

PROPERTY INVESTMENT UPDATE

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Edinburgh

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SIEWWRIGHTS & MARSH

Investments / Apartments / Family Homes

IMPORTANT DATES...



Welcome to our 83rd investment update...

What's happening in our market?

What's happening in our market? Property sales have been a bit slower in North Dunedin with prices declining -2.1% over the past 12 months. If you're looking to buy in the area, the median sales price is currently \$735,000 compared to \$589,000 in nearby Dalmore and \$925,000 over in Maori Hill. There have been 25 properties sold in North Dunedin over the past 12 months, totaling \$18.26m with only 6 property sales in the past 6 months. Properties are currently selling slower than last year at 41 days on market, compared to 22 days 12 months ago. Looking at the last 6 months' sales, only one was under \$500,000 and the other 5 were in the \$700,000 to \$800,000 range. We are seeing cap rates increasing from around 5% a year ago to closer to the 7% plus range, due to the increase in interest rates and with the removal of interest deductibility.

The Real Estate Institute of New Zealand's (REINZ) February 2023 figures show a lesser rate of decline in annual median prices and sales counts, with stock levels returning to normal levels. As of writing this, realestate.co.nz shows 691 properties for sale in Dunedin City. There were 115 sales in Dunedin City for February 2023 compared to 161 in February 2022. The median sales price has decreased 18.2% annually from \$685,000 Feb 2022 to \$560,000 Feb 2023. The current Days to Sell of 60 days is much more than the 10-year average for February which is 39 days. There were 20 weeks of inventory in February 2023 which is 6 weeks more than the same time last year.

This is the time of year mum/dads should be actively checking out all properties for sale that come on the market before they get signed up and let for 2024. If the budget is say up to \$700,000, how many options can they expect to have? We currently have 6 viable options in this price range. With those 6 viable options mum/dads would be competing with investors. These properties range from 3-bedroom cottages around the \$400,000+ range in a prime location, to a 6-bedroom

purpose built within walking distance to Uni. Things to consider: How many flatmates does your son/daughter want to live with. Each extra flatmate will add (very roughly) \$120,000+ to the price. I.e. A three bedroom might cost \$140,000-\$150,000/room, whereas a 5 bedroom might cost \$120,000- \$140,000/room. It all depends on the property and location.

Another consideration is will your son/daughters potential flatmates want to move into your choice of flat with your son/daughter. If not, and we've seen it happen, your son/daughter might end up going with them to another flat! It's critical to listen to them about what they want in a perfect world and how close to that you can get, with still getting their buy-in.

Need a chat with someone who has seen it all? Lane, Clayton and Aimee will be happy to chat and assist.

INTEREST RATES					
	Floating	1yr	2yr	3yr	5yr
March 2023	7.8%	6.49%	6.47%	6.55%	6.65%
March 2022	4.8%	3.79%	4.38%	4.76%	5.24%
March 2021	4.19%	2.26%	2.52%	2.69%	3.13%
March 2020	4.4%	3.21%	3.42%	3.73%	4.01%
February 2020	5.3%	3.44%	3.55%	3.89%	4.28%

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Quick facts about Otago University

The university campuses comprise of 45 Hectares, or 111 acres of land. Dunedin's population of 130,000 includes over 25,000 students. The University of Otago is New Zealand's top university for educational performance. For 6 of the past 9 years, our teachers have beaten all other universities and polytechnics to win the Prime Minister's Supreme Award for Teaching Excellence. University of Otago is ranked **#247** in Best Global Universities. Schools are ranked according to their performance across a set of widely accepted indicators of excellence. The University of Otago was founded in 1869 by an ordinance of the Otago Provincial Council, is New Zealand's oldest university. The new University was given 100,000 acres of pastoral land as an endowment and authorised to grant degrees in Arts, Medicine, Law and Music. With **over 21,000 students (by headcount)** and almost 4,000 full-time equivalent (FTE) staff, the University now offers 200 undergraduate and postgraduate degree, diploma and certificate courses across its campuses.

Looking back
(2008)

5 Clyde Street



\$279,000 - 8.39% 5 x \$90

45A Grange Street



\$400,000 - 7.15% 5 x \$110

56 Queen Street



\$233,000 - 6.14% 5 x \$55

SOLD SINCE LAST NEWSLETTER



4 Mellay Mews, Mosgiel

3 2 2 + OSP

Sale Price \$951,000
Vendor Dunedin
Purchaser Dunedin



100 London Street, City

4 3 2 + OSP

Sale Price \$865,000
Vendor Dunedin
Purchaser Timaru



834 Great King Street, Campus

4 4 OSP

Sale Price \$780,000 - 6% (nett)
Vendor Australia
Purchaser Timaru



836 Great King Street, Campus

4 4 OSP

Sale Price \$775,000 - 6.1% (nett)
Vendor Australia
Purchaser Timaru



4 Spylaw Street, Maori Hill

2 1 1 + OSP

Sale Price \$750,000
Vendor Dunedin
Purchaser Dunedin



67 Canongate, City

2 2

Sale Price \$547,000 - 8.2%
Vendor Dunedin
Purchaser Christchurch



28C Cornhill Street, North East Valley

2 1 1

Sale Price \$365,000
Vendor Owaka
Purchaser Dunedin



93K Queen Street, Campus

2 1 1

Sale Price \$380,000
Vendor Dunedin
Purchaser Overseas



78 Stafford Street, City
Investment with potential

5 3 2

Sale Price By Negotiation
Rental \$830pw

CURRENT LISTINGS



191 Carroll Street, City
Multi-unit opportunity with potential

🏠 20 🍳 8 🚗 OSP

Sale Price Deadline Sale
Rental \$1,220pw



136 Dundas Street, North Dunedin
Immaculately presented student villa

🏠 7 🍳 2

Sale Price By Negotiation
Rental \$1,330pw



840 Great King St, North Dunedin
Student rental at its finest

🏠 5 🍳 5 🚗 OSP

Sale Price \$999,000
Rental \$1,277.50pw



52 Maitland Street, City
"Cashflow is king"

🏠 9 🍳 3 🚗 OSP

Sale Price \$949,000
Rental Appraisal \$1,530pw



26 Chambers Street, North East Valley
Looking for a quality investment?

🏠 6 🍳 2

Sale Price \$949,000
Rental \$1,100pw



1 Great King Street, City
Exciting new development

🏠 1-2 🍳 1-2

Sale Prices (2 bed) From \$895,000
(1 bed) From \$529,000



24 Henry Street, Maori Hill
Large family home priced to sell!

🏠 4 🍳 3 🚗 1

Sale Price \$829,000



22-24 Rotoiti Street, Maia
Magnificent water views with two titles

🏠 4 🍳 1 🚗 1+ OSP

Sale Price By Negotiation



838 Great King St, North Dunedin
Nothing like it on campus

🏠 4 🍳 4 🚗 OSP

Sale Price \$799,000
Rental \$1,040pw



59A Blacks Road, North East Valley
Peaceful private setting

🏠 4 🍳 2 🚗 2+ OSP

Sale Price \$749,000



33 Clyde Street, Campus
Superbly located campus villa

🏠 5 🍳 1

Sale Price \$719,000
Rental \$875pw



14/783 Great King Street, Campus
Modern purpose-built

🏠 6 🍳 2 🚗 OSP

Sale Price \$699,000
Rental \$960pw



56 Howe Street, Campus Student brick investment

🏠 3 🚿 1 🚗 OSP

Sale Price Enq over \$600,000
Rental \$525pw



UNDER OFFER

38 and 38A Crown St, North East Valley Two houses on one title

🏠 9 🚿 4 🚗 OSP

Sale Price \$599,000
Rental \$400pw (38), \$450pw (38A)



26C Duke Street, Campus 5 bedroom student flat

🏠 5 🚿 2 🚗 OSP

Sale Price \$599,000
Rental \$750pw



11 Brook Street, Campus Kids at Uni 2024?

🏠 4 🚿 1

Sale Price Deadline Sale
Rental \$640pw



16 St David Street, Campus Buy one or buy both

🏠 3 🚿 1

Sale Price Deadline Sale
Rental \$480pw



14 St David Street, Campus Buy one or buy both

🏠 3 🚿 1

Sale Price Deadline Sale
Rental \$480pw



8/30 Dowling Street, City Super convenient city apartment

🏠 1 🚿 1 🚗 1

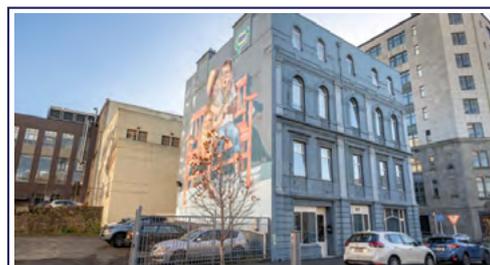
Sale Price By Negotiation
Rental \$480pw



31 Plunket Street, St Kilda Something special in St Kilda

🏠 3 🚿 1

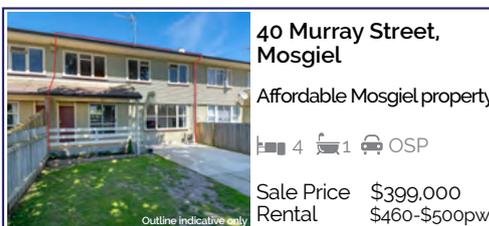
Sale Price Deadline Sale



48 Bond Street, City City apartment living or rental

🏠 1 🚿 1 🚗 OSP

Sale Price \$399,000
Rental Appraisal \$450pw



40 Murray Street, Mosgiel Affordable Mosgiel property

🏠 4 🚿 1 🚗 OSP

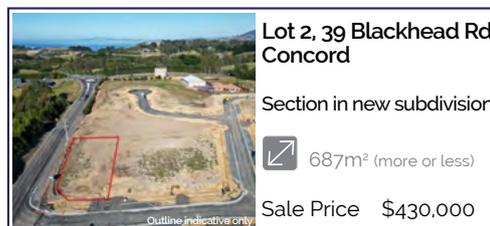
Sale Price \$399,000
Rental \$460-\$500pw



3 Rosella Place, Mosgiel Large titled family section

📐 1,005m² (more or less)

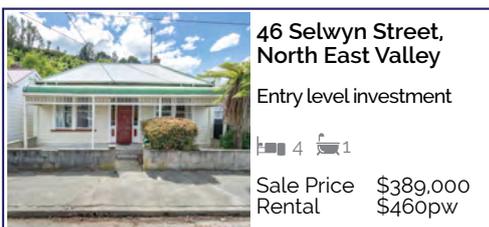
Sale Price Enq over
\$449,000



Lot 2, 39 Blackhead Rd, Concord Section in new subdivision

📐 687m² (more or less)

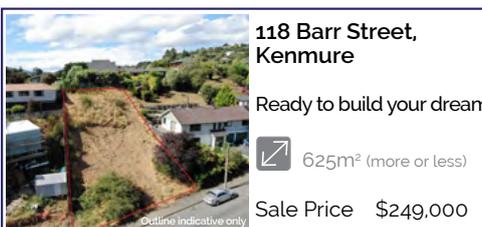
Sale Price \$430,000



46 Selwyn Street, North East Valley Entry level investment

🏠 4 🚿 1

Sale Price \$389,000
Rental \$460pw



118 Barr Street, Kenmore Ready to build your dream

📐 625m² (more or less)

Sale Price \$249,000



10 & 10A Nicholas St, Portobello Sections ready to go!

📐 500m² (more or less)
547m² (more or less)

Sale Price \$225,000
(each)