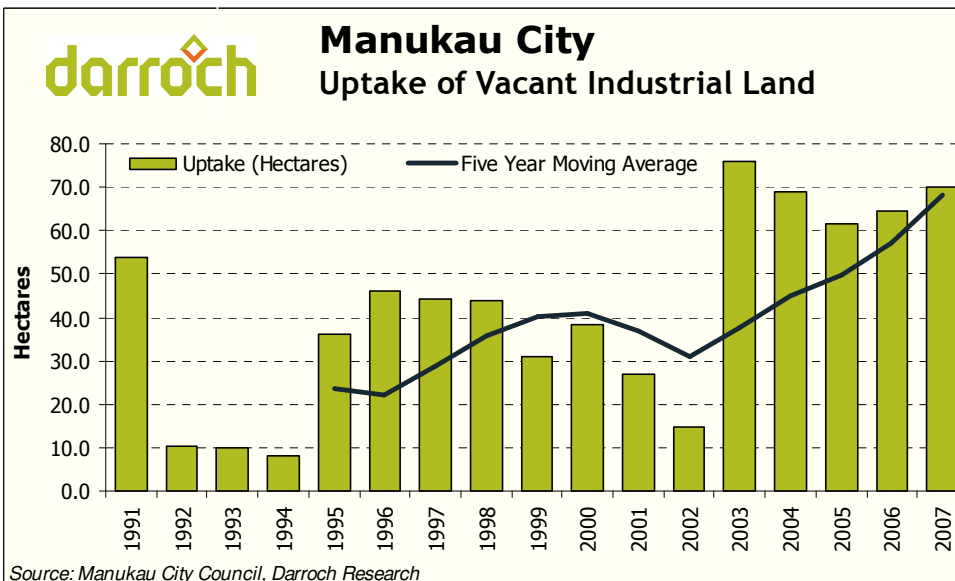


Manukau Land Pressures Continue

Five Year Uptake Breaks All Records

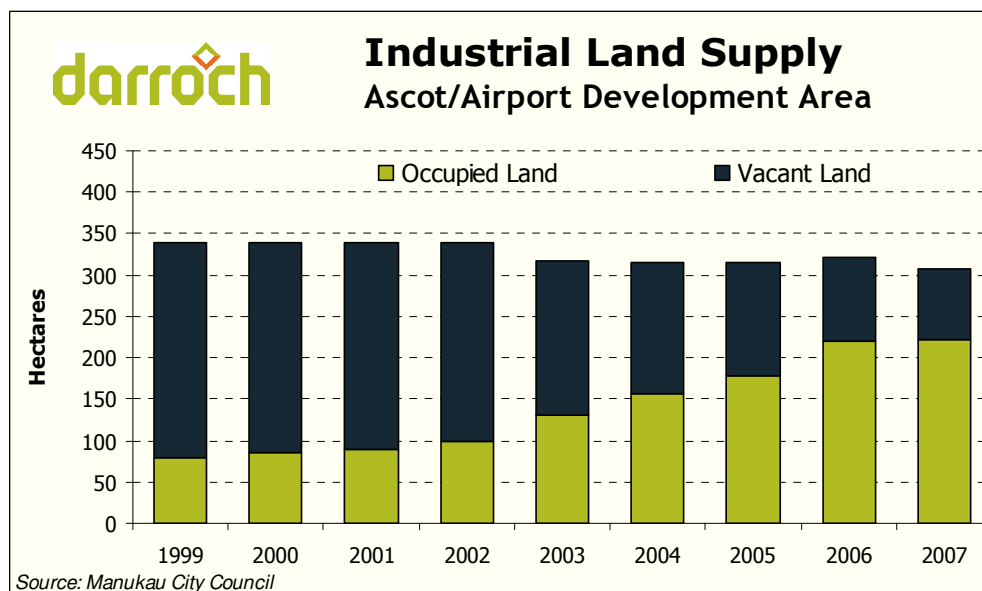
Vacant industrial land supply in Manukau continues to be absorbed at a phenomenal rate with total uptake in the last five years breaking all previous records. Between 2003 and 2007, the total uptake of industrial land was 330 hectares – greater than that achieved in the eleven years between 1992 and 2002. According to Council’s latest Business Space Survey, this is the fifth consecutive year that industrial land absorption has topped 50 hectares per annum, easily confirming Manukau as the fastest growing industrial city in New Zealand. In the 12 months to January 2007, a staggering 70 hectares was absorbed for industrial use – second only to the record uptake of 76 hectares recorded in 2003.



“This is the fifth consecutive year that industrial land absorption has topped 60 hectares per annum, easily confirming Manukau as the fastest growing industrial city in New Zealand”

The strong uptake of land in Manukau coincides with Metropolitan Auckland’s struggle to provide readily available green fields sites elsewhere. Both Auckland City and North Shore City face shortages in industrial land supply and as a result the thrust of the region’s new industrial development has switch more and more towards South Auckland where land prices have been historically cheaper and sites more readily available.

One of the fastest growing industrial areas in Manukau in the last five years has been the Airport Development Area which includes the Westney Road Precinct, Ascot Precinct and the Orurangi South area. Since 2003, just under 130 hectares has been absorbed for development in this key sector alone. The current and planned growth of Auckland International Airport has been a major catalyst. Over the next decade freight forwarding, logistics and warehousing are set to take on greater roles as New Zealand manufacturing is faced with more and more imports. The Airport itself has a master plan for expansion which includes the addition of a second runway. The chart (over) highlights the changing land use in the Airport Development Area. In just seven years, industrial land has transformed from 75% vacant to virtually 75% occupied;



Other precincts which experienced significant land uptake in the 12 months to January 2007 include:

- The Massey Road industrial area (especially Savill Drive) with 26 hectares
- Highbrook (Waiouru Peninsula) with 18 hectares
- James Fletcher Drive with 9 hectares

Notable for its now lower absorption levels, are the key precincts of **East Tamaki** and **Manukau Central/Wiri**. Together these two established industrial nodes account for almost 1,200 hectares of industrial land area, but in the Council's latest survey "vacant land" now represents just 24% of the total land holding. In both precincts, land is very tightly held adding to scarcity, and as a consequence industrial land prices have continued to rise.