

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.

INVESTOR UPDATE MARCH 2017

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Now fully leased, we continue to actively market the four floors currently leased to Target as they have advised that they do not intend to renew their lease due at the end of August 2017.

Strong interest from both small and larger users of office space, indicates a firm Melbourne leasing market, which gives us confidence of signing new tenants this year.



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	\$28,000,000
ESTIMATED FULLY LEASED NET INCOME	\$2,383,839
VALUATION DATE	6-Jul-16
VALUE/m ² (NLA)	\$3,943
VALUER	M3 Property Strategists

DEBT

CURRENT DEBT	\$9,414,383
GEARING (LOAN/VALUATION)	33.62%

FACILITY

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

TENANT INFORMATION

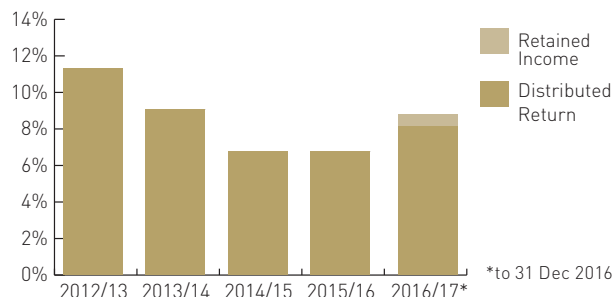
MAJOR TENANTS	NLA	LEASE EXPIRY
Target	51.70%	31-Aug-17
Wesfarmers	12.90%	30-Sep-17
Wesfarmers	10.30%	21-Dec-20
Silver Chef	12.20%	31-Oct-21
Tabcorp	12.90%	31-Aug-17

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*	8.11%	0.66%	8.77%

TAX DEFERRED PORTION OF CASH RETURN	%
FY 2013	63.11%
FY 2014	51.37%
FY 2015	65.10%
FY 2016	65.68%

% RETURNS



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