

PROPERTY INVESTMENT UPDATE

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Edinburgh Realty

Licensed under the Real Estate Agents Act 2008



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Assisting vendors/investors since 2003

IMPORTANT DATES...



28 September 2018

Mid semester break begins
(Polytech)



15 October 2018

Second semester resumes
(Polytech)

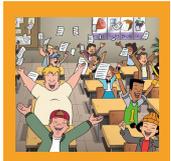


17 October 2018

Second semester exams begin

10 November 2018

Second semester exams finish



23 November 2018

Second semester ends (Polytech)



10-23 November 2018

Uni then Polytech students start
moving out

374 owner-occupiers, 16 units, 27 student flats and 63 sections. Information is sent from Real Estate Agencies to the Real Estate Institute of New Zealand recording the date offers become unconditional. Actual "on the ground" results indicate the 27 student flat sales should read 38. Even with data collecting discrepancies 500 total sales over 3 months (166 per month) is way down on previous years results of between 200-240 sales per month.

While listings remain tight and interest rates show no signs of increasing, prices will most likely trend up. The student market is roughly 5% of the total Dunedin market.

We currently have 23 odd listings available ranging from \$2,995,000 to \$275,000. Check them out on our website www.propertyinvestments.nz

With more flats now let than unlet for 2019, buying interest from mums and dads is now tapering off for the year with most having made the decision to buy or rent before their renting options dry up.

Welcome to our 66th investment update....

At the time of writing (29 August) we're in the last semester break with many students leaving town to catch up with family before the final push towards end of year exams starting 17 October. With exams finishing on 10 November this year landlords have close to 2 months to get any outstanding maintenance work done before Summer School starts on 7 January. Routine maintenance is normally better scheduled when there are less students in the flats and car parking is easier for trades and service vehicles.

This has been another busy quarter with 22 confirmed solds (\$10.7 million), compared to the same quarter last year (24 solds, \$9.903 million) and a rolling year of 83 sales (\$46.22 million).

Vendor/buyer split remains fairly much the same as other quarters with 59% (13) of vendors coming from Dunedin, 32% (7) rest of NZ and 2 from Overseas. With buyers 55% (12) were from Dunedin, 40% (9) rest of NZ and 1 from Overseas.

Last quarter 56% of vendors were from Dunedin, 32% rest of NZ and 3 from Overseas. Buyers were 52% from Dunedin, 40% rest of NZ and 2 from Overseas.

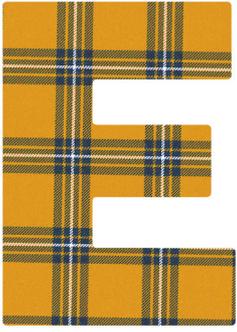
It's positive for the market to see investor borrowing slowly increasing again from dipping after the RBNZ rule change to 40% deposit requirement for investors in mid 2016 at which time 35% of all mortgage borrowing was to investors. After bottoming out to just under 21% in December 2017 it is now on the way up with July figures showing 24% (\$1.3 billion) of the total months borrowing of \$5.5 billion. First home buyers accounted for \$0.9 billion, while the balance of \$3.3 billion was owner-occupiers. For those who were unable to gear up at 40%, the good news (albeit not a huge easing) is it's been relaxed at 35% since the beginning of the year.

With the 2018 rental cycle well underway and including increased rents - mortgage rates flat/lowering and deposits set at 35%, some investors may be able to now re-enter the market, (and clearly have).

For those interested in the general Dunedin market (ie all owners-occupiers/flats/student flats/sections) there were 500 total sales in the last 3 months.

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SHORT STAYS



Edinburgh Short Stays

The latest addition to our suite of Otago-wide real estate and property management services – **Edinburgh Short Stays** – has officially arrived and this exciting new business is proudly opening doors to new experiences, for both property investors and visitors to our region.

Headed by Group Manager Veronica Miller, Edinburgh Short Stays is the only full property management service here in Dunedin (also offering services in the Central area) exclusively managing holiday home accommodation (**Airbnb and Booking.com**) for our astute investors. We can take the pain points away from those wanting to enter the short stay market.

Our region attracts visitors from all over the world and our concerts, sporting fixtures, graduations, annual orientations, eco-tourism, heritage, arts and our thriving fashion industry are creating demand for quality holiday accommodation. Edinburgh Short Stays will meet this growing demand – our guests can relax and feel at home in quality homes while our property owners can sit back, relax and leave all aspects of managing the accommodation, including hosting and interacting with their guests, to us.

Our fantastic new website at www.edinburghshortstays.co.nz is now live – check it out!

Our commitment to the highest level of personalised service and communication ensures success for our property investors – and unique, welcoming experiences for guests here in Dunedin and Central Otago. If you would like to find out more about this service, call Veronica on 03 470 2529.

SOLD SINCE LAST NEWSLETTER

\$10,700,000



2 ELDER ST, CAMPUS

🏠 8 🍳 8 🚗 OSP

SALE PRICE \$1,243,000
YIELD 7.4% nett
VENDOR Dunedin
PURCHASER Auckland



30 CARGILL ST, CITY

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$705,500
YIELD 6.9% (2019)
VENDOR Dunedin
PURCHASER Oamaru



30A CARGILL ST, CITY

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$705,500
YIELD 6.8% (2019)
VENDOR Dunedin
PURCHASER Oamaru



38 ST DAVID ST, CAMPUS

🏠 4 🍳 2 🚗 OSP

SALE PRICE \$650,000
YIELD 4.8%
VENDOR Dunedin
PURCHASER Wellington



2A FORTH ST, CAMPUS

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$640,000
YIELD 6.8%
VENDOR Dunedin
PURCHASER Invercargill



2E FORTH ST, CAMPUS

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$633,000
YIELD 6.9%
VENDOR Dunedin
PURCHASER Dunedin



188 CARGILL ST, CITY

🏠 6 🍳 2

SALE PRICE \$600,000
YIELD Vacant
VENDOR Dunedin
PURCHASER Christchurch



18K FORTH ST, CAMPUS

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$542,000
YIELD 7.5%
VENDOR Christchurch
PURCHASER Dunedin



21 CLARK ST, CITY

🏠 3 🍳 2 🚗 OSP

SALE PRICE \$520,000
YIELD 5.5%
VENDOR Dunedin
PURCHASER Dunedin



6 CONSTITUTION ST, CITY

🏠 5 🍳 1

SALE PRICE \$510,000
YIELD 6.9%
VENDOR Japan
PURCHASER Porirua



614 GREAT KING ST, CAMPUS

🏠 3 🍳 1

SALE PRICE \$414,000
YIELD 6.3%
VENDOR Australia
PURCHASER Dunedin



44A BROWN ST, CITY

🏠 2 🍳 1 🚗 1

SALE PRICE \$365,000
YIELD Vacant
VENDOR Dunedin
PURCHASER Dunedin



139 ST DAVID ST, CAMPUS

🏠 4 🍳 1

SALE PRICE \$342,000
YIELD 7.3%
VENDOR Tauranga
PURCHASER Australia



57 MALVERN ST, WOODHAUGH

🏠 3 🍳 1 🚗 OSP

SALE PRICE \$329,000
YIELD Vacant
VENDOR Auckland
PURCHASER Christchurch



5A RAMSAY ST, DALMORE

🏠 4 🍳 1 🚗 OSP

SALE PRICE \$327,000
YIELD 7%
VENDOR Rangiora
PURCHASER Dunedin



7/63 OPOHO RD, N.E.V.

🏠 6 🍳 2 🚗 OSP

SALE PRICE \$320,000
YIELD 8.8%
VENDOR Dunedin
PURCHASER Dunedin



12/93 FILLEUL ST, CITY

🏠 1 🍳 1

SALE PRICE \$320,000
YIELD Vacant
VENDOR Dunedin
PURCHASER Dunedin



78, 78A, 78B GLADSTONE RD

🏠 3 🍳 1

SALE PRICE \$300,000
YIELD 4.9%
VENDOR Dunedin
PURCHASER Dunedin



311 SOUTH RD, CAVERSHAM

🏠 3 🍳 1 🏠 1 🚗 OSP

SALE PRICE \$240,000
YIELD 14.4% gross
VENDOR Dunedin
PURCHASER Auckland



133D MACANDREW RD, STH DN

🏠 2 🍳 1 🚗 OSP

SALE PRICE \$235,000
YIELD Vacant
VENDOR Dunedin
PURCHASER Dunedin



68 LINDSAY RD, BALACLAVA

🏠 3 🍳 1 🚗 OSP

SALE PRICE \$225,000
YIELD Vacant
VENDOR Auckland
PURCHASER Dunedin

CURRENT LISTINGS



47 GRANGE ST, CAMPUS

🏠 5 🍳 5 🚗 2 OSP

Can't beat the location!
SALE PRICE \$1,295,000
YIELD 7% gross (2019)
RENTAL \$1,737pw (2019)



48 HERIOT ROW, CITY

🏠 7 🍳 2

Large character investment
SALE PRICE \$699,000
YIELD 7.45% (2019)
RENTAL \$1,001pw



13 HART ST, BELLEKNOWES

🏠 6 🍳 3 🚗 1

Quality residential investment
SALE PRICE \$695,000
YIELD 9.5% gross
RENTAL \$1,265pw



838 CUMBERLAND ST, CAMPUS

🏠 6 🚿 2 🚗 OSP

Popular student investment!

SALE PRICE \$669,000

YIELD 7.14% (after \$1,535 of landlord costs)

RENTAL \$948pw



4 DUKE ST, CAMPUS

🏠 7 🚿 2

Superbly renovated Villa!

SALE PRICE \$659,000

YIELD 8% (2019)

RENTAL \$1,015pw



2 (B, C, D) FORTH ST, CAMPUS

🏠 6 🚿 2 🚗 OSP (each)

Superb purpose built investments

SALE PRICE \$659,000 each

YIELD 7.1% (2019) each

RENTAL \$900pw (2019) each



603 CASTLE ST, CAMPUS

🏠 6 🚿 1 🚗 OSP

Tidy Villa investment

SALE PRICE \$645,000

YIELD 7.2% (2019)

RENTAL \$894pw (2019)



595 CASTLE ST, CAMPUS

🏠 6 🚿 1 🚗 OSP

Popular student flat

SALE PRICE \$635,000

YIELD 7.3% (2019)

RENTAL \$888pw (2019)



41 GLADSTONE RD, CAMPUS

🏠 8 🚿 2

Large student investment

SALE PRICE \$629,000

YIELD 8.3%

RENTAL \$1,000pw



466A LEITH ST, CAMPUS

🏠 6 🚿 2 🚗 OSP

Easy to rent

SALE PRICE By Negotiation

YIELD N/A

RENTAL \$888pw (2019)



466 LEITH ST, CAMPUS

🏠 6 🚿 2 🚗 OSP

Investment with potential

SALE PRICE By Negotiation

YIELD N/A

RENTAL \$888pw (2019)



328 HIGHGATE (390 STUART ST)

🏠 5 🚿 1 🚗 OSP

Owner wants action!

SALE PRICE By Negotiation

YIELD N/A

RENTAL \$945pw



110 STAFFORD ST, CITY

🏠 7 🍳 4 🚗 OSP

Large multiple income investment

SALE PRICE Deadline Sale

YIELD N/A

RENTAL \$970pw



7/543 GEORGE ST, CAMPUS

🏠 6 🍳 2 🚗 1

Sunny purpose-built investment

SALE PRICE \$599,000

YIELD 6.8%

RENTAL \$780pw (2019)



Artistic impression only

17A MILBURN ST, CORSTORPHINE

🏠 3 🍳 2 🚗 1 🚗 OSP

Milburn Apartments

SALE PRICE By Negotiation

YIELD N/A

RENTAL N/A



130 ALBANY ST, CAMPUS

🏠 5 🍳 2 🚗 OSP

Check out the location!

SALE PRICE Neg over \$520,000

YIELD 7% (2019)

RENTAL \$700pw (2019)



132 ALBANY ST, CAMPUS

🏠 5 🍳 2 🚗 OSP

Check out the location!

SALE PRICE Neg over \$520,000

YIELD 7% (2019)

RENTAL \$700pw (2019)



451 LEITH ST, CAMPUS

🏠 10 🍳 2 🚗 OSP

Campus cash cow

SALE PRICE \$449,000

YIELD 11% (after ground lease)

RENTAL \$1,350pw (2019)



171 DUNDAS ST, CAMPUS

🏠 3 🍳 1 🚗 OSP

Rarely available on campus!

SALE PRICE \$339,000

YIELD 6.2%

RENTAL \$405pw (2019)



8/63 OPOHO RD, N.E.V.

🏠 6 🍳 2 🚗 OSP

Affordable modern purpose-built

SALE PRICE \$329,000

YIELD 8.5%

RENTAL \$540pw



92 SOUTH RD, THE GLEN

🏠 2 🍳 2 🚗 OSP

The perfect starter!

SALE PRICE \$275,000

YIELD 7.8%

RENTAL \$410pw

With current listings greater than space available, please go to our website www.propertyinvestments.nz

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