



Waide Construction's warehouse and office development for Shott Beverages.

**WEST AUCKLAND'S INVESTMENT AND DEVELOPMENT CREDENTIALS HAVE SKYROCKETED ON THE BACK OF ZONING AND INFRASTRUCTURAL CHANGES, AND COMMERCIAL AND INDUSTRIAL PROPERTY IS THRIVING.**

FROM TE ATATU TO HELENSVILLE, West and Northwest Auckland has transcended its largely-rural roots to become one of Auckland's most active and progressive property quadrants.

Once surrounded by orchards and vineyards, Lincoln Road is now a key urban highway peppered with takeaway outlets and commercial development. New Lynn has shrugged off its Crown Lynn crockery mantle to become an evolving metropolitan centre, while

former airbase land at Hobsonville is unrecognisable as residential intensification has forged a new (flight) path.

Big names are circling for data centre property out west, and the area has been dubbed "screen heartland" as New Zealand's film and television industry has seen it as a ticket to success.

Auckland Transport says the Northwest Transformation is the largest urbanisation project in New Zealand.

It includes a new town centre at Westgate, a new village centre and employment park at Hobsonville, a residential community, commercial amenities and marine industry precinct at Hobsonville Point and the projected expansion of Whenuapai and Kumeu.

With Hobsonville Point past the half-way mark of 4,500 homes due by 2024, and Auckland Council saying that in the next 30 years the population of the future urban areas of Red Hills and Whenuapai will grow

from 4,000 to over 40,000 – it's no surprise that investment dollars are chasing opportunities out west.

Infrastructural upgrades and further planned improvements, plus rezoning of large tracts of land, have opened the door to development.

Westgate Town Centre has been progressively developed by New Zealand Retail Property Group over the last 20 years and has paved the way for phenomenal residential, retail, commercial, and industrial growth in the area.

All eyes are on the 3.3-hectare Westgate site between Harvey Norman and Mitre 10 Mega, where the under-construction circa-\$100 million Costco development is on track to open next year.

**“THERE HAS BEEN A FASTER UPTAKE THAN EXPECTED OF NEW-BUILD STOCK, MAINLY FUELLED BY NEW OCCUPANTS MOVING INTO WEST AUCKLAND AS SATURATION POINT WAS REACHED ELSEWHERE IN THE SUPER CITY!”**

BRENDAN GRAVES, SALES MANAGER  
BAYLEYS NORTHWEST AND KUMEU

Costco's commitment to the site is a game changer for Westgate and the broader northwest market according to Brendan Graves, sales manager Bayleys Northwest and Kumeu.

He says the "Costco effect" is palpable and the impending arrival of the membership-only big box retailer is validating the growth and investment in the area generally.

"The fact that the world's second-largest bricks and mortar retailer after Walmart picked Westgate for its foray into the New Zealand market shows that the fundamentals of this area stack up.

"The long-run in-depth research, data modelling and planning that goes into a development like this speaks volumes for the credentials that the northwest market can offer to proactive businesses."

Development tends to beget development, with the various property sectors intersecting in Auckland's west.

"Initially, it was the availability of land in the west/northwest quadrant that drove new residential development

then, once that fly wheel was spinning, commercial and industrial development followed," says Graves.

"Migration of businesses to West Auckland is tangibly taking pressure off the North Shore market which is at capacity and hamstrung for further expansion to a large extent, and this shows the inter-relationship of greater Auckland and the forces at play."

Graves cites the Western ring route – connecting Auckland's northwest to the North Shore, CBD and to South Auckland via the Waterview tunnel – as a great enabler.

"Good arterial access and streamlined traffic networks have opened up the area significantly, however, infrastructural challenges remain in the wider West Auckland catchment and these will only be compounded by future growth dynamics.

"This is particularly evident with the bottlenecks we are seeing around Kumeu and the long tails for commuter traffic during peak times."

Graves said on the back of higher density housing in key western precincts, the demand for commercial and industrial property has escalated and development pipelines are barely scratching the surface.

"There has been a faster uptake than expected of new-build stock, mainly fuelled by new occupants moving into West Auckland as saturation point was reached elsewhere in the super city," he says.

"Investors from outside of Auckland have tended to focus on the proven, more-traditional precincts like South Auckland and the North Shore, hence out west we are seeing innovative projects being undertaken by mainly local investment and development entities."



Midpoint Investments' 20-unit Kakano Business Park.





Kiwi Property developed The Brickworks at LynnMall in 2015.

## “WE SEE DEMAND FOR A HIGH QUALITY OFFICE PRODUCT WITHIN LYNNMALL TO SERVICE WEST AUCKLAND”

KANE GOULDEN, SENIOR LEASING MANAGER, KIWI PROPERTY GROUP



Midpoint Investments' 15-unit Northside Business Park.

in the northwest – owning the Westgate Lifestyle precinct, and LynnMall, in the growing town centre of New Lynn.

Westgate Lifestyle forms part of the Westgate Town Centre development, providing 28 large format retail stores with 25,604 square metres of net lettable space.

LynnMall was New Zealand's first suburban shopping centre, opening in 1963, and purchased by Kiwi in 2010. It now has a net lettable area of 37,689 square metres with nearly 140 tenants.

Kane Goulden, senior leasing manager with Kiwi Property Group, said LynnMall has the potential to become a thriving mixed-use community, enabled by excellent transport connectivity and all-encompassing Metropolitan Centre zoning.

“We developed The Brickworks dining precinct there in 2015, comprising seven dining options plus an eight-screen Reading Cinema, and adding 4,700 square metres to the centre's footprint,” he says.

“LynnMall is very well-connected to public transport being adjacent to the train station and the New Lynn Transport Hub and when the city rail link opens up, the journey between LynnMall and the CBD will be less than 30 minutes.”

Goulden says Kiwi targets prominent mixed-use properties in locations favoured by the Auckland Unitary Plan, and in Metropolitan Centre-zoned areas with positive growth prospects.

New Lynn is a major urban growth node and, like Sylvia Park, development to a height of 72 metres is allowed at LynnMall.

“This will allow for intensification with mixed-use developments such as office and residential to complement the high level of retail amenity that LynnMall provides.

“While COVID-19 impacts are still being assessed, we note occupiers moving from a centralised model within the CBD to hub and spoke locations with flexible work models.

“Occupiers are increasingly looking to provide a varied range of workplace solutions whether by process, technology or location and we intend reflecting this trend at LynnMall – as we have done with ANZ Raranga in Kiwi's Sylvia Park mixed-use precinct.

“We see demand for a high quality office product within LynnMall to service West Auckland, complemented by a comprehensive retail, food and beverage offering and well-connected public transport,” he explains.

“The West Auckland office market accounts for circa-107,000 square metres or six percent of the total metropolitan office supply, and around just 8.5 percent of it is considered A-grade, so we foresee the opportunity to provide a unique offering at LynnMall.”

The build-to-rent residential sector is also on Kiwi's radar with Goulden saying it's currently designing a mixed-use tower for LynnMall which would include retail, office space, plus build-to-rent apartments.

## INDUSTRIAL OPPORTUNITY

Over in Westgate, Midpoint Investments has developed two industrial precincts since 2017 – the 15-unit Northside Business Park and the 20-unit Kakano Business Park.

Midpoint's development manager James Staples says Westgate has provided greenfield opportunities in close proximity to motorway links north, south and to the CBD.

“To be developing alongside large national and international companies has been great and with the already large residential catchment set to increase



Waide Construction's warehouse and office development for Sherratt Ingredients.

## “AS MORE INDUSTRIAL-ZONED LAND BECOMES AVAILABLE, I BELIEVE HOBSONVILLE WILL BECOME A REAL POWERHOUSE IN THE AUCKLAND INDUSTRIAL MARKET.”

CHARLIE WAIDE, MANAGING DIRECTOR, WAIDE CONSTRUCTION

rapidly in the short to medium term, the credentials of the Westgate area just make sense to us.

“We've focused our attention on the accessible business park model as we can offer flexibility of sizes to suit demand, can control the quality and continuity of design, and create secure, safe intrinsically-workable environments.

“Looking ahead, the shortage of affordable industrial land out west and a lack of infrastructure to allow the further supply of developable land will ultimately impact occupiers who are keen to relocate to West Auckland on the back of its sound business and economic fundamentals.”

Having purchased two large Hobsonville sites with equity partners at 88 and 92D Hobsonville Road for industrial developments, Charlie Waide,

managing director Waide Construction, says it's refreshing to be working in the industrial space after proactively developing in the residential sector for many years.

“While we will continue to work on residential projects, as an asset class, industrial property is proving easier to plan and has a higher return on investment.

“As more industrial-zoned land becomes available, I believe Hobsonville will become a real powerhouse in the Auckland industrial market and having recently developed new warehousing and office facilities for Sherratt Ingredients, and Shott Beverages, we have a foot in the door in this exciting precinct.”

Waide's 15-unit industrial development at 88 Hobsonville Road, where units will range from 288-633 square metres, is selling down at lightning pace off the plans, reinforcing the desirability of architect-designed high-specification warehouse and office space in a landscaped, corporate environment.

“The occupier and investor market can't get enough of industrial space with good warehouse-to-office ratios, high stud heights and allocated parking,” says Waide.

“At 92D Hobsonville Road, we're still master-planning the site in order to achieve the best return, with pre-commitments and enquiries proving very strong to date.”



Artist's impression: Waide Construction's 15-unit industrial development at 88 Hobsonville Road.