564



- Premier Upland Village investment opportunity
- Fully leased providing attractive cash flow underpinned by long-standing medical tenant
- Family trust sells after long term ownership
- Investments of this calibre are scarce - do not miss this

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 3rd August, 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Cameron Melhuish, Genevieve Thompson-Ford and Andrew Wallace

1a Porters Ave, Eden Terrace

www.aucklandcityandfringe.co.nz/1683604



- Freehold standalone investment property with considerable upside
- Numerous options for add value investors, developers and owner occupiers
- 3,371m² freehold land holding zoned Mixed Use in Auckland Boys Grammar zone
- Considerable warehouse and office improvements with good car parking
- Grab this versatile City Fringe investment opportunity with both hands

For Sale by Private Treaty
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

1433 Dairy Flat Hwy, Auckland

www.servicestationportfolio.co.nz



- Corner position Service Station on 20 year lease (16+ years remaining)
- Returning \$157,248 + GST with 4% rental increase in November 2017
- Well located to service both local and transit patronage
- Triple-net lease structure ensures tenant covers ongoing maintenance and capital expenditure
- Rare opportunity to secure your part of a noted development location - Call now!

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 20th July 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

Bayleys No.1 in the City and Fringe

Featured Listings for Sale

520 Te Ngae Rd, Rotorua

www.servicestationportfolio.co.nz



- Strategically located Service Station on 20 year lease (16+ years remaining)
- Returning \$140,712 + GST with 4% rental increase in November 2017
- Surrounded by other retailers and last Service Station before Rotorua Airport
- Triple-net lease structure ensures tenant covers ongoing maintenance and capital expenditure
- Perfect bottom-drawer investment opportunity

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 20th July 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

303-311 Western Hills Dr, Whangarei

www.servicestationportfolio.co.nz



- Strategically located Service Station on 20 year lease (16+ years remaining)
- Returning \$179,712 + GST with 4% rental increase in November 2017
- High profile main road position next to Burger King
- Triple-net lease structure ensures tenant covers ongoing maintenance and capital expenditure
- Key growth location - A must view for all astute long term investors

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 20th July 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

176 Commerce St, Kaitaia

www.servicestationportfolio.co.nz



- Well located Service Station on 20 year lease (16+ years remaining)
- Returning \$89,856 + GST with 4% rental increase in November 2017
- Strategic corner site on main commercial street in Kaitaia
- Triple-net lease structure ensures tenant covers ongoing maintenance and capital expenditure
- The ultimate hands-off investment opportunity

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 20th July 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

10 Puketona Rd, Paihia

www.servicestationportfolio.co.nz



- High profile Service Station on 20 year lease (16+ years remaining)
- Returning \$117,936 + GST with 4% rental increase in November 2017
- Prime position on main thoroughfare to Northlands most popular tourist destination, Paihia
- Triple-net lease structure ensures tenant covers ongoing maintenance and capital expenditure
- All long term investors must consider

For Sale by Tender (unless sold prior), closing 4:00pm Thursday 20th July 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Alan Haydock and Damien Bullick

Unit 3, 7 Maki St, Westgate

www.aucklandcityandfringe.co.nz/1683420



- An attractive investment in the bustling Westgate Shopping Centre
- Strategic position in one of Auckland's major growth locations - Westgate
- Fully leased to a state-owned enterprise providing an attractive cash flow of \$112,513 + GST p.a.
- An affordable bottom drawer investment

For Sale by Auction (unless sold prior), at 11:00am Wednesday 2nd August 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Cameron Melhuish, Genevieve Thompson-Ford and Andrew Wallace

Unit 113/85 Customs St West, Auckland Central

www.aucklandcityandfringe.co.nz/1683600



- 16 secure basement parking spaces + 10 storage lockers leased to multiple tenants
- 40m² studio apartment (approximately) managed by Accor, the world's largest hotel operator
- Hassle free investment with onsite building manager and 24/7 Concierge
- Alternative uses include: Air BnB, corporate rental, owner occupy (on six month's notice)

For Sale by Tender (unless sold prior), closing 4:00pm Tuesday 1st August, 2017
Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Phil Haydock and Alan Haydock

Our Quarterly Market Update



2017 has seen an expansion in the size of the City & Fringe team and with the increasing number of notable transactions we have expanded to a six page Quarterly Brochure to better cover our activity. The second quarter of 2017 has seen a number of strong results for the City and Fringe team, some of which are summarised on the accompanying pages. Enclosed is a selection of the sales completed through a spread of value ranges, in addition to a selection of lease deals completed.

The year to date has been characterised by two key factors; bank funding and demand for investment property. As you will note from the enclosed sales, we are continuing to see very strong results for well-located investment properties, with yields having compressed even further from last year. Conversely, the year to date has seen the formation of a two-tier market, with some secondary investment stock not selling. With the major banks being either unable or unwilling to

fund development, this has also resulted in a number of planned residential developments not proceeding, and a softening in the market for secondary development sites.

The remainder of 2017 is poised to be an interesting one, both in the City and Fringe market and further afield. It certainly appears that there is a stronger demand than ever from purchasers looking to generate an investment return through commercial property, with most other options (with the exception of syndicated property ownership) simply being unable to produce a consistent satisfactory yield. Whether the yields for prime investment stock can compress further is difficult to predict, and may come down to not only the shortage of good property available, but also the willingness of buyers to put larger amounts of equity into a deal than they are accustomed to, to satisfy bank funding requirements and interest cover.

Should you wish to further discuss the state of the market, or any of the exciting new listings which the team has to offer, please don't hesitate to contact me or one of the team, we look forward to working with you during the rest of 2017.

Alan Haydock

Commercial Sales Manager

Bayleys Auckland Commercial City and Fringe Team

Feature Lease Deals in Auckland's City & Fringe

(1 April – 30 June 2017)

15 Sale St, Auckland Central

Leased for \$ 140,416 + GST p.a. (net)



Leased to 90 Seconds Limited
Agent: Jean-Paul Smit

475 Mt Eden Rd, Mt Eden

Leased for \$134,155 + GST p.a. (net)



Leased to an Architech and Consultant Company
Agent: Andrew Wallace

Level 3, 12 Heather St, Parnell

Leased for \$112,500 + GST p.a. (net)



Leased to Liverton Limited
Agent: Jean-Paul Smit

1 Centre St, Auckland Central

Leased for \$57,000 + GST p.a. (net)



Leased to Yellow Design Limited
Agents: Andrew Wallace and Jean-Paul Smit

96 New North Rd, Eden Terrace

Leased for \$53,197 + GST p.a. (net)



Leased to Vertiv NZ
Agent: Ken Hu

B5, 1 Beresford St, Auckland Central

Leased for \$36,992 + GST p.a. (net)



Leased to a Law Firm
Agent: Reid McGowan

Featured Listings for Lease

9-15 Davis Cr, Newmarket

www.aucklandcityandfringe.co.nz/1683542



- Located in Newmarket and boasting three street frontages, this impressive opportunity to occupy a full building comprising of approximately 2,590m² plus a covered loading bay of 111m²
- Offering any incoming Tenant a number of unique and attractive attributes including an impressive stud height, large street frontages, loading dock and 43 basement car parks
- The landlord recognizes that the building could suit a wide range of potential uses and as such is willing to work in with any incoming tenant to carve off the ideal size of space and to create the most suitable space to best align with your business needs

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agent: Andrew Wallace

14 Burleigh St, Grafton

www.aucklandcityandfringe.co.nz/1683355



- This is a rare opportunity to secure a 560m² tenancy which boasts an extensive list of positive attributes
- The circa 560m² tenancy is split over two floors with level one offering a large reception area, boardroom, multiple meeting rooms/offices and completed with a large open plan work area. The ground floor offers a superb amount of storage, a loading dock and a large staff kitchen
- The building also enjoys a strategic and prominent city fringe location, offering proximity to the city as well as user friendly access to the motorway system

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Jean-Paul Smit and Andrew Wallace

18 Stanley St, Parnell

www.aucklandcityandfringe.co.nz/1683622



- Now available for lease in Parnell is a striking 464m² office tenancy that boasts exposed brick and concrete, an impressive stud-height and polished wooden floors
- The building presents in the most impressive of fashions from its stunning foyer to the expansive Level 1 tenancy with fantastic natural light which fills the tenancy with a vibrant atmosphere
- The building is superbly located and nestled in between the hustle and bustle of the CBD and the resurgent Parnell, which as a suburb is continuing to grow from strength to strength

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agents: Andrew Wallace and Genevieve Thompson-Ford

25 Hargreaves St, Freemans Bay

www.aucklandcityandfringe.co.nz/1683261



- Located opposite Victoria Park in Freemans Bay, is an incredibly rare opportunity to occupy this large City Fringe warehouse, with occupation available immediately
- The space comprises 629.52m² of high stud, clear span warehouse, split into two smaller areas of 257.27m² and 372.25m². Six car parks are located directly outside the warehouse
- The building is superbly located with motorway accesses around the corner, fitness centres within walking distance, and various award winning bars and restaurants at your fingertips

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agent: Jean-Paul Smit

Level 1, 2 Roxburgh St, Newmarket

www.aucklandcityandfringe.co.nz/1683617



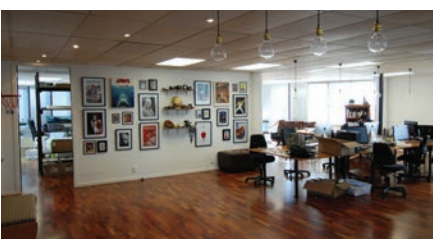
- Conveniently positioned on a North facing corner site in Newmarket's self-proclaimed design precinct
- A spacious 355m² open plan, character office space located on level 1 with an air-conditioning system running throughout
- An abundance of natural light provided by windows spanning the length and width of the tenancy of two sides
- The surrounding area is rich in amenity; various transport links on Broadway and Khyber Pass, Osborne Lanes boutique shopping precinct and the Olympic Pools to name a few

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agent: Jean-Paul Smit

Level 4, 81 Grafton Rd, Grafton

www.aucklandcityandfringe.co.nz/1683658



- A stylish top-floor opportunity has opened up in Grafton. Large windows allow all-day sun to flood the space in natural light
- The floor is 243m² and is predominantly open plan with two offices, a boardroom and a contained kitchen
- Six onsite car parks are available to be leased at affordable rates.
- This space has astounding views of Grafton and lower Parnell. Many businesses would benefit from the privacy and convenience that is included with this tenancy

For Lease - Ground Floor, Bayleys House, 30 Gaunt Street, Auckland Central

Agent: Reid McGowan and Jean-Paul Smit

Auckland Commercial City & Fringe Team

Through our dedication, professionalism and passion for commercial property, Bayleys City & Fringe team have established ourselves as leaders in sales and leasing in Auckland City and City Fringe.



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