

Developer pays \$1.65m for South Auckland home

Article from OneRoof.co.nz

Nine properties sold under the hammer in one night as nearly 90 developers jostled for South Auckland land at Ray White Manukau's auction.

The night's top sale was for a 1970s home on Scotts Road in Manurewa that sold for \$1.65 million. Twenty six bidders pushed the price to almost \$1m more than its council rating valuation of \$660,000.

Ray White Manukau principal Tom Rawson said that auctions for three properties had been brought forward to last night, with only one property selling to an owner-occupier family - a four-year-old, four-bedroom townhouse on Fernly Rise, Flat Bush, that went for \$1.11m.

"Only nine of the 89 registered bidders were home buyers, the rest were all developers," Rawson told OneRoof.

"And last night nearly six out of 10 bidders (57%) had not even seen the property in person.



A three-bedroom 1970s home on Scotts Road, Manurewa sold at an online auction for \$1.65m.

"Nothing sold below \$1m," he said of the auctions which used a hybrid of Google Hangouts and agents helping bidders over the phone.

Rawson said the Scott Road property, on the market for the first time since the 80-year-old owner moved in with her family 48 years ago, was on a 900sqm corner site zoned for density, making it very attractive for developers.

Agent Pat Lapalapa, who marketed the property, said that since lockdown, buyer enquiries have doubled.

“Investors and buyers are sitting at home, so what else is there to do? I don't think we would have got to 26 registered bidders prior to lockdown.”

For another Manurewa development site on Carbery Place, six bidders pushed the price of a three-bedroom 1970s home to \$1.108m - \$538,000 above its rating valuation. A third Manurewa property, a three-bedroom 1970s on a 621sqm site on Wordsworth Road, sold for \$1.35m.

Rawson said the Level 4 lockdown and subsequent ban on photography or in-person viewings were not holding back keen vendors from listing their properties, with some homeowners providing agents with DIY pictures or video walk-throughs.

“Buyers can go for a drive past on their way to the supermarket, see if they're happy with the street. They can't do a building inspection or get a valuer through, but you can still get a LIM report. They're prepared to take a calculated risk if their bank is happy to lend,” he said.

“We've got four more auctions on Friday, another 12 next week and 17 the week after.

“Everyone who is thinking about property is thinking about the backlog [when Level 3 starts].

“People who have sold just want to buy before their three-month settlement is up and people who've bought need to get selling.”

On Auckland's North Shore, in Barfoot & Thompson auctions, a development site at College Road, Northcote - 774sqm zoned for apartments in the middle of the regenerating town centre - sold for \$1.812m. It was \$712,000 above its 2017 council valuation and \$312,000 above its pre-auction offer.

This week's bargain was a tidy one-bedroom unit in Mountain Road, Mount Wellington, that sold for \$492,000.

