

PROPERTY INVESTMENT UPDATE

ISSUE 79 | MARCH 2022



Edinburgh

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SIEWWRIGHTS & MARSH

Investments / Apartments / Family Homes

IMPORTANT DATES...



15 April - 25 April
Mid semester break



26 April
First semester resumes



8 June - 22 June
Semester one exams

Welcome to our 79th investment update....

What's happening in our market?

Property has performed strongly in North Dunedin with prices growing 20.9% over the past 12 months.

If you're looking to buy in the area, the median sales price is currently \$780,000 compared to \$597,650 in nearby Dalmore and \$1,000,000 plus over in Maori Hill. The top price achieved for North Dunedin over the past 12 months has been 147A Forth Street in June 2021, which sold for \$2,045,000. The most affordable North Dunedin, Dunedin City properties to sell for the same period was 493C and 493G Leith Street which both went for just \$265,000 on February 2022 and August 2021 respectively.

There have been 58 properties sell in North Dunedin over the past 12 months, totaling \$26.9 million.

Properties are currently selling at a median of 18 days on market over the past 3 months, however we are seeing this extend out as interest rates increase, the interest deductibility on mortgages for residential investment properties kicks in, and along with other market factors such as the

introduction of the Credit Contracts and Consumer Finance Act (CCCF), restricting banks ability to lend funds to both home buyers and investors.

If we drill down into the sales, we find that the breakdown of sales into price ranges is as follows: 16 Sales - Under \$600,000; 16 Sales \$600,000 to \$800,000; 14 Sales - \$800,000 to \$1,000,000 and 12 Sales - Over \$1,000,000.

You could say it is a good spread over all price ranges for the past 12 months. However, the tide seems to be changing, and from the coal face we are currently finding properties under \$800,000 are receiving reasonable enquiry, but anything over \$800,000 seems to currently be a bit price sensitive for buyers expecting a higher cap rate and with vendors still expecting 5% to 6% gross returns. Let's watch this space over the next 3 months!

Healthy Homes Update

The Government announced in December to amend the Healthy Homes Standards and its heating requirements for rental properties to reflect the higher thermal performance of new homes built to the 2008 building code requirements for insulation and glazing and apartments. The amendments to the Residential Tenancies (Healthy Homes Standards) Regulations 2019 expected will come into effect next month. One of the changes is that of the qualifying heaters that were installed prior to 1 July 2019, will change the electric heater 'top up' allowance from 1.5kW to 2.4kW. Other planned changes include providing an exemption from meeting the heating standard for the small number of rental properties which use direct geothermal heating for which the heating capacity is not stated. For further information check out the article via the link below:

<https://www.hud.govt.nz/about-us/news/updating-the-healthy-homes-standards-heating-regulations/>

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Looking back

(2007)

14 Hyde Street



\$299,000 - 7.8% 5 x \$90

673A Castle Street



\$350,000 - 7.38% 5 x \$99

153 Queen Street



\$240,000 - 6.78% 4 x \$78

NEW DEVELOPMENT



1-bedroom apartments priced from \$520,000
2-bedroom apartments priced from \$900,000

1 Great King Street is a superb inner-city site that is going to comprise of 20 stunning low maintenance stratum freehold apartments over four levels, with commercial premises on the ground floor.

Only a few minutes' walk from the local Bars, Restaurants, retail shopping, Dunedin hospital rebuild, and right next to the supermarket, bus hub and easy walking distance to the University.

Full furniture packages are available with both the one-bedroom and two-bedroom apartments.

Each apartment is fully self-contained with kitchen, bathroom(s) and laundry facilities. 16 of the 20 units have a balcony accessed through large sliding doors.

Whether buying as a long-term investment, Air BnB, town base or executive inner city living, these apartments won't disappoint.



Estimated completion date is mid 2024.

SOLD SINCE LAST NEWSLETTER



17 Malvern Street, Woodhaugh

1590m² (more or less)

Sale Price \$1,400,000
Vendor Dunedin
Purchaser Christchurch



34 Dundas Street, Campus

🏠 6 🚿 2

Sale Price \$1,150,000 - 4.6%
Vendor Dunedin
Purchaser Wanaka



15 Ethel McMillan Place, Campus

🏠 5 🚿 1 🚗 OSP

Sale Price \$900,000 - 5%
Vendor Dunedin
Purchaser Hamilton



874 George Street, Campus

🏠 5 🚿 1 🚗 OSP

Sale Price \$850,000 - 5%
Vendor Dunedin
Purchaser Auckland



19 Musselburgh Rise, Musselburgh

🏠 5 🚿 3 🚗 1

Sale Price \$810,000 - 6.8%
Vendor Dunedin
Purchaser Singapore



10/73 Buccleugh Street, N.E.V.

🏠 4 🚿 4 🚗 OSP

Sale Price \$741,888 - 5.4% nett
Vendor Dunedin
Purchaser Wellington



13 Durham Street, Mornington

🏠 6 🍳 1 🚗 OSP

Sale Price \$680,000 - 3.6%
Vendor Dunedin
Purchaser Otago



740H George Street, Campus

🏠 3 🍳 1 🚗 OSP

Sale Price \$669,900 - 4.5%
Vendor Dunedin
Purchaser Dunedin



9/791 Great King Street, Campus

🏠 6 🍳 2 🚗 OSP

Sale Price \$652,000 - 6.7%
Vendor Dunedin
Purchaser Leeston



26A Silverton Street, Andersons Bay

🏠 2 🍳 1 🚗 OSP

Sale Price \$450,000
Vendor Dunedin
Purchaser Dunedin



26B Silverton Street, Andersons Bay

🏠 2 🍳 1 🚗 OSP

Sale Price \$430,000
Vendor Dunedin
Purchaser Dunedin

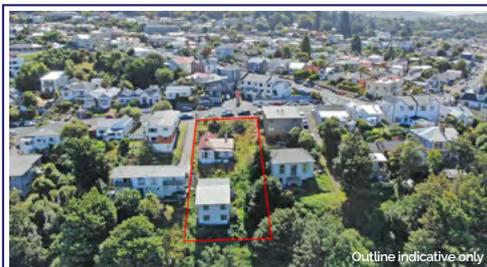


493C Leith Street, Campus

🏠 1 🍳 1 🚗 OSP

Sale Price \$265,000 - 6.1%
Vendor Dunedin
Purchaser Invercargill

INVESTMENT LISTINGS



93, 93A, 93D Canongate, Dunedin Central
Residential development opportunity

🏠 4 🍳 3 🚗 1

Sale Price By Negotiation
Rental n/a



615 Castle Street, Campus
Popular student investment!

🏠 7 🍳 2 🚗 OSP

Sale Price \$1,195,000 - 5.8%
Rental \$1,330pw



142 Albany Street, Campus
Check out the location!

🏠 6 🍳 2

Sale Price By Negotiation
Rental \$1,020pw



42 Grange Street, Campus
Blue chip location!

🏠 6 🍳 2 🚗 OSP

Sale Price \$998,000 - 5%
Rental \$960pw (est 2023 \$1,080pw)



26 Chambers Street, N.E.V.
Looking for a quality investment?

🏠 6 🍳 2

Sale Price \$995,000 - 5.5%
Rental \$1,050pw



312 Stuart Street, Dunedin Central
Multi income investment? Development?

🏠 10 🍳 3 🚗 OSP

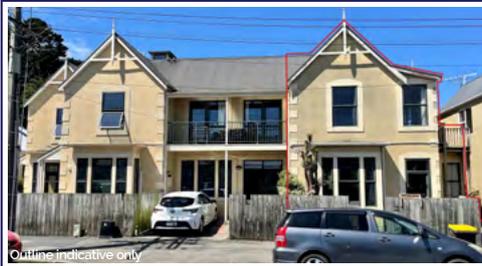
Sale Price \$969,000 - 5%
Rental \$930pw



439 Leith Street, Campus
Spacious purpose-built

🏠 6 🚿 2 🚗 OSP

Sale Price \$899,000 - 6.24%
Rental \$1,080pw



441 Leith Street, Campus
Popular student flat

🏠 6 🚿 2 🚗 OSP

Sale Price \$899,000 - 6.24%
Rental \$1,080pw



56 Queen Street, Campus
Tidy standalone villa on Queen!

🏠 5 🚿 1

Sale Price \$759,000 - 5%
Rental \$725pw (est 2023 \$850pw)



8/791 Great King Street, Campus
Sunny purpose-built investment

🏠 5 🚿 2 🚗 OSP

Sale Price \$699,000 - 7.1%
Rental \$950pw



27 Chambers Street, N.E.V.
Single level easy care investment

🏠 5 🚿 2

Sale Price Enq over \$670,000
Rental \$725pw



54 Dundas Street, Campus
Terraces on the park

🏠 4 🚿 1

Sale Price \$605,000
Rental \$520pw (est 2023 \$620pw)



58 Dundas Street, Campus
Looking for a flat for kids at university?

🏠 4 🚿 1

Sale Price \$605,000
Rental \$520pw (est 2023 \$620pw)



740C George Street, Campus
Superbly located on the 'Golden Mile'

🏠 3 🚿 1 🚗 OSP

Sale Price \$595,000
Rental n/a

RESIDENTIAL SALES



17 Cairnhill Street **\$1,285,000**
🏠 3 🚿 1 🚗 1+ OSP

RESIDENTIAL LISTINGS



23 Panmure Avenue, Calton Hill
Classic family starter

🏠 3 🚿 1 🚗 OSP

Sale Price \$529,000



10 & 10A Nicholas Street, Portobello
Sections in Portobello

Lot 1: 500m² (more or less)
Lot 2: 548m² (more or less)

Sale Price Neg over \$260,000 each



398 King Edward Street **\$620,000**
🏠 2 🚿 1 🚗 1+ OSP



59 Mechanic Street **\$265,000**
🏠 1 🚿 1 🚗 1