

# CHRISTCHURCH OFFICE COLLIERS ESSENTIALS | 2H 2019



## Market Snapshot



Christchurch CBD's overall vacancy rate continues its more positive trend with less office space available, according to Colliers International's latest survey. The vacancy rate is now at 16.9%, down from last year's 20.0% and is expected to tighten as more occupiers return to the CBD.



Assisting with a more balanced demand and supply profile and the absorption of existing space is the limited construction of new premises. Currently, there is 1,452 sqm of office space under construction. This is a significant reduction from previous years.

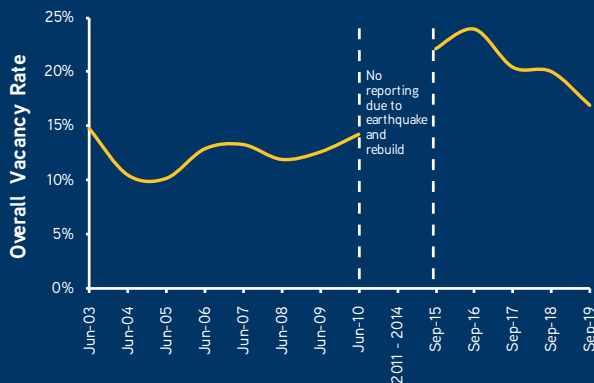


Prime rents are showing signs of stabilising at an average of \$360 per sqm. Opportunities remain in the suburban office market with growing incentives. Suburban net face rents are at \$200 - \$260 per sqm and net effective rents (includes incentives) at \$170 - \$230 per sqm.

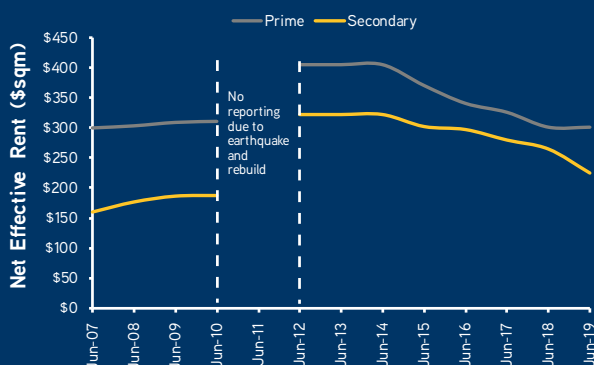


Investment activity is positive and stable but expected to improve. Colliers International's latest quarterly Commercial Property Investor Confidence survey reported a higher proportion of respondents expecting office investment conditions to improve over the next 12 months from 16% in Q2 2019 to 18% in Q3 2019.

### Christchurch CBD Office Vacancy



### Christchurch CBD Office Average Net Effective Rentals



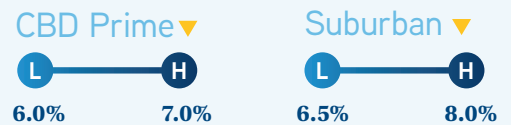
Source: Colliers International Research



### AVERAGE NET FACE RENTS (\$/sqm)



### AVERAGE YIELDS



### VACANCY RATES\*



### SUPPLY - UNDER CONSTRUCTION



Data based on September 2019. Low and high indicators are based on averages across multiple precincts and do not represent the minimum or maximum rates being achieved. Financial figures exclude buildings in the development pipeline.

\*Vacancy includes buildings under construction.



109 - 119 BLENHEIM ROAD  
PURCHASER | PRIVATE INVESTOR  
SOLD \$5,500,000 | 11.0% YIELD  
\* EARTHQUAKE EFFECTED



2,610 SHOW PLACE  
PURCHASER | PRIVATE INVESTOR  
SOLD \$13,100,000

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