

Retail Property Focus[®] | Q3-2021

Hawke's Bay Prime Retail Occupancy | Survey No. 18

Introduction

Team Turley & Co survey 509 Hawke's Bay mainstreet retail shops twice-yearly, generating metrics comparisons by precinct for seven retail use categories. Since 2014 conducting eighteen retail surveys, plus Napier in 2003.

Hawke's Bay Retail Spending Up 13% to 36%

Statistics New Zealand information indicates retail spending for Hawke's Bay Q1-20 was \$787m pre-COVID and most recently Q2-21 \$888m reflecting an increase of 12.8%.

Q2-21 retail spending compared to Q2-20 was up 36% (\$888m v. \$653m). It's a great news story!

Retail Occupancy Surveys – Before Pandemic Q1-20 and Q3-20

Our pre-pandemic Q1-20 retail occupancy survey confirmed 93% occupancy turley.co.nz/2020/04/22/retail-focus-hawkes-bay-april-2020 and Q3-20 was only 1 point lower at 92% turley.co.nz/2020/10/20/retail-focus-research-hawkes-bay-october-2020/ that by Q2-21 rebounded to 93%.

We suggested Government subsidy and stimulus packages combined with retailer and hospitality innovation and more people shopping local; could help underpin a Hawke's Bay town centres COVID effects recovery.

Retail Occupancy Surveys – Since Pandemic Q3-21 – current

Hawke's Bay retail occupancy has edged up to 94%, up 1 point on pre-pandemic and now matching Q1-19 that is the highest retail occupancy level in six years since bottoming out at 90% in 2015.

Hawke's Bay physical stores retail occupancy 2019-2021 is displaying an improvement trend and very good resilience to COVID effects and online retail headwinds. Hospitality occupancy continues to increase.

Q3-21 retail occupancy survey sample information follows. Refer to us for more comprehensive survey results turley.co.nz/our-people/our-people/

Hawke's Bay Combined Prime Retail Survey Result – No. 18			
Vacancy Change Mar 20 v Sep 21 18 Months			
Location	Mar 20	Sep 21	Change
Hastings & Napier	28	27	↓ 1
H-Nth & Taradale	7	6	↓ 1
Shop Numbers Change 15-21 6 Years		Jul 15 - Sep 21	
Prime Retail		Jul 15 - Sep 21	
Shops number change		↑ 10	
Refer to Turley & Co for full data 2015-21 and Napier 2003 survey.			

Since the pre-pandemic survey Q1-20, Napier-Hastings combined shop vacancies decreased by one shop – Hastings prime CBD vacancy decreased by one and Napier prime CBD retail occupancy remains unchanged.

The latest occupancy survey is considerably better than some pandemic effects commentary suggested was likely. Hawke's Bay mainstreets retail occupancy has overall improved notwithstanding COVID and online retail challenges, with strong domestic tourism assisting.

Hastings Central City Survey Sample – No. 18



Turley & Co photo 200 Block W Heretaunga Street Hastings

Vacancy Change Mar 20 v Sep 21 | 18 Months

Location	Mar 20	Sep 21	Change
200 Block W	2	1	↓ 1
Balance CBD	8	8	Same →

Shop Numbers Change 15-21 | 6 Years

Prime Retail	Jul 15 – Sep 21
Shops number change	↓ 2

Use Change 15-21 | 6 Years

Category (2 of 7)	Jul 15	Sep 21	Shift
Fashion Retail	29%	24%	↓ 5 pts
Food & Hospitality	13%	15%	↑ 2 pts

Refer to Turley & Co for all categories data 2015-21.

Hastings: Retail vacancy decreased by one retail unit March 20 v. September 21. The category mix has changed over six years 2015-21, migrating away from fashion retail that is down 5 points to more hospitality up 2 points – a Hawke’s Bay-wide trend.

Heretaunga Street East and nearby is now a well-established dining and entertainment district. HDC actively supports increasing outdoor dining, including street dining buildouts and coinciding licences achieving central Hastings increasing vibrancy. We refer to Turley & Co prior post turley.co.nz/2021/03/08/turley-co-contribution-to-hastings-cbd-renaissance-and-revival/

Havelock North Centre Survey Sample – No. 18



Turley & Co photo Middle Road

Vacancy Change Mar 20 v Sep 21 | 18 Months

Location	Mar 20	Sep 21	Change
Mainstreets HN	3	3	Same →

Shop Numbers Change 15-21 | 6 Years

Prime Retail	Jul 15 – Sep 21
Shops number change	↑ 10

Use Change 15-21 | 6 Years

Category (2 of 7)	Jul 15	Sep 21	Shift
Fashion Retail	19%	21%	↑ 2 pts
Food & Hospitality	24%	27%	↑ 3 pts

Refer to Turley & Co for all categories data 2015-21.

Havelock North: Retail vacancy has been unchanged since March 2020. Havelock North remains a Hawke’s Bay retail districts standout at 97% occupancy. The rate of hospitality occupancy is high, and this trend is increasing.

Napier Central City Survey Sample – No. 19



Turley & Co photo Emerson Street

Vacancy Change Mar 20 v Sep 21 18 Months			
Location	Mar 20	Sep 21	Change
Emerson St – all	6	8	↑ 2
Balance CBD	12	10	↓ 2

Shop Numbers Change 15-21 6 Years	
Prime Retail	Jul 15 – Sep 21
Shops number change	↑ 3

Use Change 15-21 6 Years			
Category (2 of 7)	Jul 15	Sep 21	Shift
Fashion Retail	33%	27%	↓ 6 pts
Food & Hospitality	12%	17%	↑ 5 pts

Refer to Turley & Co for all categories data 2015-21 and Napier 2003 survey.

Napier: March 20 v. September 21 Emerson Street vacancies increased by two retail units. CBD shop numbers however increased 2015-21 by 3. Hospitality occupancy is up 5 points over six years, whilst fashion retail reduced by 6 points.

Gloucester Street Taradale Survey Sample – No. 18



Turley & Co photo Gloucester Street

Vacancy Change Mar 20 v Sep 21 18 Months			
Location	Mar 20	Sep 21	Change
Gloucester St	4	3	↓ 1

Shop Numbers Change 15-21 6 Years	
Prime Retail	Jul 15 – Sep 21
Shops number change	↓ 1

Use Change 15-21 6 Years			
Category (2 of 7)	Jul 15	Sep 21	Shift
Fashion Retail	13%	9%	↓ 4 pts
Food & Hospitality	23%	26%	↑ 3 pts

Refer to Turley & Co for all categories data 2015-21.

Taradale: Retail vacancy for March 20 v. September 21 decreased by 1 unit. Since 2015 Taradale has increasingly seen a trend toward hospitality occupancy up 3 points to 26%, with fashion and retail diminished by 4 points.

Contact Team Turley & Co for detailed retail trends for eighteen Hawke’s Bay retail surveys since 2014 and Napier 2003. The metrics delineate by seven use categories, individual retail units and for micro-precincts within each shopping block turley.co.nz/tcl-people/our-people



Maraetōtara River restoration original sponsor 2006

More Information

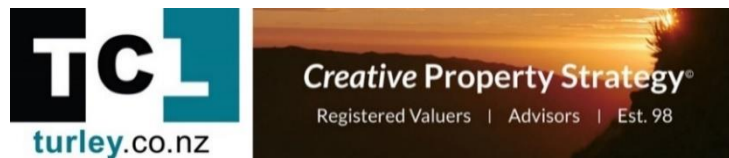
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