
SALES MARKETING PROPOSAL

Suite 2, 345 Pacific Highway, North Sydney
For Kerry Osbourne



16 June 2020

Kerry Osborne
Kerry J Osborne Pty Ltd
Suite 2, 345 Pacific Highway
NORTH SYDNEY NSW 2060

Dear Kerry,

We refer to our meeting on the 12 June 2020 and are pleased to provide our recommendations for a sale marketing campaign for your office (lot 2) at Suite 2/345 Pacific Highway, North Sydney.

Our proposal will cover either a vacant possession sale to an owner occupier or a sale to an investor with a leaseback to your business, Osbourne + Song. On either basis we are confident there will be keen interest in the property. We have an energetic and experienced sales team that will ensure the property is marketed to the target market and achieve the best outcome for you.

We look forward to taking this proposal forward at the optimum time aligned to your preferred circumstances.

Kind Regards,



Marvian Rusli

Sales Executive

Hartigan Bolt

Marketing Proposal

THE PROPERTY

- Highly sought-after Quality Strata Office Suite of 103sqm + 1 car space
- Flexible office layout with natural light
- Fitted with two offices, boardroom, and open working area
- Modern design of storage space and amenities

THE BUILDING

- Located on the edge of North Sydney CBD
- Four storey office with 10 strata lots
- Lift access
- Convenient to all amenities and public transport
- In close proximity to North Sydney Girls High School, Cammeraygal High School and North Sydney Public School
- In close proximity to the Mater Hospital
- Less than 650m from the Victoria Cross North Metro Station (opening 2024)
- This proximity to the future Metro will be a key attraction to the sale

THE MARKET

The leasing market has slowed due to COVID19 as many business's work from home. In contrast the sale market has remained strong mainly due to the following reasons:

- The sales market is very under supplied with many owners opting not to sell
- Low interest rates are encouraging owners to hold and is attractive to buyers

TARGET MARKET

Depending on your decision to sell with a leaseback or vacant possession, we have a large number of buyers both owner occupiers and investors that we can target through our database.

WIDER MARKETING

In addition, we will run a comprehensive marketing campaign to cover new potential buyers.

SALE METHOD

We recommend sale by private treaty with a price guide of \$850,000. The advantages of this are:

- Private treaty allows for the negotiation of multiple sale terms
- Greater control over the sales process with ability to consider all offers from potential purchasers
- Ability to control dialogue for individual buyer enquiries instead of being influenced by market perception
- Some buyers prefer to negotiate privately instead of publicly at an auction
- Private treaty allows potential buyers to make private offers without knowing what other buyers think
- Flexibility for both vendors and buyers to reach a suitable sale agreement
- No requirement to advertise an asking price, however a price guide can help qualify buyers

MARKETING BUDGET

As detailed later in this proposal total recommended marketing budget is detailed in the following:

Sale Campaign \$4,337.31 (excl. GST)

This allows for a comprehensive campaign plus targeting by our team.

TEAM APPROACH

Marvian Rusli will be responsible for preparing and coordinating the marketing campaign as well as handling buyer enquiry.

FEES & TERMS

Sale Fee – 2.0% of the Sale Price

Sale

Below is a summary of similar office strata sales.

UNIT	ADDRESS	AREA	PRICE	CAR	RATE/SQM FOR OFFICE	DATE
5	345 Pacific Hwy North Sydney	90	\$629,200	1	\$6,436	Jul-19
501	107 Walker Street North Sydney	102	\$1,110,800	1	\$10,400	Apr-19
1	174 Pacific Hwy North Sydney	119	\$925,000	2	\$6,933	Feb-20
32	174 Pacific Hwy North Sydney	72	\$779,000	1	\$10,125	Mar-20
2	118 Christie Street North Sydney	71	\$630,000	1	\$8,169	Mar-19
601	83 Mount Street North Sydney	129	\$1,100,000	1	\$8,140	Jan-20
Lot 1	225 Pacific Hwy North Sydney	134	\$1,234,800	1	\$8,842	Apr-20

The most recent sale in 345 Pacific Highway was in July 2019 achieving \$6,436/sqm + \$50,000 for 1 car space.

This rate looks a little on the low side compared with sales elsewhere in North Sydney and Crows Nest.

Our market appraisal of Suite 2/345 Pacific Highway is \$780,000. For marketing purposes, we would quote a guide price of **\$850,000**.

Leaseback

Offering the property with a lease to your business would mostly appeal to investors, who generally will not buy vacant property and leave it. If you prefer this route you should ideally offer a minimum 3-year lease with annual increases of 4%.

Rent

In August 2017 we leased the ground floor suite of 127sqm to TKW Research at a rate of \$450/sqm gross. Market rents today are at a similar level.

For a leaseback we would therefore put the rent as follows:

	Rates (103sqm)	Per Annum
Gross Rent	\$450 per sqm	\$46,350
Car Space	\$450 per month	\$5,400
Total Rent		\$51,750
Outgoings (approx.)	Based on indicated amount	\$10,000
Net Rent	\$405 per sqm	\$41,750

Based on the above our suggested guide price of **\$850,000** will produce a net return to an investor of approximately **4.91%**.

Marketing

The marketing campaign will cover a broad range of users including medical, IT and more conventional office occupiers.

Our Recommended Sales Campaign

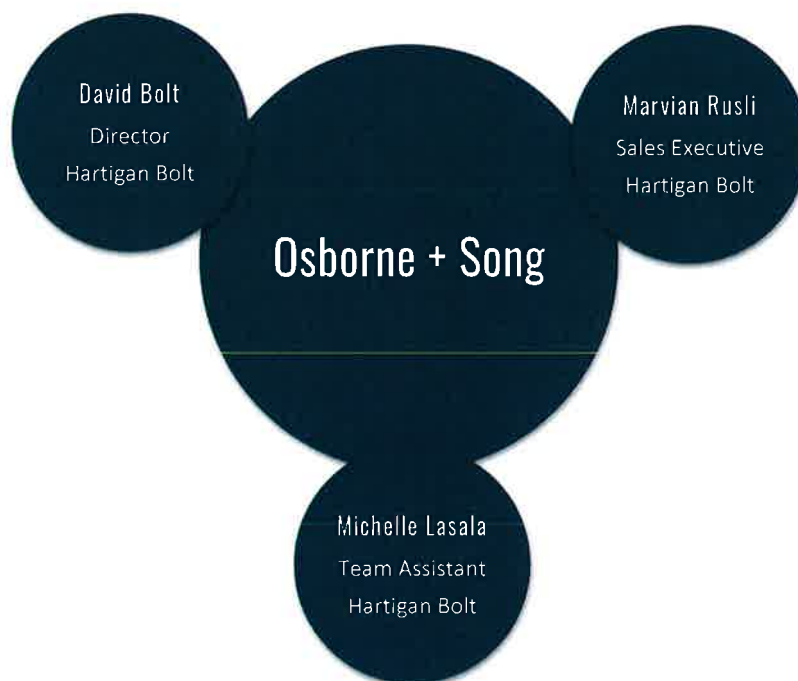
Item	Details	Total
Online Property Portals	Elite Plus Listing <ul style="list-style-type: none">▪ Best option to maximise views and drive enquiries▪ Appears above Elite, Enhanced or Basic listings▪ Larger than Elite, Enhanced and Basic listings▪ Rotates to the top of search results every 7 days to keep your listing top of mind	\$3,468.90
Professional Photography	6x Professional Stills - Empire Plans	\$300.00
	Floor Plan	\$181.82
Brochures	In-house	No Charge
Email Marketing	In-house	No Charge
Signage	4x8 Signboard	\$386.59
Information Memorandum	In-house	No Charge
	TOTAL EXC. GST	\$4,337.31

Team Structure

David Bolt will oversee the campaign as the area specialist with many years of experience directing Hartigan Bolt. He will deal with potential buyers and assist or conduct complex negotiations to transact with the right purchaser with the most favourable outcomes and terms.

Marvian Rusli will be the main point of contact for you on the marketing and sales campaign. He is seasoned in selling commercial and retail property across Sydney and will be responsible for the efficient running of the campaign ensuring all deadlines are met. As a commercial sales specialist in the wider Sydney market, Marvian will ensure every potential purchaser is reached to drive competitive negotiations and to transact with the right buyer.

Michelle Lasala is the marketing expert that will assist the team in advertising efforts through different print and online platforms, whilst providing administration support throughout the course of the campaign.



Fees & Terms

Exclusive agency with Hartigan Bolt will ensure the following:

- Absolute accountability to deliver results
- Clear, concise, and consistent message to the marketplace through marketing mediums
- Clear feedback from marketing mediums targeted to reach all relevant buyers
- Distribution of specialised skills and experience to a core team
- Channelled buyer enquiries to create urgency and competition
- Removes ability of the buyer to deal with multiple agencies, disrupting strategical campaign process
- Efficient preparation and distribution of information memorandums
- 90-day exclusive agency appointment

Hartigan Bolt are an established brand and have extensive background in selling commercial property in North Sydney and beyond. With the core team's specialised skills and experience, we are confident to deliver the best outcome for your property.

Fee

Sale Outcome

Our fee will be 2.00% (plus GST) of the GST exclusive sale price.

Thank You

We would like to thank you for the opportunity to provide our Sale Marketing Recommendation for your property at **Suite 2, 345 Pacific Highway, North Sydney**.

Next Steps

We look forward to working with you in which case the next stage in the process is:

- We will send over a sales agency agreement for signature plus invoice for marketing costs
- You should instruct your solicitor to prepare a sale contract – please advise us your solicitor's details
- We will have our builder inspect the property to provide a quote and artist impression
- We will commence preparing the marketing material for you to approve
- Please provide details of current Strata Rates, Land Tax, Council Rates, Water Rates, and Insurance at your convenience