

Retail Indicators[©] | Q3-4 2020 and Q1 2021 | Issue 32

Retail Property Indicators for Napier, Hastings and Havelock North

Refer to coinciding reports: *Macro, Office and Industrial* indicators.

| Retail Category | Rental Range Gross TOC (\$/m ²) | Forecast Rental Growth Next 24 Months (%) | Yield Range (%) | Forecast Yield Change Next 24 Months (%) |
|-----------------|---|---|-----------------|--|
| Prime | \$180 - \$550 | -5 to +5% | 4.0-5.5% | 0 to 0.5% |
| Secondary | \$75 - \$180 | -10 to 0% | 5.5-9.0% | 0.5 to 1.5% |

| | | |
|---------|-------------------|--|
| Vacancy | Mainstreet Retail | 7.0% surveyed by TCL Mar 21 Micro-locality considerations and quality dependant |
|---------|-------------------|--|



Taradale Mainstreet | Photo TCL

Refer to coinciding Turley & Co *Macro, Office and Industrial* reports www.turley.co.nz/news-2/current. And economic indicators www.turley.co.nz/indicators

Contact Turley & Co for lease and investment sales details and cap rates data since 1984. And for Registered Valuer/ Registered Property Consultant assistance www.turley.co.nz/tcl-people/our-people

Hawke's Bay Retail Property Highlights Q3-4 2020 and Q1 2021

- Mainstreet retail occupancy was unchanged Oct 19 to Mar 20 per Turley & Co's surveys www.turley.co.nz/2020/04/22/retail-focus-hawkes-bay-april-2020 and per Mar 21 survey unpublished
- Hastings' CBD is experiencing a renaissance and revival led by HDC www.turley.co.nz/2021/03/08/turley-co-contribution-to-hastings-cbd-renaissance-and-revival
- Opera House (Toitoti) for lease retail units being marketed by HDC
- Napier's CBD overhaul and intensification 2013-17 tapered and occupancy has remained reasonably tight for prime sites
- Napier CBD civic plaza planning is underway by NCC with Turley & Co workshop attendance
- Havelock North's retail heart remains particularly strong with added supply leased and further building underway
- Stage 2 Joll Rd, Havelock North development underway adding further retail supply and offices above
- Large Format Retail equilibrium more recently, plus Kmart Napier has opened
- The Crossing trade retail development underway in Taradale Rd Napier
- Rebel Sport and Briscoes at Munroe Street development paused
- COVID-19 and online shopping impacts experienced by mainstreet retailers and for Napier a paucity of cruise ships
- Investment yields/ cap rates for retail properties were by early 2020 historically low and lower now (relative values high)

Turley & Co's *Macro* report lists Hawke's Bay retail developments www.turley.co.nz/news-2/current.



Napier CBD | T&Co Photo



Hastings CBD | T&Co Photo



Havelock North | T&Co Photo

Refer to more overleaf ...

More Information

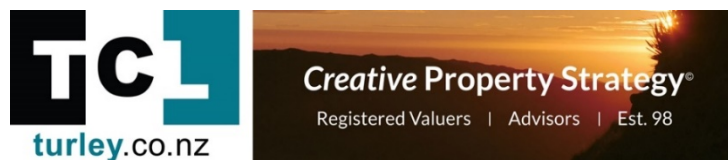
- Turley & Co news and reports www.turley.co.nz/news-2/current
- Economic indicators HB and NZ www.turley.co.nz/indicators
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Tim Whittaker Te Mata Peak Millennium Sunrise

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