

Lester Group returns 18% per annum

Embargoed until Wednesday 23 October 2019

Leading Western Australian property investor and syndicator, Lester Group continues to take advantage of the strong Sydney market, selling a significant industrial and logistics property for \$24.4 million. The Perth based property group will deliver almost \$10 million in capital gain as well as rental income to its investors, over the four-year investment. The syndicate paid \$15.5 million for the property in late 2015 and investors will receive an Internal Rate of Return (IRR) of 18% per annum.

159 Newton Road, Wetherill Park consists of 12,655 sqm of office and warehouse on a two-hectare site, with excellent access to the M4 and M7 motorways. It is leased to Austcor, a leading manufacturer of corrugated cardboard packaging with a further 4.4 year lease term remaining. The property attracted extensive interest from institutional and private investors.

Lester Group Director, Russell Lester, said this property was part of their 2015 Diversified Property Fund which also held a similar industrial property at 20 Williamson Road, Ingleburn, NSW. This property was sold last year for a similar profit.

Gavin Bishop and Sean Thomson of Colliers International facilitated the sale of both properties for the Lester Group.

“We are delighted with this result,” Mr Lester said. “This will close out this fund and deliver solid profits to our investors”.

Lester Group was the largest investor in its own syndicate that held the two assets.

“We continue to actively look at assets Australia wide [but] WA appears to be offering the most compelling opportunities”. Mr Lester said the Lester Group particularly like the local industrial and large format retail markets, but carefully monitor other sectors as well as markets in Australia’s eastern states.

Lester Group has a \$150 million-plus commercial property portfolio as well as three active land subdivisions and a fledgling manufactured home park business in Western Australia’s south west.

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