



First new office tower in decades for Garden City

Chris Hutching

Latitude Group has obtained resource consent for the first new A-grade office development for the central city business district in nearly two decades.

Latitude managing director Ken Wimsett said he is negotiating with Hawkins Construction over the building contract for the 12-level building. Leasing interest had been strong even before the marketing campaign has begun, he said.

Club Tower will be on the banks of the Avon River on the Canterbury Club site at 129 Cambridge Tce in partnership with the club.

The parties have struck an agreement whereby the club sells 1398sq m of its 4090sq m of land to Latitude for \$4 million.

The resource consent allows subdivision of the site, removal of a squash court and demolition of some more modern extensions to the original 133-year old club house.

The conditions also include a number of sustainable design features and Mr Wimsett said the building would be constructed to a five star green rating. Rental levels will be targeted at about \$350 a square metre level.

The development may partially stem

the flow of businesses out of the inner city to fringe locations, which has pushed the CBD office vacancy rate marginally higher from 7.6% a year ago to 8.9% (33,000sq m) according to CB Richard Ellis. Vacancies within A-grade accommodation (three office towers) remain low at 447sq m.

The most substantial change occurred in the B grade, with another 3500sq m vacant over the previous year leading to a total vacancy of 6000sq m. This has been mainly confined to a cluster of Hereford St buildings such as Te Waipounamu House, BNZ House and the National Bank Building.