

Prices lie ty as supply CBD

vacancy rates could hit 20pc
ers, analysts say

hit, with vacancy [rates] rising from 3.1 per cent to 4.9 per cent. While Wellington's increase was driven by lower demand, Auckland was largely driven by a significant boost in supply."

Auckland got 51,000sq m of new offices in the second half-year, due primarily to Brookfield Multiplex's Deloitte Centre of 22,000sq m and AMP's refurbishment of 21 Queen St, which resulted in 15,500sq m.

The Deloitte Centre is fully committed by BNZ and Deloitte, but 21 Queen St remains largely vacant.

Wellington's office supply reduced slightly because 12,000sq m was vacated for refurbishment.

Major Auckland developments under way include the Telecom building in Victoria St and the East Building in Britomart.

ANZ and ASB will move to purpose-built premises by around 2013.

Assuming these developments proceed, 106,000sq m will be added to the CBD over the next five years and total vacancy rates could reach a peak of 20 per cent in 2013, JLL forecasts.

The impact on A-grade office space was the most severe at a projected 29 per cent vacancy.

A global DTZ study out last week showed it cost US\$6400 (\$9100) to accommodate one desk or person in Auckland's CBD premium office space.

That puts Auckland in 48th place out of 114 cities. London's West End has the world's most expensive office space at US\$21,530 per desk or worker.

Jeremy Simpson, a Forsyth Barr analyst, produced a paper on the outlook for listed property examining tax change effects.

A low-level land tax could depress land values by 10 to 15 per cent, he predicts. Overall portfolio values for listed property vehicles could fall by 2 to 5 per cent.



NUMBER ONE: Actuary Peter Lynn has stepped up to the top job at Tyndall Investments Management.

PICTURE / RICHARD ROBINSON

New Tyndall boss knows his numbers

by Tamsyn Parker

PETER LYNN

- Managing director of Tyndall Investment Management New Zealand.
- 38 years old.
- Qualifications: First class honours in maths from Canterbury University, actuary.
- Work history: Mercer for eight years and Tyndall for 10 years.
- Hobbies: Movies and music and couch sports fan, particularly of cricket.
- Family: Has a 6-year-old daughter.

It's not often the numbers man gets the top job where managing people is just as important as making money.

But after 10 years at Tyndall Investment Management, Peter Lynn, a self-confessed maths-lover and actuary, says he is ready to take up the managing director's mantle.

It's not the first time the 38-year-old has stepped into the hot seat at Tyndall, a company which manages \$3.6 billion of New Zealanders' money.

He was the interim chief for six months in between other managers. "That interim experience in 2007 taught me I could do the job but I wasn't ready for it."

With a major global financial crisis behind him and after learning a lot from former boss Greg Campbell, who has taken a sideways step to head sister-company Guardian Trust, Lynn says he is confident of doing a good job.

"I have had 17 years in the industry and I intend to be in the role for a long time." The changes at the top and recent challenges in the market have sparked talk of an exit by Tyndall from

New Zealand after the recent departure of rival Alliance Bernstein.

But Lynn says the company plans to stay and build on its market share.

"We are very committed, we are all New Zealanders and we have a great clientele in New Zealand."

Despite having been owned by Australian listed company Suncorp-Metway, Lynn says the company operates on an autonomous basis. "We

have always done things our way, we are not just an Australian branch office."

The company has about 70 clients in New Zealand including company pensions schemes, charities and insurers.

While it does not deal directly with individual investors, the company is behind the management of six KiwiSaver schemes — looking after investments for AMP, Aonsaver, sister company Asteron, Fidelity Life, SuperLife and Staples Rodway.

"Some people might be saying, who is Tyndall? But we are a credible, large manager."

Lynn was previously head of strategy and worked for Mercer Investment Consultants before that.

He is one of about 100 people in New Zealand qualified as actuaries.

"I have always been a numbers person. There is something black or white and definite about numbers. You can paint a great story with numbers, almost as much as words."

But fund management was never an area he expected to end up in. "I got to the end of university and there was a

job going at Mercer which I went to more as interview practice. I didn't even know what an actuary was."

Actuaries are financial statisticians who calculate when people are going to die to provide data for life insurance companies, annuities and pension schemes.

Both Tyndall's bond and equities teams are some of the longest-standing partnerships in the country.

Lynn says this year will be a pivotal one in terms of global markets.

"Everyone is talking about growth but it's hard to understand where it will come from."

His biggest concern is how the Government will pull back on stimulus packages. "It's a tricky balancing act. How that transpires through the year will be pivotal to the global economy."

And there is worry about China, which is trying to keep a lid on inflation.

"We have been lulled into this sense of growth by what happened in 2009 because it was such a good year [for the markets]. But unemployment is still growing. It hasn't actually got into the wider economy."

Snapper for national standard

modal transport ticket for Auckland. Public transport providers around the world have introduced electronic tickets that can be used on buses, ferries and trains to speed boarding times and make public transport more attractive to customers.

Infratil said the development of a national standard was strongly supported by Snapper as it would provide a platform for all interested parties to develop their payment systems.

"Our system is one we are very confident is open-plan," said Infratil executive Tim Brown. "Our model was one of maximising the range of different applications of the card."

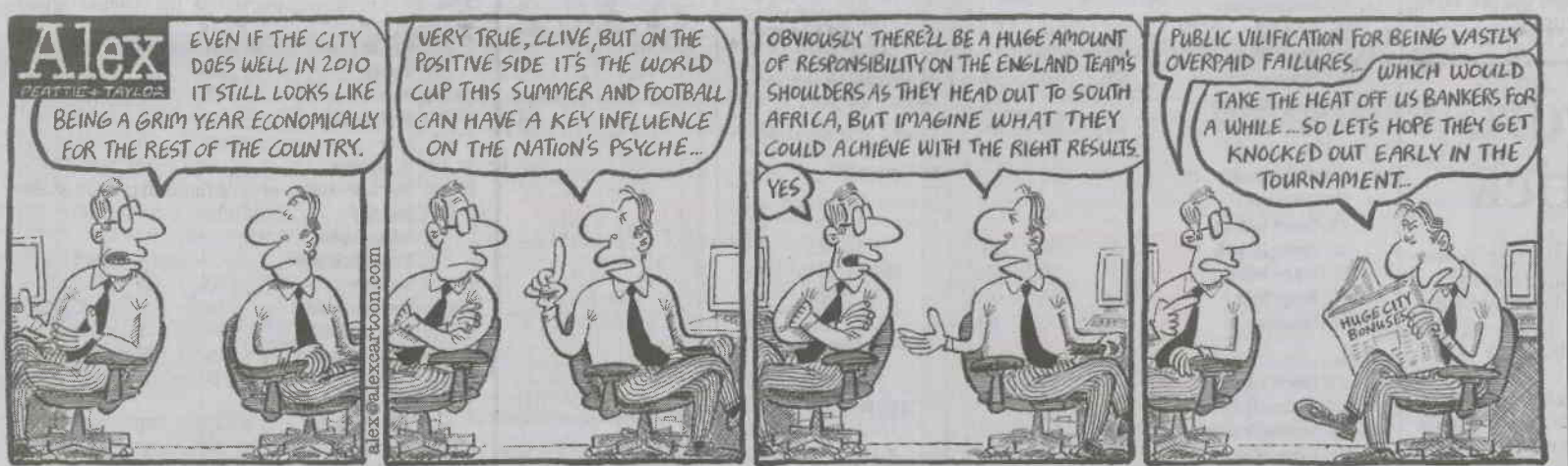
Infratil's update notes that a Snapper trial with Reading Cinemas in Courtenay Place, Wellington, generated great interest. Cinema tickets purchased with a Snapper card attract a discount and are eligible for prizes.

The next stage may include transport-entertainment packages, bundling bus fares, zoo entrance and something from the zoo cafe.

There are now more than 100,000 Snapper cards issued.

The company is working with banks so that their Eftpos and Visa cards contain a Snapper capability.

It is also working on an agreement



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