

324 St Kilda Road, Melbourne



Located at 324 St Kilda Road, less than 1.5 kilometres from the Melbourne CBD, this eight level property offers a total of 7,102 sqm of quality office space. Constructed in 1981 it has been recently refurbished.

It is anchored by secure leases to blue chip corporate Wesfarmers and its wholly-owned subsidiary Target who occupy 75 per cent of the building's net lettable area.

The location offers tenants an alternative to the CBD at lower rental rates, better parking ratios and excellent access to public transport without compromising on amenity.



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After 12 months marketing the two vacant floors in a soft and competitive leasing market, we changed leasing agents and reviewed the leasing strategy. Interest and activity has increased and we have now agreed the critical terms of 6 year lease of one of the two floors. The lease is still to be finalised and is not likely to commence until the end of the year. Rent receipts have been lower during the past quarter as a result of the vendor vacancy guarantee coming to end in April 2014. This will continue until the vacant space is leased.



KEY DATA

PURCHASE PRICE	\$22,000,000
SETTLEMENT DATE	12-Apr-13
PRINCIPLE USE	Office
DATE BUILT	1981
SITE AREA	916 sqm
NET LETTABLE AREA	7102 sqm
CAR BAYS	73
VALUE	\$22,000,000
ESTIMATED FULLY LEASED NET INCOME	\$1,724,000
VALUATION DATE	7-Jan-13
VALUE/m² (NLA)	\$3,098
VALUER	Jones Lang LaSalle

DEBT

CURRENT DEBT	\$8,700,000
GEARING (LOAN/VALUATION)	39.55%

FACILITY

	AMOUNT	MATURITY
Fixed @ 3.32% + Margin	\$8,700,000	12-Apr-16

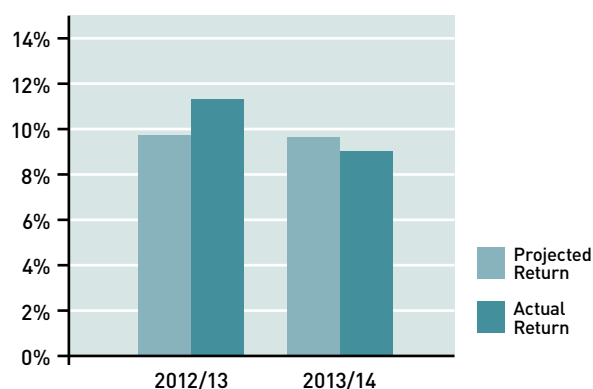
TENANT INFORMATION

MAJOR TENANTS	NLA	LEASE EXPIRY
Target	62.00%	31-Aug-17
Wesfarmers	12.90%	30-Sep-17
Vodafone	0%	31-Mar-15
Vacancy	25.10%	

INVESTOR RETURNS

CASH RETURN (ANNUALISED)	% RETURN
FY 2013	11.31%
FY 2014	9.05%
TAX DEFERRED PORTION OF CASH RETURN	%
FY 2013	63.11%
FY 2014	51.37%

% RETURNS – FORECAST TO ACTUAL



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