



**LESTER GROUP**

---

[www.lestergroup.com.au](http://www.lestergroup.com.au)





Lester Group



02

# BROTHERS IN ARMS









Big changes are afoot at Perth-based property developer Lester Group, as its founding father prepares to hand over his already successful real estate business to a dream team that comprises his three sons.





**PROPERTY DEVELOPER LESTER GROUP** is a true Western Australian success story, and the company is about to embark on a new chapter as founder Richard Lester retires and passes the business onto his three sons.

Founded in 1995, the group's core operations focus on real estate development. This includes broadacre residential subdivisions, commercial developments and property investments.

As one of Western Australia's premier land developers the group has a diverse spread of

projects across the State from Exmouth in the north to Margaret River in the south west.

"We've got a good portfolio of quality assets and they give us a seat at the table; all we have to do is manage them efficiently and make the most of the opportunities within the market," says Richard.

The secret to the group's success, he reveals, is the value it adds to each and every project and development it undertakes.

The youngest of the three siblings, Russell



Lester, explains: “We always add value to a development, whether it is through improving the tenant list, improving the contracts at a development, through physical development, renovation or even buying a vacant site and building something on it.

“This value-added approach enables us to cultivate returns and ensure capital growth ahead of inflation. Not everyone has this experience and therefore we’re able to utilise the niche and gain greater returns for ourselves and for our investors.”

Along with investing its own money into its projects, Lester Group works with investors in a simple, but effective example of give and take.

“The investors that join us are helping us do what we want to do, which is to do the development on our own balance sheet,” says Russell.

“But we’re also helping to deliver them some solid returns. “

“Control on a project is very important to us, because not only have we got our own money invested, but anyone who joins us is our friend and we don’t want to be involved in a project where we are risking their money by not having control.”

The basic premise, he explains, is that the company wants its investors to stick around.

Working with professional engineering firm McDowall Affleck, Lester Group carried out a special project where 12.5 hectares of industrial land formerly used as a rubbish tip was regenerated and transformed into prime industrial real estate.

“We created a recycling business, recycled as much rubbish as possible at the site, refilled the land and sold it at a substantial profit,” says Russell.

“We literally bought a rubbish tip and sold prime industrial real estate — it’s an example of niche value add and not too many people have experience in that area.”





SOUTH BEACH, FREMANTLE

Along with McDowall Affleck the company has worked with a wide range of specialist businesses and construction-related firms operating in Western Australia, demonstrating the substantial economic role it plays in region.

Lester Group has collaborated with companies such as construction contractors Pyramid Constructions, with whom it has worked on an apartment development in South Beach on the outskirts of Fremantle. It has also partnered with auditor Moore Stephens who audit all of Lester Group's public companies and public investment funds, and surveyors Benetti Grogan

& Associates, who the group has worked with since 1996.

### [A real estate pioneer](#)

In 2010, Richard Lester was appointed a Member (AM) in the General Division of the Order of Australia. He received this prestigious honour for his services to the community of Western Australia, through contributions to education, health and medical research organisations, as well as his prolific business career.

This career began in the early 1960s when Richard moved into the real estate industry. He





## McDowall Affleck

DESIGNERS | PROJECT MANAGERS | CONSTRUCTORS



McDowall Affleck works with a global client base to engineer outstanding design solutions.

Driven by dedication to engineering a better global and local community, the highly skilled and personable team at McDowall Affleck are the key to delivering innovative and sustainable projects for our valued clients.

Through a comprehensive range of engineering, design, project management and construction solutions – our unique approach to integrating client vision with innovative engineering design is contributing to the delivery of better communities.

69 Great Northern Highway Midland WA 6056  
T +61 8 9274 6444 F +61 8 9250 3433 [www.mcdowallaffleck.com.au](http://www.mcdowallaffleck.com.au)

relocated from Melbourne to Perth in 1966, at a time when Western Australia, with its small population and large resources, was growing quickly.

“There was quite a lot of federal money and the state was prospering off the back of gold and nickel,” he recalls.

“It’s always been a very strong mining state and these industries were going very well at that time, as was the real estate business.”

Richard says that at the time of his move to Perth, Western Australia had not yet developed much in the way of real estate educational facilities. However as the retail market became

more sophisticated he found himself becoming heavily involved in the development of regional shopping projects.

In 1994 he decided to sell his company before embarking on a well-earned year away from the business, later returning to the real estate industry in 1995 with his namesake group.

“I started Lester Group at a time when Australia was in a real estate recession,” he says.

“From 1990 and 1991 we were in quite a negative market, but then we started moving towards a positive period when things were relatively good until the year 2000.



## MOORE STEPHENS

ACCOUNTANTS & ADVISORS

### *At Moore Stephens, we take your success personally*

Our property industry experience and expertise is focused around providing audit, tax and advisory services to the following:

Property developers  
Property investors  
Property fund managers

For further information, please contact

Neil Pace - Partner  
Moore Stephens Perth  
T +61 8 9225 5355  
[npace@moorestephens.com.au](mailto:npace@moorestephens.com.au)

[www.moorestephens.com.au](http://www.moorestephens.com.au)

Serious about Success®

Liability limited by a scheme approved under Professional Standards Legislation. Moore Stephens is a network of independent firms which are independent members of Moore Stephens International Limited – members in principal cities throughout the world.

## BENETTI GROGAN & ASSOCIATES

Consulting Licensed Surveyors  
Land and Subdivision Development  
A.B.N. 66 009 183 831

A PART OF



### 10 YEARS WORKING WITH THE LESTER GROUP.

MAKJaP (formerly McKimmie Jamieson and Partners) is a well-established engineering and surveying consultancy with a wealth of local experience and an impressive record of success within Australia and overseas.

Our diversified practice provides a broad portfolio of specialist services ranging from planning, surveying, preliminary design and managing complete projects through to detailed design, documentation, contract administration and technical advice.

Established since 1969, MAKJaP has successfully completed a wide range of industrial, mining, commercial and public works projects throughout Australia, with our principal areas of operation being highways and main roads, water and wastewater projects, urban developments, resource mining, building and structural projects.



QUARRY TO GOLF COURSE - JOONDALUP



RANKIN A INSTALLATION



CABLE BEACH - BROOME

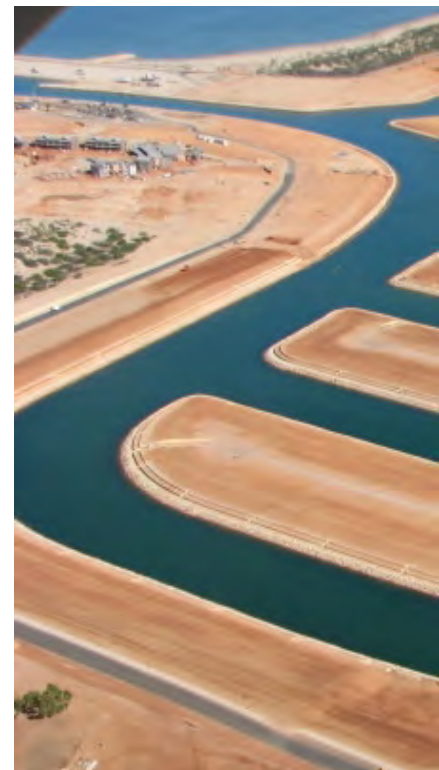








EXMOUTH MARINA CANALS, EXMOUTH



“It was at this time that we entered the Goods and Services Tax storm, which we fortunately weathered, so we’ve certainly been through a few fluctuating markets.”

The company’s resilience through the tough times is testament to its ability in ensuring that debt is always kept to a minimum and projects are completed to a high standard; it also highlights the vast real estate market experience that the company’s founder brings to the table.

### [A family affair](#)

After starting the new business following his year off, Richard decided that it was the right time to bring his three sons into the fold.

Today they each run their own department

within the group. Eldest son Adrian runs the commercial real estate division, while middle son Stuart is in charge of the residential division and youngest brother Russell runs the equity funds management business as well as leading the marketing for its property syndicates.

When he retires later this year Richard’s sons will take over the business fully.

“What we are currently facilitating is the succession from Dad to the boys,” says Russell.

“I think rather than transitioning from Dad to another chief executive, however, we’re transitioning from him to the board as a whole, with Dad remaining as non-executive chairman.”

Russell says that historically each brother has run their respective divisions with a degree







of autonomy, which is set to continue, but with the board all agreed on the direction of the business as a whole.




“We’ve acknowledged that we don’t want to be looking over each other’s shoulders and treading on each other’s toes,” Russell remarks.

As his imminent departure from the day-to-day operations of Lester Group looms, Richard Lester is confident his decision to pass the company onto his three sons is one which will reap grand rewards.

“I expect the boys to achieve a good return on the family capital invested in the business,” he says. “But I see us being able to take on exciting projects that will give us a lot of pleasure and lot of fun in managing, developing, creating and visualising as they make things happen.










Pyramid Constructions have been building for over a decade in Perth. Our successful track record is built on strong management and a high integrity approach. A professional and personal service ensuring projects are built to a very high standard and within a time frame.

**“We are proud to be associated with the Lester Group on their South Beach Apartment Development”**

**LARGE COMMERCIALS | INSTITUTIONAL | GOVERNMENT | INDUSTRIAL | LUXURY APARTMENTS**

T (08) 9340 9888 | [pyramid@pyramidwa.com.au](mailto:pyramid@pyramidwa.com.au)  
[www.pyramidwa.com.au](http://www.pyramidwa.com.au)  
 Part of Pyramid Group (Aust)



“It is fantastic to work with my sons, but retiring gives me the chance to pursue other interests outside of the business.”

With the company’s founder still on board to offer wise words of advice whenever necessary, and having passed years of experience onto his offspring, the future continues to look bright for the group as the brothers combine in an attempt to sustain the success that their father has already achieved. **AuBJ**

[WWW.LESTERGROUP.COM.AU](http://WWW.LESTERGROUP.COM.AU)





AS SEEN IN THE SEPTEMBER/OCTOBER 2011 ISSUE  
OF THE AUSTRALIAN BUSINESS JOURNAL