


Sylvia Park (2022)

Sylvia Park is largely a retail area due to the development of the Sylvia Park Mall, south of the Auckland city centre. The area is home to almost **5,000 jobs**, making it a locally important employment precinct, although the mall itself serves a wide catchment. The precinct has added over **3,000** additional jobs in the two decades to 2022.

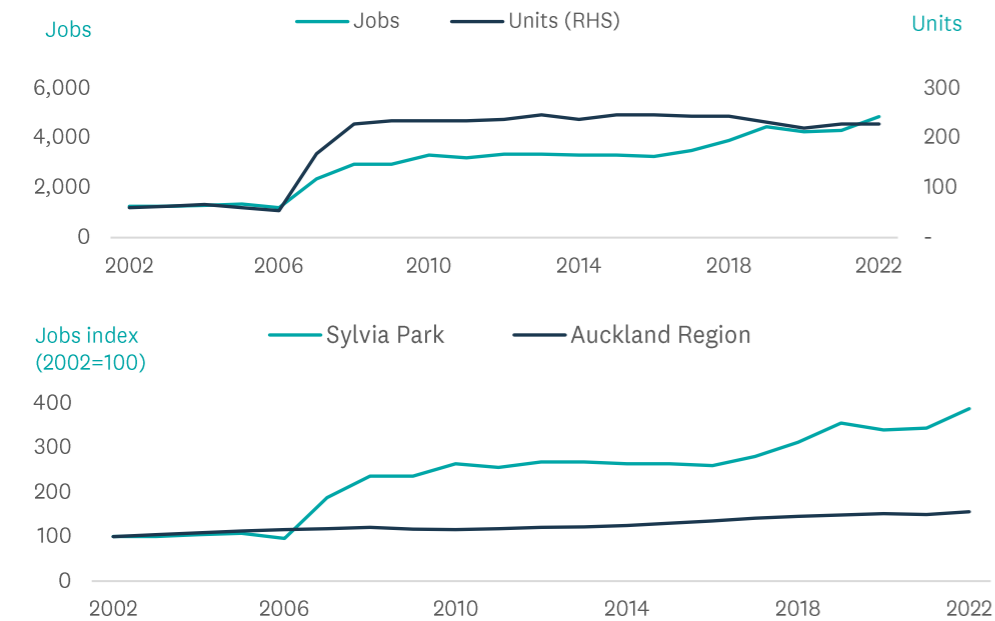
The significant rise in percentage terms of the number of jobs in the precinct is directly tied to the opening and expansion of the Sylvia Park shopping centre, beginning in mid-2006. This level of growth has far outpaced the job growth seen in the wider Auckland region having come from a very low base.

Basic Facts

	Sylvia Park	% of AKL
Population (2022 est.)	140	0.01%
Area (SA2 147400)	0.6 KM ²	0.0%
Jobs (2022)	4,850	0.6%
Jobs (2002-2022)	3,600	1.2%
Business Units (2022)	228	0.1%
Business Units (2002-2022)	168	0.2%



Jobs and Business Numbers



Sectors

While the retail trade sector is the key employer in the area, manufacturing, finance, and food services are also key employers. The location quotient for retail trade and financial services are both above 4, meaning the employment in these two sectors in the Auckland region are highly concentrated in Sylvia Park.

For retail trade, it's not surprising that the largest employing sector is store based retailing. However, within the finance sector, the location quotient for insurance & funds management is 14.5, meaning that Sylvia Park employs significantly more insurance and fund management jobs compared to the broader Auckland region. A small sector, but a highly specialised one.

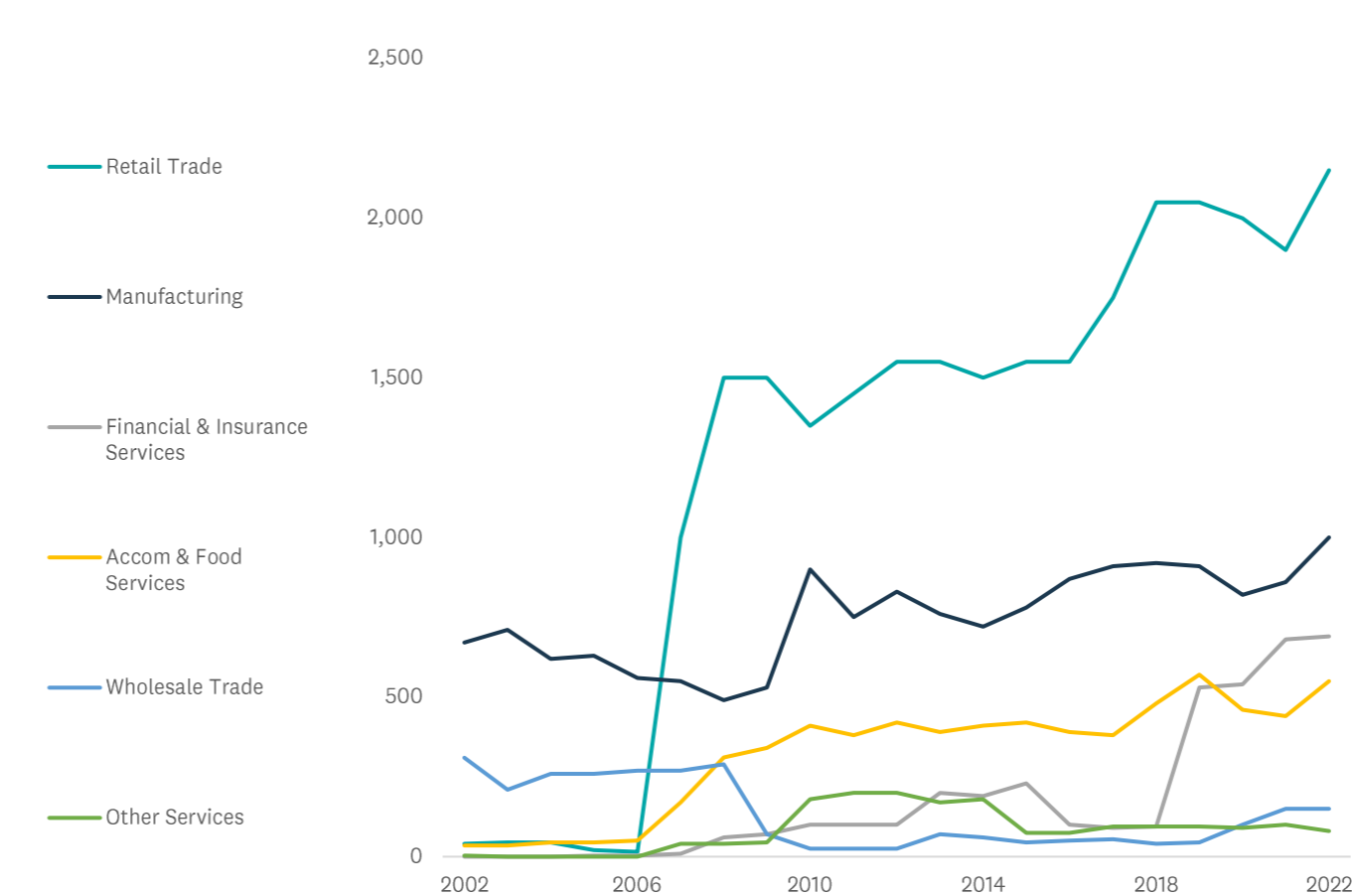
Broad Sector	Jobs	% of Sylvia Park	% of AKL	LQ
Retail Trade	1,900	44.2%	9.5%	4.7
Manufacturing	860	20.0%	9.7%	2.1
Financial & Insurance Services	680	15.8%	3.9%	4.1
Accommodation & Food Services	440	10.2%	7.0%	1.5
Wholesale Trade	140	3.3%	7.3%	0.5
Other Services	100	2.3%	3.3%	0.7
Prof, Scientific & Technical Services	60	1.4%	10.6%	0.1

Retail Trade	Jobs	LQ
Other Store-Based Retailing	1,800	6.4
Food Retailing	350	2.7

Manufacturing	Jobs	LQ
Beverage & Tobacco Product Manufacturing	680	33.0
Machinery & Equipment Manufacturing	320	3.8

Financial & Insurance Services	Jobs	LQ
Insurance & Superannuation Funds	570	14.5
Finance	110	1.1

Sectors Over Time (jobs)



Sectoral Change

The retail trade sector became the largest employer in Sylvia Park following the opening of the Sylvia Park shopping centre. Before this, like much of the Auckland region, manufacturing was the key employer. Manufacturing jobs have not fallen significantly, unlike many other areas of the wider Auckland region, even trending upwards slightly through the mid to late 2010s.

Retail trade employment hit a peak in 2017, remained elevated, but not growing, before falling with the COVID-19 related economic disruptions, recovering over the last year.

Employment Growth and Decline

Sector	Job Growth 2012-2022	Sylvia Pk Growth	AKL Growth
Retail Trade	600	39%	34%
Financial & Insurance Services	590	590%	23%
Manufacturing	170	20%	11%
Accommodation & Food Services	130	31%	30%
Transport, Postal & Warehousing	-35	-70%	17%
Other Services	-120	-60%	26%

Along with the increase in retail trade, accommodation & food services also began to grow. This is typical as retail and accommodation & food services are often positively correlated.

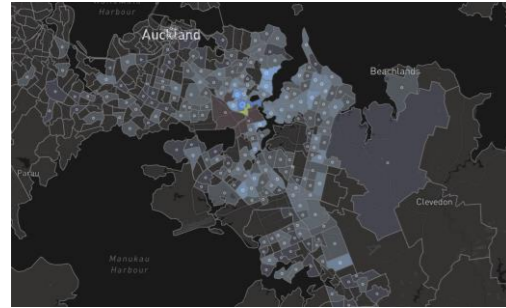
Clothing retail and cafes & takeaways have driven retail employment growth at Sylvia Park as a result of development of the mall.

There are several finance and insurance companies operating in the Sylvia Park area.

Health & general insurance and non-depository financial intermediation being the main growth areas. ANZ and IAG are tenants of the first office tower to be built at Sylvia Park which was completed in 2019.

Beverage manufacturing is the main drive of manufacturing employment growth with Coca Cola based in the area.

Personal care services saw a drop in employment.



(Census 2018)

Commuting and Public Transit

Sylvia Park draws most of its labour locally and a modest amount from the wider Auckland region. 2,322 people travel to Sylvia Park for work while no one lives there.

Sylvia Park is on the Auckland Rapid Transit Network with a station on the Eastern line serving the area.

Development of the retail mall along with residential development has seen public transport serving the area improve.

Commercial Property Assessment

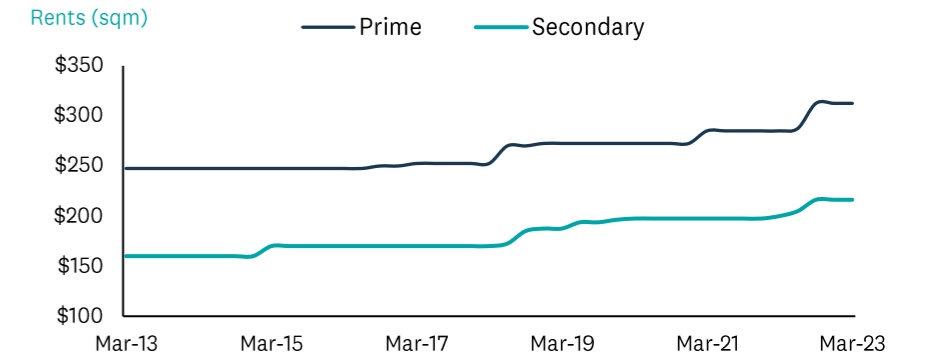
Commercial property market intelligence provided by Colliers provides an overview of demand and cost of office, industrial and retail premises across 67 employment areas in the Auckland Region. While these areas are not mapped to the Auckland Plan's key economic areas, they provide a useful insight into some of the drivers of industrial location change in the region.

Office space in Auckland is dominated by the CBD with some significant areas of supply in the region's larger centres. While the CBD has seen an increase in supply most other centres have remained flat and while rents have risen across the region the CBD commands a premium above other commercial centres.

The last decade has seen an increase in prime industrial floorspace in the region, mostly driven by development at Auckland Airport and Highbrook, by far the largest areas of prime industrial space. The supply of secondary floorspace has declined in many areas and only grown regionally due to a notable increase in Manukau / Wiri.

Regionally, high street retail space has performed poorly compared to mall-based retail which has generally been more stable in terms of vacancy rates. Residential development across the region tends to support ongoing demand in nearby retail centres. While demand for retail space generally exerts an upward pressure on rental costs the COVID-19 trading restrictions saw a dip in most retail centres.

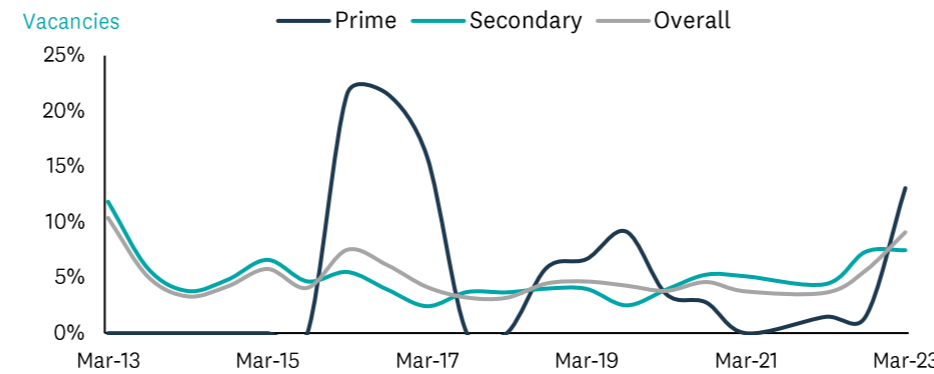
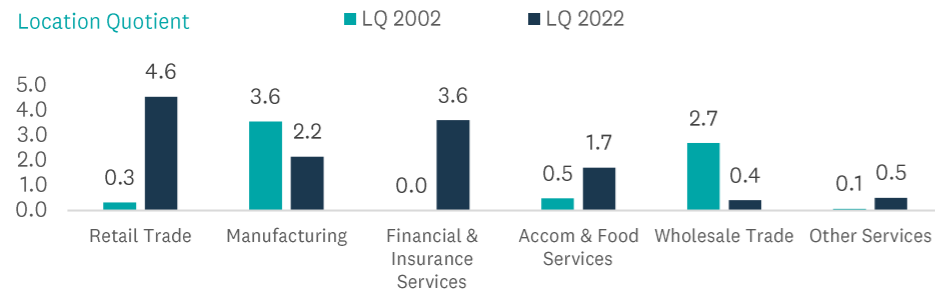
Sylvia Park is monitored by Colliers with data also taking in Mount Wellington and Penrose. Most commercial space in Sylvia Park is retail focused and not monitored although a growing amount of office space is also present and is monitored.



Prime net face rentals have increased by an average compound annual growth rate of 2.4% over the last decade. Secondary grade average net face rents is currently at \$216 per sqm, increasing by an average compound annual growth rate of 3.1% over the last decade.

Location Quotient (job concentration)

Concentration of retail and financial services jobs in the precinct has grown significantly. This is directly related to the opening of the Sylvia Park shopping centre, and the influx of new finance jobs in recent times with the completion of the ANZ Raranga Building home to ANZ and IAG in 2019.



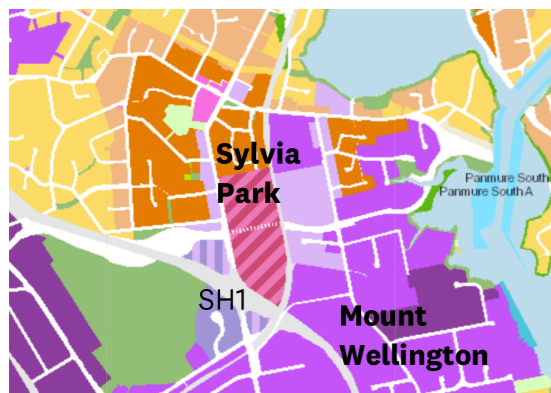
Office Vacancies and Rents (per sqm)	
Prime Vacancies (%)	13.1%
Secondary Vacancies (%)	7.5%
Prime office Rental (2013)	\$248
Prime Office Rental (2023)	\$313 (+26%)
Secondary Office Rental (2013)	\$160
Secondary Office Rental (2023)	\$216 (+35%)

Upward pressure on rentals is likely to re-emerge in the near future as vacancy rates decrease.

Supply / Net Lettable Area	
Prime % of Total	29%
NLA (sqm)	82,179
NLA Change	-1%
Prime Change	+131%
Secondary Change	-20%

Approximately 29% of the office space is considered prime quality office space, which has been rising slowly from around 12% in 2013

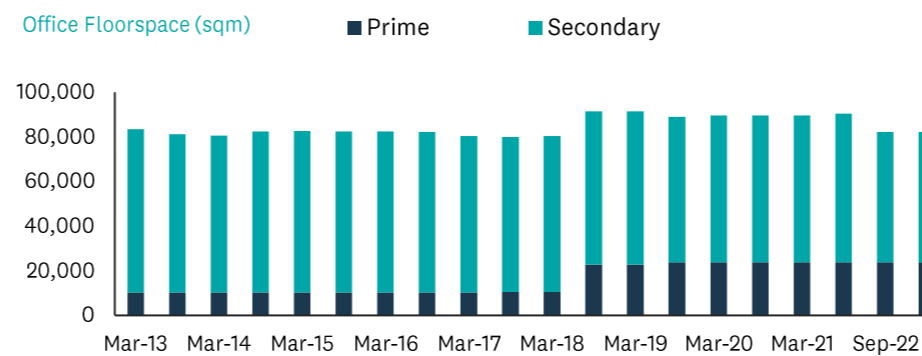
Land Use



- Business - City Centre Zone
- Business - Metropolitan Centre Zone
- Business - Town Centre Zone
- Business - Local Centre Zone
- Business - Neighbourhood Centre Zone
- Business - Mixed Use Zone
- Business - General Business Zone
- Business - Business Park Zone
- Business - Heavy Industry Zone
- Business - Light Industry Zone

Sylvia Park is a largely metropolitan centre zoned with some mixed use and light industry. To the south of Sylvia Park is Mount Wellington, a largely light industrial area that lies either side of SH1.

The office market has received a significant boost to office supply with Kiwi Property Group's introduction of office space at Sylvia Park. Office supply is set to increase further with the completion of 3 Te Kehu Way of approximately 7,200 sqm.



Coca Cola, IAG and Geneva Finance are major occupiers located in the area along with Health Alliance.

Opportunities / Challenges

Sylvia Park is well located beside SH1 and well connected to the public transport network.

While Kiwi Property have invested heavily there are few consolidated key sites for future development.

The introduction of more office space to the area provides an opportunity to diversify the areas employment offer.

Assessment / Future

With significant investment from Kiwi Property Group, Sylvia Park's retail sector has grown considerably, and the subsequent focus has been on developing an office component.

Continued development of a variety of office spaces should attract a range of occupiers and diversify the area from its retail focus, although retail is likely to remain the dominant sector.