

Auction activity shows '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.



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Numerous commercial properties generated extensive interest and were successfully sold, achieving promising prices for sellers, says Aucor property director Mark Kleynhans.

"The results achieved during the course of the year show that the market is moving again. Deals are being concluded and there is growing confidence, particularly in property auctions.

"The events which took place earlier in the year forced auctions to become even more transparent, a factor which Aucor has strongly enforced throughout the company's 44 successful years."

Many experts in the industry 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 utilise the auction platform to successfully 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 property director Bradley Stephens.

"We have definitely noticed an increase in the amount of investors seeking such stock, and evidence of this is the busy activity we have seen on our auction floors over recent months.

"Ultimately, there is a demand for good stock with many buyers eager to utilise the auction platform to make their purchases," he says.

Aucor holds various monthly property auctions in major cities across SA. The group sold more than 150 properties nationwide 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 was during October when the group sold more than R85m of stock at one auction.

"We look forward to 2013 as we anticipate the market to grow even further, and are already canvassing stock for our first multiple auction of 2013, which will be held on 12 February," says Kleynhans.

Source: *Business Day*

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