

43A Linwood Avenue, Mt Albert

Plain-English review of a light industrial / workshop income property using the new lease data: two leases totalling \$5,682.51 per month including GST and OPEX.

Vendor price

\$750k

Rent incl GST/
OPEX

**\$5,683/
mo**

Approx ex-GST

**\$4,941/
mo**

Working verdict

Caution

Short verdict

At \$750,000, the current income does not look strong enough unless the lease/outgoings split is much cleaner than the headline numbers suggest.

The key issue is that the provided rent includes GST and OPEX/outgoings. After removing GST, the starting income is about \$59,296 per year, and that still needs to be split between base rent and outgoings recovery.

This does not make the property dead. It means the price needs to be tested hard. At the current information level, the deal looks more sensible below \$600k, stronger around \$500k to \$550k, and much harder to justify at \$750k.

Why these numbers are being tested

The goal is not to make the headline yield look good. The goal is to test whether the property can survive real-world problems: GST confusion, unknown owner expenses, commercial debt rates, one tenant leaving, and possible capital repairs.

Term	Plain-English meaning
GST	If rent is quoted including GST, we remove GST before estimating real income.
OPEX	Operating expenses/outgoings such as rates, insurance, body corporate/common costs, repairs and unrecovered tenant costs.
NOI	Net operating income: income after OPEX, before debt, tax and major repairs.
CAPEX	Larger repairs/upgrades such as roof, drainage, roller doors, electrical or fire compliance.
LVR	Loan-to-value ratio. 40% LVR on \$750k means \$300k debt and \$450k equity before costs.
P&I	Principal-and-interest loan repayment. It pays interest and reduces the loan balance.
DSCR	Debt service coverage ratio. A rough lender-style safety measure for debt coverage.

The GST and OPEX issue

The two leases add to \$5,682.51 per month, but that amount is not clean rent because it includes GST and OPEX.

Step	Monthly	Annual
Headline received, incl. GST and OPEX	\$5,682.51	\$68,190
Approx amount after removing GST	\$4,941.31	\$59,296
Still needs separating	Base rent vs OPEX recovery	Actual owner income depends on lease/outgoings split

This is why the earlier \$6,000/month screen was too generous. The underwriting should now start from about \$59,296 per year ex GST, then deduct true owner expenses.

Property and market context

Public listing evidence suggests 43A Linwood Avenue is a small industrial/workshop style complex with multiple units, not a simple standalone building. Earlier unit listings in the complex describe 120 sqm to 254 sqm workshop/warehouse spaces, roller door access, bathroom/kitchenette facilities, car parks and good motorway access.

Market context is only a sense check. Colliers' 1H 2026 Auckland industrial report said average prime warehouse net rents were around \$198/sqm, while secondary warehouse net rents were around \$148/sqm. JLL's Q1 2026 Auckland industrial update reported Auckland industrial vacancy at 3.7% and North-West vacancy at 6.5%.

Rent benchmark	Area implied by \$59,296/year
\$148/sqm secondary net rent	about 401 sqm
\$198/sqm prime net rent	about 299 sqm
\$200/sqm net rent	about 296 sqm
\$222/sqm prime combined rent	about 267 sqm

This is not a valuation. Exact unit area, title, base rent and outgoings recovery must be verified.

If bought outright

If the property is bought without debt, the question is how much income remains after operating costs, before tax and before major repairs.

OPEX scenario	Estimated annual OPEX	Estimated NOI	Monthly NOI	NOI yield on \$750k
25%	\$14,824	\$44,472	\$3,706	5.93%
35%	\$20,754	\$38,542	\$3,212	5.14%
45%	\$26,683	\$32,613	\$2,718	4.35%

At the \$750k price, this produces roughly \$2,718 to \$3,706 per month before tax and CAPEX, depending on true expenses.

Debt, deposit and repayment at \$750k

These figures use 7.5% interest over 15 years on a principal-and-interest basis.

LVR	Debt	Equity/deposit before costs	Annual debt payment	Monthly debt payment
30%	\$225,000	\$525,000	\$25,029	\$2,086
40%	\$300,000	\$450,000	\$33,372	\$2,781
50%	\$375,000	\$375,000	\$41,716	\$3,476

The deposit/equity number is not the full cash requirement. Legal, valuation, lender fees, due diligence, GST handling and reserves still need to be allowed for.

Cashflow after debt at the \$750k price

Each cell shows annual surplus or shortfall, monthly result and DSCR.

OPEX scenario	30% LVR	40% LVR	50% LVR
25% OPEX	\$19,442 / \$1,620/mo / 1.78x	\$11,099 / \$925/mo / 1.33x	\$2,756 / \$230/mo / 1.07x
35% OPEX	\$13,513 / \$1,126/mo / 1.54x	\$5,170 / \$431/mo / 1.15x	-\$3,173 / -\$264/mo / 0.92x
45% OPEX	\$7,583 / \$632/mo / 1.30x	-\$760 / -\$63/mo / 0.98x	-\$9,103 / -\$759/mo / 0.78x

At 35% OPEX, 30% LVR is workable, 40% LVR is thin, and 50% LVR is already negative.

Interest-rate sensitivity

This shows monthly P&I loan payments at the \$750k purchase price. It does not include OPEX.

Interest rate	30% LVR debt \$225k	40% LVR debt \$300k	50% LVR debt \$375k
5.5%	\$1,838	\$2,451	\$3,064
6.5%	\$1,960	\$2,613	\$3,267
7.5%	\$2,086	\$2,781	\$3,476
8.5%	\$2,216	\$2,954	\$3,693
9.0%	\$2,282	\$3,043	\$3,803

Tenant and vacancy stress test

This is one of the most important tests because there are only two leases. This table uses 35% OPEX, 7.5% P&I debt and the \$750k price.

Vacancy scenario	Rent lost	NOI after vacancy	30% LVR	40% LVR	50% LVR
No vacancy	\$0	\$38,542	\$13,513 / \$1,126/mo	\$5,170 / \$431/mo	-\$3,173 / -\$264/mo
Larger tenant vacant 3 months	\$7,596	\$30,946	\$5,917 / \$493/mo	-\$2,426 / -\$202/mo	-\$10,769 / -\$897/mo
Larger tenant vacant 6 months	\$15,192	\$23,351	-\$1,679 / -\$140/mo	-\$10,022 / -\$835/mo	-\$18,365 / -\$1,530/mo
Larger tenant vacant 12 months	\$30,383	\$8,159	-\$16,871 / -\$1,406/mo	-\$25,214 / -\$2,101/mo	-\$33,557 / -\$2,796/mo
Both units vacant 3 months	\$14,824	\$23,718	-\$1,311 / -\$109/mo	-\$9,654 / -\$805/mo	-\$17,997 / -\$1,500/mo
Both units vacant 6 months	\$29,648	\$8,894	-\$16,135 / -\$1,345/mo	-\$24,478 / -\$2,040/mo	-\$32,821 / -\$2,735/mo

At 40% LVR, one larger tenant vacant for 3 months already turns the year negative. At 50% LVR, the deal is fragile even before a vacancy.

CAPEX stress

CAPEX event	Why it matters
\$25,000 repair	At middle-case NOI of about \$38,542/year, this absorbs about 65% of one year of NOI before debt.
\$50,000 repair	This is larger than one full year of middle-case NOI before debt. It would need reserves or extra funding.

Same income, different purchase prices

This is the clean buyer view. The income does not improve because you pay more. If the income is the same, a lower purchase price improves yield, lowers debt and increases monthly surplus.

The table below uses 35% OPEX, 40% LVR debt and 7.5% P&I.

Purchase price	NOI yield	Debt at 40%	Monthly debt payment	Monthly surplus after debt
\$750,000	5.14%	\$300,000	\$2,781	\$431
\$650,000	5.93%	\$260,000	\$2,410	\$802
\$600,000	6.42%	\$240,000	\$2,225	\$987
\$550,000	7.01%	\$220,000	\$2,039	\$1,172
\$500,000	7.71%	\$200,000	\$1,854	\$1,358
\$450,000	8.56%	\$180,000	\$1,669	\$1,543
\$400,000	9.64%	\$160,000	\$1,483	\$1,729

Lowball offer logic

A lowball offer should be defensible from income, debt coverage and risk. The table below shows how the same income looks at lower purchase prices if bought outright.

Lowball prices with 40% LVR debt

This table uses the middle OPEX case: 35% OPEX, which gives estimated NOI of \$38,542 per year. It assumes 40% LVR, 7.5% interest, 15-year principal-and-interest repayments. Deposit means buyer equity before legal costs, valuation, due diligence, GST/accounting advice and reserves.

Purchase price	Deposit / equity at 60%	Debt at 40%	Monthly debt payment	Monthly surplus after OPEX + debt	Annual surplus after OPEX + debt	DSCR
\$650,000	\$390,000	\$260,000	\$2,410	\$802	\$9,619	1.33x
\$600,000	\$360,000	\$240,000	\$2,225	\$987	\$11,844	1.44x
\$550,000	\$330,000	\$220,000	\$2,039	\$1,172	\$14,069	1.57x
\$500,000	\$300,000	\$200,000	\$1,854	\$1,358	\$16,294	1.73x
\$450,000	\$270,000	\$180,000	\$1,669	\$1,543	\$18,519	1.92x
\$400,000	\$240,000	\$160,000	\$1,483	\$1,729	\$20,743	2.17x

This is why lower offers matter. The rent does not change, but lower purchase price reduces the loan size, lowers the monthly repayment and leaves more cashflow after OPEX and debt.

Purchase price	25% OPEX	35% OPEX	45% OPEX
\$600,000	\$3,706/mo (7.4%)	\$3,212/mo (6.4%)	\$2,718/mo (5.4%)
\$550,000	\$3,706/mo (8.1%)	\$3,212/mo (7.0%)	\$2,718/mo (5.9%)
\$500,000	\$3,706/mo (8.9%)	\$3,212/mo (7.7%)	\$2,718/mo (6.5%)
\$450,000	\$3,706/mo (9.9%)	\$3,212/mo (8.6%)	\$2,718/mo (7.2%)
\$400,000	\$3,706/mo (11.1%)	\$3,212/mo (9.6%)	\$2,718/mo (8.2%)

Purchase price zone	Buyer view
\$700k to \$750k	Weak / hard to justify unless hidden details are much better.
\$600k to \$650k	Only worth discussing if leases/outgoings are clean and building risk is low.
\$500k to \$600k	More sensible buyer range based on current income.
\$450k to \$500k	Strong buyer range if building/legal/lease risks are manageable.
Under \$450k	Very strong income price, but check carefully for hidden defects.

Working buyer position: investigate properly below \$600k, become more comfortable around \$500k to \$550k, and treat \$450k to \$500k as the stronger buyer range if leases and building risk check out.

Information needed before relying on the numbers

Category	Information needed
Lease evidence	Full leases, rent schedule, expiry dates, renewal rights, rent reviews, arrears statement, bonds/guarantees and tenant details.
Rent split	Base rent, OPEX/outgoings recovery and GST separated clearly for each lease.
Outgoings	Rates, insurance, water, management, body corporate/common area costs, repairs and what is recoverable from tenants.
Property details	Exact unit numbers, title, floor area, car parks, common property share and body corporate rules if applicable.
Building risk	LIM, building report, roof, drainage, roller doors, fire compliance, electrical, asbestos, seismic/NBS and contamination history.
GST/legal/tax	Whether the sale is plus GST, inclusive of GST, or zero-rated as a going concern. Accountant/legal review is needed before unconditional.
Lending	Actual commercial rate, term, LVR, valuation requirement, guarantees and lender treatment of the leases/income.

Final working position

This is not an automatic no, but it is not strong at \$750,000 based on the current income information.

The lease payments are weaker than the original \$6,000/month assumption because they include GST and OPEX. At the current numbers, the deal is most defensible only if bought at a materially lower price or if due diligence proves that the income/outgoings are better than currently understood.

Source notes: public context reviewed from Ray White, Bayleys, PropertyValue, JLL and Colliers. Public records may refer to different units in the same complex, so exact unit verification is required.

Disclaimer: This is a preliminary property analysis for discussion only. It is not financial advice, lending advice, legal advice, tax advice or a registered valuation.