

Buoyant Hawke's Bay retail occupancy

Turley & Co's latest retail occupancy survey reports Hawke's Bay mainstreet occupancy is the highest in three years. Turley & Co property strategist and valuer Pat Turley says this is economic conditions consistent. He says "Hawke's Bay is booming."

Statistics New Zealand recently reported retail sales in Hawke's Bay are growing faster than any other region of New Zealand. The Statistics NZ's Retail Trade Survey for each of the 16 regions of New Zealand, reported for the three months ending in September; retail sales for Hawke's Bay rose by \$51 million year-on-year – a corresponding 8.5% rise.

The Turley & Co report says increasingly, hospitality and personal services are bolstering the mainstreets assisted in Hastings by Council CBD vibrancy initiatives and for Napier buoyant tourism. "There has been considerable Hawke's Bay mainstreet retail tenant reshuffling with tenants jostling for positioning." Mr Turley says "it is great to see pop-up shops backfilling vacant spaces for the holidays."

The report records Hastings city centre retail shops occupancy is currently 91% improved from 90% in April. The number of shops has reduced by 3 since 2015, in part associated with Council's site purchase for a pocket park and pedestrian way to the Queen St West carpark. Hastings occupancy continues to improve over 2014-17.

Napier CBD figures are 90% occupancy in December previously at 91% in April. The number of shops supply has however increased by 4. The latest development in Hastings Street hosts MacPac and others.

"Havelock North has a very high occupancy rate" the report says. This is 97% up from 94% in April notwithstanding 7 more shops, with 75% of these now occupied.

Taradale is "solidly occupied at 95%" that was 94% in April. There has been no change in the number of shops over 2015-17. "Taradale's vacancy rate is the lowest since 2014 with occupancy much improved." The new residential developments for Taradale are expected to add to retail support levels says the report.

Turley & Co managing director Pat Turley says "there are no signs of waning economic conditions for Hawke's Bay and the current retail roll should continue into 2018." He considers "it is hard to judge the effects for Napier retail of the planned Kmart development at Prebensen Drive near Mitre 10 Mega." Mr Turley speculated that the development could be net positive by improving Napier further as a desirable retail destination.

Turley & Co www.turley.co.nz. Hawke's Bay based property strategy and valuation NZ-wide.

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