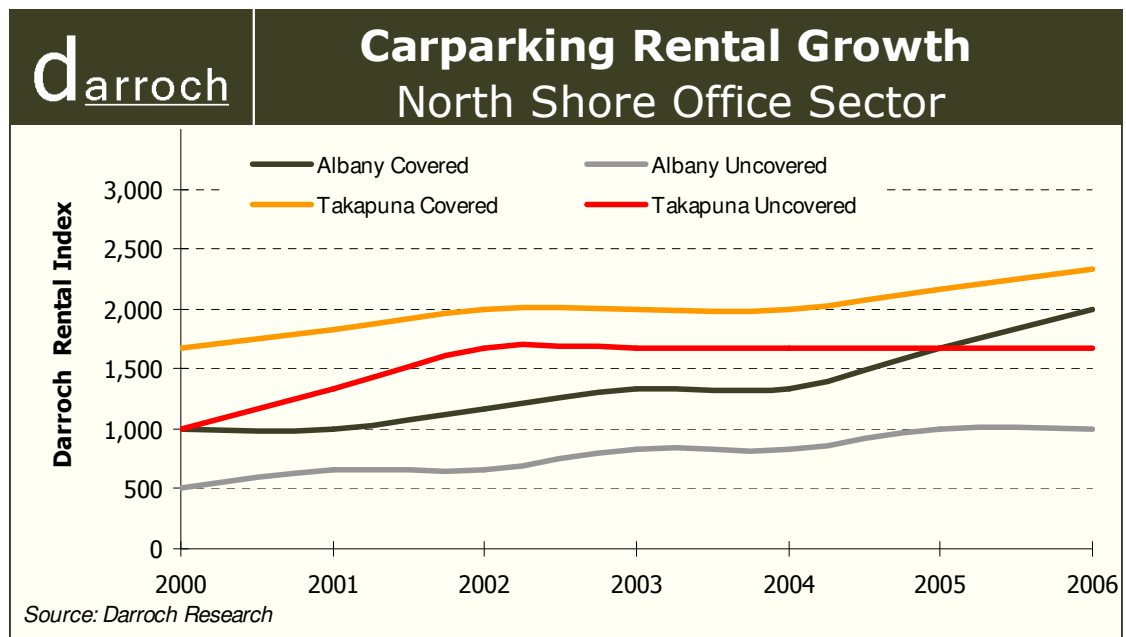


## Shore Carpark Rents Outperform Office Returns

September 2006

**Carparking rentals in Albany and Takapuna have outperformed their office counterparts according to Darroch Research's North Shore Rental Index.**

The index which tracks office and carpark rentals since 2000, shows covered car park spaces in Albany averaged a compound growth rate of 10% per annum over the last six years. By comparison, prime and secondary office rentals in Albany barely averaged 3% per annum during the same period. Similarly, prime rents in Takapuna recorded just a 2.6% growth rate but secondary rentals fared better – averaging a healthy 4% annual growth rate. Back in 1999-2000, average office space in Takapuna could expect a rental of close to \$160 per square metre - now secondary space there is attracting around \$200 psm net.



Covered carparking in Albany has been the best performer - more or less doubling its returns over the last six years from \$15 to \$30 per space per week. In Takapuna, car park rental growth has not been as prominent but the rates for covered and uncovered spaces still show compound growth levels of between 5% and 7% per annum. Surprisingly, uncovered car parks in Takapuna appear the poorest performer with little growth achieved in the last three years. Here, standard rates for open spaces have barely changed since the benchmark of \$25 per space per week was set in 2002-2003. Given the frequent publicity on carparking shortages in Takapuna we would expect to see some upside/catch up of rentals in this market in the near future.