City Centre Quarterly Insights – March 2023

HEART OF THE CITY™ AUCKLAND

Key Data

SPEND

82%
Mar. 23 quarter
of
Mar. 19 quarter

27%
of spend was
international
Mar. 23 quarter

PEDESTRIAN COUNTS

+2%
Mar. 23 quarter
vs.
Dec. 22 quarter

65%
Mar. 23 quarter
of
Mar. 19 quarter

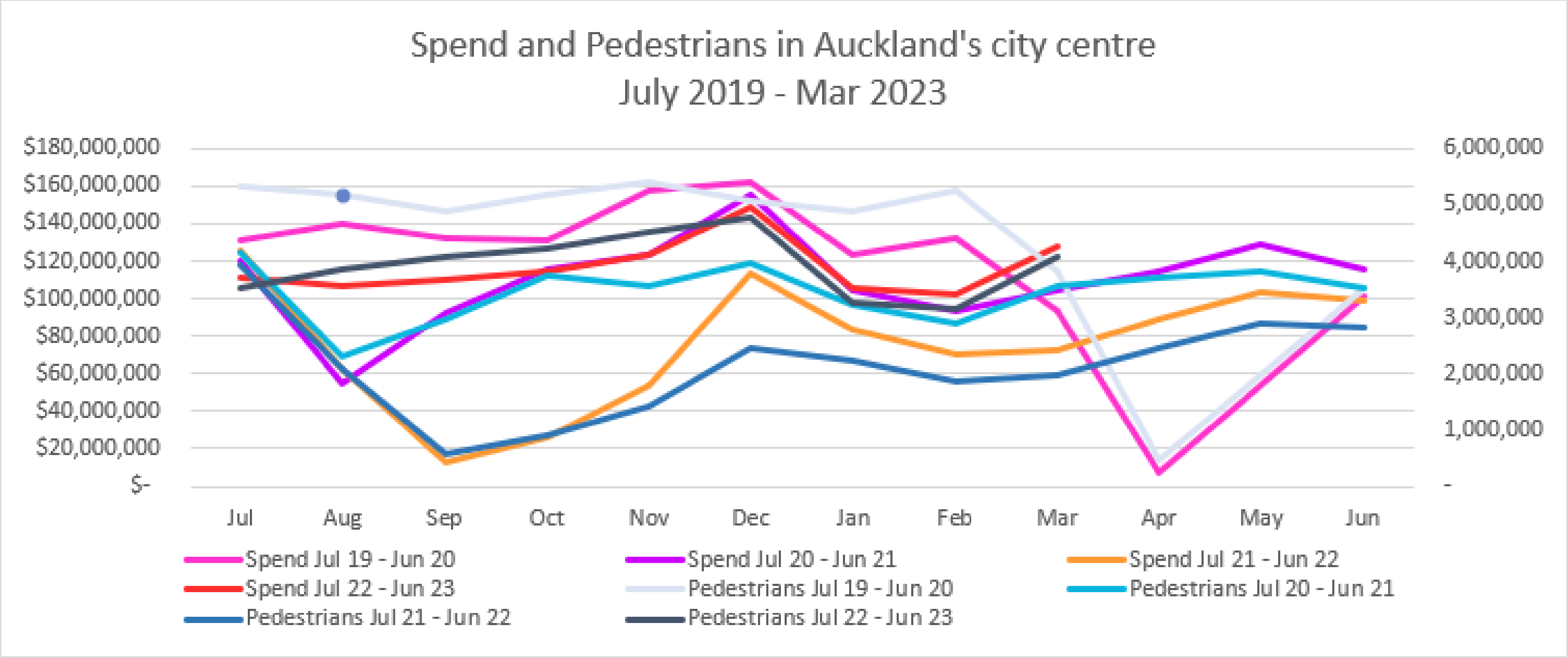
COMMERCIAL VACANCY

5.4%
Prime commercial vacancy
Dec. 22 quarter

Icons sourced from freepik.com. Source: Spend data, Marketview; Pedestrian Counts, Heart of the City Pedestrian Counts; Commercial Vacancy, JLL Commercial Property Snapshot, JLL Q4/2022

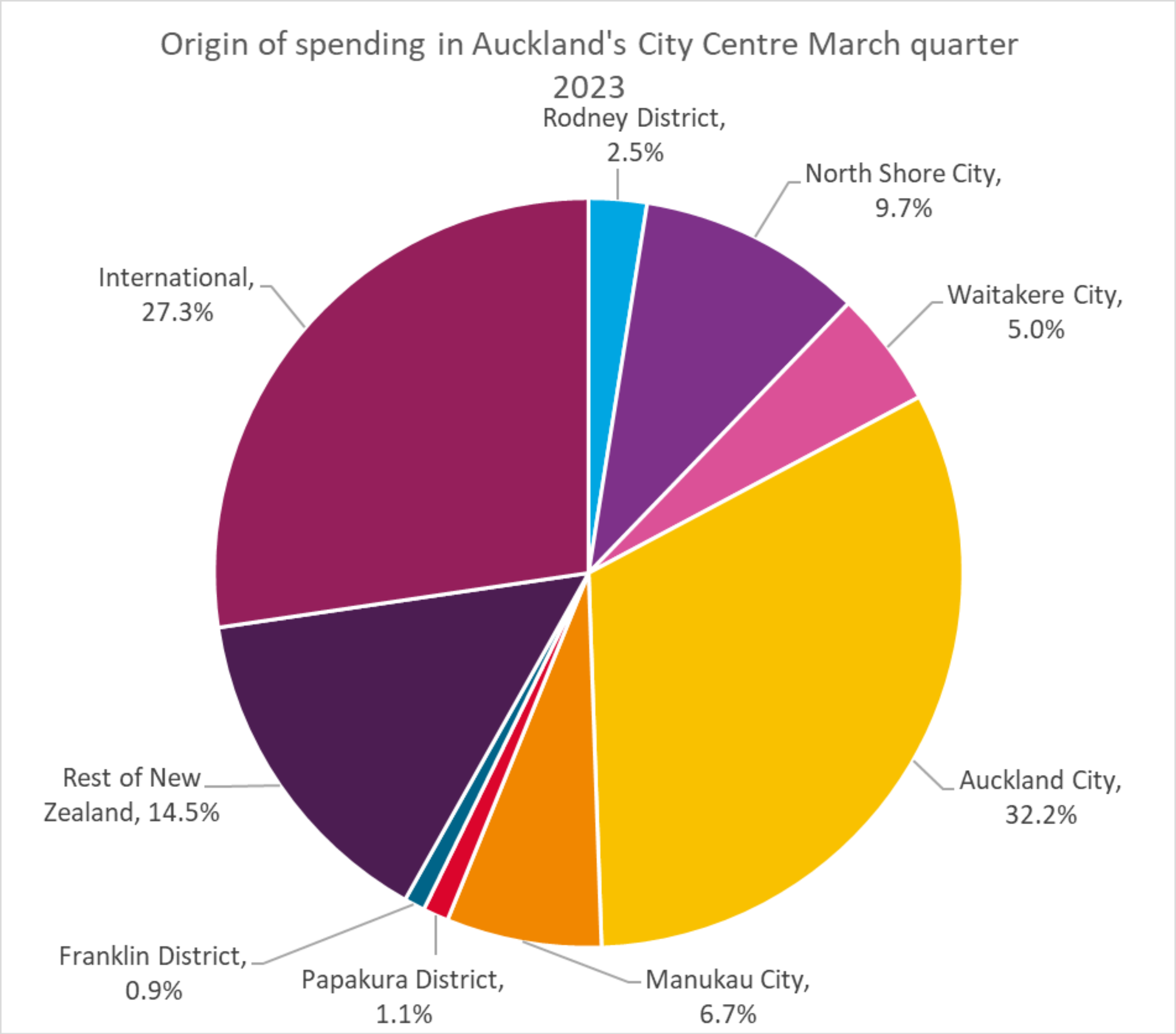
HEART OF THE CITY™ AUCKLAND

Foot traffic & Spend



Source: [HOTC Pedestrian Counts]; Marketview Quarterly Insights.

Spend



QUARTERLY SPEND MAR 23

vs. Mar. 22 quarter:
HOTC +47.5%
Competitors +10.5%

vs. Mar. 19
HOTC -18.5%
Competitors +5.8%
Rest of Auckland +14.4

QUARTERLY TRANSACTIONS MAR 23

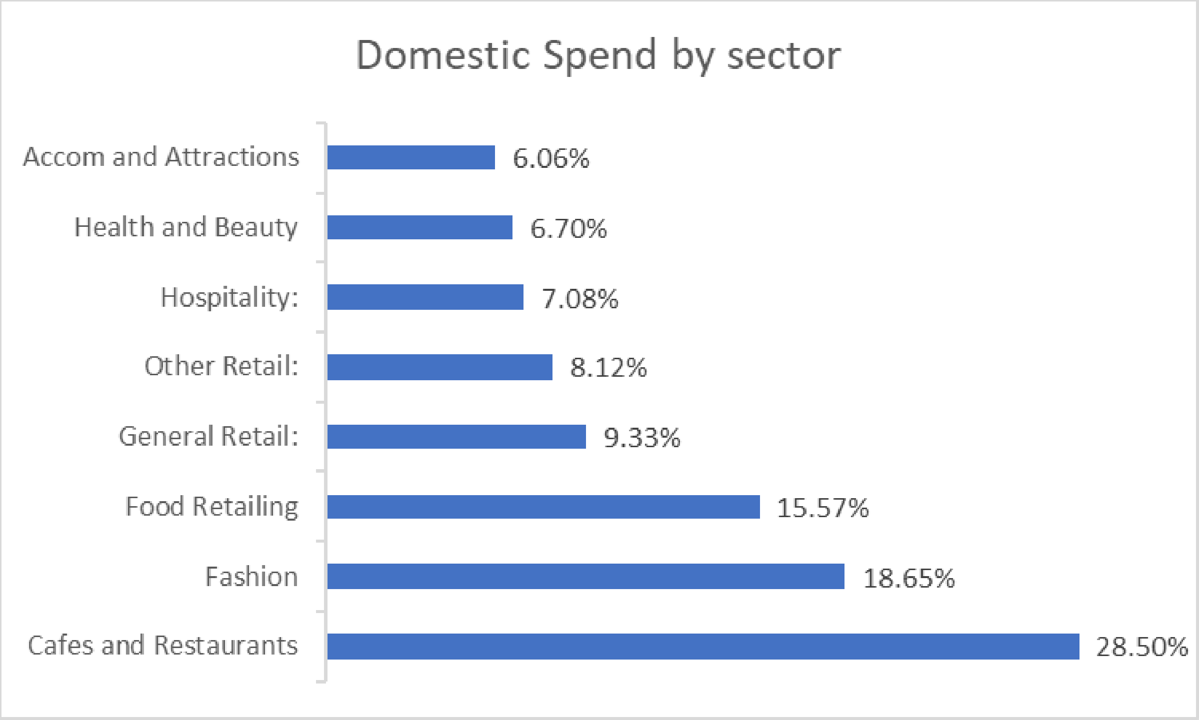
vs. Mar. 22 quarter:
Numbers: +51.1%
Average Value: -2.4%

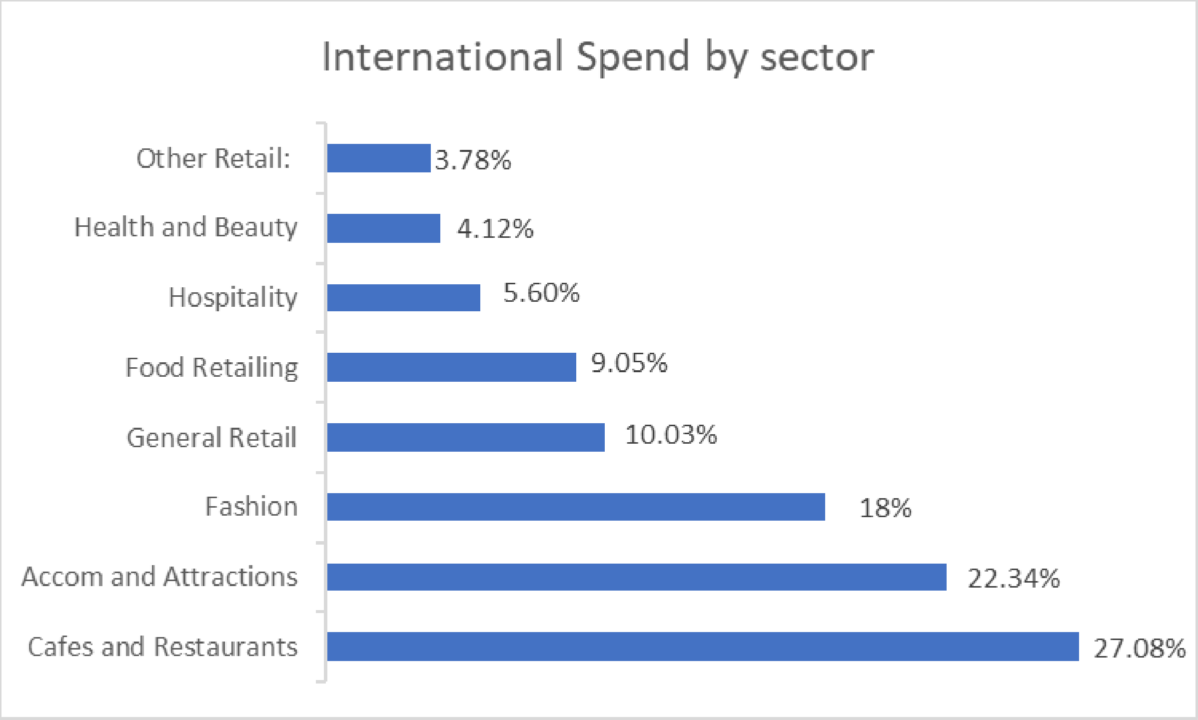
vs. Mar. 19 quarter:
Numbers: -29.8%
Average Value +22%

Source: Marketview. Not for reproduction.

HEART OF THE CITY™ AUCKLAND

What are people spending their money on?





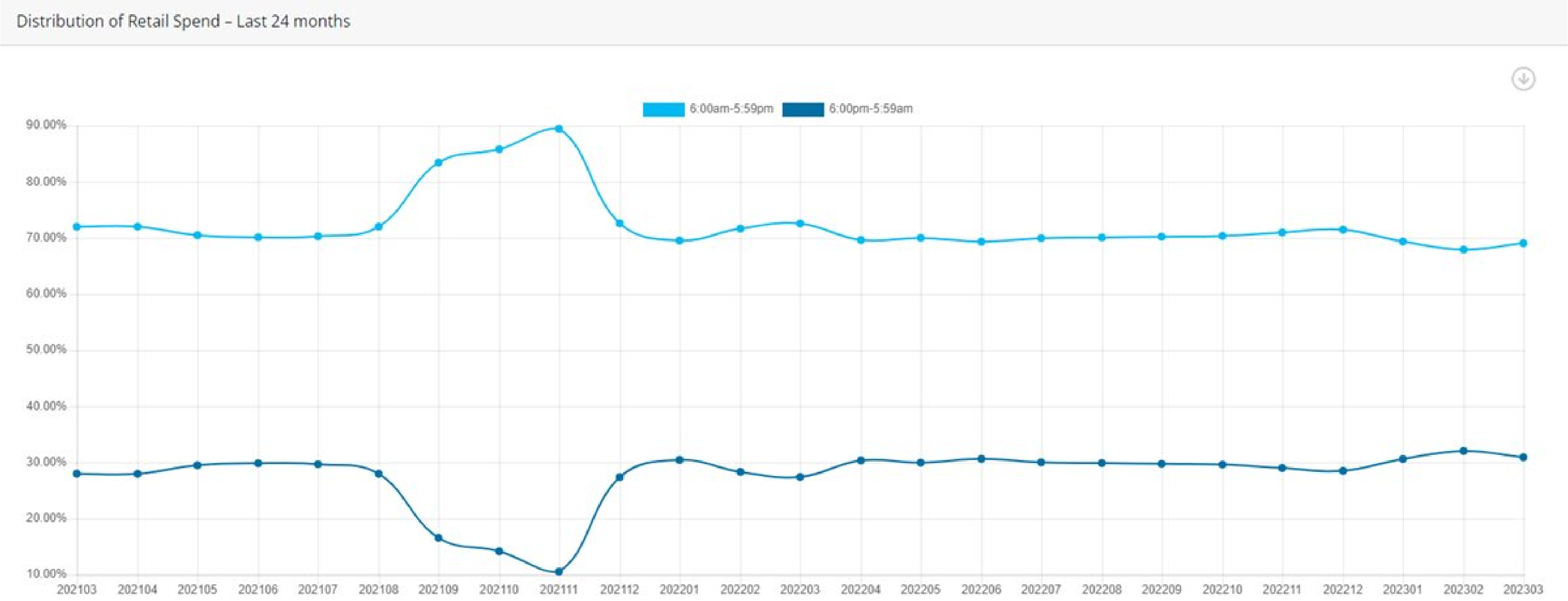
The city centre's dining scene is the top category for both domestic and international spend in the March 2023 quarter, at 28.50% and 27% respectively. This is a shift from the December 2022 quarter, which saw accommodation take the biggest share of international spending.

Source: Marketview. Not for reproduction.

HEART OF THE CITY™ AUCKLAND

Day vs Evening Spend

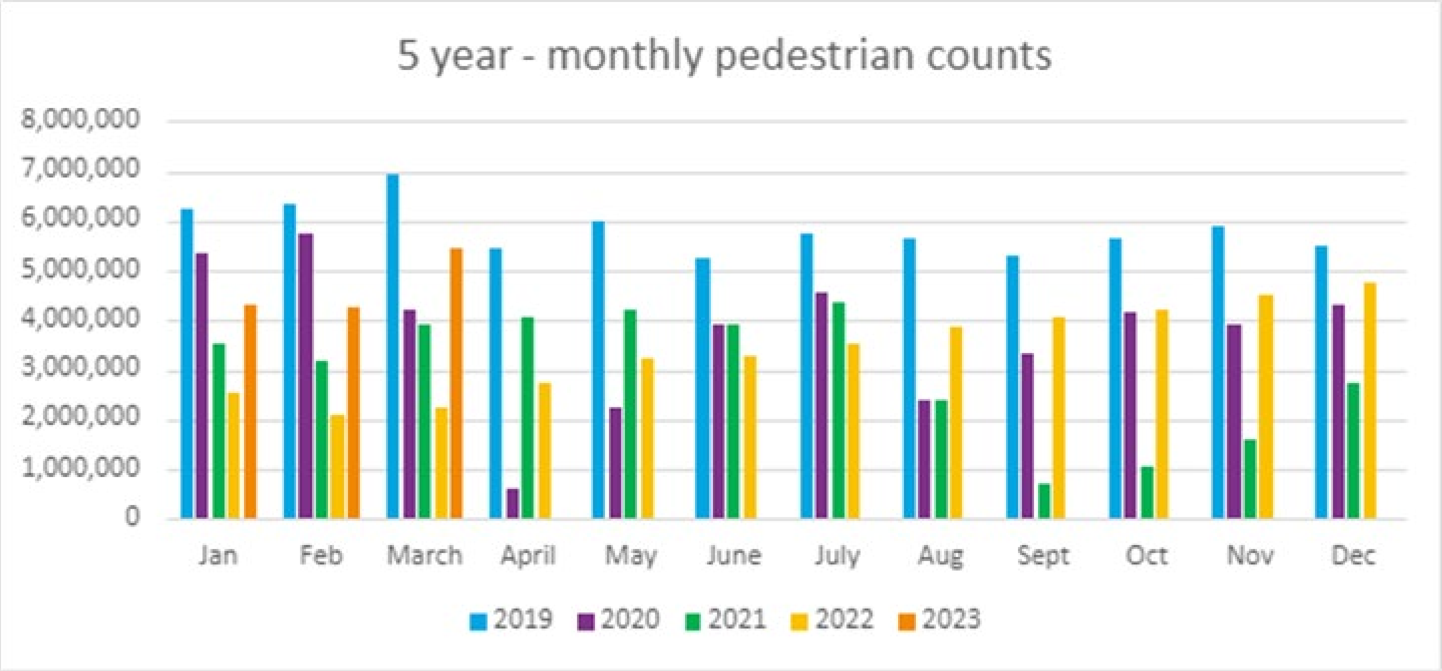
Daytime vs. Night-time: 31% of spending in the March quarter was made during the night-time (6 pm – 6 am). This result has remained fairly consistent across the last two years, aside from the period of COVID lockdown.



Source: Marketview. Not for reproduction.

HEART OF THE CITY™ AUCKLAND

Pedestrian Counts



PEDESTRIAN COUNTS

+2%

Mar. 23 quarter vs. Dec. 22 quarter

65%

Mar. 23 quarter of Mar. 19 quarter

The monthly pedestrian count trends show encouraging signs but remain behind the same quarter in 2019, (before COVID). The positive upward trend across the three months in the March quarter is likely to be impacted by the return of cruise ships – 53 ships were docked downtown - and big events held at both local and regional venues, as well as the return of students and workers. Within the quarter, March leapt up +30% on February's results. March is often a busy time in Auckland, with "March madness" signaling the return of university back after the holidays. Friday continues to be the busiest day in the city centre.

HEART OF THE CITY™ AUCKLAND

Source: HOTC Pedestrian Counts

Leasing snapshot

RETAIL VACANCY

8.2% in the Dec. 22 quarter, a drop from **8.6%** in the Oct. 22 quarter

COMMERCIAL VACANCY

10.8% All commercial vacancy in the Dec. 22 quarter, a drop from **11.6%** in the Oct. 22 quarter

5.4% Prime commercial vacancy Dec. 22 quarter

Over the December quarter (the most recent leasing data available), leasing activity resulted in a drop in Auckland city centre retail vacancy rates from 8.6% to 8.2%. JLL in their latest retail market property snapshot indicated that luxury occupier demand remains strong and the long-term completion of the City Rail Link should support longer-term positivity for the city centre.

There's also strong leasing demand for quality Auckland city centre commercial office space, with JLL reporting only 5.4% vacancy for premium tenancies in their commercial property snapshot.

CBRE's latest report about the overall increase in demand for premium office spaces here, it noted: "6-monthly total net absorption in the Auckland CBD office market hasn't been this strong since the second half of 2015".

HEART OF THE CITY™ AUCKLAND

Sources: Retail Vacancy – JLL, Retail Market Property Snapshot, Q4. 2022. Commercial: JLL, Commercial Property Snapshot, Q4. 2022, CBRE Auckland CBD Prime Quality Office Demand, 2022, https://www.cbre.co.nz/insights/briefs/auckland-cbd-prime-quality-office-demand-in-2022

HEART
OF THE CITY™
AUCKLAND