

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...



24 December 2020
Office closes: 12.30pm

11 January 2021
Office re-opens: 8.30am
Clayton on call throughout holidays



11 January 2021 -
19 February 2021
Summer School classes

20-25 February 2021
Summer School exams



22-26 February 2021
'O' week



1 March 2021
Formal lectures begin

Welcome to our 74th investment update...

Hi everyone, welcome to our 74th and Christmas newsletter. We are now in our 17th year of providing investors with quarterly newsletters, and although we have seen the cap rates change over the years with interest rates going up and down, new tenancy legislation rules, tax changes and global carnage on occasion; this is still a great and exciting market to be in! This year has provided us with some challenges including Covid-19, an election, healthy homes regulations and the changes to the Residential Tenancy Act. One positive was the relaxation of the LVR rules for the past few months, bringing some buyers back into the market, however it looks like this is going to end with restrictions coming back into force. Most of us will be glad to see the end of 2020 and look forward to a more positive 2021.

Interest rates are the lowest we have seen in decades and this has put pressure on lowering cap rates, but even better if you are thinking of selling! It is now common to see interest rates around the mid 2% range and even 5 years rates under 3%. This is great for your cashflow and looks like the low rates are here to stay for a number of years.

What's the student market doing? Let's break down the numbers since the last newsletter. Of our last 12 sales in the Central and North Dunedin area (both prime and fringe campus), only (2) were under \$600,000, (6) \$600,000 to \$1,000,000, and (4) over \$1,000,000. Cap rates ranged between 4.2% and 6.9%, with majority of sales either side of mid 5% range. The wide range was based on quality and location. Our last four quarters including this one, 80+ sales, 60 were within the Campus/Central City area, with 14 over \$1 million. We are experiencing overwhelming enquiry over all our listings, in all price ranges, resulting in multiple offers on many properties and providing fantastic results for our vendors.

Dunedin Stats - The general Dunedin market median price has increased in the last 12 months due to a combination of lower stock levels and more buyers in the market. This October there were 202 sales with a median sale price \$570,000 up from \$510,000 in October 2019 and properties took an average of 24 days to sell. Although most of you will know us as investment specialists, did you know that approximately 25% of our sales are residential family homes? Whether you are thinking of selling a university investment, residential investment or your family home, we can provide you with the same knowledgeable and friendly service with proven results regardless of the type of property. We are always only a phone call away if you would like to have a chat.

Healthy Homes - A wee reminder that you all should now have a healthy homes statement as part of your 2021 tenancy agreements. If you need advice, please let us know and we can point you in the right direction.



We would like to extend a thank you to all vendors, investors, buyers, friends and industry professionals who we have had the pleasure of working with during 2020.

All the very best to you and your families for a fantastic Christmas, safe, relaxing holiday period and a prosperous New Year.

We look forward to working with you all in 2021.

Lane, Clayton & Aimee

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We are proud to be able to support some of our local investors who are helping Dunedin grow. This month we are excited to showcase a new apartment development.

Apartment Development – 252 Cumberland Street, Dunedin Central

Looking to do something a little different, was Jared Palmers approach when he decided to add another level to his building at the New Zealand Hardware Company at 252 Cumberland Street, creating ten modern loft style apartments located in the central city.

With a desire to combine an upmarket experience with the building's heritage, Jared said it took some creativeness and planning. He believes it now has a nice balance of old and new.

The buildings ground floor is occupied by Evo Cycles, the first floor has been developed into individual offices spaces, and the top floor now consists 8 one-bedroom units and 2 two-bedroom units all with mezzanine bedrooms, tiled en-suites, along with new style windows, come fully furnished with internet included.

Special features that have been added include, a power glide lift, swipe tag entry, dragon board flooring, vertigo hot water cylinders, earthquake strengthen to 100% and the reinstatement of some of the old façade which was removed in a fire in 1952.

Located in a fantastic area, just a stone's throw away from cafes, restaurants, supermarket and one block away from the new hospital, it's not hard to see why this style of living will be popular among young professionals and academics, wanting to experience inner city living at its finest.

After a year, the project is now complete, and tenants have started moving in. We congratulate Jared in his out of the box thinking and delivering outstanding Dunedin accommodation.



SOLD SINCE LAST NEWSLETTER



673 A&B GREAT KING ST, CAMPUS

🏠 7 🍳 7

SALE PRICE \$1,672,000
YIELD 5.1% (2021)
VENDOR Australia
PURCHASER Auckland



6 AGNEW ST, CAMPUS

🏠 6 🍳 3

SALE PRICE \$1,125,000
YIELD 5.2% (2021)
VENDOR Australia
PURCHASER Dunedin



38 WARRENDER ST, CAMPUS

🏠 9 🍳 2

SALE PRICE \$1,015,000
YIELD 5.8%
VENDOR Tauranga
PURCHASER Dunedin



5B ANZAC AVE, CITY

🏠 7 🍳 7 🚗 OSP

SALE PRICE \$977,000
YIELD n/a
VENDOR Dunedin
PURCHASER Dunedin



5E ANZAC AVE, CITY

🏠 7 🍳 7 🚗 OSP

SALE PRICE \$977,000
YIELD n/a
VENDOR Dunedin
PURCHASER Dunedin



26 CHAMBERS ST, N.E.V.

🏠 6 🍳 2

SALE PRICE \$920,000
YIELD 5.75% (2021)
VENDOR Christchurch
PURCHASER Auckland



34 WARRENDER ST, CAMPUS

🏠 6 🍳 1

SALE PRICE \$864,000
YIELD 5.5% (2021)
VENDOR Auckland
PURCHASER Dunedin



5C ANZAC AVE, CITY

🏠 6 🍳 6 🚗 OSP

SALE PRICE \$840,000
YIELD n/a
VENDOR Dunedin
PURCHASER Dunedin



5D ANZAC AVE, CITY

🏠 6 🍳 6 🚗 OSP

SALE PRICE \$840,000
YIELD n/a
VENDOR Dunedin
PURCHASER Dunedin



5A ANZAC AVE, CITY

🏠 5 🚿 5 🚗 OSP

SALE PRICE \$800,000
YIELD n/a
VENDOR Dunedin
PURCHASER Dunedin



51 STAFFORD ST, CITY

🏠 7 🚿 3 🏠 2 🚗 OSP

SALE PRICE \$720,000
YIELD 6.9%
VENDOR Dunedin
PURCHASER Dunedin



153 DUNDAS ST, CAMPUS

🏠 4 🚿 1

SALE PRICE \$655,000
YIELD 5.75% (2021)
VENDOR Dunedin
PURCHASER Auckland



237C MORAY PL, CITY

🏠 2 🚿 2

SALE PRICE \$623,000
YIELD 4.8% (2021)
VENDOR Christchurch
PURCHASER Queenstown



15 DUKE ST, CAMPUS

🏠 4 🚿 1

SALE PRICE \$611,000
YIELD 5.75%
VENDOR Dunedin
PURCHASER Dunedin



138 FORTH ST, CAMPUS

🏠 4 🚿 1

SALE PRICE \$450,000
YIELD 5.5% (2021)
VENDOR Dunedin
PURCHASER Dunedin



81 OPOHO ROAD, OPOHO

🏠 3 🚿 1

SALE PRICE \$375,000
YIELD 4.2%
VENDOR Australia
PURCHASER Dunedin



PROPERTY WANTED

We currently have active buyers looking for the following:

\$400,000 - \$900,000 - Campus, Gardens, North East Valley.

Inner City apartments - 1-2 bedroom - \$500,000 - \$800,000.

\$1,000,000+ - Multi-unit properties with off street parking.

Doer-upper up to \$500,000, most areas considered.

Thinking of selling? Give us a call for a no obligation chat.

INVESTMENT LISTINGS



295 RATTRAY ST, CITY

- A rare opportunity to purchase a freehold 15 room boutique hotel, car parks and a standalone 2-bedroom house over four titles
- Close to the CBD

🏠 15 🍳 15 🚗 15

PRICE By Negotiation

30 TENNYSON ST, CITY

🏠 15 🍳 9 🚗 OSP

Premium inner-city investment!
 SALE PRICE \$2,850,000
 YIELD 5.8%
 RENTAL \$3,180pw (2021)



96 HARBOUR TCE, CAMPUS

🏠 6 🍳 3

Popular prime campus location
 SALE PRICE By Negotiation
 YIELD n/a
 RENTAL \$1,050pw (2021)



12 ALBANY ST, CAMPUS

🏠 13 🍳 3 🚗 OSP

Large character campus investment!
 SALE PRICE By Negotiation
 YIELD n/a
 RENTAL \$1,965pw (2021)



31 A-F SIGNAL HILL RD, OPOHO

🏠 12 🍳 6 🚗 OSP

Buy one or buy them all!
 SALE PRICE Deadline Sale
 YIELD n/a
 RENTAL n/a



24 HYDE ST, CAMPUS

🏠 5 🍳 2 🚗 OSP

Seldom seen, highly sought after!
 SALE PRICE Deadline Sale
 YIELD n/a
 RENTAL \$975pw (2021)



824 CUMBERLAND ST, CAMPUS

🏠 5 🍳 1 🚗 OSP

Highly sought after location with potential
 SALE PRICE Deadline Sale
 YIELD n/a
 RENTAL \$625pw (2021)



62 GRANGE ST, CAMPUS

🏠 4 🍳 1 🚗 OSP

Central campus location
 SALE PRICE \$599,000
 YIELD 5.4%
 RENTAL \$620pw (2021)



50A HAZEL AVE, CORSTORPHINE

Great development site

SALE PRICE \$700,000 + GST (if any)
YIELD n/a
RENTAL n/a



6 RIEGO ST, CAMPUS

🏠 6 🚿 2

Prime investment with potential!

SALE PRICE Deadline Sale
YIELD n/a
RENTAL \$660pw (2021)



34 ORBELL ST, DALMORE

🏠 3 🚿 1 🚗 1

First home or easy renter?

SALE PRICE By Negotiation
YIELD n/a
RENTAL \$400pw

RESIDENTIAL LISTINGS



61 MURANO ST, SHIEL HILL

🏠 5 🚿 3 🚗 4 🚗 OSP

Quality family living

- Large open plan living
- 4 car garaging and rumpus
- Great sunshine and views

PRICE Deadline Sale



381 TOMAHAWK RD, OCEAN GROVE

🏠 2+ 🚿 1 🚗 OSP

Spectacular ocean views

- Open plan living
- 2 bedrooms plus utility room
- Elevated for all day sun

PRICE By Negotiation



62 NELSON ST, FORBURY

🏠 4 🚿 1 🚗 OSP

Versatile family gem

- In a lovely family friendly location
- Open plan kitchen/living
- Flat fully fenced section

SALE PRICE \$550,000



104 WRAY ST, BROCKVILLE

🏠 3 🚿 1 🚗 OSP

Solid brick beauty!

- Great low maintenance home
- Lounge with in-built wood burner
- Sits well to receive all day sun

SALE PRICE \$491,000



48 GREY ST, N.E.V.

🏠 5 🚿 1 🚗 OSP

Ready for a makeover!

- Substantial family home
- Large lounge opening to deck
- Sweeping views

SALE PRICE \$440,000



32D EMERSON ST, CONCORD

🏠 2 🚿 1 🚗 1

Affordable starter package!

- A short drive to the CBD
- Spacious open plan living
- Modern kitchen, tidy bathroom

SALE PRICE \$370,000