



University Investments

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Edinburgh Realty

LTD MREINZ

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University Investment Newsletter

June 2015 - Issue 53

Welcome...

to our 53rd University Investment Update.

Looking back (2003)

3 Agnew Street



\$205,000
\$77 x 4
7.8%

June
2003

7.5 6.95

183 Albany Street



\$178,000
\$70 x 4
8.1%

May
2003

7.5 6.95

90 Harrow Street



\$180,000
\$70 x 4
8.08%

May
2003

7.5 6.95

150A /B Queen Street



\$573,000
\$75 x 12
8.1%

May
2003

7.5 6.95

Interest rates at the time

Floating

2 year fixed

%

%



Clayton Sievwright
m 021 191 5555

Lane Sievwright
m 021 526 366

Biggest first 6 months in 12 years!....

With record sales as a result of a steady stream of exciting new listings to appeal to a wide range of buyers we find ourselves once again in a situation where after highlighting our "current listings" and "solds" there is very little room for anything else. Notable this year is the number of higher value properties changing hands with 9 sales in the \$600,000-\$1 million range and 3 in the \$1 million and

above, with another 2 under offer. While consistently low interest rates have had little affect on sales yields (as we would expect from past history) increasingly high levels of enquiry from existing and new buyers is a positive aspect of the current market. Results this year have been the highest since entering the market in 2003. Its been some time since we covered the letting cycle and with so many new investors, this is the appropriate time to do it. Also in this issue we introduce and welcome aboard our new Personal Assistant - Amanda Phillips, plus Edinburghs' Property Management Team new Group Manager - Sue Clarke.

Lets Get Let (very briefly)

As a family we've been renting student flats for 35 years, so this is by no means our first rodeo and we hope that any comments made here will assist those a little newer to the market in getting let.

Lets get the elephant in the room out of the way. First year student numbers are down by 350 efts. Total University roll is down by 469 (2.7%). International first year enrolments up by 26. Post Grads up by 90. Then there's the Polytechnic which provides around 20% of the rental pool. Latest figures are from March and indicate a rise of 297 efts. Overall this year the rental pool is around 172 efts less than last year. Lets be blunt, sitting on your hands doing no marketing or maintenance and hoping for a group to call is not a smart business plan. If you're not on Trademe and/or the Uni Accommodation Office and don't have a sign up on the flat, many other landlords have at least a months headstart on you. At the time of writing (5 June) most flats in the popular areas have been snapped up. Having said that, we are finding enquiry is around 50% of last year (to date). Make sure students can contact you by cell/txt or email. Nobody calls landlines anymore. Any maintenance or planned improvements - do them now! Hedges, lawns, letterbox, front door - raise your street appeal.

Take the time to make yourself an expert in room rates. Know what your competition is supplying for their room rate. If you got rented early last year - put the rent up, if late do something or put it down. If your property is managed our advice is be with a company with an office in Prime Campus and listen to their advice. It is in their interest to get your property let, but be aware they might not be interested in recommending a higher rent and pushing the risk of a vacancy factor.

Introducing Sue Clarke

Dunedin Property Management Group Manager

Leading Edinburgh Realty's Property Management team is a busy but rewarding job.

The team's reputation among both tenants and landlords is based on years of being fair and thorough in their dealings. If one of our property managers says they will do something, they do it.

The number of properties managed by Edinburgh Realty's property management team has risen by 25% in the past 12 months. That's impressive, by any measure and reflective of the quality of our team.

June is a big month for Edinburgh Realty's property management team, as it swings into full university letting mode with Volume 1 of "Get a Room" hitting the streets this week.

I joined the team in March 2015 and inherited a productive group of motivated people who understood the critical importance of customer service. My role is to ensure the team has the support and tools they need to continue delivering that level of service.

Before joining Edinburgh, I was Chief Executive of Netball South and the Southern Steel franchise. My previous roles include New Zealand International Science Festival director and RWC 2011 project manager coordinating the city's successful Rugby World Cup hosting efforts.

Call in and see me when you get the chance!



INTEREST RATES June 2015 (Best of big 4 Banks)					
	Fltg	1yr	2yr	3yr	5yr
June 2015	6.40%	5.35%	5.39%	5.49%	5.75%
June 2014	6.50%	5.85%	6.2%	6.25%	7.40%
June 2013	5.74%	5.19%	5.45%	5.75%	6.25%
June 2012	5.74%	5.25%	5.49%	5.75%	6.5%
June 2011	5.74%	5.95%	6.49%	6.99%	7.7%

Interest Rates



As investors we are always keeping an eye on rates wondering, is this as low as they will go or will there be an opportunity just around the corner. At the moment banks are posturing with special offers in the 1-2 year range, but the 5 year rate for those who like longer term certainty has moved little recently apart from SBS offering 4.99% for a short time (now closed off). It's worth spending time on interest rates as they can often affect your cashflow (but not your capital value) more than a room rate increase. At the time of going to print the RBNZ have just lowered the OCR to 3.25%, which has lowered some floating & short term rates, but should have little effect on longer term rates. The RBNZ are also looking at a modest change to the LVR for Property Investors to curb the pressure on the Auckland market.

Tip: Visit your flat when it's raining (heavy) - you might be surprised how many spoutings are blocked.

Introducing Amanda Phillips

Personal Assistant to Clayton and Lane

Amanda has worked in the real estate industry for the past 15 in various administrative roles. She takes great pride in all aspects of her work and how it impacts on clients, tenants and of course us. On any given day, Amanda can be creating marketing material, pulling together website advertising, liaising with clients and associated professionals, compiling newsletters, maintaining our client database, preparing sale and purchase agreements and the general running of our busy office. The role is challenging and varied and the working day flies by.

Amanda also owns her own investment property and has been involved in property management, which gives her a great understanding of all sides of our business. It makes a difference, and Amanda provides a great level of service to all our customers and clients. We are very happy to have Amanda join our team, so don't be afraid to contact her directly for assistance. Lane & Clayton.

Amanda 03 470 2547




GET A ROOM!
The Edinburgh Realty
2016 Student Flat List - **OUT NOW!**

Sold since last newsletter (\$11,201,909)

I'm Sold!



PRIME CAMPUS
140 Harbour Street
Six flats, comprising 3 x five bedroom purpose built, 2 x four bedroom purpose built and the original bungalow (six bedrooms). 1272m2 freehold on Prime Campus.
\$2,692,000 - 6.99%
Vendor: Auckland
Purchaser: Dunedin

I'm Sold!



PRIME CAMPUS
12 Forth Street
Five self-contained units. Each unit comes fully furnished, three large spacious bedrooms, open plan living, full bathroom plus second W/C with laundry.
\$1,900,000 - 6.99%
Vendor: Dunedin
Purchaser: Wellington

I'm Sold!



PRIME CAMPUS
61 Duke Street
This property is made up of 28 rooms, a large kitchen/dining area and a separate spacious lounge. Gross annual income of \$183,000 less associated landlord costs.
\$1,175,000
Vendor: Dunedin
Purchaser: Qatar

I'm Sold!



PRIME CAMPUS
129C Forth Street

Seven spacious ensuite studio apartments with quality finish and chattels being of the essence. Rented at \$1,905pw (total combined rent).

\$978,000 - 10.1%
Vendor: Kakanui
Purchaser: Dunedin

I'm Sold!



Kaikorai Valley
212 Kaikorai Valley Road

Two-story investment contains six individually titled units. Comprising of 2 x one bedroom units and 4 x two bedroom units, plus 4 car parks. Total weekly income \$1,310pw.

\$710,000 - 9.5%
Vendor: Dunedin
Purchaser: Lawrence

I'm Sold!



PRIME CAMPUS
144A Dundas Street

Spacious five double bedroom purpose built flat, large open plan kitchen/living opens to a BBQ area. Rented at \$625pw.

\$525,000
Vendor: Auckland
Purchaser: Gore

I'm Sold!



PRIME CAMPUS
146A Dundas Street

Spacious five double bedroom purpose built flat, large open plan kitchen/living opens to a BBQ area. Rented at \$625pw.

\$525,000
Vendor: Auckland
Purchaser: Gore

I'm Sold!



Dunedin Central
189 Cargill Street

Boasting five or six bedrooms, two bathrooms, spacious modern kitchen, and 1 or 2 living areas. Recent re-roof, electrical, plumbing upgrades. Rented at \$700pw.

\$411,000 - 8.8%
Vendor: Dunedin
Purchaser: Dunedin

I'm Sold!



PRIME CAMPUS
179A Dundas Street

Elevated for good sun and views. Four good bedrooms and open plan living. Minimal grounds. Rented at \$500 pw.

\$367,000 - 7.08%
Vendor: Auckland
Purchaser: Dunedin

I'm Sold!



Central City
38 Canongate

Four double bedrooms and one single (three with ensuites), modern kitchen with open plan living. Rented at \$500pw.

\$312,000 - 8.3%
Vendor: Japan
Purchaser: Auckland

I'm Sold!



PRIME CAMPUS
128 Forth Street

Popular four bedroom flat, handy location being only minutes to the Otago Polytechnic, Dunedin Teachers College and the University. Rented at \$425pw.

\$298,000 - 7.4%
Vendor: Dunedin
Purchaser: Dunedin

I'm Sold!



PRIME CAMPUS
683B Castle Street

Three bedroom cottage, modern kitchen and a good backyard for tenants to enjoy. Rented for 2015 at \$390 per week. A spruce up should increase rents.

\$287,000 - 7.06%
Vendor: Dunedin
Purchaser: Dunedin

I'm Sold!



Central City
1/93 Filluel Street

Total of 17 units. One bedroom, modern tiled bathroom with under floor heating, and open plan living. Fully furnished. Rented at \$335pw.

\$245,000
Vendor: Dunedin
Purchaser: Auckland

I'm Sold!



North East Valley
4 Islington Street

Three generous sized bedrooms, modern kitchen/dining area, and upgraded bathroom. Very tidy and well presented. Rented at \$305pw.

\$214,009 - 7.4%
Vendor: Dunedin
Purchaser: Dunedin

I'm Sold!



PRIME CAMPUS
78 Dundas Street

Four bedroom terrace house with modern kitchen and heat pump. Tidy condition throughout. Small courtyard at rear. Advertised at \$340pw.

\$202,900 - 8.71%
Vendor: NSW
Purchaser: Auckland

I'm Sold!



PRIME CAMPUS
76 Dundas Street

Four bedroom terrace house, open plan kitchen/living with heat pump. Small courtyard at rear. Rented at \$320pw for 2015.

\$200,000 - 8.3%
Vendor: Australia
Purchaser: Auckland

I'm Sold!



Dunedin Central
15 Melville Street

Two storey investment split into two one bedroom flats, upstairs downstairs. Downstairs rented for \$230pw and upstairs rented at \$200pw.

\$160,000 - 13.9%
Vendor: Dunedin
Purchaser: Dunedin



Considering selling?

We have buyers waiting in all price ranges.

Currently for sale

Under Offer



Roslyn
29 Melrose Street

Maori Hill studios consisting of two blocks of units split into 12 studios in the lower block, 11 in the upper block. Each studio is self-contained with kitchenettes and full bathrooms. Each block is serviced by a fully equipped common kitchen area plus laundry. With a gross income of approx \$281,000, landlord costs of approx \$37,000, giving a healthy net income of \$244,000.

\$2,250,000 - 12.5%

🏠 23 🍳 23 🚗 OSP

Under Offer



PRIME CAMPUS
4 Dundas Street

A multiple income stream investment with good rental history and in a great location! Comprising of a six bedroom villa, two, six bedroom purpose built flats and a five bedroom purpose built flat all on one title, this property has been well maintained over the years. Garage plus off street parking. Rental income stream of \$155,064 pa. Developers note: 1482m² Res 3 zoning, 32 room capable.

\$1,815,000 - 8.5%

🏠 23 🍳 7 🚗 1+OSP



PRIME CAMPUS

10 Elder Street

This split level quality investment consists of: Upstairs - five good sized bedrooms, full bathroom plus second toilet, open plan living, a rear deck and city views. Downstairs - five large bedrooms, open plan living, full bathroom, plus a sleep out with an ensuite. Both flats come with heat pumps. Total rental of \$70,304pa. Single garage at street level.

\$959,000 - 7.33%

11 3 1



Central City
209 Cargill Street

This 246m² two Storey Villa never has a shortage of willing tenants wanting to occupy its eight bedrooms and two living areas. Currently rented for \$1,080pw, plus \$40 for the garage, providing a healthy return for you as the new owner. Located only minutes' walk to Moana Pool and Central City.

\$739,000 - 7.9%

8 2 1+OSP



PRIME CAMPUS
16 London Street

Right in the heart of the city, so close to medical and dentistry in an incredibly popular location. This house has iconic status with six studio rooms (two with ensuites) and two additional bathrooms. Fully tenanted at \$1,155pw.

\$695,000 - 8.64% gross

6 4



City Rise
163 Maitland Street

This imposing 260m² Villa has been sympathetically maintained, whilst being upgraded to offer tenants a touch of modern luxury. Separated into three flats, four bedroom upstairs and two one bedroom flats downstairs. Flat 1 rented at \$210pw, Flat 2 rented at \$275pw, Flat 3 rented at \$460pw for 2015.

\$625,000 - 7.86%

6 3



Dunedin Central
97 Elm Row

Substantial renovated villa in three flats. Quiet location, only a short walk to Central City/George Street shops. Easily repeatable rents with a three way income stream split. On the main level one spacious four bedroom flat. Downstairs, four bedroom flat. At rear (main level) comfortable three bedroom flat. \$1025pw across the three flats. Well worth a look.

\$615,000 - 8.6%

11 3



PRIME CAMPUS
10/54 Anzac Avenue

This owner has spared no expense upgrading what was already a very popular investment. New designer kitchen, freshly painted & carpeted throughout. Updated bathrooms and a full list of quality chattels awaits you. Five double bedrooms, all with built in wardrobes and desks, and all windows have been double glazed.

\$599,000 - 5.64%

5 2 OSP



Under Offer

City Rise
23 Duncan Street

This substantial 270m², 1920s villa on Central City Rise providing nine bedrooms is fully rented for 2015 at \$73,892 providing the owner with \$57,180 nett of landlord studio costs. Substantial work has been carried out and presentation is of a high standard. A low maintenance investment at a very good return.

\$599,000 - 9.5% nett

9 2



Street view of complex

PRIME CAMPUS
10-543 George Street

Located only minutes' walk to the CBD and most University faculties this six bedroom purpose built unit is an ideal long term investment or base for your son or daughter at University. Each room has built-in desks and wardrobes and comes with bed bases. Large open plan living that opens onto a north facing courtyard. Currently rented at \$750pw (50 weeks) \$39,000pa.

\$595,000 - 6.3%

6 2



PRIME CAMPUS
7/700 Great King Street

Looking for a good long term investment, or a warm low maintenance flat for your son/daughter at Uni, look no further. This well maintained six bedroom purpose built flat, with two bathrooms is well chatted, well located and Head leased by the University for 2015 at \$720pw. A short walk to most faculties.

\$549,000 - 9.81%

6 2 OSP



Fringe Campus
17 Duchess Avenue

An easy walk to University, Hospital and CBD, this six bedroom, two storey house offers downstairs - three double bedrooms, laundry, toilet, large living, spacious kitchen/dining that opens to a sunny rear courtyard. Upstairs - three double bedrooms with good views and sun, plus family bathroom and separate toilet. Rented at \$750pw for 2015 & 2016.

\$525,000 - 7.43%

6 2 1+OSP



North East Valley
9 Montague Street

Substantial refurbished single level Villa in 7 studio rooms. Comprising modern kitchen, gas cooking, 2 full modern bathrooms, gas hot water plus separate 3rd toilet. Fully rewired, heat pump in hallway and easy maintenance section. Fully furnished. Rented at \$1,160pw. A great investment and a positive cash flow. (Studio costs apply)

\$515,000 - 11.7%

 6  2  OSP



Gardens
29 Carlyle Street

Very tidy low maintenance six bedroom flat in the heart of the Gardens' shopping centre. All bedrooms are a great size. Spacious modern kitchen and large lounge with heat pump. Two bathrooms with shower and toilet. Large outdoor area to kick back, plus plenty of off street parking. This is a top notch student flat. Currently rented at \$660pw until end of the year.

\$499,000

 6  2  OSP



PRIME CAMPUS
18F Forth Street

Low maintenance unit, superbly located within a few minutes walk to Central Library, Polytechnic and Teachers College. Featuring six good sized bedrooms and spacious sunny living. Rented at \$690pw. A definite upside in the rents here with a spruce up.

Enquiries over \$480,000

 6  2  OSP



Under Offer

PRIME CAMPUS
39 Grange Street

Well maintained student investment. Only a minutes' walk to campus. Tidy villa with three bedrooms plus a modern two bedroom sleep out. Spacious living area, tidy kitchen and upgraded bathroom. Heat pump. Low maintenance rear courtyard and off street parking. Currently tenanted for 2015 at \$620pw.

\$465,000 - 6.9%

 5  1  OSP



Central City
191 York Place

Low maintenance 1960's brick and tile home, comprising 4-5 bedrooms, 2 bathrooms, spacious kitchen, 1/2 living areas. Heatpump. Flat rear section with room for development. Great sun and only a few minutes walk to the Octagon and onto the Hospital, Dental School and University. Rented at \$450pw.

\$479,000

 4-5  2  1



PRIME CAMPUS
275 Castle Street

Located in Prime Campus, minutes' walk to most faculties, including Central Library, Medical School and Dental School. Six bedroom villas on the town side of central library are scarce. Modern bathroom and kitchen/open plan living with heat pump. Easy care section. Room to improve.

Deadline Sale
Closing 4pm, Wednesday 24th June 2015 at our office, 578 George St, Dunedin

 6  1



Under Offer

PRIME CAMPUS
861 George Street

Located on what's called the Golden Mile and with 426m2 of Res 3 zoned land, this property offers you an opportunity to add value. This 190m2 two storey Villa is currently rented to six students at \$678pw for 2015. Opportunity to add rooms with Resource Consent. 9 room capable site.

\$459,000 - 7.7%

 6  2



PRIME CAMPUS
12 Clyde Street

Tidy four bedroom prime campus Investment. Good living area through to kitchen and bathroom. Low maintenance section with rear courtyard. Only a few minutes' walk to University, and close to all amenities. Rented at \$440pw for 2015. Ideal for Kids at University 2016.

\$309,000 - 7.4%

 4  1



PRIME CAMPUS
6 Howe Street

This solid brick bungalow is located a short walk to faculties and a stone's throw to popular eateries. Rented to four students for 2015 at \$420pw gives you plenty of scope to renovate and add value.

\$309,000 - 7%

 3+  1



Gardens
2/63 Opoho Road

Tidy investment or great for children at Uni. A freshly painted purpose built property. Students love the easy stroll through the Botanic Gardens to Uni and close proximity to supermarket. Six spacious bedrooms with inbuilt furniture (two bedrooms on each level) two bathrooms. Well insulated, heat-pump and whiteware. Currently advertised for 2015 at \$480 per week.

\$290,000 - 8.6%

 6  2  OSP



Gardens
5A Ramsay Street

Low maintenance investment built in 2003. Three good sized bedrooms plus sleep out. Modern kitchen/open plan living with heat pump and wood burner. Bathroom with bath and separate shower. Sunny deck and plenty of off street parking. Rented at \$448pw for 2015.

\$289,000 - 8%

 4  1  OSP



Under Offer

Gardens
11 Carlyle Street

Very cute and well maintained three bedroom plus sleepout investment in the heart of the Gardens shopping zone. Tidy throughout, main bathroom and second shower. Rear sunny deck, low maintenance section and off-street parking. New ceiling insulation. Currently let at \$428pw for 2015.

\$279,000 - 8%

 4  1  OSP



Mornington
9 Patrick Street

This tidy villa is split into two flats. A nicely renovated two bedroom flat in the front rented at \$260 per week. The rear one bedroom flat has a long term tenant paying \$185pw. Large spacious rear yard completes this investment opportunity.

\$279,000 - 8.3%

 3  2  OSP



North East Valley
43 Chambers Street

Four bedrooms plus a sleepout. Open plan living/kitchen with a dishwasher. Two heat pumps, underfloor and ceiling insulation and a HRV system. Rented at \$450pw for 2015. Short walk to the Garden's shopping precinct and onto University.

Deadline Sale
Closing 4pm, Tuesday 23rd June 2015 at our office, 578 George St, Dunedin

 5  1



Fringe Campus
160 Queen Street

Looking for first investment or flat for your children whilst at University. Four bedroom villa elevated for great sun and amazing views over North Dunedin. Includes heat pump and all whiteware. Great chance to enter the market. Rented at \$396pw until 31st December 2015. Advertised at \$420pw for 2016.

\$249,000 - 8.26%

 4  1



Under Offer

Opoho
20 Warden Street

Located just up from the Gardens Shopping area. These very tidy flats have always been an easy let. Two bedroom flat at front of house and a one bedroom flat at rear (new kitchen). Total rental income of \$460pw for 2015. Easy care well maintained grounds. Opportunity to improve and increase rents or move in and collect rent from the other.

\$259,000 - 9.2%

 3  2



North East Valley
41 Chambers Street

Freshly painted throughout and elevated to receive good sun. Three bedrooms plus sleep out. Heat pump and HRV system. Great deck overlooking the Gardens area. Rented for 2015 at \$340pw. Only a short walk to the Gardens' shopping centre.

Deadline Sale
Closing 4pm, Tuesday 23rd June 2015 at our office, 578 George St, Dunedin

 4  1



Gardens
42 Gladstone Road

Four bedrooms plus a sleep out. Tidy kitchen/dining area with pot belly stove and a separate lounge. Upgraded bathroom. Comes with all whiteware and heatpump. Carport. Rented for 2015 at \$370pw and always popular with the senior students. Well presented with most of the upgrades already completed over the past years. Deal for son or daughter for 2016.

\$235,000 - 8.3%

 5  1  OSP



Gardens
46 Gladstone Road

Very tidy 3 bedroom investment rented at \$285pw until the end of the year. The location is handy to the Gardens' shopping centre and on to University. With interest rates at historical lows, this is a very good time to be locking in for the security of a fixed rate for a number of years. Off street parking with carport. Heat pump.

\$215,000

 3  1  OSP



Gardens
41c North Road

Low maintenance one bedroom unit with carpark. Ideally located right in the heart of the Gardens shopping precinct. Very tidy and well presented. Rented at \$240pw.

\$195,000 - 6.4%

 1  1  OSP

For further listings go to our website; www.propertyinvestments.nz

While every effort is made to ensure accuracy of the information and opinion herein, no liability is accepted for any error and clients are advised to seek independent advice before making decisions to sell or purchase.