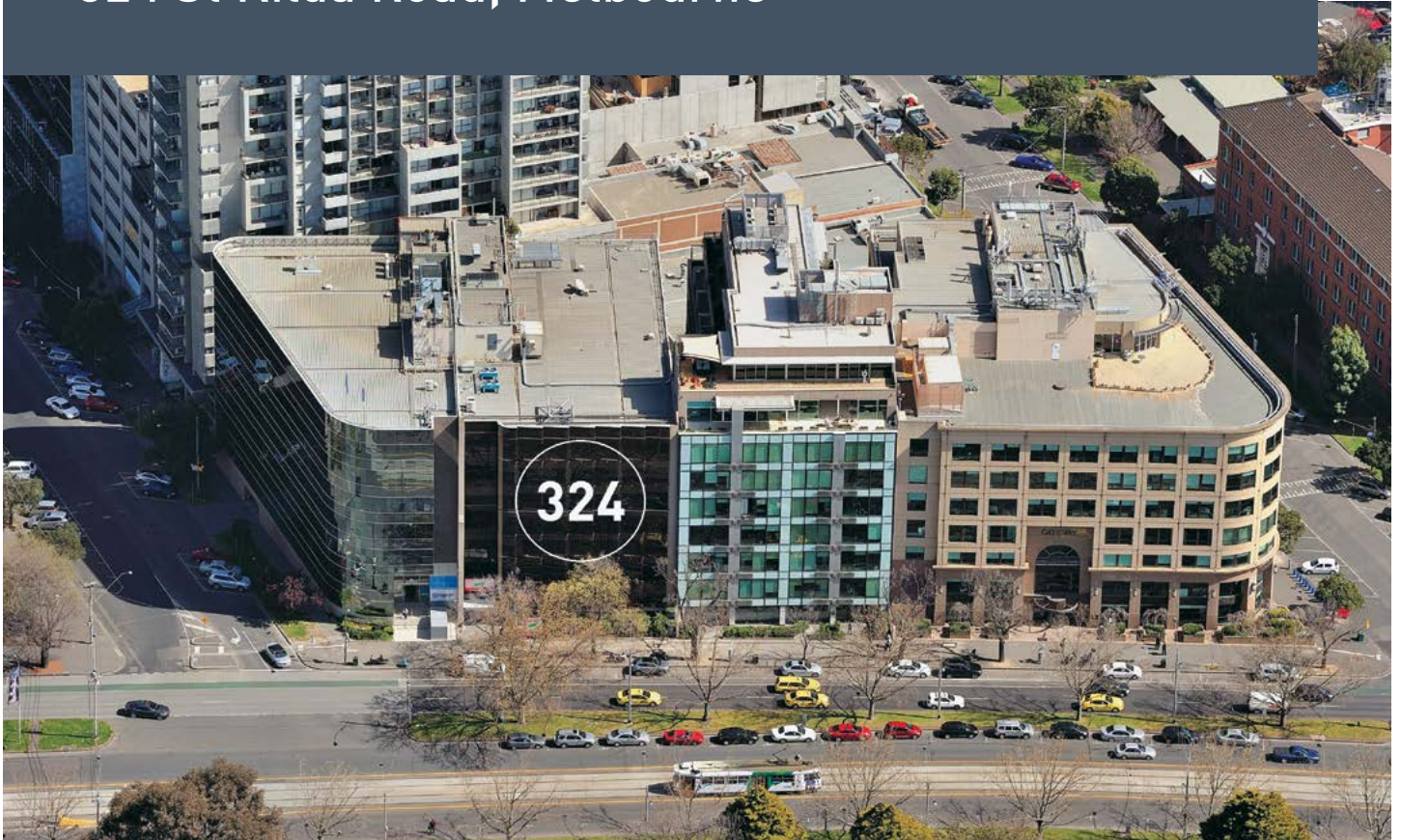


324 St Kilda Road, Melbourne



This eight level office building is located at 324 St Kilda Road, South Melbourne and holds a prime position on Melbourne's premier boulevard in the largest office market outside the CBD. The Property's strategic position at the gateway to the CBD ensures tenants have convenient access to most metropolitan areas via Melbourne's effective road and public transport infrastructure. There are bus and tram stops right outside the door and Flinders Street train station is 1km away.

The property has views across St Kilda Road to the Shrine of Remembrance and Royal Botanic Gardens from all levels and has a broad range of retail amenity within short walking distance.

The building was constructed in 1981 and has been refurbished to provide light and attractive office accommodation with modern facilities. The building also has two levels of basement car parking to accommodate 70 cars, a ratio of 1 bay per 101sqm of net lettable area.

324 St Kilda Road, Melbourne

The property is now fully leased having secured Veolia, Crawford & Company and Smart Group in the past six months. On the back of this successful leasing campaign and the growing demand for commercial properties in this area, we have decided to appoint agents to offer the property for sale. With a strong property market in Melbourne and a relatively long average lease term of 4.6 years, we believe that it is an opportune time to sell the property and potentially maximise returns.

The international marketing campaign through joint agents Colliers International and JLL commenced in late August and closes 20 September, following which we will consider the offers received and may commence negotiations with one or more parties.

The recent valuation of the property shows a \$14 million appreciation over the past 4 years since acquisition.



KEY DATA

PURCHASE PRICE	\$22,000,000
SETTLEMENT DATE	12-Apr-13
PRINCIPLE USE	Office
DATE BUILT	1981
SITE AREA	1,162 sqm
NET LETTABLE AREA	7,102 sqm
CAR BAYS	73
VALUE	\$36,000,000
ESTIMATED FULLY LEASED NET INCOME	\$2,664,339
VALUATION DATE	30-Jun-17
VALUE/m² (NLA)	\$5,069
VALUER	Jones Lang LaSalle

DEBT

CURRENT DEBT	\$9,964,383
GEARING (LOAN/VALUATION)	27.68%

FACILITY

	AMOUNT	MATURITY
Variable @ 1.815% +Margin	\$12,100,000	22-Jul-19

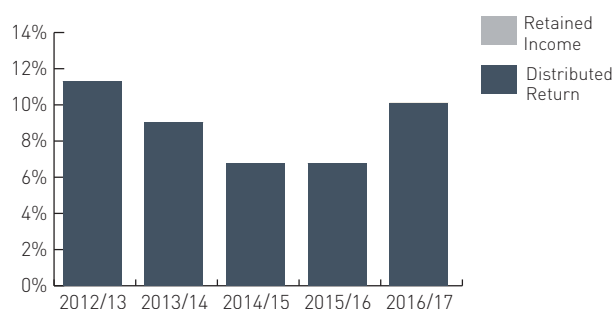
TENANT INFORMATION

MAJOR TENANTS	NLA	LEASE EXPIRY
Target	51.70%	31-Aug-17
Wesfarmers	12.90%	30-Sep-17
Wesfarmers	10.30%	21-Dec-20
Silver Chef	12.20%	31-Oct-21
Tabcorp	12.90%	31-Aug-17

INVESTOR RETURNS

CASH RETURN (ANNUALISED)	% DISTRIBUTED	% RETAINED	% TOTAL
FY 2013	11.31%	0.00%	11.31%
FY 2014	9.05%	0.00%	9.05%
FY 2015	6.78%	0.00%	6.78%
FY 2016	6.77%	0.00%	6.77%
FY 2017	10.11%	0.00%	10.11%
TAX DEFERRED PORTION OF CASH RETURN			%
FY 2013			63.11%
FY 2014			51.37%
FY 2015			65.10%
FY 2016			65.68%
FY 2017			17.38%

% RETURNS



ADDRESS Level 2, 47 Stirling Highway, Nedlands, Western Australia, 6009
MAIL PO Box 1110, Nedlands 6909, Western Australia
PHONE +61 8 9423 5100
FACSIMILE +61 8 9423 5199
EMAIL info@lestergroup.com.au