

Auctioneers say 'market is moving'

This year has been very interesting for the property sector, which had its ups and downs. But the low interest rate environment sparked renewed interest in the commercial property market, particularly through auctions, says Aucor property director Mark Kleynhans

"Numerous commercial properties generated extensive interest and were successfully sold, achieving promising prices for sellers," he says.

"The results show that the market is moving again. Deals are being concluded and there is growing confidence, particularly in property auctions," he says.

Many experts in the business expect property auctions to continue growing well into next year, and beyond.

Aucor's national clients include listed funds, investors, private companies and individuals, all of which use the auction platform to restructure their property portfolios.

"The bottom line is that auctions are an attractive means of selling property to a market which is seeking quality stock at market related prices," says Aucor's property director Bradley Stephens.

"We have definitely noticed an increase in the number of investors seeking such stock providing some evidence of increased activity on the auction floors," he added.

Aucor holds various monthly property auctions in major cities across SA. The group sold more than 150 properties since June last year, including commercial, industrial, retail and residential lots.

Key sales include a shopping centre in Lydenburg which sold for R35,6m, an Edgars retail centre in Klerksdorp for R11,2m, a mixed-use industrial Queenstown property for R11,2m, a Hartbeespoort commercial property for R11m, nine residential properties in Noordhoek for R10,8m and a prime industrial property in Eastleigh that went under the hammer last month for R17m.

One of Aucor's most successful auctions occurred in October when the group sold stock worth R85m.

"We look forward to 2013 anticipating that the market will grow. We are already canvassing stock for our first multiple auction in February next year," says Kleynhans.

Source: *Business Day* via I-Net Bridge

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