

CoreNet Global NZ - Predictions and Resolutions 2016



To kick things off for 2016, CoreNet Global NZ met for the first time on Thursday the 18 February for the third annual 'Predictions and Resolutions' event that featuring leaders across the corporate real estate space.

Hosted at the prestigious JLL offices in Auckland's CBD, David Maurice first introduced us to CoreNet's new Chairman Rod Aitkin from ASB before letting the panel of guest speakers get into predictions and resolutions for 2016.

Jo Monaghan - Workplace Design and Delivery Manager at [BNZ](#)

- **Christchurch will soon become the crane capital** - Auckland currently has the highest number of cranes in the country, but Jo believes that Christchurch could soon steal the title as it has a growing number of developments in the works
- **Sunderland will not get demoted** – Jo is hoping that English football club Sunderland will not get demoted this season
- **100% standing desks** – While many businesses are becoming aware of the standing desk, Jo predicts that we will see a shift in workplaces embracing standing desk 100%
- **Demise of commuting** – As the hub model is becoming more and more distributed, people aren't wanting to come into work every day, says Jo. Co-working, collaborating and flexible working have become extremely popular – so there's a real demand for businesses to offer more diverse work arrangements. Over in the US, one in four people are freelancers, so we should expect a similar shift in New Zealand sometime soon.
- **Mobile furniture** – Many businesses are wanting flexible work spaces – Jo expects an increased demand in lighter and more mobile so people can rearrange office spaces with ease
- **Finish thesis** – On a more personal level, Jo hopes to finish writing her thesis this year



Bob Dey – [The Bob Dey Property Report](#)

- **Auckland Council** – With the elections coming up this year, we should expect a degree of belt tightening, says Bob
- **Commercial property** – There's a lot of developments set to take place this year, with five major listed entities doing development
- **What happens after the boom?** – Business is currently booming but are businesses preparing for after the boom takes place? Bob believes the property development industry needs to look towards different kinds of investment models as the industry moves forward
- **Cutting red tape** – When it comes to cutting red tape, the industry needs to offer a solution of some kind



David Lambie – Principal and Director at [TwentyTwo](#)

David divided his predictions and resolutions for 2016 up into three sections (or three cities): Auckland Wellington and Christchurch.

Auckland:

- **Auckland will have a strong commercial property market** this year, says David, especially from a tenant's perspective. Leases will be expiring soon, and we will see a continuing trend of consolidation
- **Better workplaces** – With a large number of new buildings going up that are embracing smart technology, there will be an influx of workspaces with efficient layouts. Many businesses will be able to find better, newer, work spaces for the same price they're paying now



Wellington:

- **Good times for the Wellington market** – Much like Auckland, the city will experience good rates with a premium stock
- **Two new buildings** – There are two new office buildings being developed in the CBD which doesn't sound like a lot, but these buildings will offer more workspaces for businesses in the city
- **Proactive city council** – Wellington City Council are highly supportive of growth industries, innovation and business development
- **Seismic work** – As Wellington is prone to earthquakes, there is a constant interest in ensuring buildings are up to code. This year that interest will continue

Christchurch:

- **CBD rebuild** – While the Christchurch construction market has been booming since the February earthquake five years ago, the market is starting to slow down. David believes there will be a second wave of rebuilding in the CBD

- **Moving offices** – The six year anniversary from the earthquake is coming up next year, and leases will be rolling over, so we should expect businesses to be looking for new office spaces
- **Workplace safety** – After the recent earthquake in the city, workplace safety is of high importance

Justin Kean - Director of Research and Capital Markets at [JLL](#)

- **Investment property plateau** – This year we should expect investment in the corporate real estate market to tap out, says Justin. The market is similar to how it was in 2007, right before the 2008 market crash. While he's not predicting a market crash, Justin says yields are falling consistently and he thinks this might be the year when things plateau
- **Leasing will continue to grow** - While the investment market might plateau this year, the leasing market is showing strong signs of continued growth
- **The CBD will become a massive construction site** – With the Commercial Bay development set to be complete in three years, as well as construction on Wynyard Quarter, the new SkyCity Convention Centre and various other sites, Auckland's CBD will become one great big construction site. As a result, tenants might be thinking twice about where they settle in the CBD
- **Denim Dungarees** – They will make a comeback, and so will double and triple denim outfits



Thanks to all our amazing guest speakers and thanks to all the members that came along. We look forward to another brilliant year and we will see you all at the next event.

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