

Liardet creditors waiting for cash

Complex in receivership
owing about \$7 million

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CREDITORS are still waiting to learn how much they will get back from the developer of a New Plymouth apartment complex that went broke.

Liardet Apartments Limited was placed in receivership in October 2008, owing investors, including Guardian Trust and Lombard Finance and Investments, about \$7 million.

Company directors Gregory and Virginia McCarthy, of Auckland, developed the former rest home, on the corner of Gill and Liardet streets, into 25 city apartments.

Only 14 of the apartments had sold when the company went into receivership.

Yesterday receiver John Fisk, of PricewaterhouseCoopers in Wellington, said a further four apartments, including one penthouse, had sold since November, at reduced prices.

Mr Fisk said a total of \$1.6 million was received for the four units but he would not provide a breakdown.

The penthouses were initially valued at \$1.1 million each.

Seven apartments, including three penthouses, were still on the market.

Mr Fisk said he was "as happy as we can be" with the prices obtained.

"We are meeting the market with



Gone broke: The Liardet apartments on the corner of Gill and Liardet streets.

Photo: FILE

how the market has valued them."

The company still owed a total of \$6 million, \$1.5 million to Guardian Trust and \$4.5 million to Lombard, who also fell victim to the global credit crunch last year and was placed into receivership. Guardian Trust will be paid first.

Mr Fisk said it was too soon to say how much creditors could get back.

"Our role is to get the best price obtainable at the time of sale, we will negotiate with potential purchasers to get that price.

"We have to balance the time that it takes to sell something and the price that you can get," he said.

Mr Fisk said there was no set time frame to achieve sales.

"We will take into account the price that we can obtain in the market.

"If we can get a better price by holding on to them for a few months, we will do that."