

# NAI Harcourts Market Leader

Bringing you news and information from the world of commercial real estate.

## Developing a sense of community that keeps tenants around

**Any landlord, investor or property manager knows that one of the most important parts of their job is attracting tenants and filling vacancies. However, what happens after the vacancy is filled? Retaining tenants is a vital piece of the puzzle.**

In an office, retail or apartment complex, developing a sense of community and providing your tenants with amenities will not only make them feel more comfortable, it will make them feel valued. It's no surprise that tenants are more likely to stay around and renew their leases in an environment they enjoy. So, let's take a look at some of the ways you can develop a sense of community to help ensure your tenants' happiness and longevity in your property.

### Proactive management

It's important to retain good management if you want your property running like a well oiled machine and your tenants feeling happy. A proactive and experienced management team reaches out to tenants regularly and before something goes awry. Management that facilitates conversation, encourages feedback

and communicates both positive and negative news effectively, will build rapport with your tenants. Engaged tenants are also more likely to get involved in communal property events.

### Use technology to your advantage

We live in a technologically advanced age so make the most of it. Technology can be used to help create a community atmosphere, assist with property maintenance and gauge the tenant experience to ensure it is a good one.

Aside from the obvious technology amenities like Wi-Fi, consider community apps such as Neighbourly which has become an increasingly popular way for communities to connect and share online. Some buildings in the US have developed apps that make it easy for their tenants to contact management, report a problem and interact with other tenants. Technology can also be used to conduct surveys and gather information that helps landlords and management make property improvements that tenants want.

### Collaboration is key

Collaboration is a hot topic lately. Creating an environment where everyone can participate creates a sense of community and enjoyment. Involving tenants in the planning

of events and happenings in your building or complex gets them engaged and more likely to share experiences with other tenants, neighbours and friends, creating a more social environment.

### Provide interactive amenities

Providing amenity options that give tenants the opportunity to interact can help with retention. Collaborative workspaces, meeting areas, green spaces, dog parks and pools are all great ways to create a tenant-oriented environment. Adding additional services such as a cafe, gym or retail outlet can increase the appeal even further.

Hosting events such as national day celebrations and barbecues also creates excellent networking opportunities within a building or community.

In general, happier tenants will form a more tight-knit community over time and are more likely to remain as tenants. Superior amenities, facilities and management all assist in the ultimate goal of retaining long-term tenants who care about and enjoy the property they reside in.

NAI Harcourts acknowledges the contribution to this article from the head office of NAI Global in New York, USA.

# Keyassets - final issue for 2019 out now

**The latest issue of NAI Harcourts' Key Assets magazine is out now, featuring a broad range of commercial properties and businesses for sale and lease, complemented by market commentary from our teams around the country.**

2019 can be summed up as one of ongoing strengthening across all our commercial markets, with robust demand for most asset classes, particularly industrial type properties. Whilst Auckland is leading the way in setting very strong yields, investment properties in other locations are also in high demand, with yields reflecting location and risk.

Most of the major New Zealand banks are predicting a slowing of the economy over the coming year, due in part to a drop in business confidence and the fact that businesses and rural communities have had to digest a great deal of economic and environmental policy change. All these factors are compounding the general uncertainty decision-makers face.

New Zealand's official cash rate is 1.0%, a historical low and predicted to go lower in 2020. As a result, capital is looking for a safe home with the expectation of reasonable returns above bank deposit rates. Commercial property is proving to be a very attractive investment opportunity, and attracting funds from various sources, with returns on offer being substantially higher than bank deposit rates. This has seen the emergence of a number of property syndications with investors taking advantage of the returns on offer, generally in the region of 6% to 8%.

Many of the regions are also seeing substantial Government activity and investment, particularly in areas such as infrastructure and the public sector. These regions are achieving good growth and are outperforming main urban areas such as Auckland. This will hopefully continue, especially with the Government announcing a \$7.5 billion surplus in October 2019 and the strong possibility of significant spending in 2020 as it is an election year.

In this issue of Key Assets you'll find informative editorial from lawyers

Heaney & Partners, ASB Bank and our international partner NAI Global. We also go inside the auction room with Aaron Davis, Harcourts National Auction Manager and winner of the 2019 REINZ Auctioneering Championships.



You can view this issue of Key Assets at:  
[naiharcourts.co.nz/keyassets](http://naiharcourts.co.nz/keyassets)



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NAI Harcourts brings together Harcourts' considerable experience and formidable presence in New Zealand with NAI Global, the world's largest global network of owner operated commercial brokerage firms. Please visit [www.naiharcourts.co.nz](http://www.naiharcourts.co.nz) for more information.

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