

## What's Happening in... Hamilton, NZ?



New Zealand's city of Hamilton – or Kirikiriroa in Maori – sits on the banks of the famous Waikato River which features heavily in its sights and site. In this city known for its beautiful greenery and walks, the most popular tourist attraction is the 54-hectare Hamilton Gardens.

With a population of just under 200,000 people, Hamilton is the fourth most populous city in the country. In 2020, it was named 'most beautiful large city in New Zealand'. The wider Hamilton Urban Area includes Ngāruawāhia, Te Awamutu and Cambridge, which collectively cover some 110 square kilometers of land. It is also the third fastest-growing urban area.

### Leading Industries and Outputs

Hamilton's economic heritage is as an agricultural services hub, particularly dairy cattle and vegetable farming, but it also has thriving business services, construction, and health and community services. Additionally, R&D is an emerging sphere, given the city's high tertiary educated population.

### Residential Market Factors

New Zealand has typically seen high demand and low supply for residential housing in recent years which has kept prices elevated. There are, however, some movements in the markets, and new regulations around lending coming into play that could mean fewer residential buyers would qualify and those that do could be in for "bargains" in 2022 – according to a January 2022 report from Stuff.co.nz citing Mortgage Lab chief executive Rupert Gough.



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Additionally, Realestate.co.nz recently reported new house listings in November 2021 were hitting their highest level in seven years, and Stuff.co.nz added that data from Infometric showing consent and permissions for new build projects were also much increased, compared year on year.

The latest CoreLogic Home Price Index (HPI) report shows that property values have declined in Hamilton, where housing values were down 0.9% in March.

### Commercial Property Outlook

New property rating valuations from Hamilton City Council – released in April 2022 – put the city's worth at NZ\$ 71.4 billion.

Our Hamilton reports that the city's "total property Capital Value (the total value of the land and any buildings on it) increased 53%, and Land Value 67% since 2018". "On average," the article continues, "Capital Values for commercial and industrial property have increased by 40% across the city".

Insight from NAI Harcourts in the country suggests that industrial will remain "the darling of the three commercial property sectors", but also that there is momentum in the Hamilton office market, which they characterized as coming from a "flight to quality" that was pushing local business in the central business districts to up their game.

For more regional insight, contact NAI Global's partner in New Zealand, NAI Harcourts.

