

# HOKIANGA HOBBIT HOUSE

Bought for just \$80,000 in 2013, a cute “tunnel house” in Rawene has provided a determined single mum of two with a great first step up the property ladder, writes **Joanna Mathers**



The hobbit house was purchased for just \$80,000 in 2013 and is now worth around \$400,000.

**N**estled into a hillside on the banks of the Hokianga Harbour, Karee Owen’s first home wouldn’t look out of place in *Lord of the Rings*. With rounded walls and ceilings, the “tunnel house” in Rawene was one of a cluster of concrete character homes built by doctors who worked in the area in the 1970s.

Owen was single and pregnant with her first child when she purchased the house seven years ago. On the market for \$80,000, it was all she could afford. And it was a mess.

“The previous owner had abandoned it,” she says. “The house was full of ferns, and the view was obstructed by bamboo. I was lucky I got it so cheaply, it was just before the prices started to go up. And

people were so put off by the state of it that they didn’t want to buy.”

The home may have looked terrible, but it was actually quite sound. The concrete was strong, and the four-bedroom house was very warm and dry. But for a couple of years, the only room fit for occupation was the lounge, which she lived in with her new baby.

She had support from family, however. Her brother removed the bamboo, allowing her to soak up the spectacular views. And little by little, she worked and saved, and transformed the home into a charmingly different dwelling.

Owen’s parents had been property investors, so she was well-versed in how it all worked. She had bought the “hobbit house” to get on to the property ladder,

and as she renovated the property prices rose across the country. She also was adding value through her renovations, working alongside a good local builder to bring the house back from dereliction.

She says that she’s spent years “living in a construction site”. During this time, she had another child, but she says they have all gotten used to living around building supplies and making do.

The bathroom was one of the key problem areas in the home. Everything was old, the children couldn’t turn on the taps as they were so tight. The bathroom has only recently been renovated, the original mosaic tiled walls and the wall separating the toilet removed. The new bathroom is now gloriously modern, with white-tiled walls and floors, and a huge

curved spa bath situated in one corner. “The bath was a great bargain,” she says. “It was bought by a couple who were intending on building a new house, but then broke up. I got it for \$1,000 on Trade Me.”

She’s become, by necessity, an astute bargain shopper. Money has been tight, so she’s learned how to spot good deals and make the most of end-of-line stock and Trade Me finds.

But she admits that she splashed out a little on the kitchen. “It’s hand-crafted macrocarpa. I probably wouldn’t do that again. I would have been better off getting something cheaper, as this was always intended to be a rental, and not a forever home.”

Owen has replaced the floors

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**KAREE OWEN**

throughout the house, using tiles (end-of-line from Bunnings) and rugs. The walls were re-plasterboarded and painted with a white Resene interior paint, which lightens up the entire place considerably.

She also added a deck, which has a sleepout at the end. This is rented out on Airbnb for \$70 a night for two people; it’s just a bedroom, but with incredible views over the Hokianga Harbour, it’s a bargain.

The local builder, who has been great and helped her every step of the way, has moved away from the area, which is disappointing for Owen. But she’s completed the renovation and was keen to keep maximising the value of the property, so decided to sell the front part of the section, located just across the road from the Hokianga Harbour.



# RENOVATION



**ABOVE** Owen splashed out on a handmade macrocarpa kitchen, to complement the look of the house. **LEFT** The bath in the recently refurbished bathroom was a bargain Trade Me buy at only \$1,000.

The section itself is large (2,300m<sup>2</sup>) and Owen has recently been through the subdivision process and put it on the market. The subdivision was approved, but there were two conditions that needed to be met, but the process was put on hold due to the Covid-19 level four lockdown. It's still up on Trade Me for \$138,000, and the conditions will be met post-lockdown.

Owen wants to add to her portfolio of properties and intends to purchase a new house and repeat the process of renovation again. As a solo mum, money is tight, but she's learnt a lot during the

renovation of her "hobbit house" and is eager to start again.

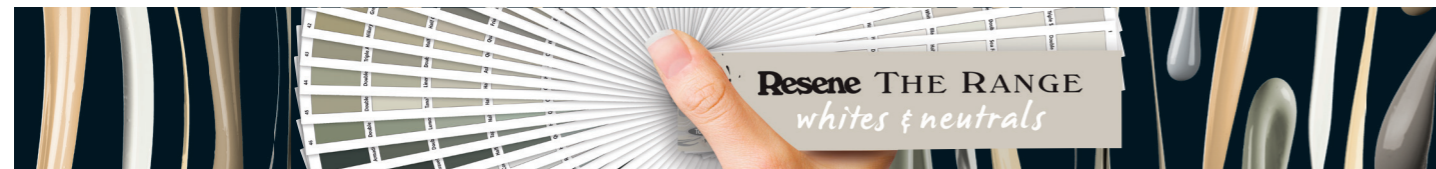
While she doesn't know how much she's spent over the seven years she's been working on the Rawene property, she has definitely added a lot of value. From \$80,000 seven years ago, the home is now likely to sell for around \$400,000. But she isn't wanting to sell, she wants to rent it out and hold on to it once she's found a new property for her and the two children to move into. ■

## THE NUMBERS

**Purchase price 2013** \$80,000  
**Value today** \$400,000 for house + \$138,000 for front section  
**Rental yield** To come



**TOP** The lounge room has been completely refreshed, and the tile floor retained. **ABOVE** The house was so rundown prior to renovation, that it scared off prospective buyers.



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