

181 Great Eastern Highway, Belmont WA



The area of Belmont/Rivervale is well located between the Perth CBD, Perth airport and the Welshpool/Kewdale industrial areas, approximately 5km from each and attracts a range of commercial uses for this reason.

The property is a three level office building incorporating 4,036.3m² of net lettable area which was built in 1988 but was substantially refurbished in 2011. It provides well presented, light and attractive office accommodation with easily sub-divisible floor plates. There is ample car parking with 235 bays across two titles.

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Overall the property continues to deliver good returns, albeit with the majority of the income being retained to safeguard against a weak Perth commercial market.

Our tenant, NRW, has undergone significant restructuring to adapt to changing conditions in their industry. Some of the building has become surplus to their requirements, however various subsidiaries have moved from other locations into our property, underpinning its use. NRW continues to win new tenders and secure new work in a difficult market. We continue active and positive communication with NRW to understand their changing business needs.

Following the maturity of this syndicate's bank facility, we undertook a finance tender and negotiation process and have agreed to move the banking arrangements to St George Bank for a five year term.



KEY DATA

PURCHASE PRICE	\$19,100,000
SETTLEMENT DATE	21-Jan-13
PRINCIPLE USE	Office
DATE BUILT	1989
SITE AREA	10702 sqm
NET LETTABLE AREA	4036 sqm
CAR BAYS	235
VALUE	\$17,500,000
ESTIMATED FULLY LEASED NET INCOME	\$1,412,718
VALUATION DATE	14-Dec-15
VALUE/m² (NLA)	\$4,336
VALUER	Burgess Rawson

DEBT

CURRENT DEBT	\$9,700,000
GEARING (LOAN/VALUATION)	55.43%

FACILITY

	AMOUNT	MATURITY
Fixed @ 3.565% + Margin	\$10,500,000	22-May-21

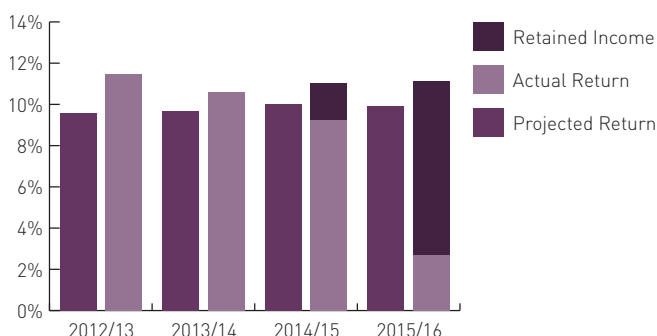
TENANT INFORMATION

MAJOR TENANTS	NLA	LEASE EXPIRY
NRW Holdings Pty Ltd	100.00%	1-Feb-19
Telstra	0%	31-Aug-21

INVESTOR RETURNS

CASH RETURN (ANNUALISED)	% RETURN
FY 2013	11.49%
FY 2014	10.58%
FY 2015 (1.78% retained income)	9.24%
FY 2016 (8.4% retained income)	2.71%
TAX DEFERRED PORTION OF CASH RETURN	%
FY 2013	75.49%
FY 2014	72.38%
FY 2015	59.47%
FY 2016	48.52%

% RETURNS – FORECAST TO ACTUAL



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